

12<sup>th</sup> September, 2022

The Manager- Listing Department  
**National Stock Exchange of India Limited**  
Exchange Plaza, 5<sup>th</sup> Floor, 'G' Block,  
Bandra Kurla Complex, Bandra (E),  
Mumbai – 400 051.  
**Symbol: REMSONSIND**

Dear Sir / Ma'am,

**Sub: Submission of a copy of 50<sup>th</sup> Annual Report along with the Notice of the 50<sup>th</sup> Annual General Meeting of Remsons Industries Limited for the financial year 2021-22, pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 by using digital signature certification**

With reference to the captioned subject matter and Guidance note issued by BSE Ltd. and National Stock Exchange of India Limited vide their Circular No. 20220907-17 and Circular Ref No.: NSE/CML/2022/44 respectively dated 7<sup>th</sup> September, 2022, on use of digital signature certificate for announcements submitted by the listed companies, we hereby re-submit the previously submitted announcement on 6<sup>th</sup> September, 2022 i.e. a copy of Annual Report for the financial year 2021-22 alongwith the Notice of 50<sup>th</sup> Annual General Meeting of Remsons Industries Limited, pursuant to the provisions of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, by using digital signature certification and adhering to the requirements of the aforementioned circular.

Pursuant to the provisions of Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we submit herewith a copy of the 50<sup>th</sup> Annual Report along with the Notice of the 50<sup>th</sup> Annual General Meeting of the Company for the financial year 2021-22, which is being sent only through electronic mode only to the members whose e-mail addresses are registered with the Company / Registrar and Transfer Agent / Depository Participants.

Further, please note that the 50<sup>th</sup> Annual General Meeting of the Company will be held on Wednesday, 28<sup>th</sup> September, 2022 at 11:30 A.M. (IST) through Video Conferencing / Other Audio Visual Means, without physical presence of the members at a common venue in accordance with the applicable provisions of the Companies Act, 2013 and rules framed thereunder read with General Circular Nos. 14/2020 dated 8<sup>th</sup> April, 2020, 17/2020 dated 13<sup>th</sup> April 2020, 20/2020 dated 5<sup>th</sup> May, 2020 and 02/2022 dated 5<sup>th</sup> May, 2022 issued by the Ministry of Corporate Affairs in this regard.

The copy of the Annual Report alongwith the Notice of the 50<sup>th</sup> AGM is also available on the website of the Company i.e. www.remsons.com and on the website of Central Depository Services (India) Limited at www.evotingindia.com.

Kindly take the above on your record.

Thanking you,  
Yours faithfully,  
For **Remsons Industries Limited**

**Rohit Darji**  
**Company Secretary & Compliance Officer**  
**Membership No.: A37077**

Let's Celebrate the Spirit of

**Innovation.**

**Enterprise.**

**Progress.**

**50** Years of  
Engineering  
Excellence

Remsons Industries Limited  
Annual Report 2021-22

**REMSONS**  
LET'S MAKE GREAT

# Contents

## CORPORATE OVERVIEW

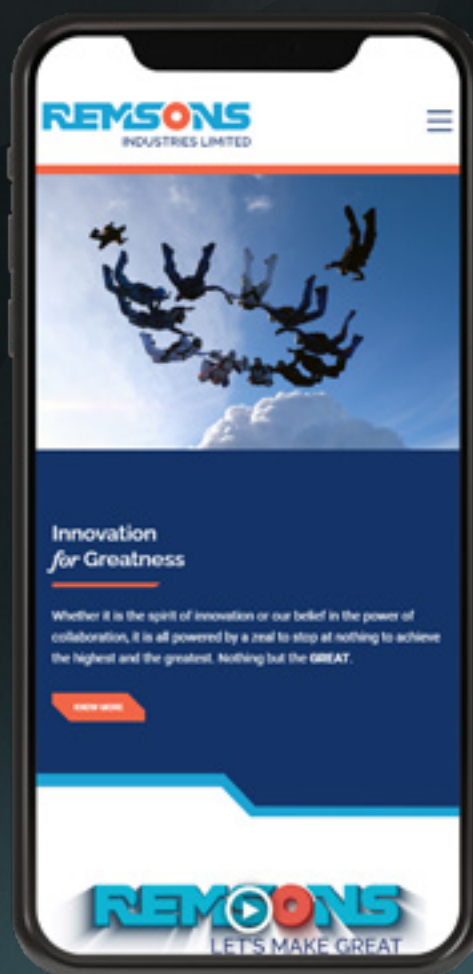
About us	02
Milestones	04
Numbers that define us	05
Our footprint	06
Chairman's message	08
Financial highlights	10
Our diverse product portfolio	12
Building strong foundation	14
Human resource	16
Sustainability at core	18
Awards and recognitions	20
Corporate Information	22

## STATUTORY REPORTS

Notice	23
Board of Director's Report	34
Management Discussion and Analysis Report	53
Report on Corporate Governance	56

## FINANCIAL STATEMENTS

Standalone Financial Statements	75
Consolidated Financial Statements	126



To know more about the company,  
log on to [www.remsons.com](http://www.remsons.com)

### Disclaimer

Some information in this report may contain forward-looking statements. We have based these forward-looking statements on our current beliefs, expectations and intentions as to facts, actions and events that will or may occur in the future. Such statements generally are identified by forward-looking words such as "believe", "plan", "anticipate", "continue", "estimate", "expect", "may", "will" or other similar words. A forward-looking statement may include a statement of the assumptions or basis underlying the forward-looking statement. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution you that forward-looking statements and assumed facts or bases almost always vary from actual results, and the differences between the results implied by the forward-looking statements and assumed facts or bases and actual results can be material, depending on the circumstances.

# Innovation. Enterprise. Progress.

**AT REMSONS, WE BELIEVE IN SHAPING BREAKTHROUGH IDEAS BY CREATING A CULTURE OF INNOVATION, TO PAVE THE WAY FOR IMPACTFUL OUTCOMES.**

The spirit of innovation is at the heart of our product development and cultural ethos, and is powered by a strong inner drive to strive for the GREAT (Good, Relentless, Empower, Action, Teamwork).

As OEM manufacturers supplying to two, three and four wheelers all over India and automotive OEM's globally, we harmonise our business ambition with the vision of our partners, aspirations of our employees and the needs of society to deliver top quality value-added products and services to our clients.

With state-of-the-art manufacturing facilities across India and Europe the country and abroad, we are ready to scale up our product portfolio significantly to better serve our clients.

As pioneers in the manufacturing of auto products for over 50 years, we now find ourselves in the midst of exciting times as we unlock our next phase of growth and change the rules of the game to contribute to a better tomorrow.



# About us

Committed to the highest standards of engineering excellence, Remsons Industries Limited (Remsons) is one of the leading manufacturers of automotive solutions. Driven by a strong inner drive to strive for the great, Remsons has come to be known for its innovative and integrated solutions.

We are an established OEM manufacturer supplying to two, three, four-wheelers, Farm segment and construction Equipment across India and automotive OEMs globally. We were the first to manufacture Control Cables in India. Some of our other offerings are Gear Shifters, Flexible Shafts, Jack Kits, Parking Brake Assemblies, Winches, Pedal Boxes among others.

We maintain the highest standard of quality through our state-of-the-art manufacturing facilities across the country, including a new facility at Pune and an advanced manufacturing facility in the United Kingdom (UK).

We are poised to scale up our product portfolio significantly to forge new vistas of partnership with our customers and rewrite the rules to 'make great'.



## OUR VISION

Let's aim to be regarded as a global, Innovative and future-ready automotive component manufacturer, committed to the highest standards of engineering excellence.



## OUR MISSION

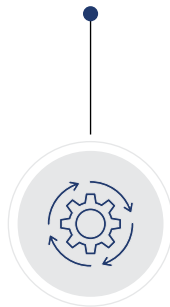
Let's combine advanced technology, human intelligence to scale newer heights of Product innovation to make a difference to our stakeholders, the environment and society at large.

## OUR VALUES

## G.R.E.A.T

**GOOD**

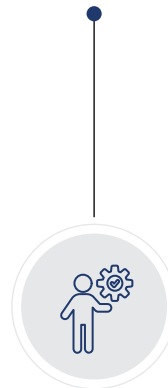
Let's be ethical and fair in all our actions

**RELENTLESS**

Let's be persistent towards achieving our vision

**EMPOWER**

Let's train and mentor our colleagues to help them progress

**ACTION**

Let's be proactive in what we think and what we do

**TEAMWORK**

Let's work together as one team

## RE-BRANDING

The rebranding initiative that has been set in motion at Remsons Industries is in line with our intent to re-define our growth aspirations. The entire initiative gives us an organised framework to demonstrate our business vision to our partners, prospective customers, our shareholders and gives a cohesive picture of the organisations' future to our employees.

This kind of an initiative goes a long way in assuring our existing customers and at the same time helps open conversations with our potential customers. We are able to project a synergised and strategic outlook to our prospective clients. We are beginning to see this happening.

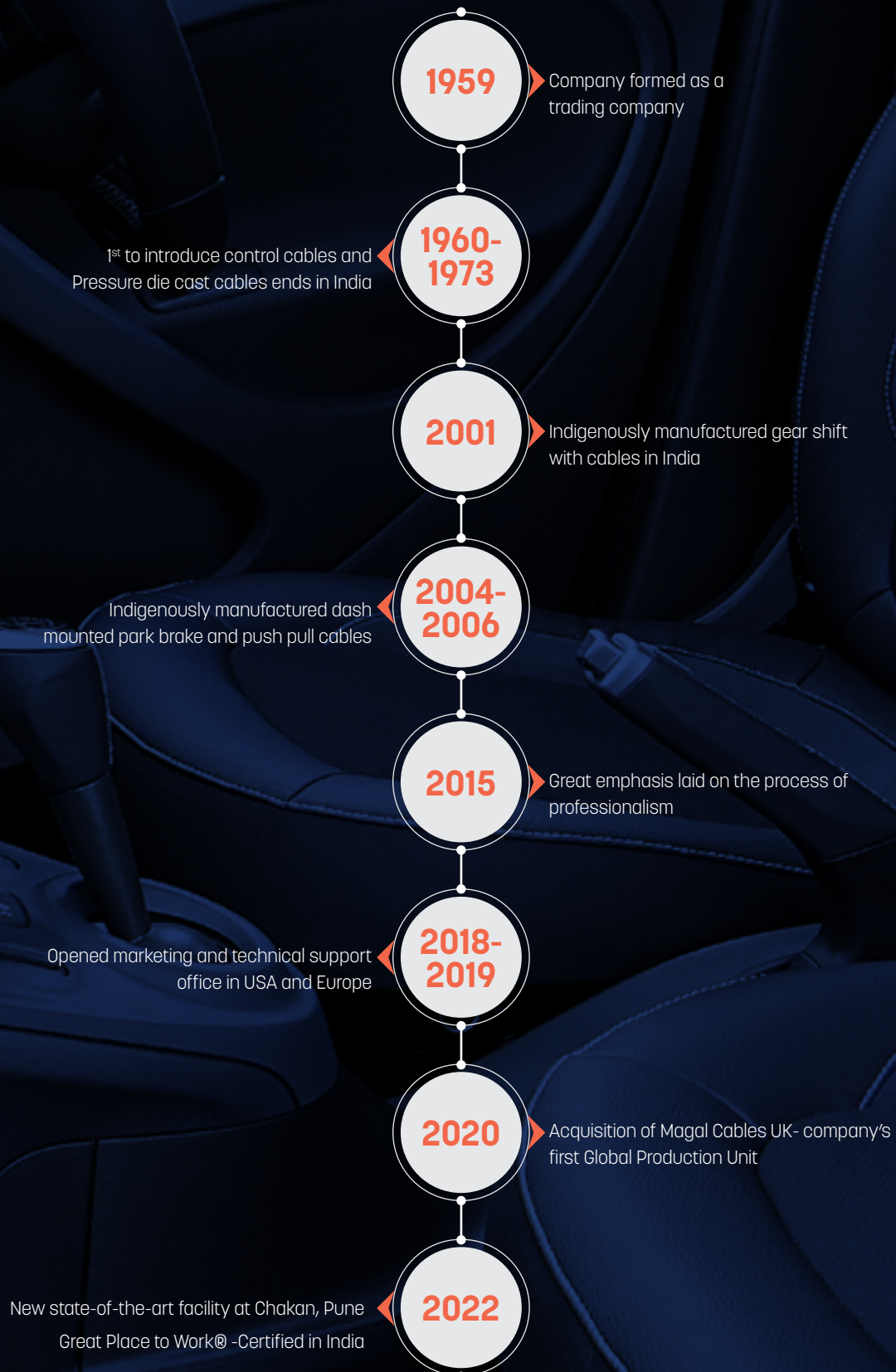
We are beginning to see that our current customers are more eager to engage with us. In addition to communicating the genesis behind the initiative we are bringing into the mix more best practices as far as the product mix and service delivery is concerned.

At an overall level we are witnessing that more OEM's are keen to engage with us. We are very positive that as the employees get more and more energised, more product lines become operational, more innovative practices are ushered in, our customers' faith will further increase in our capability & we will start seeing the impact on our top-line and bottom line growth, over the next few years.

**A call to LET'S MAKE GREAT**



# Milestones



# Numbers that define us

5

Decades of excellence

25

Employees in our R&D

4

State-of-the-art plants  
in India

1

State-of-the-art-plant  
in UK

250+

Dealers in after-market

19

Countries Products  
Delivered

17.2%

5-year revenue CAGR

40.5%

5- year EBITDA CAGR

15.93%

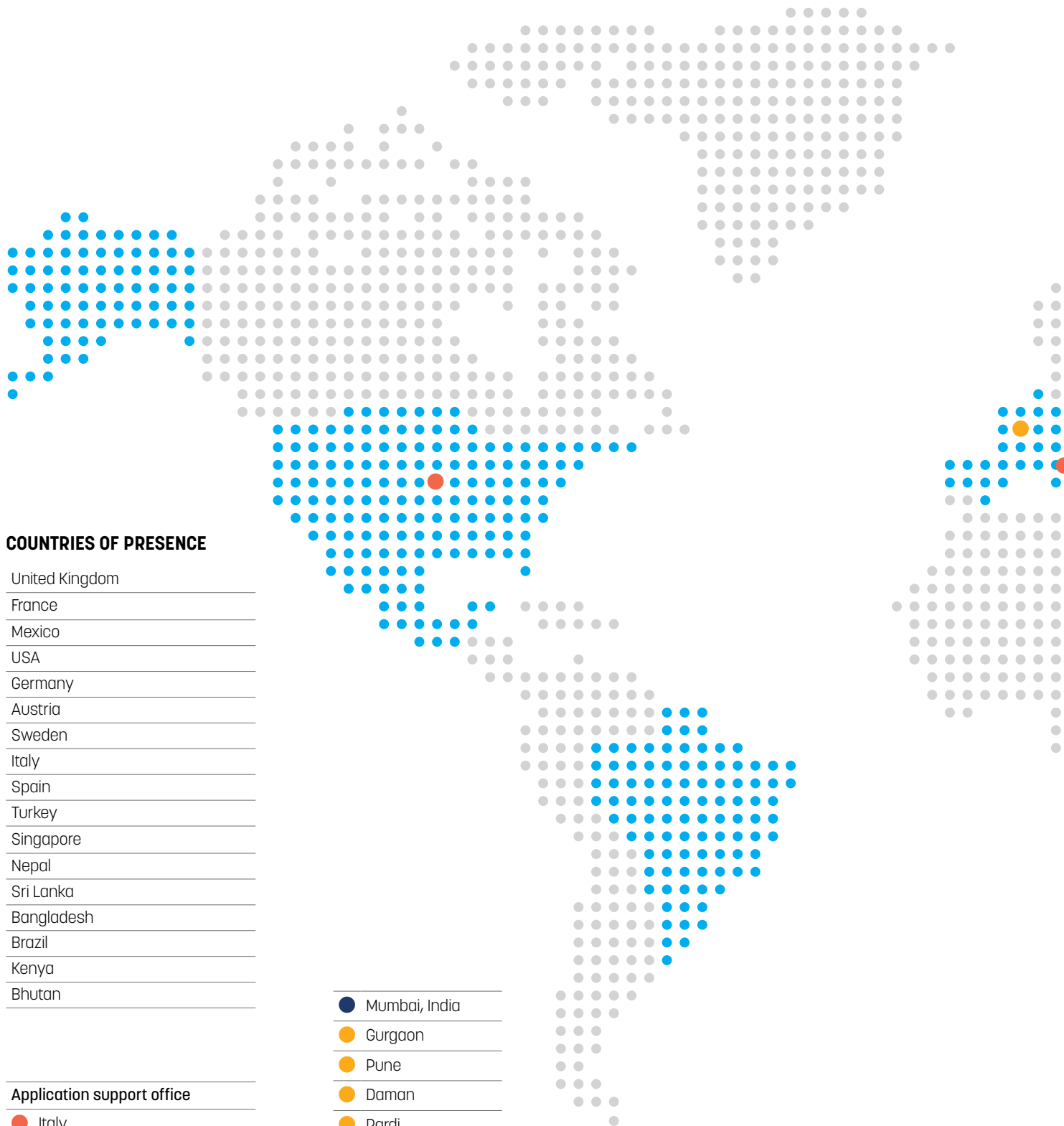
3-year CAGR growth  
in PAT

₹9.39

EPS



# Our footprint



## COUNTRIES OF PRESENCE

United Kingdom

France

Mexico

USA

Germany

Austria

Sweden

Italy

Spain

Turkey

Singapore

Nepal

Sri Lanka

Bangladesh

Brazil

Kenya

Bhutan

## Application support office

Italy

USA

Germany

● Mumbai, India

● Gurgaon

● Pune

● Daman

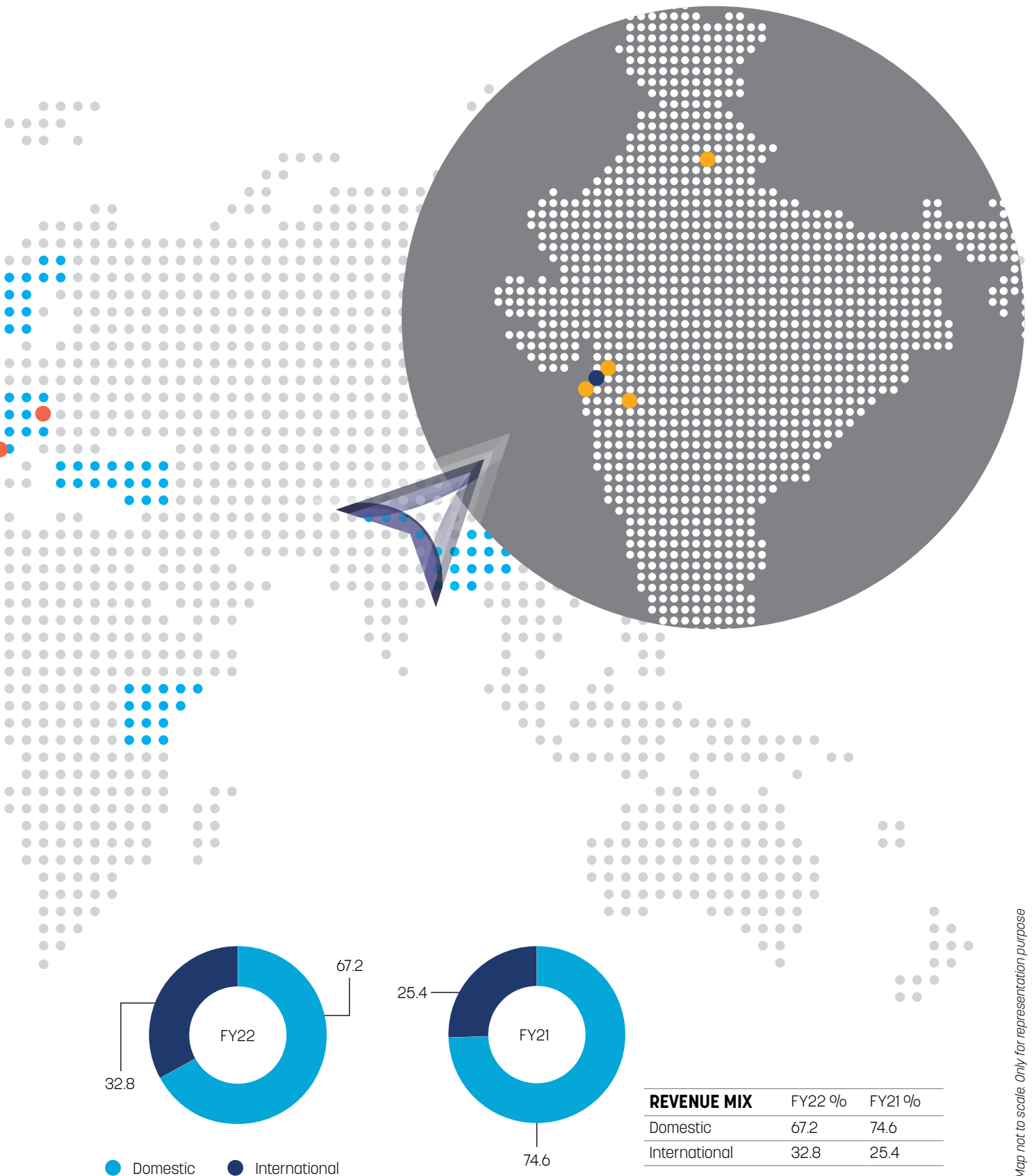
● Pardi

● UK

● Headquarters

● Manufacturing Plant

● Application support



# Chairman's message



## Dear Shareholders,

It gives me immense pleasure to update you with the advancements of our company at the conclusion of the year 2021-22. At the outset, it is imperative to acknowledge the efforts of our team who have shown extraordinary courage and resilience since the onset of the pandemic. The fiscal 2021-22 proved to be a testing ground for us. Despite the headwinds we continued to provide compelling value proposition to our customers. Our focus on quality, increased efficiencies, continuous investment in the foundation of our long-term success enabled us to keep contributing to the success of our customers.

## OUR OPERATING ENVIRONMENT

The global economy has been a victim to the pandemic and its impacts since the last two years. Just when the world began to take steps towards a path of recovery, Russia invaded Ukraine aggravating the global delicate economic state. Severe supply chain disruptions and malign inflationary pressures although predated the geopolitical crisis was further worsened by the war. India too had been significantly impacted by the pandemic. While the health crisis in the first quarter of the fiscal 2021-22 put scars like never before, towards the end of the year, India became vulnerable to external shocks as risks moved from pandemic to the geopolitical crisis. Despite a number of risks in the current outlook, what sets India apart is its largely growth oriented monetary and fiscal policies. The Union Budget 2022-23 has laid a roadmap for sustainable growth of India. A major focus on infrastructure, increased private investments spurred by the Production-Linked Incentive scheme, and significant capex have set a stage for India to sustain in the long term.

The automotive industry is finally showing signs of improvement, after having

dealt with a number of challenges such as semiconductor shortages, higher commodity prices and higher logistic costs. The future seems encouraging with the supply chain concerns with regards to semiconductor now subsiding and a further improvement in demand, as evidenced by the record orders, particularly for passenger vehicles. Additionally, the Government's thrust on capital expenditure in FY23 will increase productive capacity, attract private investment and strengthen aggregate demand thereby boosting the sale of automobiles.

## REVIEW OF OUR FINANCIAL PERFORMANCE

Against the backdrop of a volatile operating environment, we have delivered a strong financial performance. Our consolidated revenue grew by 27% YoY from Rs. 22,615 lakhs in FY 2020-21 to Rs. 28,645 lakhs in FY 2021-22. Additionally, our EBITDA grew to Rs. 2171 lakhs during the year under review from Rs. 1587 lakhs in previous year, registering a growth of 37% YoY. Our PAT registered a growth of 20% YoY from Rs. 448 lakhs in FY 2020-21 to Rs. 536 lakhs in FY 2021-22.

## OPERATIONAL HIGHLIGHTS

In line with our plans to expand and upgrade our manufacturing capabilities, during the year under review, we came up with our greenfield plant in Chakan, Pune. This is one of our important strategic moves to enhance our production capacity, have better lean manufacturing systems and increase our customer proximity. In addition, the space will also give us the flexibility of adding new product lines for our customers. Given that the plant kept running at a time of disrupted operations in our immediate environment, it is our relentless focus on execution that kept us undistracted from challenges in our immediate surroundings.

We also unveiled our new brand identity and a promising brand philosophy 'LET'S MAKE GREAT'. The uniqueness of our new logo alone has given us the right brand platform to make strides into the future and we are optimistic that it will be instrumental in propelling our efforts to accomplish new heights.

I am also pleased to report that we have been certified as a Great Place to Work FOR ALL of our employees by excelling on the 5 dimensions of a High-Trust, High-Performance Culture™ – Credibility, Respect, Fairness, Pride and Camaraderie.

## SUSTAINABILITY

At Remsons, we strive to become a responsible contributor in driving the change towards a better planet. Our operations are therefore guided by the zeal to contribute towards nurturing the environment. We are taking steps towards a green supply chain by the adoption of environmentally sound practices in logistics, distribution, warehousing and inventory management. We have also taken up initiatives for water and energy conservation to reduce our environmental footprint. During the year under review, we were awarded Silver Rating by Ecovadis

– the world's most trusted Sustainability rating agency – this validates our commitment towards reducing our environmental footprints.

## STRATEGY

Our future strategies will be driven by laying special emphasis on export and global integration. Additionally, growth through joint ventures would be one of our key priorities. Through our alliances we would be stepping up our technological game by developing future automotive technologies. We would also explore new market segments to broaden our portfolio further.

Through our alliances we would be stepping up our technological game by developing future automotive technologies.

## OUTLOOK

Our broad portfolio, execution expertise and our design capabilities provide a solid ground for sustainable growth. Most importantly our employee friendly culture has enabled us to fulfil our growth aspirations while simultaneously partnering them in their own growth journey.

As we enter the fiscal 2022-23, We are mindful of the near-term uncertainties and confident about the long-term trends for our industry. We are well capitalised for the long run and remain upbeat about sustaining excellence.

Finally, I take this opportunity to convey my heartfelt gratitude to all our shareholders for their trust and support. Thanks are also due to my Board for their constant support and guidance, our bankers and other financial institutions for their unparalleled support at all times and not the least to every member of the Remsons family for their magnificent and selfless support. Thank you all.

We will ensure to continue to focus on long-term value creation for all our stakeholders.

Regards

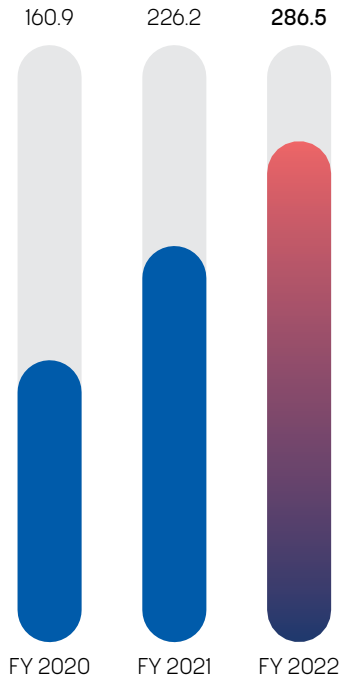
**Krishna Kejriwal**  
Chairman and managing director



# Financial highlights

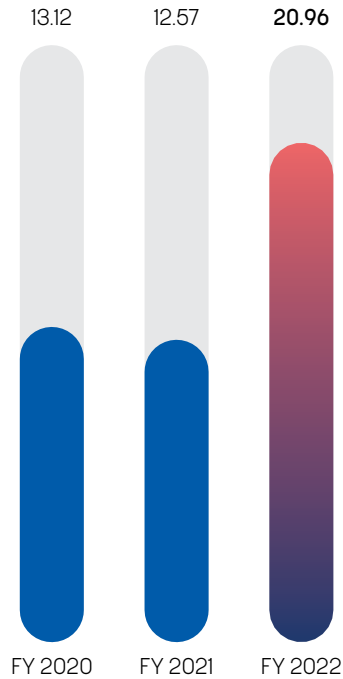
## REVENUE

(₹ in crore)



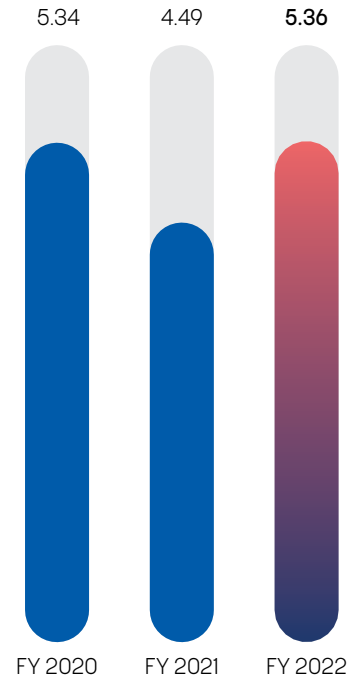
## EBITDA

(₹ in crore)



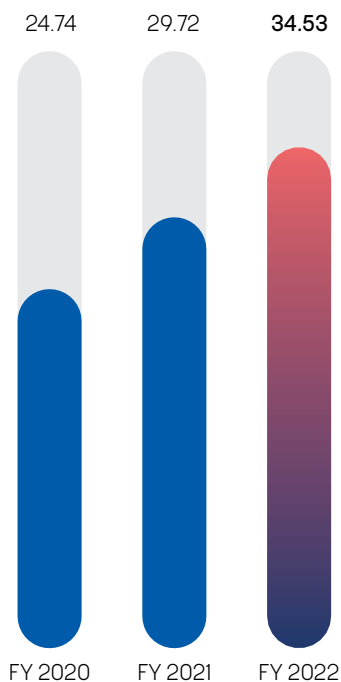
## PROFIT AFTER TAX

(₹ in crore)



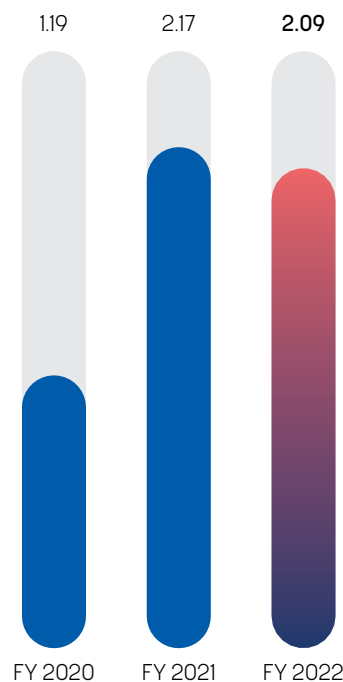
## NET WORTH

(₹ in crore)



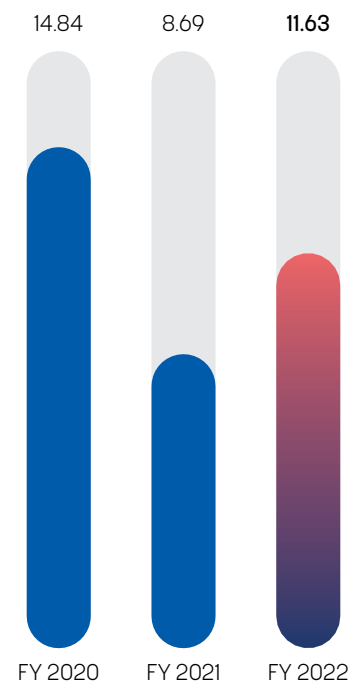
## DEBT-EQUITY RATIO

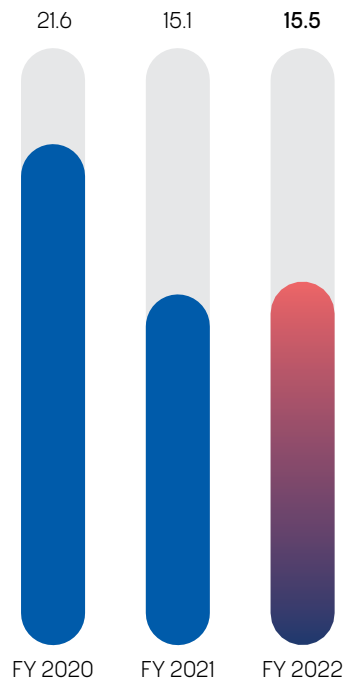
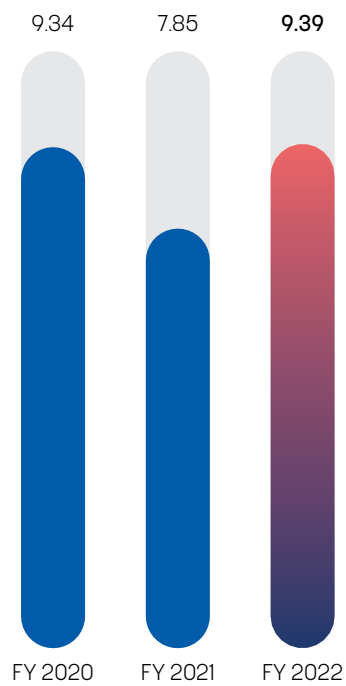
(in times)



## RoCE

(in %)



**RoE**  
(in %)**EPS**  
(in ₹)

# Our diverse product portfolio



CABLES



CBS



GEARSHIFTER



JACKS



PARKING BRAKE MECHANISM



PEDAL BOX



PUSH PULL CABLES



WINCHES



# Building strong foundation

At Remsons, we are focusing on expanding our operations in order to unlock newer heights of success. We are constantly investing towards research & development, internal processes improvement, recruiting key industry talents, training and up-skilling our employees and leveraging new technologies. We believe this will enable us to create consistent and robust value for our stakeholders.

## STATE-OF-THE-ART TECHNOLOGIES

Introduction of disruptive technologies has been reshaping how we operate and produce new and improved products. We continue to embrace these technologies to create new avenues for our long-term OEM partners and further increase our efficiency. We also leverage technologies and digital platforms to enhance our in-house product development capabilities right from design to validation. We also maintain technology Synergy between Remsons UK and Remsons India with the endeavour to ensure consistent manufacturing across our operation.

## PRODUCT DEVELOPMENT

Our ability to develop new and improved products enables us to stay ahead of the industry curve and register sustained growth year-after-year. Our new product development drive is aimed at meeting the diverse needs of our customers worldwide. Alongside having in-house product development capabilities, we also undertake technical collaboration and partnerships to co-develop new products and offer tailor made solutions to our customers. We are utilising some of the world leading software's for Design, Mould Flow analysis and Finite Element analysis. These in-house capabilities help us in the product launch stage to avoid errors and enable us to deliver superior quality products. Our product development capability include:



## OPERATIONAL EFFICIENCY

Given the dynamic market environment in which we operate, the need of being agile, responsive and resilient has never been more important. Thus, we are making a big stride towards building lean and agile manufacturing processes. During the year under review, we shifted our Daman Plant to a Greenfield plant in Pune with the endeavour to increase our proximity with customers and further expand our operations. We are also harnessing the power of automation to streamline our processes and increase the overall efficiency.

## STRONG CLIENTELE

One of the most trusted brands in the automotive space, Remsons has moved hand-in-hand with the changing needs and aspirations of its customers for over 50 years. Through our superior and diverse range of products, we strive to increase the wallet share from existing customers as well as win new customers in our target market. We have also formed a dedicated marketing team in the international market in order to capitalise on growing opportunities and bridge the gap between supply and demand. Leading national and multinational brands across two, three and four-wheelers, Commercial Vehicle Off-Roader and the Agriculture sector form our strong client base.





# Human resource

Our people are our greatest asset and give us an unparalleled competitive advantage. We are constantly investing towards building a strong and diverse pool of talent. We believe in nurturing the capabilities of our people and providing them opportunity to grow and expand in their professional and personal lives. We have developed a work culture that has empowerment and collaboration at its core.



# 240

Permanent Employees

# 1,300+

Contractual labourers

# 6,500+

Training hours

## Great Place to Work®

Certified in India (from March 2022 to March, 2023)

### EMPLOYEE ENGAGEMENT

Employee engagement is a vital part to ensure effective performance. We strive to maintain open line of communication and engagement between management and our employees through numerous employee engagement initiatives throughout the year. Our HR teams seamlessly work with employees to set in motion collaborative and inspiring work environment. Our initiatives include quarterly rewards, health and wellness drives, personal well-being awareness sessions, and so on.

### TRAINING AND DEVELOPMENT

Our employees are the driving force behind our power to deliver and regular

training helps us to enhance the skills of our employees at all levels. We collaborate with various consulting firms to organise various training programs to upgrade the skill of our employees across various topics.

#### Various training offered:

- Lean Management
- Parivartan (Behavioural training)
- PFMEA
- 7 QC tools
- 5 S
- Workplace Management
- Kaizen





# Sustainability at core

Maintaining sustainable operations remains core to our strategy. Our sustainability strategy is focused around reducing our environmental footprint as well as ensuring sustainable practices across our value chain.

To reduce environmental impact, we optimise the use of natural resources by ensuring their recyclability. We are also working towards making our supply chain sustainable by adopting environmentally conscious operations in logistics, distribution, warehousing and inventory management, also responsible sourcing of raw materials to mitigate its long-term impact on the environment. Recycling of water, improve recyclability, reuse of materials, fair labour practices, energy conservation are some of the sustainable initiatives that have been adopted by us to reduce our environmental footprint.

## ECOVADIS CERTIFICATION

We have  
received world's  
most trusted  
sustainability  
ratings certification

## KEY AREAS OF FOCUS



Climate action



Circular economy

Ethical and  
responsible business

# Awards and recognitions



**JAMNALAL BAJAJ AWARD**  
For Fair Business Practices



**ACMA AWARD**  
First Technology Award for Upgradation of Technology



**ESCORTS AWARD**  
For Price Control



**MARUTI SUZUKI**  
Vendor Performance Award



**ACMA**  
1st Prize in QC Competition for Cost Reduction



**GOLD AWARD**  
for Best Kaizen from Quality Circle Forum of India



**FORD**  
19th Annual World Excellence Award



**ACMA**  
**2nd Prize by Auto Component Manufacturer Association (ACMA) For Best HR Practices December 2021**



**HONDA**  
best Supplier Performance Award for long association & outstanding performance



**INDIAN DEVELOPMENT FOUNDATION**  
Awarded for Best contribution to CSR activities by Indian development Foundation in 2019



**INDIAN DEVELOPMENT FOUNDATION**  
Awarded for Best Contribution to CSR activities by Indian Development Foundation in March 22 for the FY 21-22



**CEO INSIGHTS**  
Company of the Year by CEO Insights



**AUTOMOTIVE CABLE PRODUCT CATEGORY**  
Remsons recognised as The Best Company of the Year in Automotive Cable Product Category



**ASHOK LEYLAND**  
Best Performance in Quality "Gold Award" 2022



**FORD - GLOBAL EXCELLENCE AWARD**  
Quality & Delivery Performance



**GREAT PLACE TO WORK**  
Certified



**ECOVADIS**  
Silver Rating by Ecovadis which is the world's most trusted Sustainability rating December 2021



**Q1**  
has become the quality Trustmark worldwide



The fundamental quality system requirements for organisations supplying production and/or service parts to **GRUPE RENAULT** and its affiliates.



**JLRQ**  
Achieving **JLRQ** status is the recognition that the suppliers facility meets accepted standards of quality and supply performance. The structured measurement driven process continually reviews and improves performance.



# Corporate Information

## BOARD OF DIRECTORS

<b>Mr. Krishna Kejriwal</b>	Chairman & Managing Director
<b>Mrs. Chand Kejriwal</b>	Whole Time Director
<b>Mr. Rahul Kejriwal</b>	Whole Time Director & Chief Financial Officer
<b>Mr. Anil Kumar Agrawal</b>	Non-Executive Director
<b>Mr. Paresh Bhagat</b>	Independent Director
<b>Mr. Sudhir Khanna</b>	Independent Director (upto 30.05.2021)
<b>Mrs. Visalakshi Sridhar</b>	Independent Director
<b>Mr. Shishir Vasant Dalal</b>	Independent Director (w.e.f. 14.02.2022)
<b>Mr. Suresh Ramarao</b>	Independent Director (w.e.f. 12.05.2022)

## CHIEF EXECUTIVE OFFICER

**Mr. Amit Srivastava**

## COMPANY SECRETARY & COMPLIANCE OFFICER

**Mr. Rohit Darji**

## STATUTORY AUDITORS

**M/s. M L Bhuwania & Co. LLP**

Chartered Accountants, Mumbai.

## SECRETARIAL AUDITORS

**M/s. M Baldeva Associates**

Company Secretaries, Thane.

## BANKERS:

State Bank of India

Standard Chartered Bank

## REGISTERED OFFICE

401, 4<sup>th</sup> Floor, Gladdiola, Hanuman Road, Vile Parle (East),  
Mumbai-400057, Maharashtra, India.

Tel.: (022) 2626 2100 / 2611 3883 / 2611 2368

Email: corporate@remsons.com, Website: www.remsons.com

## PLANTS

- 1/3 Mile Stone, Khandsa Road, Gurgaon- 122001
- Gat No. 270, Kharabwadi, Chakan Talegaon Road, Khed, Pune-410 501
- Western House'A2/27,  
Somnath Industrial Estate, Daman-396210
- Diamond House'A2/3&4,  
Somnath Industrial Estate, Daman-396210
- A3/4, Somnath Industrial Estate,  
Daman-396210
- Survey No. 146, Village Khadki,  
Pardi- 396121 (Gujarat)

## REGISTRAR AND SHARE TRANSFER AGENTS

Link Intime India Private Limited

C-101, 247 Park, LBS Marg, Vikhroli (West)

Mumbai - 400 083, Maharashtra, India.

Tel: 022 - 49168270;

Email: rnt.helpdesk@linkintime.com; Website: www.linkintime.co.in

**REMSONS INDUSTRIES LIMITED**

(CIN: L51900MH1971PLC015141)

401, 4<sup>th</sup> Floor, Gladdiola, Hanuman Road, Vile Parle (East),

Mumbai- 400057, Maharashtra, India.

Tel No: (022) 26262100; 26113883, 26112368;

E-mail id: corporate@remsons.com, website: www.remsons.com

# Notice

Notice is hereby given that the Fiftieth (50<sup>th</sup>) Annual General Meeting ("AGM") of the members of **REMSONS INDUSTRIES LIMITED** ("Company") will be held on Wednesday, 28<sup>th</sup> September, 2022 at 11:30 A.M. (IST) through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") without physical presence of the members at a common venue to transact the businesses as mentioned below:

**Ordinary Business:**

- To receive, consider and adopt (a) the Standalone Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2022 together with the Reports of the Board of Directors' and Auditors' thereon and (b) the Consolidated Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2022 together with the Report of Auditors' thereon and in this regard, if thought fit, pass the following resolutions as on **Ordinary Resolutions**:

(a) **"RESOLVED THAT** the Standalone Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2022 together with the reports of the Board of Directors' and Auditors' thereon be and are hereby received, considered and adopted."

(b) **"RESOLVED THAT** the Consolidated Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2022 and the report of the Auditors' thereon be and are hereby received, considered and adopted."

- To declare dividend on Equity Shares for the financial year ended 31<sup>st</sup> March, 2022 and in this regard, if thought fit, pass the following resolution as on **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the recommendation of the Board of Directors of the Company, dividend @ 10% (₹ 1.00 per Equity Share) on 57,13,357 Equity Shares having face value of ₹ 10/- each of the Company for the financial year ended 31<sup>st</sup> March, 2022, be and is hereby declared out of the profits of the Company for the said financial year, and that the same be paid to those shareholders whose names appear on the Company's Register of Members / List of Beneficiaries as on Wednesday, 21<sup>st</sup> September, 2022, and that the dividend warrants / demand drafts be posted or direct credit through NECS be given within 30 days hereof only to those shareholders who are entitled to receive the payment of the dividend."

- To appoint a director in place of Mrs. Chand Kejriwal (DIN: 00513737) who retires by rotation and being eligible, offers herself for re-appointment as Director, and in this regard, if thought fit, pass the following resolution as an **Ordinary Resolution** :

**"RESOLVED THAT** pursuant to the provisions of Section 152(b) of the Companies Act, 2013, Mrs. Chand Kejriwal (DIN: 00513737), Director of the Company, who retired by rotation and being eligible, had offered herself for re-appointment, be and is hereby re-appointed as a Director of the Company, who shall be liable to retire by rotation."

- To appoint M/s. Kanu Doshi Associates LLP, Chartered Accountants, Mumbai as Statutory Auditors of the Company and to fix their remuneration and in this regard, if thought fit, pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and pursuant to the recommendations of the Audit Committee and the Board of Directors of the Company, M/s. Kanu Doshi Associates LLP, Chartered Accountants Mumbai, (FRN: 104746W / W10096) be and are hereby appointed as Statutory Auditors of the Company, in place of the retiring Statutory Auditors, M/s. M. L. Bhurania & Co. LLP, Chartered Accountants, Mumbai (FRN: 101484W / W-100197) to hold office for a term of 5 (five) consecutive years from the conclusion of this 50<sup>th</sup> Annual General Meeting till the conclusion of the 55<sup>th</sup> Annual General Meeting of the Company to be held for the financial year ending 31<sup>st</sup> March, 2027 to audit the Books of Account of the Company for the financial years from 2022-23 to 2026-27 at a remuneration as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors from time to time.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary or expedient or incidental thereto, including filing the requisite form, to give effect to this resolution."

**By Order of the Board of Directors  
of Remsons Industries Limited**

**Rohit Darji**

**Company Secretary & Compliance Officer**

**Place: Mumbai**

**Date: 10<sup>th</sup> August, 2022**

**Membership No.: A37077**

**Registered Office:**

401, 4<sup>th</sup> Floor, Gladdiola,

Hanuman Road, Vile Parle (East),

Mumbai – 400057, Maharashtra, India.

## Notes:

1. In view of the continuing Covid-19 pandemic situation and as aftermath precautionary measures, the Ministry of Corporate Affairs has, vide its General Circulars No. 14/2020 dated 8<sup>th</sup> April, 2020, 17/2020 dated 13<sup>th</sup> April, 2020, 20/2020 dated 5<sup>th</sup> May, 2020 and 02/2022 dated 5<sup>th</sup> May, 2022 (collectively referred to as "MCA Circulars") permitted the holding of general meetings through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), without physical presence of the members at a common venue. Accordingly, the 50<sup>th</sup> Annual General Meeting ("AGM") of the Company is being convened through VC / OAVM.
2. In accordance with the Secretarial Standard-2 on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI) read with Guidance / Clarification dated 15<sup>th</sup> April, 2020 issued by the ICSI, the proceedings of the 50<sup>th</sup> AGM shall be deemed to be conducted at the Registered Office of the Company situated at 401, 4<sup>th</sup> Floor, Gladdiola, Hanuman Road, Vile Parle (East), Mumbai- 400057, Maharashtra, India.
3. Further, the Securities and Exchange Board of India ("SEBI") has, vide its Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13<sup>th</sup> May, 2022 ("SEBI Circular") given relaxation from sending hard copy of Annual Report containing salient features of all the documents prescribed in Section 136 of the Companies Act, 2013 ("Act") and proxy forms as required under Regulation 44(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") to the members who have not registered their email addresses in case of general meetings held through electronic mode.
4. Pursuant to the provisions of the Act, a member entitled to attend and vote during the 50<sup>th</sup> AGM is entitled to appoint one or more proxies to attend and vote, in case of poll only, on his / her behalf and the proxy need not be a Member of the Company. Since this 50<sup>th</sup> AGM is being held through VC / OAVM, the facility to appoint proxy to attend and cast vote for the members is not available for this 50<sup>th</sup> AGM and hence the Proxy Form, Attendance Slip and route map for this 50<sup>th</sup> AGM are not annexed to this Notice.
5. Body Corporates are entitled to appoint their Authorized Representatives to attend the 50<sup>th</sup> AGM through VC / OAVM on their behalf and participate thereat and cast their votes through remote-voting / e-voting during the 50<sup>th</sup> AGM. Such Body Corporates are requested to send scanned copy (PDF / JPG format) of their Board Resolutions, passed pursuant to Section 113 of the Act. The said resolution shall be sent to the Scrutinizer by e-mail through its registered email address at manish@csmanishb.in with copy marked to the Company at cs@remsons.com.
6. In case of joint holders attending the meeting, the joint holder with highest in order of names will be entitled to vote.
7. The attendance of the Members attending the 50<sup>th</sup> AGM through VC / OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
8. The Explanatory Statement pursuant to the provisions of Regulation 36(5) of the Listing Regulations setting out material facts in respect of Ordinary Business under item no. 4 is annexed hereto and forms part of this Notice. Brief resume of director proposed to be re-appointed at the ensuing 50<sup>th</sup> AGM in terms of Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings (SS-2) is also annexed to the Notice.
9. The helpline number regarding any query / assistance for participation during the 50<sup>th</sup> AGM through VC / OAVM is 022-2626 2100 / 022 2611 3883 / 022 26112 2368.
10. Members having multiple folios in identical names or in joint names in the same order are requested to send the share certificate(s) alongwith the requisite KYC documents to the Company's Registrar and Share Transfer Agents ("RTA"), viz Link Intime India Private Limited for consolidation of all such shareholding into one folio to facilitate better services. Requests for consolidation of share certificates shall be processed in dematerialized form.
11. Members are requested to forward their all communications to the RTA of the Company and are further requested to always quote their Folio Number / DPID / Client ID in all correspondences with the Company / RTA.
12. In compliance with the aforesaid MCA Circulars and SEBI Circular, the Notice of the 50<sup>th</sup> AGM along with the Annual Report for the financial year 2021-22 is being sent only through electronic mode to those members whose email addresses are registered with the Company / RTA / Depositories. Members may note that the Notice and Annual Report for the financial year 2021-22 will also be available on the website of the Company at [www.remsons.com](http://www.remsons.com), websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com), NSE Limited at [www.nseindia.com](http://www.nseindia.com) and website of the Central Depository Services (India) Limited ("CDSL") (agency engaged by the Company for providing the e-voting facility) i.e. [www.evotingindia.com](http://www.evotingindia.com).
13. Pursuant to the provisions of Section 91 of the Act and Regulation 42 of the Listing Regulations, the Register of Members and the Share Transfer Books of the Company will remain closed from Thursday 22<sup>nd</sup> September, 2022, to Wednesday, 28<sup>th</sup> September, 2022 (both days inclusive) for the purpose of the ensuing 50<sup>th</sup> AGM.
14. The dividend on Equity Shares as recommended by the Board of Directors for the financial year ended 31<sup>st</sup> March, 2022, if approved by the members at the ensuing 50<sup>th</sup> AGM, will be paid to those members whose names shall appear in the Register of Members as on Wednesday, 21<sup>st</sup> September, 2022; and in respect of shares held by them in dematerialized form, the dividend will be paid to members whose names are furnished by the National Securities Depository Limited ("NSDL") and CDSL as beneficial owners as on that date. In case, the Company is unable to pay the dividend to any member by electronic means due to non-availability of their bank accounts details, the Company will dispatch the dividend warrant / demand draft by post. However, in case of any disruption

in the postal services due to pandemic or any other reasons, the same will be sent upon restoration of normalcy of postal services.

15. Members may note that the Income Tax Act, 1961, the ("IT Act") as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a Company after 1 April, 2020 shall be taxable in the hands of members. The Company shall therefore be required to deduct tax at source ("TDS") at the time of making the payment of final dividend. In order to enable us to determine the appropriate TDS rate as applicable, members are requested to submit Form 15G / Form 15H or any other documents as applicable, if any, in accordance with the provisions of the IT Act.
16. For resident shareholders, taxes shall be deducted at source under Section 194 of the IT Act as follows-

Members having valid PAN	10% or as may be notified by the Government of India
Members not having PAN / Invalid PAN	20% or as may be notified by the Government of India

However, no tax will be deducted on the dividend payable to a resident individual if the total dividend to be received by him during the Financial Year 2022-23 does not exceed ₹ 5,000/- and also in cases where members have provided Form 15G / Form 15H (applicable to individuals aged 60 years or more), subject to conditions specified in the IT Act. Resident shareholders may also submit any other document as prescribed under the IT Act to claim a lower / Nil withholding tax. Registered members may also submit any other document as may be prescribed under the IT Act to claim a lower / Nil withholding tax. PAN is mandatory for members providing Form 15G / 15H or any other document as applicable, if any, in accordance with the provisions of the IT Act.

For non-resident shareholders, taxes are required to be withheld in accordance with the provisions of Section 195 and other applicable provisions of the IT Act, at the rates in force. The withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) or as may be notified by the Government of India on the amount of dividend payable. However, as per Section 90 of the IT Act, non-resident shareholders have the option to be governed by the provisions of the Double Tax Avoidance Agreement ("DTAA") read with Multilateral Instrument ("MLI") between India and the country of tax residence of the member, if they are more beneficial to them. For this purpose, i.e. to avail the benefits under the DTAA, non-resident shareholders will have to provide the following:

- Copy of the PAN card allotted by the Indian Income Tax authorities duly attested by the member or details as prescribed under Rule 37BC of Income-Tax Rules, 1962;
- Copy of Tax Residency Certificate ("TRC") for the F.Y. 2022-23 obtained from the revenue authorities of the country of tax residence, duly attested by member;
- Self-declaration in Form 10F;
- Self-declaration by the shareholder of having no permanent establishment in India in accordance with the applicable tax treaty;

- Self-declaration of beneficial ownership by the non-resident shareholder and
- Any other documents as prescribed under the IT Act for lower withholding of taxes if applicable, duly attested by member.

In case of Foreign Institutional Investors / Foreign Portfolio Investors, tax will be deducted under Section 196D of the IT Act @ 20% (plus applicable surcharge and cess) or the rate provided in relevant DTAA, read with MLI, whichever is more beneficial, subject to the submission of the above documents.

The aforementioned documents are required to be submitted by sending email at [cs@remsons.com](mailto:cs@remsons.com) during the period commencing before 23.59 hrs. (IST) on 21<sup>st</sup> September, 2022.

17. The SEBI has mandated the submission of Permanent Account Number ("PAN") by every participant in the securities market. Members holding shares in electronic form are therefore requested to submit their respective PAN details to their respective Depository Participants with whom they have their DEMAT account(s). Further, the SEBI has mandated the submission of PAN, KYC details and nomination by holders of physical securities by 31<sup>st</sup> March, 2023, and linking PAN with Aadhaar by 31<sup>st</sup> March, 2022 vide its circulars dated 3<sup>rd</sup> November, 2021 and 14<sup>th</sup> December, 2021. Shareholders are requested to submit their PAN, KYC and nomination details to the Company's RTA at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in). The forms for updating the same are available at [www.remsons.com](http://www.remsons.com) under Investors relation section. In case a holder of physical securities fails to furnish these details or link their PAN with Aadhaar before the due date, our RTA is obligated to freeze such folios. The securities in the frozen folios shall be eligible to receive payments (including dividend) and lodge grievances only after furnishing the complete documents. If the securities continue to remain frozen as on 31<sup>st</sup> December, 2025, the RTA / Company shall refer such securities to the administering authority under the Benami Transactions (Prohibitions) Act, 1988, and / or the Prevention of Money Laundering Act, 2002.
18. Members seeking any information with regard to accounts are requested to write to the Company at least 10 days before the meeting so as to enable the management to keep the information ready.
19. The Schedule I of the Listing Regulations mandates that all listed companies shall use the Reserve Bank of India's approved electronic mode of payment such as National Automated Clearing House ("NACH"), National Electronic Fund Transfer ("NEFT"), Real Time Gross Settlement ("RTGS") for making payments like dividend to the shareholders. The members who have not updated their bank account details and wish to avail such facility in future are requested to update their bank account details by submitting Form ISR-1 and ISR-2 available on Company's website viz. [www.remsons.com](http://www.remsons.com). under Investors relation section.
20. The cut-off date for the purpose of determining eligibility of members for attending and e-voting in connection with the 50<sup>th</sup> AGM and for the payment of final dividend for the financial year ended 31<sup>st</sup> March, 2022 has been fixed as Wednesday, 21<sup>st</sup> September, 2022. ("cut-off date").



21. Members holding shares in physical form are requested to notify immediately any change in their address or bank mandates to the Company / RTA quoting their Folio Number and Bank Account details along with self-attested documentary proofs. Members holding shares in the electronic form may update such details with their respective Depository Participants.
22. As per the provisions of Section 72 of the Act and the aforesaid SEBI Circulars, the facility for making nomination is available for the members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form SH-13. If a member desires to opt out or cancel the earlier nomination and record a fresh nomination, he / she may submit the same in Form ISR-3 or Form SH-14 as the case may be. The said forms can be downloaded from the Company's website available under Investor relations section. Members are requested to submit details to their respective Depository Participants in case the shares are held by them in electronic form and to the RTA of the Company in case the shares are held shares in single name and physical form.
23. Non Resident Indian members are requested to inform the Company's RTA immediately of any change in their residential status on return to India for permanent settlement, their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code, if the details are not furnished earlier.
24. To comply with the provisions of Section 88 of the Act read with Rule 3 of the Companies (Management and Administration) Rule 2014, the Company is required to update its database by incorporating some additional details of its members in its records.
25. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone / mobile numbers, Permanent Account Number ("PAN"), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc.
  - **For shares held in electronic form:** To their respective Depository Participants only and not to the Company's RTA. Changes intimated to the Depository Participants will then be automatically reflected in the Company's records which will help the Company and its RTA in providing efficient and better services to the members.
  - **For shares held in physical form:** To the Company's RTA in prescribed Form ISR -1 and other forms as prescribed by the SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated 3<sup>rd</sup> November, 2021, as per instructions mentioned in the form. The said forms can be downloaded from the Company's website available under Investor relations section.
26. The SEBI vide its notification dated 24<sup>th</sup> January, 2022 has amended Regulation 40 of the Listing Regulations and has mandated that all requests for transfer of securities including requests for transmission or transposition of securities shall be processed only in dematerialised form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, members are advised to dematerialize the shares held by them in physical form, so they can transfer their shares in future, if so desire. Members can contact the Company or the RTA for assistance in this regard. However, members can continue to hold shares in physical form.
27. Members may please note that the SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated 25<sup>th</sup> January, 2022 has mandated the listed companies to issue the securities in dematerialized form only while processing the service requests viz., issue of duplicate securities certificate, claim from Unclaimed Suspense Account, renewal / exchange of securities certificate, endorsement, sub-division / splitting of securities certificate, consolidation of securities certificates / folios, transmission and transposition received from the shareholder / claimant. The relevant forms can be downloaded from the Company's website available under Investor relation section. Accordingly, members are requested to make service requests by submitting a duly filled and signed Form ISR-4. It may be noted that any service request can be processed only after the folio is KYC compliant. Upon receipt of service request(s) from shareholder / claimant, the RTA of the Company shall verify and process the said request and after removing objections, if any, shall intimate the shareholder / claimant about its execution / issuance of new certificate as may be applicable. The RTA shall retain the physical Share Certificate with them and shall issue 'Letter of Confirmation' to the shareholder / claimant in lieu of physical share certificate(s). The shareholder / claimant shall lodge a request for dematerialization of shares along with the original Letter of Confirmation received from the RTA within 120 days of issue of the Letter of Confirmation to his Depository Participant (DP). In case the shareholder / claimant fails to submit the demat request within the aforesaid period, the Company shall credit shares to the Suspense Escrow Demat Account of the Company opened for the said purpose.
28. The Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 and the Register of Contracts or Arrangements in which Directors are interested maintained under Section 189 of the Act and all other documents referred to in the Notice will be available for inspection in electronic mode and shall remain open and be accessible to any member during the continuance of the meeting.
29. 98.70% of the total equity shares of the Company were held in dematerialize form as on 31<sup>st</sup> March, 2022. Members desiring to dematerialize / rematerialize their shares may forward their request directly to the Depository Participant with whom they have opened the account.
30. In case the shareholder's e-mail id is already registered with the Company / RTA / Depositories, log in details for e-voting are being sent on the registered email address.
31. To support the 'Green Initiative', members who have not yet registered their e-mail addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with RTA in case the shares are held by them in physical form.

## Voting Through Electronic Means:

- a. In compliance with provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of the Listing Regulations and Secretarial Standard on General Meetings (SS- 2) issued by the ICSI, the Company is pleased to provide e-voting facility to its members to cast their votes electronically on the resolutions mentioned in the Notice dated 10<sup>th</sup> August, 2022 convening the 50<sup>th</sup> AGM of the Company. The members may cast their votes using electronic voting system from a place other than the venue of the meeting ('remote e-voting').
- b. The Company has engaged services of the CDSL to provide the e-voting facility.
- c. The e-voting / voting rights of the shareholders / beneficial owners shall be reckoned on the equity shares held by them as on the Cut-off date i.e. 21<sup>st</sup> September, 2022.
- d. The remote e-voting period shall commence on Sunday, 25<sup>th</sup> September, 2022 (09:00 A.M.) and end on Tuesday, 27<sup>th</sup> September, 2022 (5:00 P.M.). During this periods, members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Wednesday, 21<sup>st</sup> September, 2022 may cast their votes electronically. The remote e-voting module shall be disabled by the CDSL for voting after 05.00 P.M. on 27<sup>th</sup> September, 2022. Once the vote on a resolution is cast by a member, he shall not be allowed to change it subsequently. Those members, who are present in the 50<sup>th</sup> AGM through VC / OAVM facility and have not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the 50<sup>th</sup> AGM.
- e. A person, whose name is recorded in the Register of Members or in the List of Beneficial Owners maintained by the depositories as on the cut-off date, i.e. Wednesday, 21<sup>st</sup> September, 2022 only shall be entitled to avail the facility of remote e-voting and e-voting through e-voting system during the 50<sup>th</sup> AGM.
- f. Members can join the 50<sup>th</sup> AGM through the VC / OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the 50<sup>th</sup> AGM through VC / OAVM will be made available to at least 1000 members on first come first serve basis; however this limit does not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first serve basis.
- g. Any person who becomes a member of the Company after dispatch of the Notice of the meeting and holding shares as on the cut-off date i.e. Wednesday , 21<sup>st</sup> September, 2022 may obtain the User ID and password by sending a request at helpdesk.evoting@cdslindia.com or rnt.helpdesk@linkintime.co.in. However, if the member is already registered with CDSL for remote e-voting then he can use his exiting user ID and password for casting the vote through e-voting. If you forgot your password, you can reset your password by using "Forgot User Details / Password" option available on [www.evotingindia.com](http://www.evotingindia.com).
- h. The Board of Directors of the Company has appointed CS Manish Baldeva, Proprietor of M/s. M Baldeva Associates, Company Secretaries, Thane (FCS No.: 6180 / CP No.: 11062) as Scrutinizer to scrutinize the e-voting through remote e-voting process and e-voting during the 50<sup>th</sup> AGM in a fair and transparent manner. The Scrutinizer shall, within 2 working days of the conclusion of the 50<sup>th</sup> AGM, prepare consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, and forthwith the same to the Chairman or a person authorised by him in writing, who shall countersign the same and declare the result of the voting.
- i. The results declared along with the consolidated Scrutinizer's report shall be placed on the website of the Company viz. [www.remsons.com](http://www.remsons.com) and on the website of the CDSL viz. [www.evotingindia.com](http://www.evotingindia.com) immediately. The Company shall simultaneously forward the results to BSE Limited and NSE Limited, where the shares of the Company are listed.
- j. Subject to receipt of requisite number of votes in favour, the resolutions shall be deemed to be passed on the date of the meeting i.e. Wednesday , 28<sup>th</sup> September, 2022.

### Procedure and Instruction for CDSL E-Voting System - for Remote E-Voting and Evoting During 50<sup>th</sup> AGM:

- (i) The remote voting period begins on Sunday, 25<sup>th</sup> September, 2022 at 9.00 A.M. (IST) and ends on Tuesday, 27<sup>th</sup> September, 2022 at 5.00 P.M. (IST) (both days inclusive). During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Wednesday, 21<sup>st</sup> September, 2022 may cast their vote electronically. The remote e-voting module shall be disabled by the CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote during the meeting.
- (iii) Pursuant to the SEBI Circular No. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated 9<sup>th</sup> December, 2020 issued under Regulation 44 of the Listing Regulations, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders / retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the Shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to

enable e-voting to all the demat account holders, **by way of a single login credential, through their demat accounts / websites of Depositories / Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- (iv) In terms of SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9<sup>th</sup> December, 2020 on e-voting facility provided by listed companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email id in their demat accounts in order to access e-voting facility.

Pursuant to above said SEBI Circular, Login method for e-voting and joining virtual meetings for **Individual shareholders holding securities in Demat mode CDSL / NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-voting period or joining virtual meeting and voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL / NSDL / KARVY / LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi / Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a>. The system will authenticate the user by sending OTP on registered Mobile and Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS" Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password / OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL / CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting.</p>

**Important note:** Members who are unable to retrieve User ID / Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL**

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 22-23058542-23.
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30.

(v) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on "Shareholders" module.
- 3) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any Company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)  Shareholders who have not updated their PAN with the Company / Depository Participant are requested to use the sequence number sent by Company / RTA or contact Company / RTA.
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login.  If both the details are not recorded with the depository or Company, please enter the member id / folio number in the Dividend Bank details field.

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that the Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant **<"REMSONS INDUSTRIES LIMITED">** on which you choose to vote.



(x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES / NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password and enter the details as prompted by the system.

**(xvi) Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney ("POA") which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, Non Individual shareholders are required to send the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [manish@csmanishb.in](mailto:manish@csmanishb.in) or [cs@remsons.com](mailto:cs@remsons.com), if they have voted from individual tab and not uploaded same in the CDSL e-voting system for the Scrutinizer to verify the same.

**(xvii) Instructions for Shareholders Attending the 50<sup>th</sup> AGM Through VC / OAVM and E-Voting During Meeting are as under:**

1. The procedure for attending meeting and e-voting on the day of the 50<sup>th</sup> AGM is same as the instructions mentioned above for e-voting.
2. The link for VC / OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through remote e-voting will be eligible to attend the meeting. However, they will not be eligible to vote during the 50<sup>th</sup> AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio / Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views / ask questions during the meeting may register themselves as a speaker by sending their request in advance at least **2 days prior to the meeting** mentioning their name, demat account number / folio number, email id, mobile number at [cs@remsons.com](mailto:cs@remsons.com). The shareholders who do not wish to speak during the 50<sup>th</sup> AGM but have queries may send their queries in advance **2 days prior to the meeting** mentioning their name, demat account number / folio number, email id, mobile number at [cs@remsons.com](mailto:cs@remsons.com). These queries will be replied to by the Company suitably by e-mail.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views / ask questions during the meeting.
9. Only those shareholders, who are present in the 50<sup>th</sup> AGM through VC / OAVM facility and have not casted their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available during the 50<sup>th</sup> AGM.
10. If any votes are cast by the shareholders through the e-voting available during the 50<sup>th</sup> AGM and if the same shareholders have not participated in the meeting through VC / OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

**Process for Those Shareholders Whose Email / Mobile no. are not Registered with the Company / Depositories.**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to the Company i.e. [cs@remsons.com](mailto:cs@remsons.com) or to RTAs' email id [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in).
2. For Demat shareholders -, Please update your email id and mobile no. with your respective Depository Participant (DP) which is mandatory while e-voting and joining virtual meetings through Depository.

3. If you have any queries or issues regarding attending 50<sup>th</sup> AGM and e-voting from the CDSL e-voting system, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022- 23058738 and 022-23058542 / 43

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager (CDSL) Central Depository Services (India) Limited, A Wing, 25<sup>th</sup> Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542 / 43.

## EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF REGULATION 36(5) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:

### Item No. 4:

M/s. M. L. Bhuwania & Co. LLP, Chartered Accountants, were appointed as the Statutory Auditors of the Company in the 45<sup>th</sup> Annual General Meeting ("AGM") of the Company held on 25<sup>th</sup> September, 2017 to hold office for a term of 5 (five) consecutive years from the conclusion of the said 45<sup>th</sup> AGM till the conclusion of the ensuing 50<sup>th</sup> AGM of the Company, accordingly, M/s. M. L. Bhuwania & Co. LLP, Chartered Accountants hold office as the Statutory Auditors of the Company upto the conclusion of the ensuing 50<sup>th</sup> AGM to be held on 28<sup>th</sup> September, 2022.

Upon recommendation of the Audit Committee and after evaluating and considering various factors such as industry experience, competency of the audit team, efficiency in conduct of audit, independence, etc., the Board of Directors of the Company in its meeting held on 10<sup>th</sup> August, 2022 decided to recommend for appointment of M/s. Kanu Doshi Associates LLP, Chartered Accountants (FRN: 104746W/W10096) as Statutory Auditors of the Company to hold office for a term of 5 (five) consecutive years from the conclusion of the ensuing 50<sup>th</sup> AGM till the conclusion of the 55<sup>th</sup> AGM of the Company to be held for the financial year ending 31<sup>st</sup> March, 2027 at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors.

M/s. Kanu Doshi Associates LLP, Chartered Accountants (Firm Registration No. 104746W/W10096) ("the Audit Firm") is a firm of Chartered Accountants registered with the Institute of Chartered Accountants of India ("ICAI"). The Audit Firm was registered with ICAI in the year 1979 and is a Limited Liability Partnership firm ("LLP") incorporated in India offering accounting, tax advisory, auditing and corporate advisory services in India. It has registered office in Mumbai and direct presence in Pune, Delhi, Gurgaon, Hyderabad, Chandigarh and Singapore. It is primarily engaged in providing audit and assurance services to its clients and has valid Peer Review Certificate.

M/s. Kanu Doshi Associates LLP, Chartered Accountants have consented for their appointment as Statutory Auditors of the Company and have confirmed that if appointed, their appointment would be in accordance with the provisions of Section 139 read with Section 141 of the Companies Act, 2013.

Details of proposed fees payable to the proposed Statutory Auditors:

- ₹ 7,25,000/- plus applicable taxes shall be paid as the fees for the financial year 2022-23, with authority to the Board of Directors to revise fees from time to time during their tenure as Statutory Auditors of the Company.
- Out of pocket expenses, if any, at actual as may be approved by the Board of Directors.
- Fees for any other works not covered in the scope of statutory audit will be paid extra as per mutual agreement between the Statutory Auditors and the Company and as approved by the Board of Directors of the Company.
- Any material change in the fee payable to new auditor from that paid to the outgoing auditor along with rational for such change: There is no material change in the fees proposed to be paid to new auditor viz. M/S. Kanu Doshi Associates LLP that paid to the outgoing auditors viz. M/S. M.L. Bhuwania & Co. LLP.

The Board recommends the Ordinary Resolution as set out at item no. 4 of the Notice for approval of the members.

None of the directors and Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the said resolution.

**By Order of the Board of Directors  
of Remsons Industries Limited**

**Rohit Darji**

**Company Secretary & Compliance Officer**

**Place: Mumbai**

**Date: 10<sup>th</sup> August, 2022 Membership No.: A37077**

**Registered Office:**

401, 4<sup>th</sup> Floor, Gladdiola,  
Hanuman Road, Vile Parle (East),  
Mumbai – 400057, Maharashtra, India.

## Annexure – 1

### INFORMATION OF DIRECTOR BEING PROPOSED TO BE RE-APPOINTED PURSUANT TO REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARD ON GENERAL MEETINGS (SS-2) ISSUED BY THE ICSI IS PROVIDED HERE-IN BELOW:

Name of Director	Mrs. Chand Kejriwal
Designation	Whole Time Director
DIN	00513737
Date of Birth	5 <sup>th</sup> October, 1956
Age	65 years
Qualifications	Inter (Arts), University of Mumbai
Experience (including nature of expertise in specific functional areas / Brief resume	General Administration, Marketing, Human Resource Management
Terms and conditions of appointment / re-appointment	In terms of Section 152(6) of the Companies Act, 2013, she is liable to retire by rotation.
Remuneration sought to be paid	₹ 18.00 Lakhs per annum
Remuneration last drawn, if applicable	₹ 18.00 Lakhs per annum
Date of first appointment on the Board	12 <sup>th</sup> July, 1976
Shareholding in the Company	17,08,444 Equity shares of ₹ 10/- each
Disclosure of relationships between directors inter-se	She is wife of Mr. Krishna Kejriwal, Chairman and Managing Director and mother of Mr. Rahul Kejriwal, Whole Time Director and CFO of the Company.
No. of Board Meetings attended during the financial year 2021-22	06
Nationality	Indian
Directorship held in other Companies	None
Chairmanship / Membership of the Committees of other Boards	None
Names of listed entities from which the appointee has resigned in the past three years	Not Applicable
Skills and capabilities required for the role and manner in which the proposed appointee meets such requirements for appointment as Independent Director.	Not Applicable
Summary of performance Evaluation/Justification for choosing the appointees for appointment as Independent Director	Not Applicable

**By Order of the Board of Directors  
of Remsons Industries Limited**

**Rohit Darji**  
Company Secretary & Compliance Officer  
Membership No.: A37077

**Place: Mumbai**  
**Date: 10<sup>th</sup> August, 2022**

**Registered Office:**  
401, 4<sup>th</sup> Floor, Gladdiola,  
Hanuman Road, Vile Parle (East),  
Mumbai – 400057, Maharashtra, India.



# Board of Director's Report

To,  
 The Members,  
**Remsons Industries Limited**

Your directors take pleasure in presenting the 50<sup>th</sup> Annual Report of the Company together with the Audited Financial Statements for the financial year ended 31<sup>st</sup> March, 2022.

## 1. FINANCIAL HIGHLIGHTS:

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
<b>Revenue from operations and Other Income (Net)</b>	<b>22,444.60</b>	<b>19,742.48</b>	<b>28,719.09</b>	<b>22,856.19</b>
<b>Profit before Interest, Depreciation, Tax and extra ordinary items</b>	<b>1,518.98</b>	<b>1,191.89</b>	<b>2,096.71</b>	<b>1,257.21</b>
Less: (i) Financial Expenses	524.87	311.17	643.33	354.22
(ii) Depreciation / Amortization	548.08	328.21	793.33	440.69
<b>Profit / (Loss) before exceptional items &amp; Tax</b>	<b>446.03</b>	<b>552.51</b>	<b>660.05</b>	<b>462.30</b>
Add: Exceptional Items	74.26	329.69	74.26	329.69
<b>Profit / (Loss) Before Tax</b>	<b>520.29</b>	<b>882.19</b>	<b>734.30</b>	<b>791.99</b>
Less: Tax-Provision:				
-Current Tax	151.38	146.78	151.38	146.78
-Deferred tax liabilities/ (Assets)	14.08	69.86	46.68	196.70
<b>Profit / (Loss) After Tax</b>	<b>354.83</b>	<b>665.55</b>	<b>536.25</b>	<b>448.51</b>
Other Comprehensive Income	23.75	(0.59)	1.91	33.09
<b>Total Comprehensive Income for the year</b>	<b>378.58</b>	<b>664.97</b>	<b>538.16</b>	<b>481.60</b>

## 2. AUTOMOBILE INDUSTRY SCENARIO:

Automobile Industry impacted by supply of electronic components, total automobile dispatches during the last financial year fell 6% in all segments, dragged down by lower sales of two-wheelers and entry-level cars amid rising vehicle and fuel costs, commodity prices such as aluminum, copper, zinc, nickel and steel, along with rising freight costs also pose a challenge for the industry.

## 3. OPERATIONS:

During the financial year under review, the Company achieved total revenue of ₹ 22,444.60 Lakhs (previous year ₹ 19,742.48 Lakhs) and profit before exceptional items and tax was ₹ 446.03 Lakhs (previous year ₹ 552.51 Lakhs) and the Net profit after exceptional items and tax was ₹ 354.83 Lakhs (previous year ₹ 665.55 Lakhs).

During the financial year under review, consolidated revenue was ₹ 28,719.09 Lakhs (previous year ₹ 22,856.19 Lakhs) and profit before exceptional items and tax was ₹ 660.0 Lakhs (previous year ₹ 462.30 Lakhs) and the Net profit after exceptional items and tax was ₹ 536.25 Lakhs (previous year ₹ 448.51 Lakhs).

## 4. EXPORTS:

During the financial year under review exports were better at ₹ 3,079.52 Lakhs as compared to ₹ 2,697.38 Lakhs in the previous year.

## 5. CREDIT RATING:

ICRA Limited has reaffirmed the following credit ratings for Company's long term and short term instruments:

Details of Bank Limits Rated by ICRA (on Long – Term Scale)	Amount (₹ Lakhs)	Rating	Assigned / Outstanding on
<b>Cash Credit</b>			
State Bank of India	2,400.00	[ICRA]BBB-{Stable}	24 <sup>th</sup> March, 2022
<b>Working Capital Demand Loan</b>			
State Bank of India	230.00	[ICRA]BBB-{Stable}	24 <sup>th</sup> March, 2022
<b>Overdraft</b>			
Standard Chartered Bank	800.00	[ICRA]BBB-{Stable}	24 <sup>th</sup> March, 2022
<b>Term Loans</b>			
State Bank of India	1002.00	[ICRA]BBB-{Stable}	24 <sup>th</sup> March, 2022
<b>Total</b>	<b>4,432.00</b>		

Details of Bank Limits Rated by ICRA (on Long – Term Scale)	Amount (₹ in Lakhs)	Rating	Assigned / Outstanding on
<b>LC Limit</b>			
Standard Chartered Bank	130.00	[ICRA]A3	24 <sup>th</sup> March, 2022
<b>Bank Guarantee</b>			
Standard Chartered Bank	70.00	[ICRA]A3	24 <sup>th</sup> March, 2022
<b>Total</b>	<b>200.00</b>		
<b>Grand Total</b>	<b>4,632.00</b>		

## 6. DIVIDEND AND TRANSFER TO RESERVES:

Your directors have pleasure in recommending payment of dividend of ₹ 1.00 per share (10%) (previous year ₹ 1.00 per share (10%) on face value of Equity Shares of ₹ 10/- each for the financial year ended 31<sup>st</sup> March, 2022. This will absorb total cash outflow of ₹ 57,13,357/- (previous year ₹ 57,13,357/-). The dividend, if approved, will be paid to those members whose names shall appear on the Register of Members / List of Beneficiaries as on 21<sup>st</sup> September, 2022.

During the financial year under review, the Company has not transferred any amount to reserves.

## 7. SHARE CAPITAL OF THE COMPANY:

There was no change in share capital of the Company during the financial year under review. The paid-up equity share capital of your Company as on 31<sup>st</sup> March, 2022 stood at ₹ 5,71,33,570/- (Rupees Five Crore Seventy One Lakhs Thirty Three Thousand Five Hundred Seventy only) divided into 57,13,357 (Fifty Seven Lakhs Thirteen Thousand Three Hundred Fifty Seven) Equity shares of ₹ 10/- (Rupees Ten only) each.

## 8. CHANGE IN THE NATURE OF BUSINESS OF THE COMPANY:

There was no change in the nature of business activities of the Company during the financial year under review.

## 9. PUBLIC DEPOSITS:

During the financial year under review, the Company has not accepted or renewed any deposits from public within the meaning of Sections 73 and 76 of the Companies Act, 2013 ("Act") read with the Companies (Acceptance of Deposits) Rules, 2014.

## 10. SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANIES:

The Company has one foreign wholly owned subsidiary viz. Remsons Holding Ltd., UK and two foreign step down subsidiaries viz. Woolford Properties Ltd., UK and Magal Automotive Ltd., UK.

None of the subsidiary companies is material subsidiary within the meaning of material subsidiary as defined under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

Pursuant to the provisions of Section 129(3) of the Act, a statement containing salient features of the financial statements of Remsons Holdings Ltd., Woolford Properties Ltd. and Magal Automotive Ltd. in Form No. AOC - 1, is annexed as **Annexure - I** and forms part of this Report.

Pursuant to the provisions of Section 136 of the Act, the Financial Statements of the Company including Consolidated

Financial Statements along with relevant documents and separate Audited Financial Statements of the said subsidiaries are available on the website of the Company viz. [www.remsons.com](http://www.remsons.com).

## 11. CONSOLIDATED FINANCIAL STATEMENTS:

Pursuant to the provisions of Sections 129 and 133 of the Act read with the Companies (Accounts) Rules, 2014 and as required under Regulation 34 of the Listing Regulations, the Company has prepared Consolidated Financial Statements consolidating financial statements of Remsons Holding Ltd., UK, wholly owned subsidiary and of Woolford Properties Ltd., UK and Magal Automotive Ltd., UK, step down subsidiaries of the Company with its financial statements in accordance with the applicable provisions of Indian Accounting Standards ("Ind AS"). The Consolidated Financial Statements along with the Independent Auditors' Report thereon are annexed and form part of this Report.

The summarized consolidated financial position is provided above in point no. 1 of this Report.

## 12. LISTING:

The Equity Shares of the Company are listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). The Company has paid the requisite listing fees to the said Stock Exchanges for the financial year 2021-22.

## 13. ANNUAL RETURN:

As required under Section 92(3) read with 134(3)(a) of the Act, the copy of Annual Return as on 31<sup>st</sup> March, 2022 will be placed on the Company's website and can be accessed at [www.remsons.com](http://www.remsons.com).

## 14. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

### a) Retirement by rotation

In accordance with the provisions of Section 152(6) of the Act read with the Companies (Management and Administration) Rules, 2014 and the Articles of Association of the Company, Mrs. Chand Kejriwal (DIN: 00513737), Director of the Company, retires by rotation at the ensuing 50<sup>th</sup> Annual General Meeting ("AGM") and being eligible, has offered herself for re-appointment and your Board recommends her re-appointment.

### b) Appointment / Re-appointment

Mr. Anil Kumar Agrawal (DIN: 00513805), who retired by rotation at previous 49<sup>th</sup> AGM held on 30<sup>th</sup> September, 2021, was re-appointed as director of the Company in terms of provisions of Section 152(6) of the Act.

Upon recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company appointed Mr. Shishir Vasant Dalal

(DIN: 0000708) as Non-Executive Independent Director of the Company for a period of (5) five consecutive years with effect from 14<sup>th</sup> February, 2022, subject to approval of the shareholders the Company. The shareholders in their 01/2022-23 Extra Ordinary General Meeting held on 12<sup>th</sup> May, 2022 approved the said appointment, who shall not be liable to retire by rotation.

Considering the knowledge and expertise in the field of governance practices, organization strategy and leadership capital areas and based on the recommendation by the Nomination and Remuneration Committee and the Board of Directors of the Company, the members of the Company in their 01/2022-23 Extraordinary General Meeting held on 12<sup>th</sup> May, 2022 appointed Mr. Suresh Ramarao as an Independent Director of the Company for a term of 5 (five) consecutive years with effect from 12<sup>th</sup> May, 2022, who shall not be liable to retire by rotation.

### c) Cessation

Mr. Sudhir Khanna (DIN: 01283599) Independent Director of the Company retired from the directorship of the Company with effect from closure of office hours on 30<sup>th</sup> May, 2021. The Board places on record its sincere appreciation for the valuable contribution made and guidance provided by him during his tenure as director of the Company.

### d) Declaration from Independent Directors:

The Company has received the necessary declaration from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and pursuant to Regulation 25 of the said Regulations that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. The Independent Directors have also confirmed that they have complied with Schedule IV of the Act and the Company's Code of Conduct.

Further, the Independent Directors have also submitted their declaration in compliance with the provisions of Rule 6(3) of the Companies (Appointment and Qualifications of Directors) Rules, 2014, which mandates the inclusion of an Independent Director's name in the data bank of the Indian Institute of Corporate Affairs ("IICA").

None of the directors of your Company are disqualified under the provisions of Section 164(2) of the Act. Your directors have made necessary disclosures, as required under various provisions of the Act and the Listing Regulations and in the opinion of the Board, all the Independent Directors are persons of integrity and possesses relevant expertise and experience and are independent of the management.

**e) Number of Directors**

As per Regulation 17(1)(c) of the Listing Regulations, the Company is required to appoint minimum 6 (six) directors including one woman director on its Board. As on date of this report, your Company has eight directors consisting of four Independent Directors including a woman Director, one Non-Executive Director and three Executive Directors.

**f) Annual evaluation of performance by the Board:**

In terms of applicable provisions read with Schedule IV of the Act and Rules framed thereunder and Regulation 17 read with Part D of Schedule II of the Listing Regulations the Board of Directors has put in place a process to formally evaluate the effectiveness of the Board along with performance evaluation of each director to be carried out on an annual basis.

Pursuant to the provisions of the Act and the Listing Regulations the evaluation of the Board and its performance, the directors individually and the working of its Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee including the Chairman of the Company was carried out by the Board. The Board has evaluated the performance of each of Executive, Non-Executive and Independent Directors considering the business of the Company and the expectations that the Board has from each of them.

The evaluation framework for assessing the performance of directors comprises of the following key areas:

- i. Attendance of Board Meetings and Committee Meetings;
- ii. Quality of contribution to Board deliberations;
- iii. Strategic perspectives or inputs regarding future growth of Company and its performance; and
- iv. Providing perspectives and feedback going beyond information provided by the management.

**g) Key Managerial Personnel (KMP)**

The details of Key Managerial Personnel of the Company as on 31<sup>st</sup> March, 2022 are as follows:

Sr. No.	Name of the Director	Designation
1.	Mr. Krishna Kejriwal	Chairman & Managing Director
2.	Mrs. Chand Kejriwal	Whole-Time Director
3.	Mr. Rahul Kejriwal	Whole Time Director & CFO
4.	Mr. Amit Srivastava	Chief Executive Officer
5.	Mr. Rohit Darji	Company Secretary & Compliance Officer

Apart from the above, no other director or KMP were appointed or retired or resigned during the financial year under review.

**15. DIRECTORS' RESPONSIBILITY STATEMENT:**

Your directors, to the best of their knowledge and belief and according to the information and explanations obtained by them and as required under Section 134(3)(c) read with Section 134(5) of the Act state that:

- a. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year on 31<sup>st</sup> March, 2022 and of the profit of the Company for that period;
- c. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. they have prepared the annual accounts on a going concern basis;
- e. they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**16. MEETINGS OF THE BOARD OF DIRECTORS:**

The Board meets at regular intervals to discuss and decide on Company / business policies and strategy apart from other business of the Board. The notice of Board meetings are given well in advance to all the directors of the Company. Meetings of the Board are held in Mumbai, Maharashtra. The agenda of the Board / Committee meetings are circulated at least 7 days before the date of the meetings. In case of any business exigencies, meetings are called and convened at shorter notice or the resolutions are passed through circulation and later placed in the next Board meeting. The agenda for the Board and Committee meetings include detailed notes on the items to be discussed at the meetings to enable the directors to take informed decisions.

During the financial year under review, the Board of Directors met 6 (six) times, the details of which are given in the Report on Corporate Governance, forming part of this Annual Report. The intervening gap between two consecutive meetings was within the period prescribed under the Act and the Listing Regulations.

**17. SEPARATE MEETING OF INDEPENDENT DIRECTORS:**

As stipulated by the Code of Independent Directors under Schedule IV of the Act, a separate meeting of the Independent



Directors of the Company was held on 14<sup>th</sup> February, 2022 without presence of Non-Independent Directors and members of the management to consider the following:

- i. performance of Non-Independent Directors and the Board as a whole;
- ii. performance of the Chairman of the Company, taking into account the views of executive directors and non-executive directors; and
- iii. assessing the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Independent Directors expressed satisfaction on the performance of Non-Independent Directors and the Board as a whole. The Independent Directors were also satisfied with the quality, quantity and timeliness of flow of information between the Company management and the Board.

## 18. COMMITTEES OF THE BOARD OF DIRECTORS:

In accordance with the provisions of the Act and the Listing Regulations, the Company has constituted four committees of the Board, namely:

- I. Audit Committee,
- II. Nomination and Remuneration Committee,
- III. Stakeholders' Relationship Committee and
- IV. Corporate Social Responsibility Committee (upto 14<sup>th</sup> February, 2022).

Details of all the Committees along with their charters, composition and meetings held during the financial year under review are provided in the Report on Corporate Governance, forming part of this Report.

## 19. Audit Committee:

The Audit Committee is duly constituted as per the provisions of Section 177 of the Act and Regulation 18 of the Listing Regulations. The members of the Committee possess sound knowledge on accounts, audit, finance, taxation, internal controls etc.

As on 31<sup>st</sup> March, 2022, the Audit Committee comprised of Mrs. Visalakshi Sridhar, Independent Director, Mr. Paresh Bhagat, Independent Director and Mr. Krishna Kejriwal, Chairman and Managing Director as its members. Mrs. Visalakshi Sridhar is the Chairperson of the Audit Committee and the Company Secretary and Compliance Officer of the Company acts as the Secretary to the Audit Committee.

The Audit Committee of the Company reviews the reports to be submitted to the Board of Directors with respect to auditing and accounting matters. It also supervises the Company's internal control and financial reporting process and vigil mechanism.

All the recommendations made by the Audit Committee were accepted by the Board of Directors of the Company.

## 20. APPOINTMENT AND REMUNERATION POLICY:

Pursuant to the provisions of Section 178 of the Act and Regulation 19 of the Listing Regulations and on the recommendation of the Nomination and Remuneration Committee, the Board has adopted a policy for selection, appointment and remuneration of Directors and Senior Management Personnel ('SMPs') including criteria for determining qualifications, positive attributes, independence of a director and other related matters. The Remuneration Policy has been placed on the website of the Company viz. [www.remsons.com](http://www.remsons.com).

## 21. INDEPENDENT DIRECTORS' FAMILIARISATION PROGRAMME:

The Company undertakes and makes necessary provisions for appropriate induction programme for new directors and ongoing training for existing directors. The new directors are introduced to the Company's culture, through appropriate training programmes. Such kind of training programmes helps in developing relationship of the directors with the Company and familiarize them with the Company processes. The management provides such information and training either at the meeting of Board of Directors or otherwise.

The induction process is designed to:

- build an understanding of the Company's processes and
- fully equip directors to perform their role on the Board effectively.

Upon appointment, directors receive a letter of appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments. The details of familiarization programme imparted to independent directors are available on the Company's website viz. [www.remsons.com](http://www.remsons.com).

## 22. VIGIL MECHANISM / WHISTLE BLOWER POLICY:

Pursuance to the provisions of Section 177 of the Act, the Company has adopted Vigil Mechanism / Whistle Blower Policy to deal with instance of fraud and mismanagement, if any.

The Company promotes ethical behaviour in all its business activities and has adopted a mechanism of reporting illegal or unethical behaviour. The Company has a whistle blower policy wherein the directors and employees are free to report violations of laws, rules, regulations or unethical conduct to their immediate supervisor or such other person as may be notified by the management to the directors and employees / workers. The mechanism also provides for adequate safeguards against victimization of directors and employees who avail of the mechanism and also provide for direct access to the Chairperson of the Audit Committee in the exceptional cases. The confidentiality of those reporting violation is maintained,

and they are not subjected to any discriminatory practice. However, no violation of laws or unethical conduct etc. was brought to the notice of the Management or Audit Committee during the financial year under review. We affirm that during the financial year under review, no director or employee was denied access to the Audit Committee. The details of the Vigil mechanism / Whistle Blower Policy is available on the website of the Company viz. [https://www.remsons.com/content/pdf/policies/V1442906096\\_vigil-mechanism-policy.pdf](https://www.remsons.com/content/pdf/policies/V1442906096_vigil-mechanism-policy.pdf)

### 23. STATUTORY AUDITORS:

As per the provisions of Section 139 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the members of the Company in their 45<sup>th</sup> AGM held on 25<sup>th</sup> September, 2017 appointed M/s. M. L. Bhuvania & Co. LLP, Chartered Accountants (Firm Registration No: 101484W/W100197) as Statutory Auditors of the Company for a term of 5 (five) consecutive years, accordingly they hold office as such till the conclusion of ensuing 50<sup>th</sup> AGM of the Company. The Board of Directors places on record its appreciation for the services rendered by M/s. M. L. Bhuvania & Co. LLP, Chartered Accountants, Mumbai as the Statutory Auditors of the Company.

The Board of Directors of the Company, based on recommendation of the Audit Committee, recommends for the appointment of M/s. Kanu Doshi Associates LLP, Chartered Accountants (Firm Registration No.: 104746W/W10096) as Statutory Auditors of the Company in place of M/s. M. L. Bhuvania & Co. LLP, for a term of 5 (five) consecutive years i.e. to hold office from the conclusion of the ensuing 50<sup>th</sup> AGM till the conclusion of the 55<sup>th</sup> AGM to be held for the financial year ending 31<sup>st</sup> March, 2027.

The Company has received a letter from them to the effect that they are willing to get appointed as Statutory Auditors and if appointed, their appointment would be within the limits prescribed and confirmation to the effect that they are not disqualified from being appointed as the Statutory Auditors of the Company in terms of the provisions of Sections 139 and 141 of the Act read with the Companies (Audit and Auditors) Rules, 2014.

A resolution seeking their appointment forms part of the Notice convening the 50<sup>th</sup> AGM and the same is recommended for your consideration and approval.

### 24. EXPLANATIONS OR COMMENTS ON QUALIFICATIONS, RESERVATION OR ADVERSE REMARKS BY STATUTORY AUDITORS:

The Statutory Auditors' Report on the Standalone and Consolidated Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2022 does not contain any qualifications, reservation or adverse remarks.

### 25. SECRETARIAL AUDIT REPORT:

Pursuant to the provisions of Section 204(1) of the Act, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the Listing Regulations, M/s. M. Baldeva Associates, Company Secretaries, Thane (M. No.: FCS 6180 /COP No.: 11062) were appointed as Secretarial Auditors of the Company to undertake Secretarial Audit of the Company for the financial year 2021-22. The Secretarial Audit Report for the said financial year is appended to this report as **Annexure - II** and forms part of this Annual Report.

With respect to the observations made by the Secretarial Auditors in their report, your directors would like to state as follows:

Sr. No.	Observations	Explanation of Board of Directors
1.	Delay in filing of some e-forms with Registrar of Companies (RoC), Mumbai, Maharashtra	Delay in filing e-forms with Registrar of Companies (RoC), Mumbai, Maharashtra was due to oversight
2.	As required under Regulation 17(1)(b) of the Listing Regulations, the Board of Directors of the Company did not have at least half of the independent directors as its members	
3.	As required under Regulation 23(9) of the Listing Regulations, the disclosure of related party transactions for the half year ended 30 <sup>th</sup> September 2021 was submitted beyond prescribed timeline of 30 days from the date of publication of its standalone and consolidated financial results	As per the legal opinion obtained, the Company was not required to comply with these provisions in light of exemptions provided under Regulation 15(2) of the Listing Regulations. However, the Company has subsequently complied with these provisions.
4.	As required under Regulation 27(2) of the Listing Regulations, quarterly Compliance Report on Corporate Governance for the quarters ended 30 <sup>th</sup> June, 2021, 30 <sup>th</sup> September, 2021 and 31 <sup>st</sup> December, 2021 were submitted beyond the prescribed timeline of 21 days from the end of respective quarters	

Further, none of the Auditors of the Company have reported any fraud as specified under the second proviso of Section 143(12) of the Act.

## 26. INTERNAL AUDITORS:

Pursuant to the provisions of Section 138 of the Act read with the Companies (Accounts) Rules, 2014, the Board of Directors, based on the recommendation of the Audit Committee, re-appointed M/s. Kanu Doshi & Associates LLP, Chartered Accountants, as Internal Auditors of the Company for the financial year under review. The Internal Auditors submit their reports on periodical basis to the Audit Committee.

Based on the internal audit reports, the management undertakes corrective actions in respective areas and thereby strengthens the controls.

## 27. INTERNAL FINANCIAL CONTROL WITH REFERENCE TO THE FINANCIAL STATEMENTS:

The Company has in place proper and adequate internal control systems commensurate with the nature of its business, size and complexity of its business operations. Internal control systems comprising of policies and procedures are designed to ensure reliability of financial reporting, compliance with policies, procedures, applicable laws and regulations and that all assets and resources are acquired economically used efficiently and adequately protected.

The Audit Committee evaluates the efficiency and adequacy of financial control system in the Company, its compliance with operating systems, accounting procedures at all locations of the Company and strives to maintain the standard in Internal Financial Control.

## 28. COST RECORDS:

During the financial year under review, the Central Government has not prescribed the maintenance of cost records for any of the products of the Company under Section 148(1) of the Act.

## 29. RISKS AND AREAS OF CONCERN:

The Company has laid down a well-defined Risk Management Policy covering the risk mapping, trend analysis, risk exposure, potential impact and risk mitigation process. A detailed exercise is being carried out to identify, evaluate, manage and monitoring of both business and non-business risk. The Board periodically reviews the risks and suggests steps to be taken to control and mitigate the same through a properly defined framework.

## 30. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188(1) OF THE ACT:

All contracts / arrangements / transactions entered by the Company during the financial year under review with the related parties were in the ordinary course of the business on arm's length basis and are reported in the Notes to Accounts on the Financial Statements for the financial year ended 31<sup>st</sup> March, 2022.

No material related party transactions were entered during the financial year under review by your Company. Accordingly, the disclosure of material related party transactions as required under Section 134(3) of the Act in Form AOC-2 is not applicable.

In accordance with the provisions of Regulation 23 of the Listing Regulations, the Company has adopted a policy on Related Party Transactions and the same has been uploaded on its website viz. <https://www.remsons.com/content/pdf/policies/related-party-transaction-policy.pdf>.

## 31. PARTICULARS OF EMPLOYEES AND REMUNERATION:

Disclosures pertaining to remuneration and other details as required under Section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in this Report as **Annexure -III** and forms part of this Report.

The statement containing particulars of employees as required under Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in a separate annexure. Further in terms of Section 136 of the Act, this Report and the Financial Statements are being sent to the members excluding the aforesaid annexure. The said annexure is available for inspection at the Registered Office of the Company during the working hours and any member interested in obtaining a copy of the same may write to the Company Secretary and Compliance Officer of the Company and the same will be furnished on request.

## 32. PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

Information in terms of requirement of clause (m) of sub-section (3) of Section 134 of the Act regarding conservation of energy, technology absorption and foreign exchange earnings and outgo, read with Rule 8 of the Companies (Accounts) Rules are given in **Annexure - IV** and forms part of this Annual Report.

## 33. CORPORATE SOCIAL RESPONSIBILITY

Pursuant to the provisions of Section 135 of the Act, the Board had constituted the Corporate Social Responsibility Committee of the Company. In terms of provisions of Section 135(9) of the Act, if the amount to be spent towards CSR obligations by a Company does not exceed fifty Lakhs rupees in a financial year, the requirement for constitution of the CSR Committee shall not be applicable to such Company; accordingly, since the Company's CSR obligations is below the said threshold limit, the Board of Directors of the Company dissolved the CSR Committee of the Company w.e.f. 14<sup>th</sup> February, 2022 and the functions of such Committee are discharged by the Board of Directors of the Company.

The details of the CSR initiatives taken by the Company as per the provisions of Rule 8 of the Companies (Corporate Social Responsibility) Rules, 2014 are given in **Annexure - V**, which forms part of this Report.

### **34. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013:**

The details of loans or guarantees given or investments made by the Company under the provisions of Section 186 of the Act are given under Notes to Accounts on the Financial Statements for the financial year ended 31<sup>st</sup> March, 2022 forming part of this Report.

### **35. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:**

There was no significant or material order passed by any regulator or court or tribunal, which impacts the going concern status of the Company or will have bearing on Company's operations in future.

### **36. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THESE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:**

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which these Financial Statements relate and the date of this Report.

### **37. COMPLIANCE WITH SECRETARIAL STANDARDS:**

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and your directors confirm compliance of the same during the financial year under review.

### **38. REPORT ON CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

As per legal opinion obtained, by virtue of exemptions provided under Regulation 15(2) of the Listing Regulations, the provisions of Corporate Governance viz. Regulations 17, 17A, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and clauses (b) to (i) and (t) of sub regulation (2) of regulation 46 and para C, D and E of Schedule V of the Listing Regulations are not applicable to the Company. However, as opined by the Stock Exchanges, the Company decided to comply with the said provisions as its commitment towards good corporate governance, as always.

Hence, pursuant to the provisions of Regulation 34(3) read with Schedule V of the Listing Regulations, the following have been made part of the Annual Report and are annexed to this report:

- Management Discussion and Analysis Report;
- Corporate Governance Report;
- Declaration on compliance with Code of Conduct;
- Certificate from Practicing Company Secretary that none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies; and
- Practicing Company Secretaries' Certificate regarding compliance of conditions of Corporate Governance.

### **39. DISCLOSURE WITH RESPECT TO DEMAT SUSPENSE ACCOUNT / UNCLAIMED SUSPENSE ACCOUNT:**

The Company does not have any of its securities lying in demat suspense account / unclaimed suspense account / Suspense Escrow account arising out of public / bonus / rights issue / expiration of period of 120 days from date of issuance of 'Letter of Confirmation' by the RTA in terms of SEBI Circular No. SEBI/LAD-NRO/GN/2022/66 dated 24<sup>th</sup> January, 2022 read with SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated 25<sup>th</sup> January, 2022 in matters w.r.t. issue of duplicate securities certificate; claim from unclaimed suspense account; renewal / exchange of securities certificate; endorsement; sub-division / splitting of securities certificate; consolidation of securities certificates / folios; transmission and transposition received from the shareholder / claimant.. Hence, providing particulars relating to aggregate number of shareholders and outstanding securities in suspense account and other related matters are not required.

### **40. INFORMATION UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

The Company has zero tolerance for sexual harassment at workplace and adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company has constituted an Internal Complaint Committee as required under Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the financial year under review, no complaint was filed before the said Committee. No complaint was pending at the beginning or end of the financial year under review.

### **41. PROCEEDINGS UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016:**

During the financial year under review, no application was made or proceeding initiated against the Company under the Insolvency and Bankruptcy Code, 2016 nor any such proceeding was pending at the end of the financial year under review.



**42. VALUATION OF ASSETS:**

During the financial year under review, there was no instance of one-time settlement of loans / financial assistance taken from Banks or Financial Institutions, hence the Company was not required to carry out valuation of its assets for the said purpose.

**43. ACKNOWLEDGEMENT:**

Your directors would like to place on record their gratitude for all the guidance and co-operation received from the shareholders,

banks and other government and regulatory agencies. Your directors would also like to take this opportunity to express their appreciation for the hard work and dedicated efforts put in by the employees and look forward to their continued contribution and support.

**For and on behalf of the Board of Directors  
of Remsons Industries Limited**

**Krishna Kejriwal**

**Chairman & Managing Director  
DIN: 00513788**

**Place: Mumbai**

**Date: 10<sup>th</sup> August, 2022**

## Annexure - I

## Form No. AOC-1

(Pursuant to first proviso to sub-section (3) of Section 129 of the Companies Act, 2013  
read with Rule 5 of the Companies (Accounts) Rules, 2014)

## Statement containing salient features of the financial statement of Subsidiaries / Associate companies / Joint Ventures

## Part "A": Subsidiaries

(₹ in Lakhs)

Sr. No.	1	2	3
Name of the Subsidiary	Remsons Holdings Ltd.	Magal Automotive Ltd.	Woolford Properties Ltd.
The date since when subsidiary was acquired	21 <sup>st</sup> August, 2020	26 <sup>th</sup> August, 2020	21 <sup>st</sup> October, 2020
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not Applicable	Not Applicable	Not Applicable
Reporting Currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	GBP 1 GBP 100.23 INR	GBP 1 GBP 100.23 INR	GBP 1 GBP 100.23 INR
Share Capital	1891.45	497.75	319.52
Reserves and Surplus	(102.39)	343.94	1039.64
Total Assets	3525.21	4412.12	1493.25
Total Liabilities	3525.21	4412.12	1493.25
Investments	1889.20	-	-
Turnover	-	7454.42	-
Profit / (Loss) before taxation	(89.90)	260.07	-
Provision for taxation	-	32.60	-
Profit / (Loss) after taxation	(89.90)	227.47	-
Proposed Dividend	-	-	-
Extent of shareholding (in percentage)	100%	Step down subsidiary of the Company (100% shares held by Remsons Holding Ltd., subsidiary of the Company)	Step down subsidiary of the Company (100% shares held by Remsons Holding Ltd., subsidiary of the Company)

- Names of subsidiaries which are yet to commence operations: NIL
- Names of subsidiaries which have been liquidated or sold during the year: NIL

## Part "B": Associates and Joint Ventures

Not Applicable as the Company does not have any Associate and Joint Venture

For and on behalf of the Board of Directors  
of Remsons Industries Limited

Krishna Kejriwal  
Chairman & Managing Director  
DIN: 00513788

Rohit Darji  
Company Secretary & Compliance officer

Rahul Kejriwal  
Whole Time Director & CFO  
DIN: 00513777

Amit Srivastava  
Chief Executive Officer

Place: Mumbai

Date: 10<sup>th</sup> August, 2022

## Annexure - II

### Form No. MR-3

### SECRETARIAL AUDIT REPORT

#### FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2022

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies [Appointment and Remuneration of Managerial Personnel] Rules, 2014]

To,  
 The Members,  
**Remsons Industries Limited**

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Remsons Industries Limited** (hereinafter called 'the Company'). The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluation of the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended **31<sup>st</sup> March, 2022** ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minutes books, forms and returns filed, and other records maintained by the Company for the financial year ended 31<sup>st</sup> March, 2022 according to the provisions of:

- a) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- b) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- c) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- d) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- e) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - (i) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (ii) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (iii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (not applicable to the Company during the Audit Period);

- (iv) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (not applicable to the Company during the Audit Period);
  - (v) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (not applicable to the Company during the Audit Period);
  - (vi) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (vii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (not applicable to the Company during the Audit Period);
  - (viii) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (not applicable to the Company during the Audit Period); and
  - (ix) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- f) As informed and certified by the management of the Company, there are no laws that are specifically applicable to the business activities carried on by the Company based on its section / industry.

I have also examined compliance with the applicable clauses of the Secretarial Standards (SS - 1 and SS - 2) issued by the Institute of Company Secretaries of India.

During the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above, *except as stated below*:

1. Delay in filing of some e-forms with Registrar of Companies (RoC), Mumbai, Maharashtra;
2. As required under Regulation 17(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") the Board of Directors did not have at least half of the independent directors as its members;

3. As required under Regulation 23(9) of the Listing Regulations, disclosure of related party transactions for the half year ended 30<sup>th</sup> September 2021 was submitted beyond prescribed timeline of 30 days from the date of publication of its standalone and consolidated financial results; and
4. As required under Regulation 27(2) of the Listing Regulations, quarterly Compliance Report on Corporate Governance for the quarters ended 30<sup>th</sup> June, 2021, 30<sup>th</sup> September, 2021 and 31<sup>st</sup> December, 2021 were submitted beyond the prescribed timeline of 21 days from the end of respective quarters.

#### I further report that

Subject to our observation as stated above regarding not having at least half of independent directors on the Board as required under Regulation 17(1)(b) of the Listing Regulations, the Board of Directors of the Company is constituted with the combination of Executive, Non-Executive and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notices were given to all directors and members to schedule the Board and Committee Meetings respectively; agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and

obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meetings.

All decisions at Board Meetings and Committee Meetings were taken unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

**I further report** that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**I further report** that during the audit period there was no specific event or action in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. having a major bearing on the Company's affairs.

**For M Baldeva Associates  
Company Secretaries**

**CS Manish Baldeva  
Proprietor**

**M. No. FCS 6180; C. P. No. 11062  
Peer Review No. 1436/2021  
UDIN: F006180D000777654**

**Place: Thane  
Date: 10<sup>th</sup> August, 2022**

#### Notes:

1. This report is to be read with my letter of even date which is annexed as Annexure-I and forms an integral part of this report.



**'Annexure I'**

To,  
The Members,  
**Remsons Industries Limited**

My report of even date is to read along with this letter.

1. Maintenance of secretarial records is responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed, provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulation, standards is the responsibility of management. My examination was limited to the verification of procedures on the test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For M Baldeva Associates  
Company Secretaries**

**CS Manish Baldeva  
Proprietor**

**M. No. FCS 6180; C. P. No. 11062  
Peer Review No. 1436/2021  
UDIN: F006180D000777654**

**Place: Thane  
Date: 10<sup>th</sup> August, 2022**

## Annexure - III

**Disclosure as per Section 197(12) of the Companies Act, 2013 read with  
Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

**Details of the ratio of remuneration of each director to the median employee's remuneration**

(i) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year:

Sr. No.	Name of the Director	Ratio of remuneration to the median remuneration of the employees
1.	Mr. Krishna Kejriwal, Chairman & Managing Director	9.76 : 1
2.	Mrs. Chand Kejriwal, Whole Time Director	5.73 : 1
3.	Mr. Rahul Kejriwal, Whole Time Director & CFO	14.82 : 1

(ii) The percentage increase in remuneration of each director, CFO, CEO, Company Secretary or Manager, if any, in the financial year:

Sr. No.	Name of the Director/CFO/Company Secretary	% Increase over last F.Y.
1.	Mr. Krishna Kejriwal, Chairman & Managing Director	-
2.	Mrs. Chand Kejriwal, Whole Time Director	-
3.	Mr. Rahul Kejriwal, Whole Time Director & CFO	30.60
4.	Mr. Amit Srivastava, Chief Executive Officer	11.11
5.	Mr. Rohit Darji, Company Secretary and Compliance Officer	6.00

(iii)	The percentage increase in the median remuneration of employees in the financial year	6.00%
(iv)	The number of permanent employees on the rolls of the company	240
(v)	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	Average increase in Managerial Remuneration is 10.20% as compared to the other employees which is 4.30%.

(vi) I hereby confirm that the remuneration is as per the remuneration policy recommended by the Nomination and Remuneration Committee of the Company and adopted by the Company.

**For and on behalf of the Board of Directors  
of Remsons Industries Limited**

**Krishna Kejriwal**

**Chairman & Managing Director**

**DIN: 00513788**

**Place: Mumbai**

**Date: 10<sup>th</sup> August, 2022**

**Annexure - IV**
**Statement of Conservation of energy, Technology Absorption and Foreign Exchange Earnings and outgo pursuant to the provisions of Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014**
**1 Details of Conservation of energy, technology absorption, foreign exchange earnings and outgo**
**A Conservation of energy**

(i)	The steps taken or impact on conservation of energy	Conservation of energy continues to receive increased emphasis and steps are being taken to reduce the consumption of energy at all levels. The Company has taken steps to conserve energy in its office use consequent to which energy consumption had been minimized. The measures taken above have helped in reducing electrical energy and fuel cost and would continue to help in reducing the energy cost in the months to come.
(ii)	The steps taken by the Company for utilizing alternative sources of energy	The Company continues its efforts to utilise alternate sources of energy at plants and office locations. The Company has signed Power Purchase Agreement for Rooftop Solar Power Project with BE Onsite Energy Private Limited to install solar rooftop with 431 KWP at in Pune plant. This total installed capacity generated 4,90,000 units in a year.
(iii)	The capital investment on energy conservation equipments	Nil

**B Technology Absorption**

(i)	the efforts made towards technology absorption	<p>Technologies require aggregation, validation and commercialization with engagement of the company and its various channel partners who can validate and adapt them to local economic structures, regulatory framework and markets.</p> <p>The Company has identified new technologies which it intends to bring into the Indian markets by way of joint ventures and technical tie-ups. Currently the Assessment Reports are being prepared for the products identified.</p> <p>The Company realized that the major drawbacks for Technology Absorption is</p> <ul style="list-style-type: none"> <li>• Lack of strategy and structure to aggregate technologies ;</li> <li>• Largely isolated effort in technology generation; and</li> <li>• Disconnect to commercialization.</li> </ul> <p>In order to counter the above the Company addressed key questions such as</p> <ul style="list-style-type: none"> <li>• How do we sustain interest among OEM's to engage in every stage of development, validation and commercialization?</li> <li>• How do we engage OEM'S from convergent disciplines to engage in collaborative development and translational validation?</li> <li>• How do we make "go" / "no go" decisions for validated technologies?</li> </ul> <p>The Company has already adapted best technologies in the manufacturing processes and the same shall continue to be upgraded with time.</p> <p>Along with this, the Company has formed a core team of engineers to concentrate on Future Technologies.</p>
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	<ol style="list-style-type: none"> <li>1. Saving on Labour Cost;</li> <li>2. Saving on Raw Material, Energy and other expenses; and</li> <li>3. Quality Improvement of finished goods.</li> </ol>
(iii)	in case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year):	Nil
(iv)	the expenditure incurred on Research and Development	Nil

**C Foreign exchange earnings and outgo**

(i)	The foreign exchange earned (actual inflows)	₹ 3258.92 Lakhs (Previous year 1423.47 Lakhs)
(ii)	The foreign exchange outgo (actual outflows)	₹ 548.69 Lakhs (Previous year 96.56 Lakhs)

**For and on behalf of the Board of Directors  
of Remsons Industries Limited**

**Krishna Kejriwal**

**Chairman & Managing Director  
DIN: 00513788**

**Place: Mumbai**

**Date: 10<sup>th</sup> August, 2022**



**Annexure - V**
**The Annual Report on Corporate Social Responsibility Activities for the Financial Year 2021-22**
**1. Brief outline on CSR Policy of the Company:**

The Company aims at spending a defined portion of its net profit for the betterment of society through:

- i. Contribution to the society at large by way of social and cultural development, imparting education, training and social awareness, especially with regards to the economically backward classes.
- ii. Protection and safeguarding of the environment and maintaining an ecological balance.

**2. Composition of CSR Committee:**

In terms of provisions of Section 135(9) of the Act, the CSR Committee of the Company was dissolved w.e.f. 14<sup>th</sup> February, 2022 and the functions of the Committee are discharged by the Board of Directors of the Company. The details, before dissolution, the composition of the CSR Committee and attendance of Committee members at its meeting are as follows:

Sr. No.	Name of the Director	Designation / Nature of Directorship	Number of meeting of CSR Committee held during the year	Number of meeting of CSR Committee attended during the year
1.	Mr. Krishna Kejriwal	Chairman / Chairman & Managing Director	1	1
2.	Mr. Rahul Kejriwal	Member / Whole Time Director & CFO	1	1
3.	Mrs. Visalakshi Sridhar	Member / Independent Director	1	1

3. Provide the web-link where composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: <https://www.remsons.com/content/pdf/policies/corporate-social-responsibility-policy.pdf> and <https://www.remsons.com/content/pdf/corporate-governance/details-of-csr-projects-and-activities.pdf>

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report):

The Company was not required to carry out the Impact Assessment of CSR projects in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 as the said rule was not applicable to Company during the financial year 2021-22.

5. Details of the amount available for set off in pursuance of sub-rule (3) of Rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (₹ in Lakhs)	Amount required to be set- off for the financial year, if any (₹ in Lakhs)
		Nil	

6. Average net profit of the Company as per Section 135(5): ₹ 619.71 Lakhs
7. (a) Two percent of average net profit of the Company as per section 135(5): ₹ 12.39 Lakhs  
 (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil  
 (c) Amount required to be set off for the financial year, if any: Nil  
 (d) Total CSR obligation for the financial year (7a+7b- 7c): ₹ 12.39 Lakhs

## 8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (₹ in Lakhs)	Amount Unspent (₹ in Lakhs)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹ 12.45 Lakhs	Nil	Not Applicable	-	Nil	Not Applicable

## (b) Details of CSR amount spent against ongoing projects for the financial year:

Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes / No)	Location of the project		Project duration	Amount allocated for the project (₹ in Lakhs)	Amount spent in the current financial Year (₹ in Lakhs)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹ in Lakhs)	Mode of Implementation- Direct (Yes / No)	Mode of Implementation – Through Implementing Agency	
				State	District						Name	CSR Registration number
Nil												

## (c) Details of CSR amount spent against other than ongoing projects for the financial year:

Sr. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes / No)	Location of the project		Amount spent for the project (₹ in Lakhs)	Mode of Implementation- Direct (Yes / No)	Mode of Implementation – Through Implementing Agency	
				State	District			Name	CSR Registration Number
1.	Contribution given to Zila Parishad School towards School roofing and painting work	Promoting education	No	Maharashtra - Palghar		3.5	No	Indian Development Foundation	CSR00001585
2.	Menstrual Hygiene Management and Awareness	Promoting health care including preventive health care	Yes	Haryana- Gurugram, Dadra and Nagar Haveli and Daman and Diu- Daman, Maharashtra- Pune		2.25	No	Indian Development Foundation	CSR00001585
3.	Contribution towards grocery kit	Eradicating hunger, poverty and malnutrition	Yes	Maharashtra- Pune and Dadra and Nagar Haveli and Daman and Diu- Silvassa		1.1	No	The Akshaya Patra Foundation	CSR00000286
4.	Menstrual Hygiene Management Kit for poor girl school students	Promoting health care including preventive health care	No	, Maharashtra- Palghar		3.2	No	Rotary Service Public Charitable Trust	CSR00006752
5.	Contribution given to Rotary club towards cataract surgeries	Promoting health care including preventive health care	Yes	Mumbai and Palghar, Maharashtra- Mumbai		2.4	No	Rotary Service Public Charitable Trust	CSR00006752
Total						12.45			

- (d) Amount spent in Administrative Overheads: NIL
- (e) Amount spent on Impact Assessment, if applicable: Not Applicable
- (f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ 12.45 Lakhs
- (g) Excess amount for set off, if any

Sl. No.	Particulars	Amount (₹ in Lakhs)
(i)	Two percent of average net profit of the company as per Section 135(5)	12.39
(ii)	Total amount spent for the Financial Year	12.45
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.06
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0.07
(v)	Amount available for set off in succeeding financial years [(iii)+(iv)]	0.13*

\* The Company has spent in excess of the mandatory requirement under the Act, but the same is not proposed to be set off in succeeding financial years.

**9. (a) Details of Unspent CSR amount for the preceding three financial years:**

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135 (6) (₹ in Lakhs)	Amount spent in the reporting Financial Year (₹ in Lakhs)	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any			Amount remaining to be spent in succeeding financial years. (₹ in Lakhs)
				Name of the Fund	Amount (₹ in Lakhs)	Date of transfer	

Not Applicable

**(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year (s):**

Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (₹ in Lakhs)	Amount spent on the project in the reporting Financial Year (₹ in Lakhs)	Cumulative amount spent at the end of reporting Financial Year (₹ in Lakhs)	Status of the project - Completed / Ongoing
---------	------------	---------------------	---	------------------	---	--	---	---

Nil

**10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year:**

- a) **Date of creation or acquisition of the capital asset(s):** None
- b) **Amount of CSR spent for creation or acquisition of capital asset:** Nil
- c) **Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.:** Not Applicable
- d) **Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset):** Not Applicable

**11. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per Section 135(5):** Not Applicable

By order of the Board of Directors  
of Remsons Industries Limited

Place: Mumbai  
Date: 10<sup>th</sup> August, 2022

Krishna Kejriwal  
Chairman & Managing Director  
DIN: 00513788

# Management Discussion and Analysis Report

## BUSINESS OVERVIEW:

The automobile industry in India accounts for 12 percent of the Gross Value Added (GVA) in the manufacturing sector. Recognized as a core sector, the auto industry contributes 49 percent to India's manufacturing GDP, 7.5 percent to the GDP at large, and is responsible for 32 million jobs. However, this \$100 billion industry faces headwinds of chip shortage, overbooking, rural distress, fuel price-led inflation, and skyrocketing commodity prices.

Your Company's net sales increased by 13.69% as compared to standalone financial year 2020-21, and net sales increased by 25.32% as compared to consolidated financial year 2020-21 mainly on account of good order inflow in OEM segment as well as domestic Aftermarket and Exports segments.

### Performance of Auto Industry during 2021-22

#### Production

The industry produced a total 2,29,33,230 vehicles including Passenger Vehicles, Commercial Vehicles, Three Wheelers, Two Wheelers, and Quadri cycles in April 2021 to March 2022, as against 2,26,55,609 units in April 2020 to March 2021.

#### Domestic Sales

Total Passenger Vehicle Sales increased from 27,11,457 to 30,69,499 units. Sales of Passenger Cars decreased from 15,41,866 to 14,67,056 units, while sales of Utility Vehicles increased from 10,60,750 to 14,89,178 units in April 2021 to March 2022 compared to the previous year. During the same period 1,13,265 units of Vans were sold compared to 1,08,841 units in April 2020 to March 2021.

The overall Commercial Vehicles sales increased from 5,68,559 to 7,16,566 units. Sales of Medium and Heavy Commercial Vehicles increased from 1,60,688 to 2,40,577 units and Light Commercial Vehicles increased from 4,07,871 to 4,75,989 units in April 2021 to March 2022 compared to the previous year.

Sales of Three Wheelers increased from 2,19,446 to 2,60,995 units in April 2021 to March 2022 compared to the previous year.

Two Wheelers sales decreased from 1,51,20,783 to 1,34,66,412 units in April 2021 to March 2022 over same period last year.

#### Exports

In April 2021 to March 2022, Passenger Vehicle Exports increased from 4,04,397 to 5,77,875 units, Commercial Vehicle Exports increased from 50,334 to 92,297 units, Three Wheeler Exports increased from 3,93,001 to 4,99,730 units and Two Wheelers Exports increased from 32,82,786 to 44,43,018 units in April 2021 to March 2022 over same period last year.

## 1. INDUSTRY STRUCTURE AND DEVELOPMENTS

The automobile industry is dependent on various factors such as availability of skilled labour at low cost, robust R&D centres, and low-cost steel production. The industry also provides great opportunities for investment and direct and indirect employment to skilled and unskilled labour. Indian automotive industry (including component manufacturing) is expected to reach ₹ 16.16-18.18 trillion (US\$ 251.4-282.8 billion) by 2026. The Indian auto industry is expected to record strong growth in 2022-23, post recovering from effects of COVID-19 pandemic. Electric vehicles, especially two-wheelers, are likely to witness positive sales in 2022-23.

## 2. OPPORTUNITIES AND THREATS

### OPPORTUNITIES

- Efficiency:** With the development of technology, people are becoming more careful about efficiency levels. That's why vehicles with cost and fuel efficiency facilities will be on rising for the next decade. With developed technology, this could bring out a huge market for industries. Using renewable sources could also bring much more success to the market.
- Alliances:** With emerging competition among companies this could bring out a better solution to grow mutually by combining different specialized strategic capabilities, companies could bring a variety of offers to the consumer which could bring good sales for partnering companies. This could bring out benefits from the difficult competitive market.
- Changing lifestyle and customer groups:** As the whole world is going through huge economic development, change in lifestyle is becoming more prominent. Customers are emerging from developing countries, more nuclear families are increasing demand for vehicles is also increasing. For many reasons such as comfort and safety etc. many developing families are interested in private vehicles. These changes will bring demand for two-wheelers and compact cars.
- Expansion of market:** Entering and expanding Asian and BRIC countries will bring upward demand in vehicles and this expansion may continue to other countries. As more countries are open to the automobile industry the market will keep on expanding and developing.
- OEM priorities:** OEM means Original Equipment Manufacturer. Often, many vehicle parts are purchased



from other manufacturers or suppliers and use to assemble their finished products, but as electronic content is increasing companies need to think out of their traditional way to make more profit out of it. This will bring new co-investment in the global platform and a new future.

## THREATS

- 1. Intense Competition in the market:** The more companies are investing in the Automobile industry the more competitive the market is becoming. The more players resulting in more shares of the fortune the market has to offer resulting in difficulties to get a big scoop of fortune.
- 2. Volatility in the fuel prices:** From the customer's side, the price of fuel always is a big factor. Mainly for developing countries where vehicles are mostly used for daily transportation, it plays a big part in the market. Also, different regulations of the governments regarding alternative fuels can also affect inventories.
- 3. Slow Economy:** Many economic situations such as sudden unemployment, pandemic (recent Covid-19 situation), etc. are some factors that can break down the automobile industry. The industry is already going through such difficulties as Covid-19 brought vehicles to minimize its mobility.
- 4. High fixed cost and investment in R&D:** Because of an overly competitive market, companies are trying to invest more in R & D centers. They are trying to emerge in the market by building facilities, but this investment needs to be profited out which is a big challenge. Return on Investment needs to be capitalized, but with the uncertain world and future, it can be thought of as a potential threat.

## 3. SEGMENT WISE OR PRODUCT WISE PERFORMANCE

As at 31<sup>st</sup> March, 2022, the Company is engaged in manufacturing and trading of automotive cables and components. The Company is identified as single business segment and that being manufacturing and selling of automotive and other components. The internal reporting and performance of the Group is assessed by the top management as single segment.

## 4. OUTLOOK

India enjoys a strong position in the global heavy vehicles market as it is the largest tractor producer, second-largest bus manufacturer, and third-largest heavy trucks manufacturer in the world. India's automobile sector is split into four segments, i.e., two-wheelers, three-wheelers, passenger vehicles and commercial vehicles, each having a few market leaders. Two-wheelers and passenger vehicles dominate the domestic demand.

India is currently shifting focus to electric cars to reduce emissions. In terms of Electric Vehicles (EVs), in Q3 FY22, sales reached a new high of 5,592 units. Overall, in 2021, 329,190 EVs were sold in India, indicating a 168% YoY growth over last year's sales of 122,607 units. A report by India Energy Storage Alliance estimated that the EV market in India is likely to increase at a CAGR of 36% until 2026. In addition, projection for the EV battery market is forecast to expand at a CAGR of 30% during the same period.

There have been plenty of investments in the automobile sector recently, as the Government of India expects the automobile sector to attract US\$ 8-10 billion in local and foreign investments by 2023. The industry attracted Foreign Direct Investment equity inflow (FDI) worth US\$ 32.84 billion between April 2000 - March 2022, accounting for 6% of the total equity FDI during the period.

Investment flow into EV start-ups in 2021 touched an all-time high, increasing nearly 255% to reach ₹ 3,307 crore (US\$ 444 million). There is a need to set up proper charging infrastructure for EVs in India. To install electric vehicle supply equipment (EVSE) infrastructure for EVs, various public sector firms, ministries and railways have come together to create infrastructure and to manufacture components.

## 5. RISK AND CONCERNS

Significant and sustained increase in prices of key raw materials and fuel costs poses a serious concern. The input raw materials in the Company's homologated products with vehicle manufacturers cannot be changed without extensive time and testing. Remsons in-house development of materials allows your Company increased ability to suggest material alternatives and demonstrate the trade-offs in real-time and real-world driving conditions and duty cycles.

## 6. QUALITY AND QUALITY MANAGEMENT SYSTEMS

Your Company is continuing its focus on improvements to sustain quality management systems through total employee involvement at all levels with a view to achieve enhanced level of customer satisfaction in domestic as well as overseas markets. Your Company continues to closely monitor and focus on various cost reduction activities and cost control initiatives to achieve planned targets during the year.

## 7. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company continues to maintain a system of internal control including adequate monitoring procedures. The internal auditors ensure operational control at various locations of the Company on a regular basis. Any irregularity or significant issues are brought to the attention of the Audit Committee of the Board and Managing Director of the Company and counter measures are taken for complying with the system.

## 8. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

### Accounting Treatment

The Company has followed all the applicable Indian Accounting Standards (Ind AS) issued by the Ministry of Corporate Affairs (MCA) in the preparation of financial statements.

Financial highlights with respect to operational performance.

Particulars	Standalone		Consolidated	
	2021-22	2020-21	2021-22	2020-21
Total Revenue	22,444.60	19,742.48	28,719.09	22,856.19
EBITDA	1,518.98	1,191.79	2,096.71	1,257.21
Profit Before Tax	520.29	882.19	734.30	791.99
Profit After Tax	354.83	665.55	536.25	448.51
EPS	6.21	11.65	9.39	7.85

(₹ in Lakhs except EPS)

## 9. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

The industrial relations in all plants of the Company continued to be cordial. Retention of talent remains a great challenge and your Company is taking various HR initiatives in this area. As on 31<sup>st</sup> March, 2022, the total number of employees on roll was 240. The Company has spent significant resources to ensure the health, safety, and well being of our employees- at home, at work, and in between the two. We have attempted to overcome barriers to vaccine adoption, announcing reimbursement of any charges for vaccination, provided for safe, capacity controlled company specific transportation, redesigned workplaces, processes, and common areas to minimize numbers.

## 10. DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS, ALONG WITH DETAILED EXPLANATIONS THEREFOR:

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is required to give details of significant changes (change of 25% or more as compared to the immediately previous financial year) in key sector specific financial ratios. The Company has identified following ratio's as key financial ratio's.

Ratios	Standalone			Consolidated		
	2021-22	2020-21	% change	2021-22	2020-21	% change
Debtors Turnover	7.09	6.06	-14.53	6.92	6.03	-12.94
Inventory Turnover	3.98	4.3	8.28	3.79	3.87	2.12
Interest Coverage Ratio	3.01	3.03	0.4	2.64	3.17	19.93
Current Ratio	1.02	1	-2.26	1.14	1.1	-3.7
Debt Equity Ratio	1.55	1.69	9.2	2.17	2.09	-3.79
Operating Profit Margin %	6.04	6.77	12.07	5.5	7.3	32.69
Net Profit Margin %	3.37	1.58	-53.18	1.96	1.87	-4.91

The percentage of Net Profit margin has declined due to negative financial performance of the Company during the financial year 2021-22 and due to adverse impact of the COVID-19 pandemic on the performance of businesses of the Company.

the financial year under review, return on Net Worth decreased by 51.65% as compared to immediately previous financial year due to decrease in profits.

### CAUTIONARY STATEMENT

Certain statements in the "Management Discussion and Analysis Report" may be forward looking and are as required by applicable laws and regulations. Many factors may affect the actual results, which could be different from what the Directors envisage in terms of the future performance and outlook.

## 11. DETAILS OF ANY CHANGE IN RETURN ON NET WORTH AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR ALONG WITH A DETAILED EXPLANATION THEREOF:

Return on Net Worth in the financial year 2021-22 is 10.25% as compared to 21.20% in the financial year 2020-21. During

# Report on Corporate Governance

[Pursuant to Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

## 1. THE COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

The Company believes in ensuring fairness, transparency, professionalism, accountability, and propriety in total functioning of the Company, which are pre-requisites for attaining sustainable growth in this competitive corporate world. The Company always endeavors to enhance shareholders' value through prudent financial management backed by sound business decisions. The Company follows all principles of Corporate Governance in its true spirit all the time. The Company's policies, practices and philosophy adopted since inception are in line with Corporate Governance. These policies and practices are periodically updated to ensure effective compliances.

The Board of Directors and the Executive Management, at the core of the corporate governance, are accountable to all the stakeholders and responsible to uphold the spirit of corporate governance.

The code of conduct and the governance are based on the corporate principles and strong emphasis laid on transparency, accountability, integrity and compliance.

The governance processes of the Company include creation of empowered sub-committees of the Board to oversee the functions of executive management. These sub-committees of the Board mainly comprises of Executive Director and Independent Directors, which meet and deliberate regularly to discharge their obligations.

highly renowned professionals from the fields of manufacturing, finance, taxation, marketing etc. The Board of Directors along with its Committees provide leadership and guidance to the management and directs and supervises the performance of the Company, thereby enhancing stakeholders' value. The Board represents an optimal mix of professionalism, knowledge and experience and has been vested with requisite powers, authorities and duties. The Board plays an imperative role in the management, strategic directions and performance of the Company.

The directors take active part at the Board and Committee Meetings by providing valuable guidance to the management on various aspects of business, policy directions, governance, compliance, etc. and play critical role on strategic issues, which enhances the transparency and add value in the decision making process of the Company.

The composition of the Board complies with the provisions of the Companies Act, 2013 ("Act"). However, as required under Regulation 17(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Board of Directors did not have at least half of the independent directors as its members.

As on 31<sup>st</sup> March, 2022, the total Board strength comprised of 7 (seven) directors having 3 (three) Executive Directors, 1 (one) Non-Executive Non-Independent Director and 3 (three) Non-Executive Independent Directors. The Company has Executive Chairman, who is also promoter of the Company.

The directors are appointed or re-appointed with the approval of the shareholders and shall remain in office as per their terms of appointment.

## 2. BOARD OF DIRECTORS

### 2.1 Composition

The Company has a very balanced and diverse Board of Directors, which comprises of experienced, competent and

## 2.2 Meetings, agenda and proceedings etc. of the Board of Directors:

### Meetings:

The Board generally meets 4 times during a financial year. Additional meetings are held when necessary. The directors are also given an option of attending the Board meetings through Video Conferencing, whenever they request for the same. During the financial year under review, the Board of Directors duly met 6 (six) times on 31<sup>st</sup> May, 2021, 28<sup>th</sup> June, 2021, 13<sup>th</sup> August, 2021, 12<sup>th</sup> November, 2021, 17<sup>th</sup> December, 2021 and 14<sup>th</sup> February, 2022. The previous Annual General Meeting ("AGM") of the Company was held on 30<sup>th</sup> September, 2021. The attendance record of the directors at the Board Meetings and at last AGM are as under:

Sr. No.	Name of Directors	Category	Attendance		As on 31 <sup>st</sup> March, 2022			Disclosure of relationship between Directors inter se	No. of Shares held
			Board Meetings	Last AGM	No. of Director-ships in other companies	No. of Committee positions held in other companies			
						Member-ship	Chairman		
1	Mr. Krishna Kejriwal	Executive Chairman & Managing Director	6	Yes	-	-	-	Husband of Mrs. Chand Kejriwal, Whole Time Director and father of Mr. Rahul Kejriwal, Whole Time Director and CFO of the Company	15,79,494
2	Mrs. Chand Kejriwal	Whole Time Director	6	Yes	-	-	-	Wife of Mr. Krishna Kejriwal, Chairman and Managing Director and mother of Mr. Rahul Kejriwal, Whole Time Director and CFO of the Company.	17,08,444
3.	Mr. Rahul Kejriwal	Whole Time Director and Chief Financial Officer	6	Yes	-	-	-	Son of Mr. Krishna Kejriwal, Chairman and Managing Director and Mrs. Chand Kejriwal, Whole Time Director of the Company	3,06,851
4.	Mr. Anil Kumar Agrawal	Non Executive Director	6	Yes	-	-	-	Not related	10
5.	Mr. Paresh Bhagat	Non Executive Independent Director	6	No	3	-	-	Not related	Nil
6.	Mrs. Visalakshi Sridhar	Non Executive Independent Director	6	Yes	3	2	-	Not related	Nil
7.	Mr. Sudhir Khanna (upto 30 <sup>th</sup> May, 2021)	Non Executive Independent Director	-	-	-	-	-	Not related	Nil
8.	Mr. Shishir Dalal (w.e.f. 14 <sup>th</sup> February, 2022)	Non Executive Independent Director	-	Not Applicable	4	3	3	Not related	Nil

### Notes:

- The directorships held by directors and number of Committee positions held in other companies as mentioned above does not include private limited companies, foreign companies, high value debt listed entities and companies registered under Section 8 of the Act.
- Membership / Chairmanship of Board Committees include only Audit Committee and Stakeholders' Relationship Committee in all public limited companies as provided under Regulation 26(1)(b) of the Listing Regulations and membership includes positions as Chairperson of the committee.

## 2.3 Details of directorships including the category of directorships in listed entities as on 31<sup>st</sup> March, 2022:

Sr. No.	Name of Directors	Names of the Listed entities where Directors are on Board	
		Name	Category
1.	Mr. Krishna Kejriwal	Remsons Industries Limited	Executive Chairman & Managing Director
2.	Mrs. Chand Kejriwal	Remsons Industries Limited	Whole Time Director
3.	Mr. Rahul Kejriwal	Remsons Industries Limited	Whole Time Director and Chief Financial Officer
4.	Mr. Anil Kumar Agrawal	Remsons Industries Limited	Non-Executive Director
5.	Mr. Paresh Bhagat	Remsons Industries Limited	Non-Executive Independent Director



Sr. No.	Name of Directors	Names of the Listed entities where Directors are on Board	
		Name	Category
6.	Mrs. Visalakshi Sridhar	Remsons Industries Limited	Non-Executive Independent Director
		Binani Industries Limited	Managing Director
7.	Mr. Shishir Dalal (w.e.f. 14 <sup>th</sup> February, 2022)	Remsons Industries Limited	Non-Executive Independent Director
		Transwarranty Finance Limited	Non-Executive Independent Director
		Keynote Financial Services Limited	Non-Executive Independent Director
		Windsor Machines Limited	Non-Executive Independent Director

## 2.4 Profile of Directors:

All the directors are professionals with erudition and experience in their respective areas and fields and Corporate management practices. The brief profile of the directors as on 31<sup>st</sup> March, 2022 is given below:

- 1. Mr. Krishna Kejriwal** (DIN: 00513788) aged 70 years, is Promoter, Executive Chairman and is Managing Director of the Company since 1976 with substantial powers and overall control of the Company. He is a Graduate in Science from University of Bangalore and has 45 years of experience in the field of production, marketing, exports, accounts, finance, banking and over all administration of the Company. He has made significant contribution in the area of production, designs, innovation, export activities, business restructure and has extensive experience in costing of automotive products, analysis of products mix, financial collaboration and planning / execution of Greenfield Projects.
- 2. Mrs. Chand Kejriwal** (DIN: 00513737) aged 66 years, is Whole Time Director of the Company since 1976. She has gained rich experience in the fields of marketing, human resource management and general administration of the Company. She is also involved in various social and human welfare activities.
- 3. Mr. Rahul Kejriwal** (DIN: 00513777) aged 43 years, is Whole Time Director of the Company since 2016 and was given additional charge of CFO of the Company in the year 2020. He is a Commerce Graduate from Narsee Monjee College, Mumbai and is having 15 years of experience in the fields of production, marketing and design. He has made significant contribution in the area of production, designs, innovation, exports, business restructure and has extensive experience in costing of automotive products, analysis of products mix, financial collaboration and planning / execution of Greenfield Projects.
- 4. Mr. Anil Kumar Agrawal** (DIN: 00513805) aged 46 years, is Non-Executive Director of the Company since 2020. He is a Post Graduate in Commerce and fellow member of Institute of Chartered Accountants of India and is having 20 years of experience in the field of accounts, finance, banking, taxation and administration.
- 5. Mr. Paresh Bhagat** (DIN: 00107783) aged 63 years, is an Independent Director of the Company since 2014. He has experience of over 35 years in Financial Services. He is Promoter and Chairman of Mangal Keshav Group of Companies.
- 6. Mrs. Visalakshi Sridhar** (DIN: 07325198) aged 56 years, is an Independent Director of the Company since 2018. She is a member of the Institute of Company Secretaries of India (ICSI) and The Institute of Cost Accountants of India (ICWAI). She has experience of over 30 years in Accounts & Financial Services. She is Managing Director, Chief Financial Officer and Company Secretary of Binani Industries Limited.
- 7. Mr. Shishir Vasant Dalal** (DIN: 00007008) aged 66 years, was appointed as an Independent Director of the Company on 14<sup>th</sup> February, 2022. He is a member of Institute of Chartered Accountants of India. He was Senior Partner in M/s. Dalal & Shah, Chartered Accountants. He has experience of more than 3 decades in Accounts and Financial Services.

## 2.5 Separate meeting of Independent Directors:

As stipulated by the Code of Independent Directors under Schedule IV of the Act and Regulation 25 of the Listing Regulations, a separate meeting of the Independent Directors of the Company was held on 14<sup>th</sup> February, 2022 without presence of Non-Independent Directors and members of the management to consider the following:

- performance of Non-Independent Directors and the Board as a whole;
- performance of the Chairman of the Company, taking into account the views of executive directors and non-executive directors; and
- assessing the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Independent Directors expressed satisfaction on the performance of Non-Independent Directors and the Board as a whole. The Independent Directors were also satisfied with the quality, quantity and timeliness of flow of information between the Company management and the Board.

## 2.6 Familiarization programme for Independent Directors

The Independent Directors have been familiarized with the Company, their roles and responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company etc. During the financial year 2021-22, the Independent Directors were taken through various aspects of the Company's business and operations. The details of familiarization programmes imparted to the Independent Directors during the financial year 2021-22 are placed on the website of the Company viz. <https://www.remsons.com>.

## 2.7 Key Board qualifications, expertise and attributes

The Company's Board comprises of qualified members who bring in the required skills, competence and expertise that allow them to make effective contribution to the Board and its Committees. The Board members are committed to ensure that the Company is in compliance with the highest standards of corporate governance.

The table below summarizes the key qualification, skills, and attributes which are taken into consideration while nominating candidates to serve on the Board:

General Management and Business Operations	Operations management is a field of business concerned with the administration of business practices to maximize efficiency within an organization. It involves planning, organizing, and overseeing the organization's processes to balance revenues and costs and achieve the highest possible operating profit.	Thought Leadership	Extended leadership experience for a significant enterprise, resulting in a practical understanding of organizations, processes, strategic planning and risk management. Strengths in developing talent, planning succession and driving change and long-term growth.	Manufacturing Industries	To produce quality products at a competitive cost. With practical analytical experience, a manufacturing experience can assess the problem and resolve the issue to produce at the desired cost.	Human Resources Management	Experience as strong leaders that helps employees streamline processes in ways that make them more effective	Corporate Governance	Guide the Board in risk management while also striving to improve corporate credibility and accountability also ensure good corporate conduct and governance practices.	Business Development / Sales / Marketing	Experience in developing strategies to grow sales and market share, build brand awareness and equity and enhance enterprise reputation.	Global Business	Experience in driving business success in markets around the world, with an understanding of diverse business environments, economic conditions, cultures, and regulatory frameworks and board perspective on global market opportunities.
--	--	--------------------	---	--------------------------	--	----------------------------	--	----------------------	---	--	---	-----------------	--

Details of the specific areas of focus or expertise of individual Board members are given in below table:

Directors	General Management and Business Operations	Thought Leadership	Manufacturing Industries	Human Resources Management	Corporate Governance	Business Development / Sales / Marketing	Global Business
Mr. Krishna Kejriwal (Executive Chairman and Managing Director)	✓	✓	✓	✓	✓	✓	✓
Mrs. Chand Kejriwal (Whole Time Director)	✓	✓	✓	✓	✓	✓	✓
Mr. Rahul Kejriwal (Whole Time Director & CFO)	✓	✓	✓	✓	✓	✓	✓
Mr. Anil Kumar Agrawal (Non - Executive Director)	✓	✓	✓	✓	✓	-	✓
Mr. Paresh Bhagat (Independent Director)	✓	✓	✓	✓	✓	✓	✓
Mrs. Visalakshi Sridhar (Independent Director)	✓	✓	✓	✓	✓	✓	✓
Mr. Shishir Dalal (Independent Director)	✓	✓	✓	✓	✓	✓	✓

## 2.8 Agenda:

All the meetings are conducted as per well designed and structured agenda complying with the provisions of Secretarial Standard - 1 on "Meetings of the Board of Directors", issued by the Institute of Company Secretaries of India (ICSI). All the agenda items are backed by necessary supporting information and documents (except for the critical price sensitive information, which is circulated in the meetings) to enable the Board to take informed decisions. Agenda also includes minutes of the previous Board and Committee meetings for the information of the Board. Agenda papers are circulated seven days before the date of the Board meetings. In case of any business exigencies, meetings are called and convened at shorter notice or the resolutions are passed through circulation and later placed in the subsequent Board / Committee meeting.

**Compliance Framework:** The Company has a robust and effective framework for monitoring compliances with applicable laws within the organization and to provide updates to senior management and the Board on a periodic basis. The Audit Committee and the Board periodically review the status of the compliances with the applicable laws.

## 2.9 Confirmation of the Board:

The Board of Directors of the Company confirms that the Independent Directors of the Company fulfil the conditions specified in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and are independent of the management.

Further, all the Independent Directors of the Company have affirmed compliance with Rule 6(3) of the Companies (Appointment and Qualifications of Directors) Rules, 2014, regarding enrolment in the Data Bank for Independent Directors as required under Notification dated 22<sup>nd</sup> October, 2019 issued by the Ministry of Corporate Affairs in this regard.

## 2.10 Detailed reasons for the resignation of Independent Director:

None of the Independent Directors of the Company resigned during the financial year 2021-22.

## 2.11 Code of Conduct:

The Board of Directors has laid down a Code of Conduct for the Board of Directors (including independent directors) and senior management ("the Code") for all the Board members and employees in the management grade of the Company. The Code covers Company's commitment to honest and ethical personal conduct, fair competition, corporate social responsibility, sustainable environment, health and safety, transparency and compliance of laws and regulations etc. All the Board members and senior management personnel have confirmed compliance with the Code. A declaration by Mr. Krishna Kejriwal, Chairman & Managing Director of the Company affirming the compliance of the same in respect of the financial year 2021-22 by the members of the Board and Senior Management Personnel, as applicable to them, is also annexed to this Report.

## 2.12 Prevention of Insider Trading Code:

As per the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted Code of Conduct for Regulating, Monitoring and Reporting of Trading by Insiders and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information. All the directors, designated persons and third parties such as auditors, consultants etc. who could have access to the unpublished price sensitive information of the Company are governed by this Code. The trading window was closed during the time of declaration of results and occurrence of any material events as per the applicable regulations. Mr. Rohit Darji, Company Secretary of the Company is the Compliance Officer under the Code and is responsible for setting forth procedures and implementation of the Code for trading in Company's securities.

## 3. AUDIT COMMITTEE

Pursuant to the provisions of Section 177 of the Act and Regulation 18 of the Listing Regulations, the Board of Directors has duly constituted the Audit Committee. Majority of the members of the Committee are Independent Directors including the Chairman of the Committee. They possess sound knowledge on accounts, audit, finance, taxation, internal controls, etc.

The Audit Committee of the Company reviews the financial statements to be submitted with the Board of Directors with respect to auditing and accounting matters, and reports of the Internal Auditor. It also supervises the Company's internal control and financial reporting process.

### 3.1 Terms of reference:

The terms of reference of the Audit Committee broadly includes (i) review of financial reporting processes, (ii) review of risk management, internal financial controls and governance processes, (iii) discussions on quarterly, half yearly and annual financial results / statements, (iv) interaction with Statutory, Internal and Cost auditors, (v) recommendation for appointment, remuneration and terms of appointment of the auditors' (vi) risk management framework concerning the critical operations of the Company and (vii) oversee of vigil mechanism for Directors and employees to report genuine concerns.

In addition to the above, the Audit Committee also reviews the following:

- Recommendation for appointment and removal of the Statutory and Branch Auditors, fixations of audit fees and also approval for payment for any other services.
- Reviewing and monitoring the Auditors' independence and performance and effectiveness of the audit process.
- Discussions with Statutory Auditors before the audit commencement; the nature and the scope of Audit as well as have post audit discussion.

- Discussion with Internal Auditors on any significant findings and follow up thereon.
- Review the adequacy of internal control system.
- Finding of any internal investigations by the internal auditors in to matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Approval or any subsequent modification of transactions of the Company with related parties.
- Scrutiny of Inter-corporate loans and investments.
- To review the Annual Budget and to consider and recommend to the Board capital expenditure for enhancement of production capacity (excluding capital expenditure for normal maintenance / repairs / replacements).
- Valuation of undertaking or assets of the Company, wherever it is necessary.
- Reviewing the Company's financial and risk management policies.
- Reviewing the annual financial statements and the Auditors' Report thereon before submission to the Board, and to make recommendations to the Board on matters relating to the financial management, focusing primarily on:
  - Any changes in accounting policies and practices.
  - Major accounting entries based on exercise of judgment by management.
  - Qualifications in draft audit report.
  - Significant adjustments arising out of audit.
  - The going concern assumption.
  - Compliance with accounting standards.
  - Any related party transactions i.e. transactions of the company of material nature, with promoters or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of company at large.

In addition to the above, the role of the Audit Committee is as laid down under Regulation 18(3) read with Schedule II Part C of the Listing Regulations read with Section 177 of the Act.

### 3.2 Composition:

As on 31<sup>st</sup> March 2022, the Audit Committee comprised of Mrs. Visalakshi Sridhar, Mr. Paresh Bhagat and Mr. Krishna Kejriwal as its members. Mrs. Visalakshi Sridhar is Chairperson of the Committee. She was present at the 49<sup>th</sup> AGM of the Company held on 30<sup>th</sup> September, 2021.

The Company Secretary and Compliance Officer of the Company acts as Secretary to the Committee.

All the members of the Audit Committee are financially literate and have related financial management expertise by virtue of their comparable experience and background. The partners / Authorised Representatives of Statutory Auditors and Internal Auditors are invited to the meetings of the Audit Committee, as and when required.

### 3.3 Meetings:

During the financial year under review, the Audit Committee duly met 6 (six) times on 31<sup>st</sup> May, 2021, 28<sup>th</sup> June, 2021, 13<sup>th</sup> August, 2021, 12<sup>th</sup> November, 2021, 17<sup>th</sup> December, 2021 and 14<sup>th</sup> February, 2022 and the gap between two committee meetings did not exceed one hundred and twenty days. The details of attendance at the Committee meetings are as follows:

Sr. No.	Name of the Members	Status	No. of meetings	
			Held	Attended
1.	Mrs. Visalakshi Sridhar	Chairperson	6	6
2.	Mr. Paresh Bhagat	Member	6	6
3.	Mr. Krishna Kejriwal	Member	6	6
4.	Mr. Sudhir Khanna (upto 30 <sup>th</sup> May, 2021)	Member	-	-

## 4. NOMINATION AND REMUNERATION COMMITTEE

Pursuant to the provisions of Section 178 of the Act and Regulation 19 of the Listing Regulations, the Board of Directors has duly constituted the Nomination and Remuneration Committee. The Nomination and Remuneration Committee, *inter alia*, recommends the appointment / re-appointment of executive directors and senior management personnel of the Company and remuneration payable to them.

### 4.1 Terms of reference:

The Committee is empowered to:

- Formulate criteria for determining qualifications, positive attributes and independence of directors and evaluating the performance of the Board of Directors.
- Identify and access potential individuals with respect to their expertise, skills, attributes, personal and professional standing for appointment and re-appointment as directors / independent directors on the Board and as Key Managerial Personnel.
- Formulate a policy relating to remuneration of the directors and the Senior Management Personnel of the Company. The Remuneration Policy is available on the website of the Company viz. <https://www.remsons.com/content/pdf/policies/policy-on-criteria.pdf>
- Determine terms and conditions for appointment of independent directors. The same is also available on the website of the Company viz. <https://www.remsons.com/content/pdf/policies/policy-on-criteria.pdf>

In addition to the above, the role of the Nomination and Remuneration Committee is as laid down under Regulation 19(4) read with Schedule II Part D Para A of the Listing Regulations read with Section 178 of the Act.

#### 4.2 Composition:

As on 31<sup>st</sup> March, 2022 the Committee comprised of Mr. Paresh Bhagat, Mrs. Visalakshi Sridhar and Mr. Anil Kumar Agrawal as its members. Mr. Paresh Bhagat is Chairman of the Committee.

The Company Secretary and Compliance Officer of the Company acts as a Secretary to the Committee.

#### 4.3 Meetings:

During the financial year under review, the Nomination and Remuneration Committee duly met 3 (three) times on 31<sup>st</sup> May, 2021, 13<sup>th</sup> August, 2021 and 14<sup>th</sup> February, 2022. The details of attendance at the Committee meetings are as follows:

Sr. No.	Name of the Members	Status	No. of meetings	
			Held	Attended
1.	Mr. Paresh Bhagat	Chairman	3	3
2.	Mrs. Visalakshi Sridhar	Member	3	3
3.	Mr. Sudhir Khanna (upto 30 <sup>th</sup> May, 2021)	Member	-	-
4.	Mr. Krishna Kejriwal (upto 31 <sup>st</sup> May, 2021)	Member	1	1
5.	Mr. Anil Kumar Agrawal (w.e.f. 31 <sup>st</sup> May, 2021)	Member	2	2

#### 4.4 Performance evaluation criteria of Independent Directors:

Pursuant to the provisions of Section 178 of the Act and Regulation 17(10) of the Listing Regulations, the Board of Directors of the Company has evaluated the performance of each Independent Director.

The evaluation framework for assessing the performance of Independent Directors comprises of the following key areas:

- Attendance at Board and Committee meetings;
- Quality of contribution to Board deliberations;
- Contribution to the development of strategies and Risk Assessment and Management; and
- Overall interaction with the other members of the Board.

### 5. STAKEHOLDERS' RELATIONSHIP COMMITTEE

Pursuant to the provisions of Section 178 of the Act and Regulation 20 of the Listing Regulations, the Board of Directors has duly constituted the Stakeholders' Relationship Committee. The Committee is empowered to oversee the redressal of investors' complaints including complaints related to Share

transfer / transmission / demat / remat of shares, non-receipt of annual reports, dividend payments, issue of new / duplicate share certificates and other miscellaneous complaints. This Committee is responsible for the satisfactory redressal of investors' complaints and recommends measures for overall improvement in the quality of investor services.

In addition to the above, the role of the Stakeholders' Relationship Committee is as laid down under Regulation 20(4) read with Schedule II Part D Para B of the Listing Regulations read with Section 178 of the Act.

#### 5.1 Composition:

As on 31<sup>st</sup> March, 2022, the Committee comprised of Mrs. Visalakshi Sridhar, Mr. Krishna Kejriwal and Mr. Rahul Kejriwal as its members. Mrs. Visalakshi Sridhar is Chairperson of the Committee. She was present at the 49<sup>th</sup> AGM of the Company held on 30<sup>th</sup> September, 2021.

The Company Secretary and Compliance Officer of the Company acts as a Secretary to the Committee.

#### 5.2 Meetings:

During the financial year under review, the Stakeholders' Relationship Committee duly met 4 (four) times on 28<sup>th</sup> June, 2021, 13<sup>th</sup> August, 2021, 12<sup>th</sup> November, 2021 and 14<sup>th</sup> February, 2022. The details of attendance at the Committee meetings are as follows:

Sr. No.	Name of the Members	Status	No. of meetings	
			Held	Attended
1.	Mrs. Visalakshi Sridhar (w.e.f. 31 <sup>st</sup> May, 2021)	Chairperson	4	4
2.	Mr. Sudhir Khanna (upto 30 <sup>th</sup> May, 2021)	Member	-	-
3.	Mr. Anil K. Agrawal (upto 31 <sup>st</sup> May, 2021)	Member	-	-
4.	Mr. Krishna Kejriwal	Member	4	4
5.	Mr. Rahul Kejriwal	Member	4	4

#### 5.3 Stakeholders' Relationship Committee other details:

Name and contact details of Compliance Officer	Mr. Rohit Darji Company Secretary and Compliance Officer Tel: 022-26122368 / 26113883 / 26114452
E-mail id for correspondence	cs@remsons.com
Registered Office	Remsons Industries Limited 401, 4 <sup>th</sup> Floor, Gladdiola Hanuman Road, Vile Parle (East), Mumbai- 400057, Maharashtra, India.



Status of investors' complaints handled by the Company and its Registrar and Share Transfer Agents during the financial year 2021-22 are as under:

<b>Opening balance at the beginning of the financial year</b>	<b>Nil</b>
Received during the financial year	Nil
Disposed during the financial year	Nil
<b>Closing balance at the end of the financial year</b>	<b>Nil</b>

## 6. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

Pursuant to the provisions of Section 135 of the Act, the Board had constituted the Corporate Social Responsibility ("CSR") Committee of the Company.

As per the provisions of Section 135(9) of the Act, if the amount to be spent towards CSR obligations by a company does not exceed fifty Lakhs rupees in a financial year, the requirement for constitution of the CSR Committee shall not be applicable to such company; accordingly, the Board of Directors of the Company in its meeting held on 14<sup>th</sup> February, 2022 dissolved the CSR Committee of the Company and the functions of such Committee are discharged by the Board of Directors of the Company.

### 6.1 Terms of reference:

- To frame the CSR Policy and CSR Annual Plan and its review from time-to-time.
- To ensure effective implementation and monitoring of the CSR activities as per the approved policy, plans and budget.

### 6.2 Composition:

Before dissolution of the CSR Committee, it comprised of Mr. Krishna Kejriwal, Mr. Rahul Kejriwal, and Mrs. VisaLakhsi Sridhar as its members. Mr. Krishna Kejriwal was the Chairman of the Committee.

### 6.3 The details of remuneration / sitting fees paid during the financial 2021-22 are as follows:

The Company Secretary and Compliance Officer of the Company acted as Secretary to the Committee.

### 6.3 Meetings:

During the financial year under review, the Committee duly met once on 14<sup>th</sup> February, 2022. The details of attendance at the Committee meeting are as follows:

Sr. No.	Name of the Members	Status	No. of meetings	
			Held	Attended
1.	Mr. Krishna Kejriwal	Chairman	1	1
2.	Mr. Rahul Kejriwal	Member	1	1
3.	Mr. Sudhir Khanna (upto 30 <sup>th</sup> May, 2021)	Member	-	-
4.	Mrs. VisaLakhsi Sridhar	Member	1	1

## 7. RISK MANAGEMENT COMMITTEE:

During the financial year 2021-22, the Company was not required to constitute Risk Management Committee under Regulation 21 of the Listing Regulations.

## 8. REMUNERATION OF DIRECTORS:

8.1 The Non-Executive Directors had no pecuniary relationship or transactions with the Company during the financial year 2021-22, except receiving of sitting fees for attending Board and Committee meetings.

8.2 Non-Executive Directors did not draw any remuneration from the Company. Sitting fees to Non-executive and Independent Directors is paid at the rate of ₹ 10,000/- for each meeting of the Board and Committees attended by them.

(₹ in Lakhs)					
Name of Directors	Salary	Contribution to Provident fund	Other Perquisites	Sitting fees	Total
Mr. Krishna Kejriwal	31.87	1.87	1.00	-	<b>34.74</b>
Mrs. Chand Kejriwal	17.58	1.08	1.00	-	<b>19.66</b>
Mr. Rahul Kejriwal	44.57	3.55	1.07	-	<b>49.19</b>
Mr. Anil Kumar Agrawal	-	-	-	0.60	<b>0.60</b>
Mr. Paresh Bhagat	-	-	-	0.60	<b>0.60</b>
Mrs. Visalakshi Sridhar	-	-	-	0.60	<b>0.60</b>
Mr. Shishir Dalal (w.e.f. 14 <sup>th</sup> February, 2022)	-	-	-	-	-
Mr. Sudhir Khanna (upto 30 <sup>th</sup> May, 2021)	-	-	-	-	-

#### Notes:

- The above details of remuneration or fees paid include all elements of remuneration package of individual director summarized under major groups.
- Apart from the above mentioned remuneration or fees paid, there are no other fixed components and performance linked incentives based on the performance criteria.
- There are no separate service contracts with any of the directors. The tenure of office of the Managing Director and Whole Time / Executive Directors is for five years from their respective dates of their appointment. There is no separate provision for payment of severance fees.
- No stock options are offered to any of the directors of the Company.

## 9. Vigil Mechanism / Whistle Blower Policy

With rapid expansion of business, risks associated with the business have also increased considerably. Some such risks identified are risk of fraud, misconduct and unethical behavior. To ensure fraud-free work and ethical environment, the Company has laid down a Vigil Mechanism / Whistle Blower Policy, by which the Company provides a platform to all the directors and employees to report any suspected or confirmed incident of fraud, misconduct, unethical behavior, etc. through any of the following reporting protocols:

- E-mail : [corporate@remsons.com](mailto:corporate@remsons.com)
- Phone No. : 022 -26262100
- Written Communication to : 401, 4<sup>th</sup> Floor, Gladdiola, Hanuman Road, Vile Parle (East), Mumbai - 400057.

The mechanism also provides for adequate safeguards against victimization of the person who avails the mechanism and direct access to the Chairman of the Audit Committee is also available in exceptional cases. The Vigil Mechanism / Whistle Blower Policy is available on the website of the Company viz. [https://www.remsons.com/content/pdf/policies/V1442906096\\_vigil-mechanism-policy.pdf](https://www.remsons.com/content/pdf/policies/V1442906096_vigil-mechanism-policy.pdf)

### 9.1 Objectives:

- To protect the brand reputation and assets of the Company from loss or damage, resulting from suspected or confirmed incidents of fraud / misconduct.
- To provide guidance to the directors and employees on reporting any suspicious activity and handling critical information and evidence.
- To provide healthy and fraud-free work culture.

## 11. GENERAL BODY MEETINGS:

### 11.1 Annual General Meetings:

The Company convenes AGMs generally within six months from the date of closing of the financial year. The details of venue and time, where last 3 Annual General Meetings were held are as under:

Financial Year	Date	Location	Time
2020-21	30 <sup>th</sup> September, 2021	Through Video Conferencing	11.30 A.M.
2019-20	30 <sup>th</sup> September, 2020	Through Video Conferencing	11.30 A.M.
2018-19	14 <sup>th</sup> September, 2019	Juhu Vile Parle Gymkhana Club Jasmine Hall, Plot No. U- 13, N. S. Road No. 13, Opp. Juhu Bus Depot, JVPD Scheme, Juhu, Mumbai - 400049	11.00 A.M.

### 11.2 Details of Special Resolutions passed in the previous three Annual General Meetings:

Date of AGM	Description of resolution
30 <sup>th</sup> September, 2021	1. Approval of remuneration payable to Mr. Krishna Kejriwal, Chairman and Managing Director of the Company. 2. Approval of remuneration payable to Mrs. Chand Kejriwal, Whole Time Director of the Company. 3. Approval of remuneration payable to Mr. Rahul Kejriwal, Whole Time Director and Chief Financial Officer of the Company.
30 <sup>th</sup> September, 2020	No special resolution was passed.
14 <sup>th</sup> September, 2019	Re-appointment of Mr. Krishna Kejriwal (DIN: 00513788) as Managing Director of the Company.

### 9.2 Working:

The Audit Committee is responsible for reviewing and working of Vigil Mechanism / Whistle Blower Policy which includes following matters:

- Implementation of the policy and spreading awareness amongst employees;
- Review all reported cases of suspected fraud, misconduct, unethical behavior;
- Order investigation of any case either through internal audit department or through external investigating agencies or experts;
- Recommend to the management for taking appropriate actions such as disciplinary action, termination of service, changes in policies & procedure and review of internal control systems; and
- Annual review of the policy.

## 10. INTERNAL COMPLAINT COMMITTEE:

In accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has framed a policy for prevention of sexual harassment at workplace and adopted the same. The objective of the policy is to provide its women employees a workplace free from harassment / discrimination and every employee is treated with dignity and respect.

No complaint was received during the financial year 2021-22, nor any complaint was pending at the beginning and end of the said financial year.

### 11.3 Postal Ballot

During the financial year under review, the Company did not pass any special resolution through postal ballot. None of the business proposed to be transacted at the ensuing 50<sup>th</sup> AGM of the Company scheduled to be held on 28<sup>th</sup> September, 2022 requires passing of a Special Resolution through Postal Ballot.

## 12. MEANS OF COMMUNICATION:

The Company published its quarterly results as per the details mentioned below:

News Papers	Date of Board Meetings	Date of Publication
Financial Express (English - All India Edition) Vritta Manas (Marathi Edition)	28 <sup>th</sup> June, 2021	30 <sup>th</sup> June, 2021
Financial Express (English - All India Edition) Vritta Manas (Marathi Edition)	13 <sup>th</sup> August, 2021	15 <sup>th</sup> August, 2021
Financial Express (English - All India Edition) Vritta Manas (Marathi Edition)	12 <sup>th</sup> November, 2021	14 <sup>th</sup> November, 2021
Financial Express (English - All India Edition) Vritta Manas (Marathi Edition)	14 <sup>th</sup> February, 2022	16 <sup>th</sup> February, 2022

**Website:** The Company's website viz. [www.remsons.com](http://www.remsons.com) contains a separate dedicated section 'Investor Relation' where shareholders' information is available. The Company's Annual Reports and quarterly results are also available in a user-friendly and downloadable form.

**News releases, presentations, among others:** All corporate announcements made to the Stock Exchanges during the financial year 2021-22 are made available on the website of the Company.

## 13. GENERAL SHAREHOLDERS' INFORMATION:

### 13.1 Annual General Meeting:

Day : Wednesday  
Date : 28<sup>th</sup> September, 2022  
Time : 11:30 A.M.  
Venue : Through Video Conferencing

### 13.2 Financial Year:

The Company follows the period of 1<sup>st</sup> April to 31<sup>st</sup> March, as the Financial Year.

### 13.3 Dividend payment date: Between 3<sup>rd</sup> October, 2022 and 14<sup>th</sup> October, 2022

### 13.4 Book Closure:

The Register of Members and the Share Transfer Books of the Company shall remain closed from Thursday, 22<sup>nd</sup> September, 2022 to Wednesday, 28<sup>th</sup> September, 2022 (both days inclusive).

### 13.5 Cut-off date for e-voting:

The voting rights of the shareholders / beneficial owners shall be reckoned on the equity shares held by them as on the cut-off date i.e. Wednesday, 21<sup>st</sup> September, 2022. The remote e-voting shall remain open from Sunday, 25<sup>th</sup> September, 2022 (9:00 A.M.) till Tuesday, 27<sup>th</sup> September, 2022 (5:00 P.M.).

### 13.6 Listing on Stock Exchanges:

- a. The Equity Shares of the Company are listed at the following Stock Exchanges:

Name of the Stock Exchanges	Scrip Code / Symbol
<b>BSE Ltd.</b> Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001.	<b>530919</b>
<b>National Stock Exchange of India Ltd.</b> Exchange Plaza, 5 <sup>th</sup> Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051.	<b>REMSONSIND</b> <b>Series: EQ</b>

- b. ISIN for the Company's equity shares having face value of ₹ 10/- : INE474C01015
- c. Corporate Identity Number (CIN): L51900MH1971PLC015141
- d. The Company has paid listing fees for the financial year 2022-23 to the BSE Ltd. and the National Stock Exchange of India Ltd., where Company's shares are listed.

### 13.7 Stock Market Price Data and performance in comparison to BSE Sensex / NSE NIFTY 50:

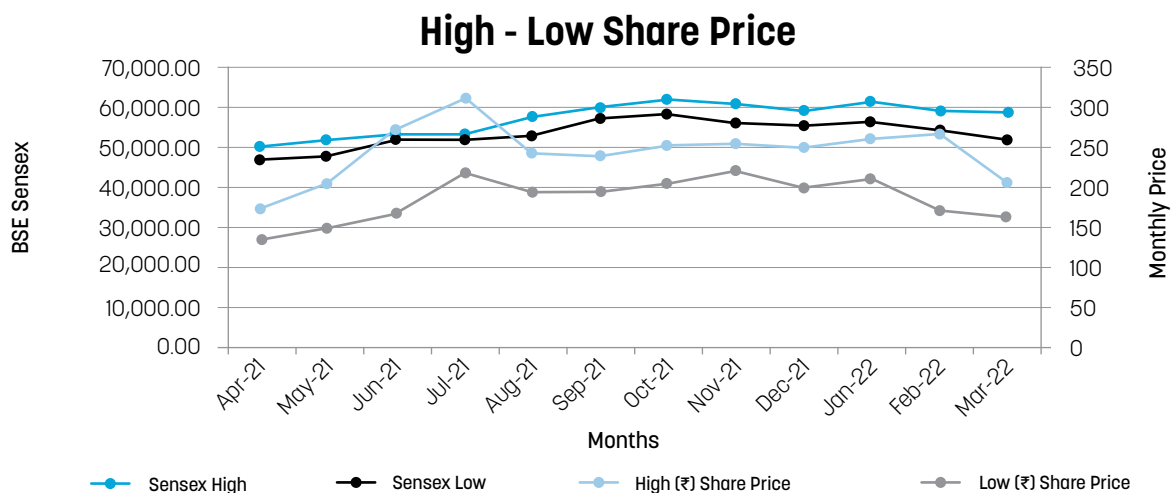
The monthly high / low quotations of shares traded at BSE Ltd. and National Stock Exchange of India Ltd. during each month in last financial year and performance in comparison to BSE Sensex and NSE Nifty 50 are as follows:

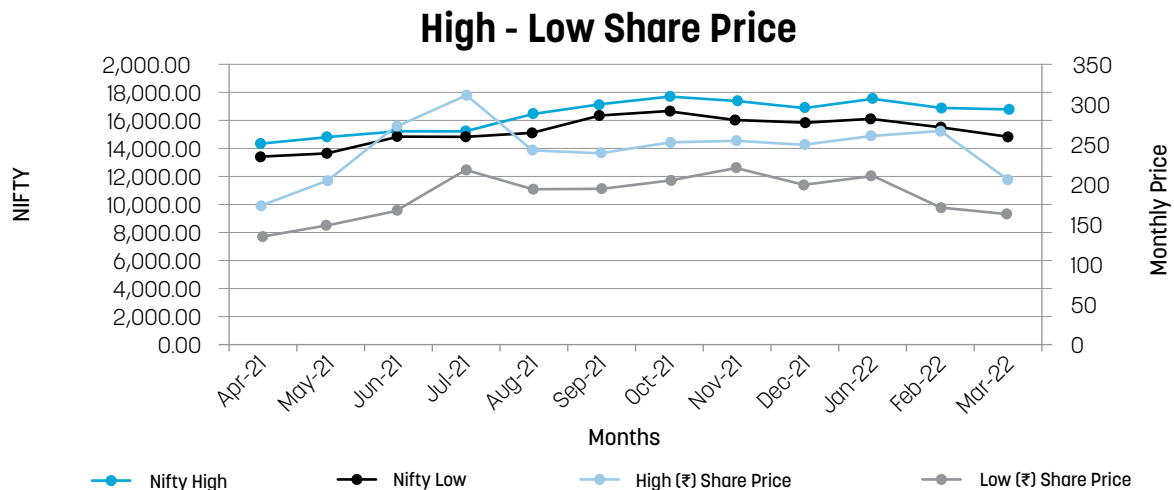
Month-Year	NSE NIFTY 50*		Share price of the Company on NSE*		BSE SENSEX**		Share price of the Company on BSE**	
	High (Points)	Low (Points)	High (₹)	Low (₹)	High (Points)	Low (Points)	High (₹)	Low (₹)
Apr-21	15044.35	14151.40	176.00	136.90	50,375.77	47,204.50	175.00	135.00
May-21	15606.35	14416.25	198.00	151.25	52,013.22	48,028.07	206.30	148.30
Jun-21	15915.65	15450.90	274.70	167.00	53,126.73	51,450.58	275.00	168.25
Jul-21	15962.25	15513.45	314.70	220.00	53,290.81	51,802.73	313.80	218.80
Aug-21	17153.50	15834.65	248.00	190.05	57,625.26	52,804.08	245.00	194.15
Sep-21	17947.65	17055.05	239.00	191.55	60,412.32	57,263.90	241.90	194.05
Oct-21	18604.45	17452.90	252.90	204.35	62,245.43	58,551.14	254.00	203.10
Nov-21	18210.15	16782.40	258.00	222.35	61,036.56	56,382.93	256.00	221.15
Dec-21	17639.50	16410.20	241.60	203.30	59,203.37	55,132.68	250.00	199.30
Jan-22	18350.95	16836.80	263.70	213.35	61,475.15	56,409.63	261.40	209.30
Feb-22	17794.60	16203.25	233.90	171.30	59,618.51	54,383.20	269.80	172.10
Mar-22	17559.80	15671.45	206.95	157.40	58,890.92	52,260.82	205.95	162.00

Source: \*[www.nseindia.com](http://www.nseindia.com)

\*\*[www.bseindia.com](http://www.bseindia.com)

### 13.8 Performance in comparison to broad based indices:





### 13.9 Trading of Securities:

The securities of the Company were not suspended from trading during the financial year 2021-22.

### 13.10 Registrar and Share Transfer Agents:

#### Link Intime India Private Limited

C-101, 247 Park, L B S Marg,  
Vikhroli (West), Mumbai – 400 083.  
Phone: (022) 49186000, 49186270  
Fax: (022) 49186060  
Email: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

### 13.11 Share Transfer System:

In terms of Regulation 40(1) of the Listing Regulations, as amended from time to time, the securities of the Company can be transferred only in dematerialized form with effect from 1<sup>st</sup> April, 2019, except in case of transmission or transposition of securities. Further, the SEBI had fixed 31<sup>st</sup> March, 2021 as the cut-off date for re-lodgment of transfer deeds and the shares that are re-lodged for transfer shall be issued only in Demat mode. Therefore, the members holding shares in physical form are requested to consider converting their holdings into dematerialized form. Transfers of equity shares in electronic form are affected through the depositories with no involvement of the Company.

Further, the SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated 25<sup>th</sup> January, 2022 as an on-going measure to enhance ease of dealing in securities markets by investors, mandated the issue of the securities in dematerialized form only while processing various service request(s) such as issue of duplicate share certificate(s), claim from Unclaimed Suspense Account, renewal / exchange of securities certificate, endorsement, sub-division / splitting of securities certificate, consolidation of securities certificates / folios, transmission, transposition. Upon receipt of any service request(s) from the securities holder / claimant, the Registrar and Share Transfer Agent of the Company ("RTA") viz. Link Intime India Private Limited shall verify and process the said request(s) and thereafter issue a 'Letter of Confirmation' in lieu of physical securities certificate(s) to the securities holder / claimant, within 30 days of the receipt of such request, if documents are found in order.

In case of any queries or issue(s) regarding process of the service request(s), securities holder / claimant can contact RTA (Contact Number: (022) – 49186000 / 270) or can write an e-mail at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

### 13.12 Distribution of Shareholding:

The shareholding distribution of the equity shares as on 31<sup>st</sup> March, 2022 is given below:

Shareholding by Nominal Value	No. of Shareholders	% of Total	No. of Shares	% of Total
1 – 100	1766	71.935	70941	1.242
101-200	276	11.242	47054	0.824
201-500	220	8.961	81819	1.432
501-1000	86	3.503	67288	1.178
1001-5000	72	2.933	155077	2.714
5001-10000	14	0.570	102518	1.794
10001-100000	14	0.570	451684	7.906
100001 and above	7	0.285	4736976	82.911
<b>Total</b>	<b>2455</b>	<b>100.00</b>	<b>5713357</b>	<b>100.00</b>



**13.13 Shareholding Pattern as on 31<sup>st</sup> March, 2022:**

Sr. No.	Category	Total No. of Shares held (₹. 10/- each)	% of Total Shareholdings
<b>Promoter and Promoter Group</b>			
1.	Promoter	41,66,651	72.93
2.	Corporate Bodies	1,18,357	2.07
<b>Public shareholder</b>			
1.	Clearing Members	4,055	0.07
2.	Other Bodies Corporate	6,33,855	11.09
3.	Directors	10	0.0002
4.	Financial Institutions	100	0.002
5.	Hindu Undivided Family (HUF)	60,623	1.06
6.	Non-Resident Indians	55,400	0.97
7.	Public	6,74,306	11.80
<b>Total</b>		<b>57,13,357</b>	<b>100.00</b>

**13.14 Dematerialization of Shares and liquidity:**

The process of conversion of shares from physical form into electronic form is known as dematerialization. For dematerializing the shares, the shareholders should open a Demat account with a Depository Participant ("DP"). The shareholder is required to fill in a Demat Request Form and submit the same along with the original share certificates to his / her DP. The DP will allocate a Demat Request Number and shall forward the request physically and electronically through NSDL / CDSL to Registrar and Share Transfer Agent. On receipt of the demat requests, both physically and electronically, and after verification, the shares are dematerialised and an electronic credit of the shares is given in the account of the shareholder.

As on 31<sup>st</sup> March, 2022, about 98.70% of the Company's Equity Shares were held in dematerialized form.

**13.15 Convertible Instruments:**

The Company has not issued any Global Depository Receipts / American Depository Receipts / warrants or any convertible instrument, which is likely to have impact on the Company's Equity.

**13.16 Commodity Price risk or foreign exchange risk and hedging activities:**

The Company is exposed to the risk of price fluctuations while exporting the Automotive Cables, which are proactively managed. The Company has a robust framework in place to protect its interests from risks arising out of market volatility. Based on continuous monitoring and market intelligence the sales and procurement team take appropriate strategy to deal with the currency market volatility.

The Company operates in various geographies and is exposed to foreign exchange risk on its various currency exposures. Volatility in currency exchange movements can have an impact on the Company's operations.

**13.17 Plant locations:**

- 1/3 Mile Stone, Khandsa Road, Gurgaon- 122001, Haryana.
- Unit No. 1, Gat No. 268, 269, 270, ChakanTalegaon Road, Kharabwadi, Khed, Pune - 410 501, Maharashtra.
- Western House A2/27, Somnath Industrial Estate, Daman - 396210, UT.
- Diamond House A2/384, Somnath Industrial Estate, Daman - 396210, UT.
- A3/4, Somnath Industrial Estate, Daman - 396210, UT.
- Survey No. 146, Village Khadki, Pardi - 396121, Gujarat.

**13.18 Registered Office and address for correspondence:**

For any assistance regarding dematerialization of shares, share transfer, transmission, change of address, non-receipt of dividend or any other query relating to shares, please write to:

**RTA****LINK INTIME INDIA PRIVATE LIMITED**

C-101, 247 Park, L B S Marg, Vikhroli (West),  
Mumbai – 400 083, Maharashtra, India  
Phone: (022) 49186000, 49186270  
Email: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

**Company Secretary & Compliance Officer of****Remsons Industries Limited**

401, 4<sup>th</sup> Floor, Gladdiola, Hanuman Road,  
Vile Parle East, Mumbai – 400057, Maharashtra, India.  
Telephone: 022 26262100  
E-mail: [cs@remsons.com](mailto:cs@remsons.com)

**13.19 Credit Rating:**

Sr. No.	Name of the Credit Rating Agency	Details of Credit Ratings obtained including revisions		
		Scale	Amount (₹ in Crore)	Ratings
1.	ICRA Limited (Long Term Rating)	Cash Credit	24.00	[ICRA]BBB-(Stable)
		Working Capital Demand Loan	2.30	[ICRA]BBB-(Stable)
		Overdraft	8.00	[ICRA]BBB-(Stable)
		Term Loans	10.02	[ICRA]BBB-(Stable)
2.	ICRA Limited (Short Term Rating)	LC Limit	1.30	[ICRA]A3
		Bank Guarantee	0.70	[ICRA]A3
		<b>Total</b>	<b>46.32</b>	

**13.23 Dividend History:**

Financial Year	Dividend amount per share	Percentage
2017-18 (Final Dividend)	₹ 1.30 per share (Face value ₹ 10/-)	13%
2018-19 (Final Dividend)	₹ 1.50 per share (Face value ₹ 10/-)	15%
2019-20 (Interim Dividend)	₹ 1.50 per share (Face value ₹ 10/-)	15%
2020-21 (Final Dividend)	₹ 1.00 per share (Face value ₹ 10/-)	10%

**14. DISCLOSURES:****14.1 Related Party Transactions:**

All transactions entered into with the related parties as defined under the Act and Regulation 23 of the Listing Regulations during the financial year 2021-22 were in the ordinary course of business on arm's length basis. There were no materially significant related party transactions, pecuniary transactions or relationship between the Company and its directors during the financial year 2021-22 that may have potential conflict with the interest of the Company. Suitable disclosures as required by Indian Accounting Standards (Ind-AS 24) have been made in notes to the financial statements for the financial year ended 31<sup>st</sup> March, 2022, forming part of the Report. The Board has approved policy on Related Party Transaction which can be accessed at the Company's website link viz. <https://www.remsons.com/content/pdf/policies/policy-related-party.pdf>

**14.2 Compliance by the Company:**

As per legal opinion obtained, in terms of exemptions provided under Regulation 15(2)(a) of the Listing Regulations, the Company was exempted from complying with the Corporate Governance provisions as enumerated under Regulations 17, 17A, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and clauses (b)

to (i) and (t) of sub regulation (2) of Regulation 46 and para C, D and E of Schedule V of the Listing Regulations. However, as opined by the Stock Exchanges, as on 31<sup>st</sup> March, 2021, the Company exceeded threshold limit as provided under the said Regulation 15(2)(a) of the Listing Regulations, hence it ceased to be exempt from complying with the Corporate Governance provisions, accordingly, the Company was required to comply with these provisions first time w.e.f. 1<sup>st</sup> October, 2021..

The Company has complied with all the requirements of the Listing Regulations as well as the regulations and guidelines of the SEBI, except:

- As required under Regulation 17(1)(b) of the Listing Regulations, the Board of Directors of the Company did not have at least half of the independent directors as its members during the period from 1<sup>st</sup> October, 2021 to 11<sup>th</sup> May, 2022.
- Disclosure of related party transactions as required under Regulation 23(9) of the Listing Regulations for the half year ended 30<sup>th</sup> September 2021 was submitted with the Stock Exchanges beyond prescribed timeline of 30 days from the date of publication of its standalone and consolidated financial results.

(c) The Company submitted quarterly Compliance Reports on Corporate Governance for the quarters ended 30<sup>th</sup> June, 2021, 30<sup>th</sup> September, 2021 and 31<sup>st</sup> December, 2021 with the Stock Exchanges on 28<sup>th</sup> March, 2022, 22<sup>nd</sup> February, 2022 and 18<sup>th</sup> February, 2022 respectively, beyond the prescribed timeline of 21 days from the end of the respective quarters.

The BSE Ltd. and the National Stock Exchange of India imposed fines of ₹ 2,26,800/- (including GST) each for non-submission of disclosure of Related Party Transactions on consolidated basis for half year ended 30<sup>th</sup> September, 2021 as required under Regulation 23(9) of the Listing Regulations within prescribed time period. The Company paid fines to the respective Stock Exchanges.

There were no other penalties or strictures imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority for non-compliance of any matter related to the capital markets during the last three years.

#### 14.3 Whistle Blower Policy / Vigil Mechanism and affirmation that no personnel have been denied access to the Audit Committee:

The Company has established a mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud, or violation of code of conduct or ethics policy. The mechanism also provides for adequate safeguards against victimization of persons who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in the exceptional cases. We affirm that during the financial year 2021-22, no person was denied access to the Audit Committee.

#### 14.4 Compliance with mandatory / discretionary requirements in Regulation 27 read with Part E of Schedule II of the Listing Regulations:

The Company has complied with all mandatory requirements in Regulation 27 and Schedule V of the Listing Regulations. The status of compliance with non-mandatory recommendations in Regulation 27 read with Part E of Schedule II of the Listing Regulations is provided below:

- Modified opinion in Audit Report: The Company has moved to unmodified audit opinion regime.
- Reporting of Internal Auditor: The Internal Auditor reports to the Audit Committee.

#### 14.5 Risk Management:

The Company has laid down procedure to inform Board members about the risk assessment and minimization procedures. The Company has framed the risk assessment and minimization procedure, which is periodically reviewed by the Board and the Policy is available on the website of the Company viz. <https://www.remsons.com/content/pdf/policies/risk-management-policy.pdf>

#### 14.6 Subsidiary companies:

During the financial year 2021-22, the Company had one wholly owned foreign subsidiary namely, Remsons Holdings Ltd. and

two step down foreign subsidiaries namely Magal Automotive Ltd. and Woolford Properties Ltd.

#### 14.8 Certificate from Practising Company Secretary:

A certificate received from M/s. M Baldeva Associates, Company Secretaries, Thane is attached in this report stating that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI / Ministry of Corporate Affairs or any such statutory authority.

#### 14.9 Details of utilization of funds raised through preferential allotment or qualified institutions placement:

The Company has not raised any funds through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of the Listing Regulations during the financial year 2021-22.

#### 14.9 Recommendations by the Committees:

The Board has accepted all recommendations made by its Committees during the financial year 2021-22.

#### 14.10 Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditors and all entities in the network firm / network entity of which the statutory auditor is a part, are given below:

Nature of Payments	Amount (₹ in Lakhs)
Statutory Audit	6.50
Tax Audit	-
Other services including reimbursement of expenses	0.17
<b>Total</b>	<b>6.67</b>

#### 14.11 Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Sr. No.	Particulars	No. of Complaints
a.	Complaints filed during the financial year	Nil
b.	Complaints disposed of during the financial year	Nil
c.	Complaints pending at the end of the financial year	Nil

#### 14.12 Disclosure by the Company and its subsidiaries of 'Loans and advances in the nature of loans to firms / companies in which directors are interested by name and amount:

During the financial year 2021-22, the Company and its subsidiaries has not given any loan or advances in the nature of loans to any firms / companies in which directors are interested.

#### 14.13 Compliance of the requirement of Corporate Governance Report:

During the financial year 2021-22 the Company has complied with the requirements of Corporate Governance Report of sub paras (2) to (10) of Point C of Schedule V of the Listing Regulations, except as detailed below in point no. 14.14

**14.14 Disclosure of the compliance with Corporate Governance:**

The Company has complied with the Regulations 17-20, 22-23, 24A, 25-27 and clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 of the Listing Regulations, during the financial year 2021-22, except the following:

- (a) As required under Regulation 17(1)(b) of the Listing Regulations, the Board of Directors of the Company did not have at least half of the independent directors as its members during the period from 1<sup>st</sup> October, 2021 to 11<sup>th</sup> May, 2022.
- (b) Disclosure of related party transactions as required under Regulation 23(9) of the Listing Regulations for the half year ended 30<sup>th</sup> September 2021 was submitted with the Stock Exchanges beyond prescribed timeline of 30 days from the date of publication of its standalone and consolidated financial results.
- (c) The Company submitted quarterly Compliance Reports on Corporate Governance for the quarters ended 30<sup>th</sup> June, 2021, 30<sup>th</sup> September, 2021 and 31<sup>st</sup> December, 2021 with the Stock Exchanges on 28<sup>th</sup> March, 2022, 22<sup>nd</sup> February, 2022 and 18<sup>th</sup> February, 2022 respectively, beyond the prescribed timeline of 21 days from the end of the respective quarters.

Regulation 21 of the Listing Regulations was not applicable to the Company during the financial year 2021-22.

**14.15 Compliance Certificate for Code of Conduct:**

A declaration by Managing Director of the Company affirming compliance by the Board of Director and Senior Management Personnel to the Code of Conduct is annexed and forms part of this Report as per Schedule V of the Listing Regulations.

**14.16 Practicing Company Secretaries' certificate on Corporate Governance:**

The Company has obtained a certificate from M/s. M Baldeva Associates, Company Secretaries, Thane regarding compliance of conditions of Corporate Governance as stipulated in Schedule V of the Listing Regulations is annexed to this Report.

**14.17 Disclosure of accounting treatment:**

In the preparation of the financial statement, the Company has followed the Indian Accounting Standards (Ind-AS) as Specified under Section 133 of the Act, Issued by the Institute of Chartered Accountant of India to the extent applicable.

**14.18 Disclosure with respect to demat suspense account / unclaimed suspense account:**

The Company had none of its securities lying in demat suspense account / unclaimed suspense account / Suspense Escrow account arising out of public / bonus / rights issue / expiration of period of 120 days from date of issuance of 'Letter of Confirmation' by the RTA as per SEBI circular No. SEBI/LAD-NRO/GN/2022/66 dated 24<sup>th</sup> January, 2022 read with SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated 25<sup>th</sup> January, 2022 in matters w.r.t. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal / exchange of securities certificate; endorsement; sub-division / splitting of securities certificate; consolidation of securities certificates / folios; transmission and transposition received from the shareholder / claimant, during the financial year 2021-22 or as on 31<sup>st</sup> March, 2022. Hence, the particulars relating to aggregate number of shareholders and the outstanding securities in suspense account and other related matters are not required to be given.

## DECLARATION REGARDING COMPLIANCE OF CODE OF CONDUCT

As per Regulation 17 and Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I, Krishna Kejriwal, Chairman & Managing Director of Remsons Industries Limited do hereby declare that the Board Members and Senior Management Personnel have affirmed compliance with Code of Conduct of the Company during the financial year 2021-22.

For **Remsons Industries Limited**

**Place: Mumbai**  
**Date: 10<sup>th</sup> August, 2022**

**Krishna Kejriwal**  
**Chairman & Managing Director**  
**DIN: 00513788**



## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to the provisions of Regulation 34(3) read with Clause 10 (i) of Part C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,

The Members of

**Remsons Industries Limited**

401, 4<sup>th</sup> Floor, Gladdiola Hanuman Road,  
Vile Parle (East), Mumbai- 400057,  
Maharashtra, India.

I have examined the relevant registers, records, forms, returns and disclosures received from the directors of Remsons Industries Limited (CIN: L51900MH1971PLC015141), having Registered Office at 401, 4<sup>th</sup> Floor, Gladdiola Hanuman Road, Vile Parle (East), Mumbai- 400057, Maharashtra, India (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate in accordance with the provisions of Regulation 34(3) read with Clause 10(i) of Part C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company and its officers, I hereby certify that none of the directors on the Board of the Company as stated below during the Financial Year ended 31<sup>st</sup> March, 2022 have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority:

Sr. No.	Name of Directors	DIN	Date of initial appointment in the Company (as appearing on MCA portal)
1.	Mr. Anil Kumar Agrawal	00513805	11.08.2012
2.	Mrs. Chand K. Kejriwal	00513737	12.07.1976
3.	Mr. Krishna R. Kejriwal	00513788	12.07.1976
4.	Mr. Paresh N. Bhagat	00107783	05.02.2014
5.	Mr. Rahul K. Kejriwal	00513777	01.06.2016
6.	Mr. Shishir V. Dalal	00007008	14.02.2022
7.	Mrs. Visalakshi Sridhar	07325198	14.11.2018
8.	Mr. Sudhir Khanna (upto 30 <sup>th</sup> May, 2021)	08350305	01.06.2016

Ensuring the eligibility for the appointment / continuity of every director on the Board is responsibility of the management of the Company. My responsibility is to express an opinion based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **M Baldeva Associates**  
Company Secretaries

**CS Manish Baldeva**  
Proprietor

M. No. FCS: 6180; C.P. No. 11062  
Peer Review No.: 1436/2021  
UDIN: F006180D000777610

Place: Thane

Date: : 10<sup>th</sup> August, 2022

## PRACTISING COMPANY SECRETARIES' CERTIFICATE ON CORPORATE GOVERNANCE

**[Pursuant to provisions of Regulation 34(3) read with Part E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]**

To,  
 The Members of  
**Remsons Industries Limited**  
 401, 4<sup>th</sup> Floor, Gladdiola Hanuman Road,  
 Vile Parle (East), Mumbai- 400057,  
 Maharashtra, India.

I have examined the compliance of conditions of Corporate Governance by Remsons Industries Limited ("the Company") for the financial year ended 31<sup>st</sup> March, 2022 as stipulated under Regulations 17 to 27, clauses (b) to (i) and (t) of sub regulation (2) of Regulation 46 and paras C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

### Management's Responsibility

The compliance of the conditions contained in the Corporate Governance provisions is responsibility of the Management. This responsibility includes the designing, implementing and maintaining operating effectiveness of internal control to ensure compliance with the conditions of corporate governance provisions as stipulated in the Listing Regulations including the preparation and maintenance of all relevant supporting records and documents.

### Auditor's Responsibility

My responsibility was limited to examining the procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

I have examined the relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance provisions.

### Opinion

In my opinion and to the best of my information and according to the explanations given to us, and the representations made by the Directors and the Management and considering the relaxations granted by the Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations for the financial year ended 31<sup>st</sup> March, 2022 *except as stated below*.

- As required under Regulation 17(1)(b) of the Listing Regulations, the Board of Directors did not have at least half of the independent directors as its members;
- As required under Regulation 23(9) of the Listing Regulations, disclosure of related party transactions for the half year ended 30<sup>th</sup> September 2021 was submitted beyond prescribed timeline of 30 days from the date of publication of its standalone and consolidated financial results; and
- As required under Regulation 27(2) of the Listing Regulations, quarterly Compliance Report on Corporate Governance for the quarters ended 30<sup>th</sup> June, 2021, 30<sup>th</sup> September, 2021 and 31<sup>st</sup> December, 2021 were submitted beyond the prescribed timeline of 21 days from the end of respective quarters.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For M Baldeva Associates**  
**Company Secretaries**

**CS Manish Baldeva**  
**Proprietor**

**M. No. FCS: 6180; C.P. No. 11062**  
**Peer Review No.: 1436/2021**  
**UDIN: F006180D000777665**

**Place: Thane**  
**Date: : 10<sup>th</sup> August, 2022**

# Independent Auditor's Report

To,  
The Members of **REMSONS INDUSTRIES LIMITED**

## Report on the Audit of the Standalone Financial Statements

### Opinion

We have audited the accompanying Standalone financial statements of **REMSONS INDUSTRIES LIMITED** ("the Company"), which comprise of the Standalone Balance Sheet as at March 31, 2022, the Standalone Statement of Profit and Loss and the Standalone Statement of Cash Flows for the year ended on that date, and notes to the Standalone financial statements including a summary of the significant accounting policies and other explanatory information ("the Standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, the profit, other comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Act, 2013. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone Financial Statements" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Standalone financial statements.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit matter	How our audit addressed the key audit matter
<b>A. Provision for slow moving and non-moving inventories</b> The company carries a sizeable portion of inventory which is a material portion of the total assets of the company. The management has the process of identifying the slow moving and non-moving inventories. This estimate has inherent uncertainty as it involves estimation/ judgment on the part of the management.	Our procedures included discussion with the management on the control on the data and its effectiveness. Our audit approach was a combination of test of internal controls and substantive procedures which included the following: <ul style="list-style-type: none"> <li>Evaluated the design of internal controls relating to identifying the slow moving and non-moving items and tested the controls pertaining to the same.</li> <li>Reviewed the age-wise inventory reports and movement of inventory and production of items in which such inventories are being used.</li> <li>Discussed with the operating personnel about the alternate use of such items.</li> <li>Reviewed the net realizable value of such non-moving and slow moving items.</li> <li>Performed analytical procedures and test of details for reasonableness of the provisions.</li> </ul>

## Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Annual Report, but does not include the standalone financial statements and our Auditors' Report thereon. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Management's Responsibilities for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, specified under section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The management and Board of Directors are responsible for overseeing the Company's financial reporting process.

## Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's

report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid standalone financial statements have been kept by the Company so far as it appears from our examination of those books.
  - c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss including Other Comprehensive Income, Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid Standalone financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015..
  - e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, please refer to our separate report in "Annexure B". Our report expresses unmodified opinion on the adequacy and operating

effectiveness of the Company's internal financial controls over financial reporting.

- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) which are required to be commented upon by us.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company does not have any pending litigations which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, March, 2022.
  - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - (b) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from



any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. As stated in Note No. 57 to the financial statements
- (a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.
- (b) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

For **M L BHUWANIA AND CO LLP**  
Chartered Accountants  
FRN: 101484W / W100197

**Vijay Kumar Jain**  
Partner

Place: Mumbai  
Date: May 30, 2022

Membership No. 108374  
UDIN: 22108374AJXRVA8749

# Annexure A

## to the Independent Auditor's Report

Referred to in paragraph 1 of '**Report on other Legal and Regulatory Requirements**' in our Report of even date on the accounts of **REMSONS INDUSTRIES LIMITED** for the year ended March 31, 2022.

On the basis of the records produced to us for our verification / perusal, such checks as we considered appropriate, and in terms of information and explanation given to us on our enquiries, we state that:

- (i) (a) (A) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The company has maintained proper records showing full particulars of Intangible Assets.
- (b) The Property, Plant and Equipment of the Company are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the Property, Plant and Equipment has been physically verified by the Management during the year and no material discrepancies were noticed between the book records and the physical verification.
- (c) Based on our examination, we report that, the title of all the immovable properties disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company, other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee.
- (d) The Company has not revalued any of its Property, Plant and Equipment (including right of use assets) and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31<sup>st</sup>, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) as amended and rules made thereunder.
- (ii) (a) During the year, physical verification of the inventory has been conducted at reasonable intervals and in our opinion the coverage and procedure of such verification is appropriate. Discrepancies noticed were not more than 10% and have been properly dealt with in the books of accounts.
- (b) The Company has been sanctioned working capital limits in excess of ₹ 5 Crore, in aggregate, from banks or financial institutions on the basis of security of current assets during the year and the quarterly returns or statements filed by the company with such banks are in agreement with the books of accounts of the company. There was no sanctioned working capital limit from financial institutions during the year.
- (iii) The Company has not provided any loan, guarantee or security to companies, limited liability partnerships or any other parties during the year. The Company has made investments in companies and other parties during the year and had given loan in earlier years; in respect of which:
  - (a) The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year, hence reporting under clause 3(iii)(a) of the Order is not applicable.
  - (b) In our opinion, the investments made, during the year are, prima facie, not prejudicial to the Company's interest.
  - (c) In respect of loan or advances in the nature of loans, the schedule of repayment of principal and payment of interest has been stipulated and repayments were regular.
  - (d) There are no amount of loan or advances in the nature of loans Companies which are overdue for more than ninety days, hence reporting under clause 3( iii) (d) of the order is not applicable.
  - (e) There are no loan or advances in the nature of loans granted which has fallen due during the year and has been renewed or extended or fresh loan granted to settle the overdue of the existing loans given to the same party, hence reporting under clause 3( iii) (e) of the order is not applicable.
  - (f) The Companies has not provided any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year, hence reporting under clause 3( iii) (f) of the order is not applicable.
- (iv) The Company has complied with provisions of Section 186 of the Act in respect of investments made and loans given. Section 185 of the Act is not applicable as there were no loans given, securities and guarantees provided during the year covered by Section 185 of the Act.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits. Hence reporting under clause 3(v) of the Order is not applicable.
- (vi) The Central Government has not prescribed maintenance of cost records for the company under sub section (1) of Section 148 of the Companies Act. Hence reporting under clause 3(v) of the Order is not applicable.

- (vii) (a) In our opinion the Company has generally been regular in depositing undisputed statutory dues including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Customs, duty of Excise, Value Added Tax, Labour Welfare Fund, Cess, and other statutory dues to the appropriate authorities.

There were no undisputed amounts payable were outstanding as at March 31, 2022 for a period of more than six months from the date they became payable.

- (b) There were no statutory dues referred to in sub-clause (a) above which have not been deposited on account of any dispute.
- (viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961)
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not taken any term loan during the year and the term loan taken during the earlier year have been applied for the purpose for which the loans were obtained.
- (d) On an overall examination of the standalone financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long term purposes by the company.
- (e) On an overall examination of the standalone financial statements of the Company, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) The Company has not raised any loans during the year on pledge of securities held in its subsidiaries, joint ventures or associate companies during the year and hence, reporting under clause 3 (ix) (f) of the order is not applicable.
- (x) (a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and through term loans during the year. Accordingly, clause 3(x) (a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3 (x) (b) of the Order is not applicable to the Company.
- (xi) (a) No fraud by the Company and no fraud on the Company has been noticed or reported during the year.

- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rule, 2014 with the Central Government. During the year and upto the date of this report.

- (c) We have taken into consideration the whistle blower complaints received by the Company during the year (and up to the date of this report), while determining the nature, timing and extent of our audit procedures.

- (xii) The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.

- (xiii) According to the information and explanation given to us, and based on our examination of the records of the Company, transactions with related parties are in compliance with section 177 and 188 of the Act, where applicable, and details of such transactions have been disclosed in the Standalone financial statements as required by the applicable accounting standards.

- (xiv) (a) In our opinion, the Company has an internal audit system commensurate with the size and the nature of its business.

- (b) We have considered, the internal audit report for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

- (xv) In our opinion and according to the information and explanations given to us, and based on our examination of the records of the Company, the company has not entered into any non-cash transactions with directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

- (xvi) (a) The Company is not required to be registered under Sec 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting clause 3(xvi) (a) of the Order is not applicable to the Company.

- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities, hence reporting under clause 3(xvi)(b) of the Order is not applicable.

- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, hence reporting under clause 3(xvi)(c) of the Order is not applicable.

- (d) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016 and accordingly reporting under clause 3 (xvi) (d) of the Order is not applicable.

- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

- (xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on the other than ongoing projects

requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of section 135 of the said Act. Accordingly, reporting under clause 3 (xx) (a) of the Order is not applicable for the year.

(b) There are no ongoing projects and hence, reporting under clause 3 (xx) (b) of the Order is not applicable.

For **M L BHUWANIA AND CO LLP**

Chartered Accountants

FRN: 101484W / W100197

**Vijay Kumar Jain**

Partner

Membership No. 108374

UDIN: 22108374AJXRVA8749

Place: Mumbai

Date: May 30, 2022

# Annexure B to the Independent Auditors' Report

## Report on the Internal Financial Controls under Clause (i) of Sub-Section 3 of Section 143 of the Companies Act, 2013 ("the Act")

Referred to in paragraph 2(f) of 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report on the standalone financial statements of the company for the year ended March 31, 2022.

### Opinion

We have audited the internal financial controls over financial reporting of **REMSONS INDUSTRIES LIMITED** ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, to the best of our knowledge and according to the information and explanations provided to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

### Management's Responsibility for Internal Financial Controls

The Company's management and Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

### Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in



reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to

error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **M L BHUWANIA AND CO LLP**

Chartered Accountants

FRN: 101484W / W100197

**Vijay Kumar Jain**

Partner

Membership No. 108374

UDIN: 22108374AJXRVA8749

Place: Mumbai

Date: May 30, 2022

# Standalone Balance Sheet

as at March 31, 2022

(₹ in Lakhs)

Particulars	Note No.	As at 31st March, 2022	As at 31st March, 2021
<b>ASSETS</b>			
<b>(1) Non - Current Assets</b>			
(a) Property, Plant and Equipment	3	2,790.73	2,404.99
(b) Right of Use Assets	4	687.12	881.12
(c) Capital work - in - progress	5	54.04	34.58
(d) Investment Property	6	6.23	6.42
(e) Other Intangible Assets	7	142.49	108.15
(f) Intangible assets under development	8	-	14.25
(g) Financial assets			
(i) Investments	9	1,909.55	508.62
(ii) Loans	10	-	1,615.20
(iii) Other financial assets	11	107.53	96.55
(h) Other non - current assets	12	361.05	256.33
<b>Total Non- Current Assets</b>		<b>6,058.75</b>	<b>5,926.21</b>
<b>(2) Current Assets</b>			
(a) Inventories	13	3,521.39	3,577.84
(b) Financial assets			
(i) Investment	14	50.84	48.73
(ii) Trade receivables	15	4,093.39	3,251.66
(iii) Cash and cash equivalents	16	81.86	29.03
(iv) Bank balances other than (iii) above	17	2.70	9.79
(v) Loans	18	348.43	151.43
(vi) Other financial assets	19	11.51	93.67
(c) Current Tax Assets (Net)	20	3.12	3.12
(d) Other current assets	21	309.58	749.11
<b>Total Current Assets</b>		<b>8,422.82</b>	<b>7,914.38</b>
<b>Assets Held for Sales</b>		-	26.26
<b>TOTAL ASSETS</b>		<b>14,481.56</b>	<b>13,866.85</b>
<b>(1) EQUITY AND LIABILITIES</b>			
(a) Equity share capital	22	571.34	571.34
(b) Other Equity	23	2,889.10	2,567.65
<b>Total Equity</b>		<b>3,460.43</b>	<b>3,138.99</b>
<b>LIABILITIES</b>			
<b>(2) Non Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	24	1,805.75	2,056.32
(ii) Lease Liability	25	544.49	710.81
(b) Provisions	26	41.44	38.38
(c) Deferred tax liabilities (Net)	27	200.95	182.49
<b>Total Non- Current Liabilities</b>		<b>2,592.63</b>	<b>2,988.00</b>
<b>(3) Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	28	4,057.03	2,814.41
(ii) Lease liabilities	29	174.21	147.88
(iii) Trade payables	30		
(a) total outstanding dues of micro enterprises and small enterprises		371.16	531.91
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		3,250.35	3,604.32
(iv) Other financial liabilities	31	117.02	103.75
(b) Other current liabilities	32	420.13	381.21
(c) Provisions	33	14.97	100.04
(d) Current tax liabilities (Net)	34	23.64	56.35
<b>Total Current Liabilities</b>		<b>8,428.50</b>	<b>7,739.86</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>14,481.56</b>	<b>13,866.85</b>
Summary of significant accounting policies			

The accompanying notes are an integral parts of the financial statements

As per our report of even date attached  
 For **M L BHUWANIA AND CO LLP**  
 Chartered Accountants  
 FRN : 101484W / W100197

For and on behalf of the Board  
**REMSONS INDUSTRIES LIMITED**

**Krishna Kejriwal**  
 Chairman & Managing Director  
 DIN : 00513788

**Amit Srivastava**  
 Chief Executive Officer  
 Place : Mumbai  
 Dated : 30<sup>th</sup> May, 2022

**Rahul Kejriwal**  
 Whole time Director & CFO  
 DIN : 00513777

**Rohit Darji**  
 Company Secretary

**Vijay Kumar Jain**  
 Partner  
 Membership No. 108374  
 Place : Mumbai  
 Dated : 30<sup>th</sup> May, 2022

# Standalone Statement of Profit & Loss

for the year ended March 31, 2022

(₹ in Lakhs)

Particulars	Note No.	2021-2022	2020-2021
<b>INCOME</b>			
Revenue from operations	35	22,328.27	19,547.86
Other income	36	116.33	194.62
<b>Total Income</b>		<b>22,444.60</b>	<b>19,742.48</b>
<b>EXPENSES</b>			
Cost of material consumed	37	14,706.65	13,412.66
Purchase of Stock in Trade	38	513.60	74.90
Changes in inventories of Finished goods and Work-in-progress	39	60.62	141.55
Employee benefit expense	40	3,371.11	3,002.66
Finance Costs	41	524.87	311.17
Depreciation & amortization expense	42	548.08	328.21
Other Expenses	43	2,273.64	1,918.82
<b>Total Expenses</b>		<b>21,998.57</b>	<b>19,189.98</b>
<b>Profit before exceptional items &amp; tax</b>		<b>446.03</b>	<b>552.51</b>
Add: Exceptional Items	44	74.26	329.69
<b>Profit/(Loss) before tax</b>		<b>520.29</b>	<b>882.19</b>
<b>Less: Tax expenses</b>			
(1) Current tax			
of Current year		156.57	159.00
of Earlier years		(5.19)	(12.22)
(2) Deferred tax			
of Current year		14.08	69.86
<b>Total Tax Expenses</b>		<b>165.45</b>	<b>216.64</b>
<b>Profit after tax</b>	A	<b>354.83</b>	<b>665.55</b>
<b>Other Comprehensive Income</b>			
A. (i) Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans		17.43	(0.86)
Fair value gain on investment		13.03	(0.23)
(ii) Income tax relating to items that will not be reclassified to profit or loss		(6.72)	0.51
B. (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
<b>Total Other Comprehensive Income for the year</b>	B	<b>23.75</b>	<b>(0.59)</b>
<b>Total Comprehensive Income for the year</b>	(A+B)	<b>378.58</b>	<b>664.97</b>
Earning per equity share (Face Value of ₹ 10/- each)	45		
(1) Basic		6.21	11.65
(2) Diluted		6.21	11.65
Summary of significant accounting policies			

The accompanying notes are an integral parts of the financial statements

As per our report of even date attached

For **M L BHUWANIA AND CO LLP**

Chartered Accountants

FRN : 101484W / W100197

For and on behalf of the Board

**REMSONS INDUSTRIES LIMITED**

**Krishna Kejriwal**

Chairman & Managing Director

DIN : 00513788

**Amit Srivastava**

Chief Executive Officer

Place : Mumbai

Dated : 30<sup>th</sup> May, 2022

**Rahul Kejriwal**

Whole time Director & CFO

DIN : 00513777

**Rohit Darji**

Company Secretary

**Vijay Kumar Jain**

Partner

Membership No. 108374

Place : Mumbai

Dated : 30<sup>th</sup> May, 2022

# Standalone Cash Flow Statement

for the year ended March 31, 2022

(₹ in Lakhs)

Particulars	Year Ended March, 2022	Year Ended March, 2021
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net Profit before tax & Extraordinary Items	532.00	888.08
Adjustment for:		
Depreciation and amortisation expenses	548.08	328.21
Interest Expenses	490.50	301.58
Reclassification of remeasurement of employee benefits	17.43	(0.86)
Fair Value gain on Investment	(2.72)	-
Profit on Sale of Undertaking	(74.26)	(329.69)
Unrealised gain on fair value of financial assets	(2.11)	(0.73)
Interest Income	(43.19)	(22.79)
Dividend Income	-	(0.31)
Provision for Doubtful debts	-	6.76
Provision no longer required, written back	(30.67)	(11.43)
Sundry Balance Written Back (Net)	(10.22)	(4.04)
Unrealised Foreign Exchange Fluctuation loss	33.65	(77.10)
Unwinding of interest on security deposits	(6.06)	(3.41)
	<b>920.44</b>	<b>186.21</b>
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>1,452.44</b>	<b>1,074.28</b>
ADJUSTMENTS FOR WORKING CAPITAL CHANGES :		
Other non - current financial assets	(4.92)	(75.04)
Other non - current assets	(1.89)	0.53
Inventories	56.45	(298.78)
Trade Receivable	(862.66)	(1,040.43)
Other financial assets	68.95	(33.04)
Other current assets	439.54	(500.98)
Long - Term Provisions	3.06	(4.69)
Trade payables	(469.28)	1,687.31
Other current financial liabilities	10.57	9.04
Other current liabilities	38.92	288.85
Short - Term Provisions	(85.07)	(30.67)
	<b>(806.35)</b>	<b>2.10</b>
Cash generated from operations	646.10	1,076.39
Direct Taxes paid	(198.14)	(138.54)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>447.96</b>	<b>937.85</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of Property, Plant and Equipment including Capital Work in Progress	(877.05)	(815.45)
Sale of Investment	15.75	-
Purchase of Other Investments	-	(48.00)
Investment in Subsidiary	-	(505.91)
Loans (given to)/Received back from Subsidiary	-	(1,675.18)
Interest Received	63.40	-
Sale of Property, Plant and Equipment	101.23	420.78
Dividend Received	-	0.31
	<b>(696.66)</b>	<b>(2,623.44)</b>
<b>NET CASH USED IN INVESTING ACTIVITY</b>	<b>(696.66)</b>	<b>(2,623.44)</b>

# Cash Flow Statement

for the year ended March 31, 2022

(₹ in Lakhs)

Particulars	Year Ended March, 2022	Year Ended March, 2021
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Net (Decrease)/ Increase in Long Term Borrowings	(250.57)	1,789.38
Net (Decrease)/ Increase in Short Term Borrowings	1,242.62	131.89
Repayment of Lease liabilities	(219.72)	(56.16)
Dividend Paid	(57.13)	-
Interest Expenses	(413.65)	(292.45)
	<b>301.54</b>	<b>1,572.65</b>
NET CASH USED IN FINANCING ACTIVITY	301.54	1,572.65
NET CHANGES IN CASH & CASH EQUIVALENTS(A+B+C)	52.83	(112.95)
<b>OPENING BALANCES OF CASH &amp; CASH EQUIVALENTS</b>	<b>29.03</b>	<b>141.97</b>
<b>CLOSING BALANCES OF CASH &amp; CASH EQUIVALENTS</b>	<b>81.86</b>	<b>29.03</b>
	<b>52.83</b>	<b>(112.95)</b>

## Notes

### 1 Closing Balance of Cash & Cash Equivalents

(₹ in Lakhs)

Particulars	Year Ended March, 2022	Year Ended March, 2021
Cash and Cash Equivalents Includes:		
CASH IN HAND	12.38	12.28
<b>BALANCE WITH SCHEDULED BANKS</b>		
- In Current Account	69.49	16.75
	<b>81.86</b>	<b>29.03</b>

- Cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.
- Previous year figures have been regrouped and rearranged wherever considered necessary to make them comparable with those of the current year.

As per our report of even date attached  
For **M L BHUWANIA AND CO LLP**  
Chartered Accountants  
FRN : 101484W / W100197

### Vijay Kumar Jain

Partner  
Membership No. 108374  
Place : Mumbai  
Dated : 30<sup>th</sup> May, 2022

For and on behalf of the Board  
**REMSONS INDUSTRIES LIMITED**

### Krishna Kejriwal

Chairman & Managing Director  
DIN : 00513788

### Amit Srivastava

Chief Executive Officer  
Place : Mumbai  
Dated : 30<sup>th</sup> May, 2022

### Rahul Kejriwal

Whole time Director & CFO  
DIN : 00513777

### Rohit Darji

Company Secretary



# Statement of Changes in Equity

for the year ended March 31, 2022

## A. Equity Share Capital

(₹ in Lakhs)		
Particulars	No of Shares	Amount
<b>Balance at at 1<sup>st</sup> April, 2020</b>	<b>57,13,357</b>	<b>571.34</b>
Changes in equity share capital during the year	-	-
<b>Balance at at 31<sup>st</sup> March, 2021</b>	<b>57,13,357</b>	<b>571.34</b>
Changes in equity share capital during the year	-	-
<b>Balance at at 31<sup>st</sup> March, 2022</b>	<b>57,13,357</b>	<b>571.34</b>

## B. Other Equity

(₹ in Lakhs)					
Particulars	Surplus		Other items of Remeasurement of net defined benefit plans	Other comprehensive income Fair Value through Other Comprehensive Income of Equity Investments	Total
	Capital Reserve	Retained Earnings			
<b>Balance at at 31<sup>st</sup> March, 2020</b>		<b>1,972.81</b>	<b>(72.97)</b>	<b>2.85</b>	<b>1,902.69</b>
Profit for the year		665.55	-	-	665.55
Remeasurements of Defined Benefit Plan		-	(0.65)	-	(0.65)
Fair Value effect of Investments of shares		-	-	0.06	0.06
Dividend (Refer Note No. 57)		-	-	-	-
<b>Balance at at 31<sup>st</sup> March, 2021</b>		<b>2,638.36</b>	<b>(73.62)</b>	<b>2.91</b>	<b>2,567.65</b>
Profit for the period		354.83	-	-	354.83
Remeasurements of Defined Benefit Plan		-	13.05	-	10.71
Fair Value effect of Investments of shares		-	-	10.70	13.03
Dividend (Refer Note No. 57)		57.13	-	-	57.13
<b>Balance at at 31<sup>st</sup> March, 2022</b>		<b>2,936.06</b>	<b>(62.90)</b>	<b>15.95</b>	<b>2,889.10</b>

The accompanying notes are an integral parts of the financial statements

As per our report of even date attached  
 For **M L BHUWANIA AND CO LLP**  
 Chartered Accountants  
 FRN : 101484W / W100197

**Vijay Kumar Jain**  
 Partner  
 Membership No.108374  
 Place : Mumbai  
 Dated : 30<sup>th</sup> May, 2022

For and on behalf of the Board  
**REMSONS INDUSTRIES LIMITED**

**Krishna Kejriwal**  
 Chairman & Managing Director  
 DIN : 00513788

**Amit Srivastava**  
 Chief Executive Officer  
 Place : Mumbai  
 Dated : 30<sup>th</sup> May, 2022

**Rahul Kejriwal**  
 Whole time Director & CFO  
 DIN : 00513777

**Rohit Darji**  
 Company Secretary

# Notes to the Standalone Financial Statements

for the year ended March 31, 2022

## 1 Corporate Information

Remsons Industries Limited ('the company') is a listed public limited company incorporated in India. The registered office is located at 401, 4<sup>th</sup> floor, Hanuman Road, Vile Parle (East), Mumbai – 400 057, Maharashtra, India. The Company is manufacturing automotive control cables, flexible shafts, push pull cables and gear shifter assembly. The Company has six manufacturing plants located in India.

## 2 Summary of significant accounting policies

### 2.1. Basis of preparation

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

These financial statements have been prepared on historical cost basis, except for certain financial instruments which are measured at fair value or amortised cost at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle.

The financial statements were authorized for issue by the Company's Board of Directors on 30<sup>th</sup> May, 2022.

These financial statements are presented in Indian Rupees (INR), which is also the functional currency. All the amounts have been rounded off to the nearest Lakhs, unless otherwise indicated.

### 2.2. Use of estimates and judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised prospectively.

### 2.3. Current versus non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other

criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

### 2.4. Foreign Exchange Transactions

#### i. Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency

#### ii. Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. All the foreign exchange gains and losses are presented in the statement of Profit and Loss on a net basis within other expenses or other income as applicable.

### 2.5. Property Plant and Equipment

An item of PPE is recognized as an asset, if and only if, it is probable that the future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. PPE are initially recognized at cost. The initial cost of PPE comprises its purchase price (including non-refundable duties and taxes but excluding any trade discounts and rebates), and any directly attributable cost of bringing the asset to its working condition and location for its intended use.

Subsequent to initial recognition, PPE are stated at cost less accumulated depreciation and any impairment losses. When significant parts of property, plant and equipment are required to be replaced in regular intervals, the Company recognizes such parts as separate component of assets. When an item of PPE is replaced, then its carrying amount is de-recognized from the balance sheet and cost of the new item of PPE is recognized. Further, in case the replaced part was not being depreciated separately, the cost of the replacement is used as an indication to determine the cost of the replaced part at the time it was acquired.

The expenditures that are incurred after the item of PPE has been put to use, such as repairs and maintenance, are normally charged to the statement of profit and loss in the period in which such costs are incurred

# Notes to the Standalone Financial Statements

for the year ended March 31, 2022

Depreciation has been charged to statement of profit & loss on Straight Line Method on Buildings, Plants and Machineries, Electric Installations and Dies & Mould, where as other assets on Written Down Value method determined based on the economic useful lives of assets estimated by the management; or at the rates prescribed under Schedule II of the Companies Act, 2013. Accordingly, the Company has used the following rates:-

Name of Assets	Useful Life (in Years)
<b>Building</b>	
- Factory Building	30
- Other Building	60
- Fences, Wells, Tube wells	5
Plant & Machinery	15
Spares of Plant & Machinery	5
Moulds and Dies	15
Electrical Installations and Equipment's	10
Office equipment's	5
Furniture & Fittings	10
Servers and networks	6
Data processing machine and computer, laptops	3
Vehicle	8

## 2.6 Investment Property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as Investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised. Investment properties (except freehold land) are depreciated using the straight-line method over their estimated useful lives at the rates prescribed under Schedule II of the Companies Act, 2013.

## 2.7. Intangible assets

- An intangible asset shall be recognised if, and only if:
  - it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and
  - the cost of the asset can be measured reliably.
- Cost of technical know-how is amortised over a period of life of contract.
- Computer software is capitalised where it is expected to provide future enduring economic benefits. Capitalisation

costs include license fees and costs of implementation / system integration services. The costs are capitalised in the year in which the relevant software is implemented for use. The softwares are amortised over a period of 3 to 8 years based on the life it is expected to provide future enduring benefits on straight-line method.

## 2.8 Borrowing Cost

Borrowing costs specifically relating to the acquisition or construction of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the asset. All other borrowing costs are charged to statement of profit & loss in the period in which it is incurred except loan processing fees which is recognized as per Effective Interest Rate method.

Borrowing costs consist of interest and other costs that company incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

## 2.9 Tax Expenses

Income Tax expense comprises of current tax and deferred tax charge or credit. Provision for current tax is made with reference to taxable income computed for the financial year for which the financial statements are prepared by applying the tax rates as applicable.

### i. Current Tax

Current tax charge is based on taxable profit for the year. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current tax assets and tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

### ii. Deferred Tax

Deferred tax is provided using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements at the reporting date. Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilised.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2022

Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss).

Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

The carrying amount of deferred tax assets is reviewed at each reporting date and adjusted to reflect changes in probability that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred income tax assets and liabilities are off-set against each other and the resultant net amount is presented in the Balance Sheet, if and only when, (a) the Company has a legally enforceable right to set-off the current income tax assets and liabilities, and (b) the deferred income tax assets and liabilities relate to income tax levied by the same taxation authority.

Minimum Alternate Tax credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

### iii. Dividend distribution tax

Dividend distribution tax paid on the dividends is recognised consistently with the presentation of the transaction that creates the income tax consequence. Dividend distribution tax is charged to statement of profit and loss if the dividend itself is charged to statement of profit and loss. If the dividend is recognised in equity, the presentation of dividend distribution tax is recognised in equity.

## 2.10. Revenue

### a) Revenue from operation

The Company derives revenues primarily from sale of manufactured goods, traded goods and related services.

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

1. The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Group performs; or
2. The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
3. The Company's performance does not create an asset with an alternative use to the Company and an entity has an enforceable right to payment for performance completed to date. For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

### (b) Other Income:

- i. Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the group, and the amount of the dividend can be measured reliably.
- ii. Export incentives are accounted for on export of goods if the entitlements can be estimated with reasonable accuracy. Premium of sale of import licenses is recognised on an accrual basis.
- iii. Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

## 2.11 Inventory

Raw materials, Packing materials, Stores and Spare parts are valued at Lower of cost (cost includes direct cost & attributable

# Notes to the Standalone Financial Statements

for the year ended March 31, 2022

overheads) or net realizable value. The Company follows Weighted Average Cost method for valuation of Raw materials, Packing materials, Stores and Spare parts. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Semi-finished & Finished goods are valued at lower of estimated cost or net realizable value. Scrap is valued at net realizable value.

The company was valuing its Raw materials, Packing materials, Stores and Spare parts on first-in-first-out basis, during the year the company implemented SAP Accounting software and started valuing such inventories on Weighted Average Cost basis. The impact of such change is not material.

## 2.12 Segment Reporting

Primary Segment is identified based on the nature of products and services, the different risks and returns and the internal business reporting system. Secondary segment is identified based on geographical area in which major operating divisions of the Company operate.

## 2.13 Impairment Of Assets

Intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

## 2.14 Fair Value Measurement

The Company measures certain financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

**Level 1:** Quoted (unadjusted) prices for identical assets or liabilities in active markets

**Level 2:** Significant inputs to the fair value measurement are directly or indirectly observable

**Level 3:** Significant inputs to the fair value measurement are unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets & liabilities on the basis of the nature, characteristics and the risks of the asset or liability and the level of the fair value hierarchy as explained above

## 2.15 Financial Instrument

### 2.15.1 Recognition, classification and presentation

The financial instruments are recognised in the balance sheet when the company becomes a party to the contractual provisions of the instrument.

The Company determines the classification of its financial instruments at initial recognition.

The Company classifies its financial assets in the following categories: a) those to be measured subsequently at fair



# Notes to the Standalone Financial Statements

for the year ended March 31, 2022

value (either through other comprehensive income, or through profit or loss), and b) those to be measured at amortized cost. The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Financial assets and liabilities arising from different transactions are off-set against each other and the resultant net amount is presented in the balance sheet, if and only when, the Company currently has a legally enforceable right to set-off the related recognised amounts and intends either to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

## 2.15.2. Measurement

### I. Initial measurement

At initial recognition, the Company measures financial instruments at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Otherwise transaction costs are expensed in the statement of profit and loss.

### II. Subsequent measurement - financial assets

The subsequent measurement of the financial assets depends on their classification as follows:

#### i. Financial assets measured at amortized cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost using the effective interest rate ('EIR') method (if the impact of discounting / any transaction costs is significant). Interest income from these financial assets is included in finance income.

#### ii. Financial assets at fair value through other comprehensive income ('FVTOCI')

Equity investments which are not held for trading and for which the Company has elected to present the change in the fair value in other comprehensive income and debt instruments that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flow represent solely payment of principal and interest, are measured at FVTOCI.

The changes in fair value are taken through OCI, except for the impairment, interest (basis EIR method), dividend and foreign exchange differences which are recognised in the statement of profit and loss.

When the financial asset is derecognized, the related accumulated fair value adjustments in OCI as at the date of derecognition are reclassified from equity and recognised in the statement of profit and loss. However, there is no subsequent reclassification of fair value gains and losses to statement of profit and loss in case of equity instruments.

#### iii. Financial assets at fair value through profit or loss ('FVTPL')

All equity instruments and financial assets that do not meet the criteria for amortized cost or FVTOCI are measured at fair value through profit or loss. Interest (basis EIR method) and dividend income from FVTPL is recognised in the statement of profit and loss within finance income / finance costs separately from the other gains/losses arising from changes in the fair value.

#### Impairment

The company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost and debt instrument carried at FVTOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk since initial recognition. If credit risk has not increased significantly, twelve month ECL is used to provide for impairment loss, otherwise lifetime ECL is used.

However, only in case of trade receivables, the company applies the simplified approach which requires expected lifetime losses to be recognized from initial recognition of the receivables.

### III. Subsequent measurement - financial liabilities

Other financial liabilities are initially recognised at fair value less any directly attributable transaction costs. They are subsequently measured at amortized cost using the EIR method (if the impact of discounting / any transaction costs is significant).

## 2.15.3 De-recognition

The financial liabilities are de-recognised from the balance sheet when the under-lying obligations are extinguished, discharged, lapsed, cancelled, expires or legally released. The financial assets are de-recognised from the balance sheet when the rights to receive cash flows from the financial assets have expired, or have been transferred

# Notes to the Standalone Financial Statements

for the year ended March 31, 2022

and the Company has transferred substantially all risks and rewards of ownership. A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

## 2.16 Cash and cash Equivalents

Cash and cash equivalents includes cash in hand, deposits with banks, other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes outstanding bank overdraft shown within current liabilities in statement of financial balance sheet and which are considered as integral part of company's cash management policy.

## 2.17 Cash Flow Statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

## 2.18 Investment

Investment which are of equity in nature is carried at Fair Value and gain/loss on fair valuation are recognised through Other Comprehensive Income.

## 2.19 Trade Receivable

Trade receivables are recognized initially at their fair value and subsequently measured at amortised cost using the effective interest method, less provision for expected credit loss.

## 2.20. Trade and Other payable

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are recognised, initially at fair value, and subsequently measured at amortised cost using effective interest rate method.

## 2.21 Provision, Contingent Liability and Contingent Assets

### i. Provision

A provision is recognized, when company has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made for

the amount of obligation. The expense relating to the provision is presented in the profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

### ii. Contingent Liability

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent liabilities, if material, are disclosed by way of notes and contingent assets, if any, are disclosed in the notes to financial statements.

### iii. Contingent Assets

Contingent Assets are disclosed, where an inflow of economic benefits is probable.

## 2.22 Earnings Per Share

### i. Basic earnings per share

Basic earnings per share is calculated by dividing

- i. the profit attributable to owners of the Company; and
- ii. by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

### ii. Diluted earnings per share

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares; and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

# Notes to the Standalone Financial Statements for the year ended March 31, 2022

## 2.23 Leases

### i. As a lessee

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

### ii. As a lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

## 2.24 Employee benefits

### i. Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

### ii. Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected

future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

### iii. Post-employment obligations

#### a. Defined benefit gratuity plan:

The Company provides for the liability towards the said benefit on the basis of actuarial valuation carried out as at the reporting date, by an independent qualified actuary using the projected-unit-credit method. The Company has opted for a Group Gratuity-cum-Life Assurance Scheme of the Life Insurance Corporation of India (LIC), and the contribution is charged to the Statement of Profit & Loss each year.

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan. The defined benefit obligation is calculated annually as provided by LIC. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss. Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

#### b. Defined Contribution plan:

Contribution payable to recognised provident fund which is defined contribution scheme is charged to Statement of Profit & Loss. The company has no further obligation to the plan beyond its contribution.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2022

## iv. Other long-term employee benefits

The employees of the Company are entitled to compensated absences as well as other long-term benefits. Compensated absences benefit comprises of encashment and availment of leave balances that were earned by the employees over the period of past employment.

The Company provides for the liability towards the said benefit on the basis of actuarial valuation carried out quarterly as at the reporting date, by an independent qualified actuary using the projected-unit-credit method. The related re-measurements are recognized in the statement of profit and loss in the period in which they arise.

## 2.25 Operating Cycle

Based on the nature of products/activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

## 2.26 Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below.

**Ind AS 16** – Property Plant and equipment – The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its consolidated financial statements.

**Ind AS 37** – Provisions, Contingent Liabilities and Contingent Assets – The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.

## 2.27 Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Rupees in Lakhs (upto two decimals), unless otherwise stated as per the requirement of Schedule III (Division II).

# Notes to the Standalone Financial Statements

for the year ended March 31, 2022

## NOTE NO 3 PROPERTY, PLANT AND EQUIPMENT

Particulars	Freehold Land*	Leasehold Land	Fences,Wells & Tubes	Building Office	Building Factory*	Plant & Machinery*	Dies & Moulds	Electrical Installation*	Office Equipment	Furniture & Fixture	Motor Vehicle	Server/ Networks	Computers	Total
Gross Carrying Value														
As at April 1, 2020	75.16	43.44	10.23	79.60	923.57	1,388.19	224.49	70.24	41.66	65.39	91.22	5.06	20.49	3,038.77
Additions	33.50	-	6.54	-	52.17	194.96	31.52	143.15	22.83	5.23	92.74	10.99	8.57	602.22
Disposals / derecognised	-	-	-	(118.08)	-	(52.51)	-	(8.08)	-	-	(9.75)	-	-	(188.42)
<b>Gross Carrying Value As at March 31, 2021</b>	<b>108.66</b>	<b>43.44</b>	<b>16.78</b>	<b>(38.48)</b>	<b>975.75</b>	<b>1,530.65</b>	<b>256.01</b>	<b>205.31</b>	<b>64.48</b>	<b>70.62</b>	<b>174.21</b>	<b>16.05</b>	<b>29.07</b>	<b>3,452.56</b>
Additions	42.79	-	-	15.46	195.57	291.00	16.19	13.42	29.29	84.98	-	-	12.11	700.83
Disposals / derecognised	(0.92)	-	-	-	(36.70)	(6.57)	-	(4.64)	(1.64)	-	(0.69)	-	-	(51.16)
<b>Gross Carrying Value As at March 31, 2022</b>	<b>150.53</b>	<b>43.44</b>	<b>16.78</b>	<b>(23.02)</b>	<b>1,134.62</b>	<b>1,815.08</b>	<b>272.21</b>	<b>214.09</b>	<b>92.14</b>	<b>155.60</b>	<b>173.52</b>	<b>16.05</b>	<b>41.18</b>	<b>4,102.22</b>

(₹ in Lakhs)

Particulars	Freehold Land	Leasehold Land	Fences,Wells & Tubes	Building Office	Building Factory	Plant & Machinery	Dies & Moulds	Electrical Installation	Office Equipment	Furniture & Fixture	Motor Vehicle	Server/ Networks	Computers	Total
Accumulated depreciation														
As at April 1, 2020	-	-	6.57	10.53	129.65	467.62	63.98	30.33	32.71	40.39	65.09	4.24	16.33	867.43
Depreciation charge during the year	-	-	1.26	1.64	39.21	137.38	18.86	8.50	6.79	8.33	22.09	2.19	4.71	250.97
Disposals / derecognised	-	-	-	(50.65)	-	(31.76)	-	(6.00)	-	-	(8.69)	-	-	(97.10)
<b>Accumulated depreciation As at March 31, 2021</b>	<b>-</b>	<b>-</b>	<b>7.84</b>	<b>(38.48)</b>	<b>168.87</b>	<b>573.24</b>	<b>82.85</b>	<b>32.82</b>	<b>39.49</b>	<b>48.73</b>	<b>78.49</b>	<b>6.43</b>	<b>21.04</b>	<b>1,021.30</b>
Depreciation charge during the year	-	-	2.23	0.36	52.15	130.84	19.99	20.17	18.79	26.16	28.54	4.54	10.60	314.37
Disposals / derecognised	-	-	-	-	(15.34)	(3.91)	-	(3.83)	(0.44)	-	(0.66)	-	-	(24.18)
<b>Accumulated depreciation As at March 31, 2022</b>	<b>-</b>	<b>-</b>	<b>10.07</b>	<b>(38.12)</b>	<b>205.68</b>	<b>700.17</b>	<b>102.84</b>	<b>49.16</b>	<b>57.84</b>	<b>74.89</b>	<b>106.37</b>	<b>10.97</b>	<b>31.64</b>	<b>1,311.49</b>
Net carrying amount as at March 31, 2022	150.53	43.44	6.71	15.10	928.95	1,114.91	169.37	164.93	34.30	80.72	67.15	5.08	9.54	2,790.73
Net carrying amount as at March 31, 2021	108.66	43.44	8.94	(0.00)	806.88	957.41	173.16	172.49	25.00	21.89	95.72	9.62	8.03	2,431.25

(₹ in Lakhs)

\*Includes Assets classified as held for sale of ₹ 26.26 Lakhs. (Freehold Land of ₹ 0.92 Lakhs, Building Factory of ₹ 21.67 Lakhs, Plant & Machinery of ₹ 2.79 Lakhs and Electrical Installation of ₹ 0.88 Lakhs.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2022

## NOTE NO 4 RIGHT OF USE ASSETS

(₹ in Lakhs)		
Particulars	Building	Total
<b>Gross Carrying Value</b>		
As at April 1, 2020	113.49	113.49
Addition	883.65	883.65
<b>Gross Carrying Value As at March 31, 2021</b>	<b>997.14</b>	<b>997.14</b>
Addition	5.23	5.23
<b>Gross Carrying Value As at March 31, 2022</b>	<b>1,002.37</b>	<b>1,002.37</b>
(₹ in Lakhs)		
Particulars	Building	Total
<b>Accumulated depreciation</b>		
As at April 1, 2020	59.21	59.21
Depreciation charge during the year	56.81	56.81
<b>Accumulated depreciation As at March 31, 2021</b>	<b>116.02</b>	<b>116.02</b>
Depreciation charge during the year	199.23	199.23
<b>Accumulated depreciation As at March 31, 2022</b>	<b>315.25</b>	<b>315.25</b>
<b>Net carrying amount as at March 31, 2022</b>	<b>687.12</b>	<b>687.12</b>
<b>Net carrying amount as at March 31, 2021</b>	<b>881.12</b>	<b>881.12</b>

## NOTE NO 5 CAPITAL WORK IN PROGRESS

(₹ in Lakhs)				
Particulars	Building	Plant & Machinery	Others	Total
<b>Gross Carrying Value</b>				
As at April 1, 2020	-	8.48	-	8.48
Additions	10.90	6.58	17.10	34.58
Disposals / derecognised	-	(8.48)	-	(8.48)
<b>Gross Carrying Value As at March 31, 2021</b>	<b>10.90</b>	<b>6.58</b>	<b>17.10</b>	<b>34.58</b>
Additions	-	33.59	20.45	54.04
Disposals / derecognised	(10.90)	(6.58)	(17.10)	(34.58)
<b>Gross Carrying Value As at March 31, 2022</b>	<b>-</b>	<b>33.59</b>	<b>20.45</b>	<b>54.04</b>

### CWIP aging schedule as on March 31, 2022

(₹ in Lakhs)					
CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	54.04	-	-	-	54.04
<b>Total</b>	<b>54.04</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>54.04</b>

### CWIP aging schedule as on March 31, 2021

(₹ in Lakhs)					
CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	34.58	-	-	-	34.58
<b>Total</b>	<b>34.58</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>34.58</b>



# Notes to the Standalone Financial Statements

for the year ended March 31, 2022

## NOTE NO 6 INVESTMENT PROPERTY

Particulars	Building	Total
<b>Gross Carrying Value</b>		
As at April 1, 2020	7.38	7.38
Addition	-	-
<b>Gross Carrying Value As at March 31, 2021</b>	<b>7.38</b>	<b>7.38</b>
Addition	-	-
<b>Gross Carrying Value As at Sept 30, 2021</b>	<b>7.38</b>	<b>7.38</b>
(₹ in Lakhs)		
Particulars	Building	Total
<b>Accumulated depreciation</b>		
As at April 1, 2020	0.76	0.76
Depreciation charge during the year	0.19	0.19
<b>Accumulated depreciation As at March 31, 2021</b>	<b>0.95</b>	<b>0.95</b>
Depreciation charge during the year	0.19	0.19
<b>Accumulated depreciation As at March 31, 2022</b>	<b>1.14</b>	<b>1.14</b>
<b>Net carrying amount as at March 31, 2022</b>	<b>6.23</b>	<b>6.23</b>
<b>Net carrying amount as at March 31, 2021</b>	<b>6.42</b>	<b>6.42</b>

### Amount recognised in profit or loss for Investment Properties

Particulars	(₹ in Lakhs)	
	March 31 <sup>st</sup> , 2022	March 31 <sup>st</sup> , 2021
Rental Income	0.03	3.56
Direct operating expenses (Net of recovery)	0.60	0.61
Direct operating expenses from property that did not generate rental income.		

There are no restrictions on the realisability of investment property.

The company is using same life for the same class of asset as applicable for property plant and equipment.

The company has let out the property.

### Fair Value

Investment property - Market Value is ₹ 114.96 Lakhs (Previous Year - ₹ 114.96 Lakhs)

The Company has not taken third party independent valuation for the property. Last valuation has been conducted as at 03.03.2020 and the management is of the opinion that there is no material changes in the valuation of investment property.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2022

## NOTE NO 7 OTHER INTANGIBLE ASSETS

(₹ in Lakhs)				
Particulars	Computer Software	Technical Know How	Rebranding	Total
<b>Gross Carrying Value</b>				
As at April 1, 2020	189.33	12.91	-	202.24
Additions	-	-	-	-
<b>Gross Carrying Value As at March 31, 2021</b>	<b>189.33</b>	<b>12.91</b>	<b>-</b>	<b>202.24</b>
Additions	25.80	-	42.82	68.62
<b>Gross Carrying Value As at March 31, 2022</b>	<b>215.13</b>	<b>12.91</b>	<b>42.82</b>	<b>270.86</b>

(₹ in Lakhs)				
Particulars	Computer Software	Technical Know How	Rebranding	Total
<b>Accumulated depreciation</b>				
As at April 1, 2020	60.94	12.91	-	73.85
Depreciation charge during the year	20.23	-	-	20.23
<b>Accumulated depreciation As at March 31, 2021</b>	<b>81.17</b>	<b>12.91</b>	<b>-</b>	<b>94.08</b>
Depreciation charge during the year	33.56	-	0.73	34.28
<b>Accumulated depreciation As at March 31, 2022</b>	<b>114.73</b>	<b>12.91</b>	<b>0.73</b>	<b>128.36</b>
<b>Net carrying amount as at March 31, 2022</b>	<b>100.40</b>	<b>-</b>	<b>42.09</b>	<b>142.49</b>
<b>Net carrying amount as at March 31, 2021</b>	<b>108.15</b>	<b>-</b>	<b>-</b>	<b>108.15</b>

## NOTE NO 8 INTANGIBLE ASSETS UNDER DEVELOPMENT

(₹ in Lakhs)		
Particulars	Computer Software	Total
<b>Gross Carrying Value</b>		
As at April 1, 2020	-	-
Additions	14.25	14.25
Disposals / derecognised	-	-
<b>Gross Carrying Value As at March 31, 2021</b>	<b>14.25</b>	<b>14.25</b>
Additions	-	-
Disposals / derecognised	(14.25)	(14.25)
<b>Gross Carrying Value As at March 31, 2022</b>	<b>-</b>	<b>-</b>

### Intangible assets under development aging as on March 31, 2022

(₹ in Lakhs)					
Intangible assets under development	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

### Intangible assets under development aging as on March 31, 2021

(₹ in Lakhs)					
Intangible assets under development	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	14.25	-	-	-	14.25
<b>Total</b>	<b>14.25</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14.25</b>

# Notes to the Standalone Financial Statements for the year ended March 31, 2022

## 9 INVESTMENTS (NON CURRENT)

(₹ in Lakhs)

Particulars	Face Value	As at 31 <sup>st</sup> Mar, 2022		As at 31 <sup>st</sup> Mar, 2021	
		No. of Shares	Value	No. of Shares	Value
Non Trade Investments					
Investment in equity instruments (fully paid-up)					
Unquoted (at fair value through OCI) (FVOCI)					
Remsons Cables Industries Pvt Ltd	100	-	-	500	-0.00
Goodluck Electronics Pvt Ltd	100	-	-	1,250	2.72
Investment in equity instruments (fully paid-up)					
In Subsidiary-wholly owned - unquoted (at cost)					
Remsons Holding Ltd.	1 GBP	20,00,000	1,909.55	5,00,000	505.91
Total Value of Unquoted Investments			1,909.55		508.62

## 10 LOAN (NON CURRENT)

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> Mar, 2022	As at 31 <sup>st</sup> Mar, 2021
(Unsecured, consider Good,unless specified otherwise)		
To Related Party-		
Loan to Subsidiary Company (Refer Note No 10.1)	-	1,615.20
	<b>-</b>	<b>1,615.20</b>

**Note No 10.1:** The loan was given to foreign wholly owned subsidiary for meeting working capital needs. The loan repayable in 36 months. Rate of interest of 3% p.a.

## 11 OTHER FINANCIAL ASSETS (NON CURRENT)

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> Mar, 2022	As at 31 <sup>st</sup> Mar, 2021
(Unsecured, consider Good,unless specified otherwise)		
Security Deposits	107.53	96.55
	<b>107.53</b>	<b>96.55</b>

## 12 OTHER NON CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> Mar, 2022	As at 31 <sup>st</sup> Mar, 2021
(Unsecured, consider Good,unless specified otherwise)		
Capital Advances	353.87	251.05
Advance recoverable in cash or kind or for value to be received	7.18	5.28
	<b>361.05</b>	<b>256.33</b>

# Notes to the Standalone Financial Statements

for the year ended March 31, 2022

## 13 INVENTORIES

(₹ in Lakhs)		
Particulars	As at 31 <sup>st</sup> Mar, 2022	As at 31 <sup>st</sup> Mar, 2021
Raw Material	1,859.07	1,911.46
Work-in-progress	219.10	184.01
Finished Goods (Refer Note No 13.1)	1,285.10	1,378.65
Stores & Spares	156.27	99.71
Scrap	1.84	4.01
	<b>3,521.39</b>	<b>3,577.84</b>

Note No 13.1: Finished Goods inventory includes Goods-in transit ₹ 360.99 Lakhs (Previous Year ₹ 317.41 Lakhs)

## 14 CURRENT INVESTMENTS

(₹ in Lakhs)		
Particulars	As at 31 <sup>st</sup> Mar, 2022	As at 31 <sup>st</sup> Mar, 2021
Investment in mutual Funds	50.84	48.73
Quoted (at FVTPL)		
11417.023 (P.Y. 11417.023) units of ABSL saving fund, face value of ₹ 100 each)	<b>50.84</b>	<b>48.73</b>
Aggregate amount of quoted investments	50.84	48.73
Aggregate market value of quoted investments	50.84	48.73

## 15 TRADE RECEIVABLES

		(₹ in Lakhs)	(₹ in Lakhs)
Particulars	As at 31 <sup>st</sup> Mar, 2022	As at 31 <sup>st</sup> Mar, 2021	
<b>(Unsecured)</b>			
Considered Good (Refer Note No 15.1)	4,093.39	3,251.66	
Less: Allowance for Expected Credit Loss	-	-	3,251.66
Credit Impaired	18.57	28.53	
Less: Allowance for Expected Credit Loss	(18.57)	(28.53)	-
	<b>4,093.39</b>	<b>3,251.66</b>	

### Note No. 15.1

(₹ in Lakhs)		
Particulars	As at 31 <sup>st</sup> Mar, 2022	As at 31 <sup>st</sup> Mar, 2021
Receivable from - Company in which directors are interested	516.91	756.92
	<b>516.91</b>	<b>756.92</b>

### Movement in the Allowance of Expected Credit Loss

(₹ in Lakhs)		
Particulars	As at 31 <sup>st</sup> Mar, 2022	As at 31 <sup>st</sup> Mar, 2021
Balance at the beginning of the year	28.53	21.77
Changes in allowance for doubtful receivables	(9.96)	6.76
Balance at end of the year	<b>18.57</b>	<b>28.53</b>

# Notes to the Standalone Financial Statements for the year ended March 31, 2022

## Note No. 15.1 (Contd.)

### Trade Receivables ageing as on March 31, 2022

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment #					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	3,944.12	99.39	49.84	0.04	-	4,093.39
(ii) Disputed Trade receivables - considered doubtful	-	-	3.58	3.55	11.44	18.57
Less: Allowance for expected credit loss						18.57
						<b>4,093.39</b>

### Trade Receivables ageing as on March 31, 2021

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment #					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	3,114.07	65.37	72.22	-	-	3,251.66
(ii) Disputed Trade receivables - considered doubtful	-	-	17.46	11.08	-	28.53
Less: Allowance for expected credit loss						28.53
						<b>3,251.66</b>

## 16 CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> Mar, 2022	As at 31 <sup>st</sup> Mar, 2021
<b>Balance With Banks</b>		
In Current account	69.49	16.75
Cash on Hand	12.38	12.28
	<b>81.86</b>	<b>29.03</b>

## 17 OTHER BANK BALANCES

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> Mar, 2022	As at 31 <sup>st</sup> Mar, 2021
Margin Money Deposit (Refer Note No 17.1)	-	7.00
Unpaid Dividend Account (Refer Note No 17.2)	2.70	2.79
	<b>2.70</b>	<b>9.79</b>

**Note No. 17.1:** Margin money includes deposit against Bank Gurantee of Nil (Previous Year - ₹ 5 Lakhs) and Letter of Credit of Nil (Previous Year - ₹ 2 Lakhs).

**Note No. 17.2:** The company can utilise balances only towards settlement of of the unpaid dividend.

## 18 LOANS (CURRENT)

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> Mar, 2022	As at 31 <sup>st</sup> Mar, 2021
(Unsecured, consider Good, unless specified otherwise)		
To Related Party		
Loan to Subsidiary Company	348.43	151.43
	<b>348.43</b>	<b>151.43</b>

# Notes to the Standalone Financial Statements

for the year ended March 31, 2022

## 19 OTHER FINANCIAL ASSETS (CURRENT)

(₹ in Lakhs)		
Particulars	As at 31 <sup>st</sup> Mar, 2022	As at 31 <sup>st</sup> Mar, 2021
(Unsecured, consider Good, unless specified otherwise)		
Security Deposit	3.40	63.63
Others		
Loan to employee	5.54	7.26
Interest accrued	2.58	22.79
	<b>11.51</b>	<b>93.67</b>

## 20 CURRENT TAX ASSETS (NET)

(₹ in Lakhs)		
Particulars	As at 31 <sup>st</sup> Mar, 2022	As at 31 <sup>st</sup> Mar, 2021
Income Tax refund receivable	3.12	3.12
	<b>3.12</b>	<b>3.12</b>

## 21 OTHER CURRENT ASSETS

(₹ in Lakhs)		
Particulars	As at 31 <sup>st</sup> Mar, 2022	As at 31 <sup>st</sup> Mar, 2021
Balance with Statutory/ Government Authorities	90.15	128.14
Advance to Supplier	82.30	53.76
Advance recoverable in cash or kind or for value to be received	36.94	35.46
Export Incentive Receivable	75.49	116.96
Other Advances	-	201.90
Other Receivable	18.74	208.01
Other Current Assets	5.96	4.89
	<b>309.58</b>	<b>749.11</b>

## 22 EQUITY SHARE CAPITAL

(₹ in Lakhs)		
Particulars	As at 31 <sup>st</sup> Mar, 2022	As at 31 <sup>st</sup> Mar, 2021
<b>Authorized Share Capital</b>		
120,00,000 Equity shares, ₹ 10 par value ( Previous Year: 120,00,000 equity shares ₹ 10 each)	1,200.00	1,200.00
	<b>1,200.00</b>	<b>1,200.00</b>
<b>Issued, Subscribed and Fully Paid Up Shares</b>		
57,13,357 Equity shares, ₹ 10 par value fully paid up ( Previous Year: 57,13,357 equity shares ₹ 10 each)	571.34	571.34
	<b>571.34</b>	<b>571.34</b>



# Notes to the Standalone Financial Statements

for the year ended March 31, 2022

## Note No 22.1: The reconciliation of the number of shares outstanding at the beginning and at the end of reporting period 31-03-2022:

Particulars	As at 31 <sup>st</sup> Mar, 2022		As at 31 <sup>st</sup> Mar, 2021	
	No. of Shares	Amount	No. of Shares	Amount
Number of shares at the beginning	57,13,357	571.34	57,13,357	571.34
Add: Shares issued during the year	-	-	-	-
Less : Shares bought back (if any)	-	-	-	-
<b>Number of shares at the end</b>	<b>57,13,357</b>	<b>571.34</b>	<b>57,13,357</b>	<b>571.34</b>

(₹ in Lakhs)

## Note No 22.2: Terms/rights attached to equity shares

- (A) The company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholder in the ensuing Annual General Meeting.
- (B) In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholder.

## Note No 22.3: The details of shareholders holding more than 5% shares in the company :

Name of the shareholder	31 <sup>st</sup> Mar, 2022		31 <sup>st</sup> Mar, 2021	
	No. of shares held	% held	No. of shares held	% held
Krishna Kejriwal	15,79,494	27.65	15,79,494	27.65
Chand Kejriwal	17,08,444	29.90	17,08,444	29.90
Rahul Kejriwal	3,06,851	5.37	3,06,851	5.37
Shivani Kejriwal	3,03,197	5.31	3,03,197	5.31
Krish Automotive Sales & Services Pvt Ltd	4,51,549	7.90	4,51,549	7.90

(₹ in Lakhs)

## Note No 22.4: % Change in Shareholding of Promoter & Promoter group:

Name of the shareholder	Number of shares held	% held	31 <sup>st</sup> Mar, 2022			
			No. of shares held	% held	% Change during the year	
Krisna Kejriwal	15,79,494	27.65	-	15,79,494	27.65	-
Chand Kejriwal	17,08,444	29.90	-	17,08,444	29.90	-
Rahul Kejriwal	3,06,851	5.37	-	3,06,851	5.37	-
Shivani Kejriwal	3,03,197	5.31	-	3,03,197	5.31	-
Ranee Khatkhate	1,401	0.02	-	1,401	0.02	-
Krishna Kejriwal HUF	2,66,693	4.67	-	2,66,693	4.67	-
Rahul Kejriwal HUF	571	0.01	-	571	0.01	-
Remsons Cable Industries Private Limited	57,357	1.00	-	57,357	1.00	-
Goodluck Electronics Private Limited	61,000	1.07	-	61,000	1.07	-

(₹ in Lakhs)

# Notes to the Standalone Financial Statements

for the year ended March 31, 2022

## 23 OTHER EQUITY

(₹ in Lakhs)		
Particulars	As at 31 <sup>st</sup> Mar, 2022	As at 31 <sup>st</sup> Mar, 2021
<b>Surplus*</b>		
Retained Earnings	2936.06	2,638.36
Other Comprehensive Income (OCI)		
- Remeasurement of net defined benefit plans	[60.57]	[73.62]
- Fair Value of Equity Investments through OCI**	15.95	2.91
	<b>2,889.10</b>	<b>2,567.65</b>

\* For movement, refer Statement of Changes in Equity.

### Nature of reserves

### Fair Value of Equity Investments through OCI

\*\* The company recognises unrealised and realised gain on equity shares in FVOCI - Equity investments.

## 24 BORROWINGS (NON CURRENT)

(₹ in Lakhs)		
Particulars	As at 31 <sup>st</sup> Mar, 2022	As at 31 <sup>st</sup> Mar, 2021
<b>Secured</b>		
From Banks		
Vehicle loans (Refer Note No 24.1)	27.91	40.29
Corporate loan (Refer Note No 24.2)	557.98	446.99
From Others (Refer Note No 24.3 & 24.4)	69.86	819.04
	<b>655.75</b>	<b>1,306.32</b>
<b>Unsecured</b>		
Loan from Directors	750.00	750.00
Loan from related parties	400.00	-
	<b>1,150.00</b>	<b>750.00</b>
	<b>1,805.75</b>	<b>2,056.32</b>

**Note No 24.1:** Vehicle Loans from banks secured by Hypothecation of respective vehicles and repayable in 36 months to 60 months.

**Note No 24.2 (i):** From State Bank of India, Mumbai secured by first charge on the fixed assets to the Company and personal guarantee by Chairman & Managing Director and a whole time director and repayable in 36 monthly instalments after a moratorium of 6 months from the date of disbursement. Rate of Interest of New Demand Loan Working Capital GECL 7.40%.

**Note No 24.2 (ii):** From State Bank of India, Mumbai secured by first charge on the fixed assets to the Company and personal guarantee by Chairman & Managing Director and a whole time director and repayable in 18 monthly instalments after a moratorium of 6 months from the date of disbursement. Rate of Interest of New Demand Loan Working Capital CCECL 7.40%.

**Note No 24.2 (iii):** From State Bank of India, Mumbai secured by first charge on the fixed assets to the Company and personal guarantee by Chairman & Managing Director and a whole time director and repayable in 72 monthly instalments after a moratorium of 12 months from the date of disbursement. Rate of Interest of Open Term Loan 7.65%.

**Note No 24.3:** From Tata Capital Service Ltd, Mumbai is secured by first charge on the fixed assets to the Company and Irrevocable and unconditional personal guarantee by Chairman & Managing Director and a whole time directors. Term Loan repayable in 60 monthly installments at 12% rate of interest.

**Note No 24.4:** From Aditya Birla Finance Ltd, Mumbai is secured by Exclusive charge on property at, Ghorpadi, Pune - 411001 owned by Chairman & Managing Director and a whole time director and personal guarantee by Chairman & Managing Director and a whole time directors. Term Loan repayable in 72 monthly installments at 12% rate of interest.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2022

## 25 LEASE LIABILITIES (NON CURRENT)

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> Mar, 2022	As at 31 <sup>st</sup> Mar, 2021
Lease Liabilities	544.49	710.81
	<b>544.49</b>	<b>710.81</b>

## 26 PROVISIONS (NON CURRENT)

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> Mar, 2022	As at 31 <sup>st</sup> Mar, 2021
Provisions for Employee Benefits		
- For Leave encashment (Refer Note No 47)	40.04	36.32
Others		
- Provision for warranty (Refer Note No 49)	1.39	2.06
	<b>41.44</b>	<b>38.38</b>

## 27 DEFERRED TAX LIABILITIES (NET)

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> Mar, 2022	As at 31 <sup>st</sup> Mar, 2021
Deferred tax liabilities (Net) (Refer Note 27.1)	200.95	182.49
	<b>200.95</b>	<b>182.49</b>

### Note No.: 27.1

(₹ in Lakhs)

Particulars	Net balance as at 1 April 2021	Recognised in statement of profit and loss	Recognised. in OCI	Net balance as at 31 March 2022
<b>Deferred Tax Liabilities/(Assets)</b>				
Property, plant and equipment/Investment Property/Other Intangible Assets	227.98	10.22	-	238.20
Fair Value through P&L	4.19	(17.27)	-	(13.08)
Fair Value through OCI	(27.42)	-	4.39	(23.03)
Others	(15.09)	18.63	-	3.54
Allowance for Bad & Doubtful Debts	(7.18)	2.51	-	(4.67)
	<b>182.49</b>	<b>14.08</b>	<b>4.39</b>	<b>200.95</b>

(₹ in Lakhs)

Particulars	Net balance as at 1 April 2020	MAT Credit Adjustment	Recognised in statement of profit and loss	Net balance as at 31 March 2021
<b>Deferred Tax Liabilities/(Assets)</b>				
Property, plant and equipment/Investment Property/Other Intangible Assets	178.80	49.18	-	227.98
Fair Value through P&L	(1.17)	5.36	-	4.19
Fair Value through OCI	(26.91)	-	(0.51)	(27.42)
Others	(31.53)	16.45	-	(15.09)
Allowance for Bad & Doubtful Debts	(6.06)	(1.12)	-	(7.18)
	<b>113.13</b>	<b>69.86</b>	<b>(0.51)</b>	<b>182.49</b>

# Notes to the Standalone Financial Statements

for the year ended March 31, 2022

## Note No.: 27.1 (Contd.)

### Income tax

The major components of Income Tax Expense:

(₹ in Lakhs)		
Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
<b>Profit and Loss:</b>		
Current tax – net of reversal of earlier year : ₹ [5.19] Lakhs (Previous Year ₹ [12.22] Lakhs )	151.38	146.78
Deferred Tax	14.08	69.86
	<b>165.45</b>	<b>216.64</b>

### Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate

(₹ in Lakhs)		
Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Profit before income tax expense	520.29	882.19
Tax at the Indian tax rate 25.168 % (Previous Year - 25.168%)	130.95	222.03
<b>Add: Items giving rise to difference in tax</b>		
Income Tax for earlier years	[5.19]	[12.22]
Others	39.70	6.83
<b>Income Tax Expenses</b>	<b>165.45</b>	<b>216.64</b>

## 28 BORROWINGS (CURRENT)

(₹ in Lakhs)		
Particulars	As at 31 <sup>st</sup> Mar, 2022	As at 31 <sup>st</sup> Mar, 2021
<b>Secured From Bank</b>		
Working Capital Loan - repayable on demand (Refer Note 28.1)		
Indian Rupees Cash Credit	3,621.47	2,240.16
Foreign Currency Cash Credit	170.47	51.92
Current maturities of long-term debt (Refer Note No 24.1, 24.2, 24.3 & 24.4)	265.09	522.33
	<b>4,057.03</b>	<b>2,814.41</b>

**Note 28.1** From State Bank of India, Mumbai secured by first charge on present & future current assets of the Company and extension by way of second charge on other fixed assets of the Company (excluding vehicles) and personal guarantee by Chairman & Managing Director and a whole time director.

## 29 LEASE LIABILITIES (CURRENT)

(₹ in Lakhs)		
Particulars	As at 31 <sup>st</sup> Mar, 2022	As at 31 <sup>st</sup> Mar, 2021
Lease Liabilities	174.21	147.88
	<b>174.21</b>	<b>147.88</b>

## 30 TRADE PAYABLES

(₹ in Lakhs)		
Particulars	As at 31 <sup>st</sup> Mar, 2022	As at 31 <sup>st</sup> Mar, 2021
Dues of micro enterprises and small enterprises (Refer Note No 30.1)	371.16	531.91
Dues other than micro enterprises and small enterprises (Refer Note No 30.1)	3,250.35	3,604.32
	<b>3,621.51</b>	<b>4,136.23</b>

# Notes to the Standalone Financial Statements for the year ended March 31, 2022

## 30 TRADE PAYABLES (Contd.)

**Note No 30.1:** The Company is a Small and Medium Sized Company (SMC) as defined in the Companies (Accounting Standards) Rules, 2021 notified under the Companies Act, 2013. Accordingly, the Company has complied with the Accounting Standards as applicable to a Small and Medium Sized Company. :

(₹ in Lakhs)

Particulars	As at 31st Mar, 2022	As at 31st Mar, 2021
(a) Dues remaining unpaid		
- Principal	-	-
- Interest on above*	-	-
(b) Interest paid in terms of Section 16 of MSMED Act		
- Principal paid beyond the appointed date	-	-
- Interest paid in terms of Section 16 of MSMED Act	-	-
(c) Amount of interest due and payable for the period of delay on payments made beyond the appointed day during the year	-	-
(d) Amount of interest accrued and unpaid*	-	-

\* The Company has not provided any interest on the amount outstanding beyond stipulated period in the previous year.

### Trade payables ageing as on March 31, 2022

(₹ in Lakhs)

Particulars	Outstanding for the following period from the due date of payment #				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	371.16	-	-	-	371.16
(ii) Others	2,907.59	14.54	3.76	0.21	2,926.10
(iii) Accrued Expenses (Including employee Liabilities)					324.25
<b>Total</b>	<b>3,278.75</b>	<b>14.54</b>	<b>3.76</b>	<b>0.21</b>	<b>3,621.51</b>

### Trade payables ageing as on March 31, 2021

(₹ in Lakhs)

Particulars	Outstanding for the following period from the due date of payment #				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	531.91	-	-	-	531.91
(ii) Others	3,197.70	18.19	0.21	-	3,216.11
(iii) Accrued Expenses (Including employee Liabilities)					388.21
<b>Total</b>	<b>3,729.61</b>	<b>18.19</b>	<b>0.21</b>	<b>-</b>	<b>4,136.22</b>

## 31 OTHER FINANCIAL LIABILITIES (CURRENT)

(₹ in Lakhs)

Particulars	As at 31st Mar, 2022	As at 31st Mar, 2021
Interest Accrued but not due	-	2.88
Trade Deposits from Dealers	84.79	74.22
Unpaid Dividends (Refer Note No 31.1)	2.70	2.79
Creditor for Capital Goods	29.54	23.86
	<b>117.02</b>	<b>103.75</b>

**Note No 31.1:** There are no amounts due and outstanding to be credited to Investor's Education and Protection Fund as at March 31, 2022.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2022

## 32 OTHER CURRENT LIABILITIES

(₹ in Lakhs)		
Particulars	As at 31 <sup>st</sup> Mar, 2022	As at 31 <sup>st</sup> Mar, 2021
Statutory Dues Payable	200.04	107.80
Advances From Customers	220.08	173.41
Other Advances	-	100.00
	<b>420.13</b>	<b>381.21</b>

## 33 PROVISIONS (CURRENT)

(₹ in Lakhs)		
Particulars	As at 31 <sup>st</sup> Mar, 2022	As at 31 <sup>st</sup> Mar, 2021
Provision for Employee Benefits		
- Gratuity (Refer Note No 47)	6.91	88.50
- Leave encashment (Refer Note No 47)	5.97	8.45
Others		
- Provision for warranty (Refer Note No 49)	2.09	3.10
	<b>14.97</b>	<b>100.04</b>

## 34 CURRENT TAX LIABILITIES (NET)

(₹ in Lakhs)		
Particulars	As at 31 <sup>st</sup> Mar, 2022	As at 31 <sup>st</sup> Mar, 2021
Provision for taxation (Net of advance tax)	23.64	56.35
	<b>23.64</b>	<b>56.35</b>

## 34 A) CONTINGENT LIABILITIES: #

(₹ in Lakhs)		
Particulars	As at 31 <sup>st</sup> Mar, 2022	As at 31 <sup>st</sup> Mar, 2021
(a) Disputed Income Tax Liability	-	0.32
(b) Disputed Sales Tax Liability	-	12.38
	<b>-</b>	<b>12.70</b>

## B) COMMITMENTS:

(₹ in Lakhs)		
Particulars	As at 31 <sup>st</sup> Mar, 2022	As at 31 <sup>st</sup> Mar, 2021
Estimated Amounts of Contract remaining to be executed on Capital account and not provided for (Net of Advances)	108.93	173.78
	<b>108.93</b>	<b>173.78</b>

### Note:

# The management does not expect these demands/claims to succeed. Claims, where the possibility of outflow of resources embodying economic benefits is remote, have not been considered in contingent liability.



# Notes to the Standalone Financial Statements for the year ended March 31, 2022

## 35 REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	Mar-22	Mar-21
Sale of Products		
- Own Manufactured	21,321.41	19,318.20
- Traded	876.42	84.94
Sale of Services	12.11	12.28
<b>Other Operating Revenue</b>		
Process waste sale	48.49	26.53
Export Incentive/Others	69.85	105.91
	<b>22,328.27</b>	<b>19,547.86</b>

## 36 OTHER INCOME

(₹ in Lakhs)

Particulars	Mar-22	Mar-21
Interest Income (Refer Note No 36.1)	45.46	24.60
Dividend income from equity instruments designated at FVOCI	-	0.31
Rent Income	0.03	3.56
Provision no longer required, written back	30.67	11.43
Fair Value gain on financial assets measured at FVTPL	2.11	0.73
Sundry Balance Written Back (Net)	10.22	4.04
Exchange Fluctuation Gain (Net)	20.01	146.55
Unwinding of interest on security deposits	6.06	3.41
Miscellaneous Income	1.76	-
	<b>116.33</b>	<b>194.62</b>

### Note No. 36.1 : Break-up of Interest Income

(₹ in Lakhs)

Particulars	Mar-22	Mar-21
Interest Income on deposits with Bank	0.27	0.24
Interest Income on Security deposits	1.64	1.06
Interest Income on loan to Subsidiary Company	42.92	22.55
Interest Income on Others	0.63	0.75
	<b>45.46</b>	<b>24.60</b>

## 37 COST OF MATERIALS CONSUMED

(₹ in Lakhs)

Particulars	Mar-22	Mar-21
Inventory at the beginning of the year	1,911.46	1,504.05
Add: Purchases during the year	14,654.26	13,820.07
	<b>16,565.72</b>	<b>15,324.12</b>
Less: Inventory at the end of the year	1,859.07	1,911.46
	<b>14,706.65</b>	<b>13,412.66</b>

## 38 PURCHASE OF STOCK IN TRADE

(₹ in Lakhs)

Particulars	Mar-22	Mar-21
Traded Goods	513.60	74.90
	<b>513.60</b>	<b>74.90</b>

# Notes to the Standalone Financial Statements

for the year ended March 31, 2022

## 39 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS

(₹ in Lakhs)

Particulars	Mar-22	Mar-21
<b>Inventories at the beginning of the year</b>		
Finished Goods	1,378.65	1,491.33
Work In Progress	184.01	209.36
Scrap	4.01	7.53
	<b>1,566.67</b>	<b>1,708.22</b>
<b>Inventories at the end of the year</b>		
Finished Goods	1,285.10	1,378.65
Work In Progress	219.10	184.01
Scrap	1.84	4.01
	<b>1,506.05</b>	<b>1,566.67</b>
	<b>60.62</b>	<b>141.55</b>

## 40 EMPLOYEE BENEFIT EXPENSES

(₹ in Lakhs)

Particulars	Mar-22	Mar-21
Salaries, Wages and Bonus	3,132.32	2,825.22
Contribution to Provident and other fund	110.65	109.06
Staff Welfare Expenses	128.14	68.38
	<b>3,371.11</b>	<b>3,002.66</b>

## 41 FINANCE COSTS

(₹ in Lakhs)

Particulars	Mar-22	Mar-21
Interest Expenses (Refer Note No. 41.1)	422.49	301.22
Interest on lease liabilities	79.73	6.25
<b>Other Borrowing Cost</b>		
Other Financial Charges	22.65	3.70
	<b>524.87</b>	<b>311.17</b>

### Note No. 41.1 Break-up of Interest Expenses

(₹ in Lakhs)

Particulars	Mar-22	Mar-21
Interest on Bank Borrowings	343.28	220.33
Interest on Income Tax	11.72	5.89
Interest on Unsecured Loans	67.50	75.00
	<b>422.49</b>	<b>301.22</b>

## 42 DEPRECIATION & AMORTIZATION EXPENSE

(₹ in Lakhs)

Particulars	Mar-22	Mar-21
Depreciation on Property, Plant and Equipment	314.37	250.97
Depreciation on Leased Assets	199.23	56.81
Depreciation on Investment Property	0.19	0.19
Amortisation on Intangible Assets	34.28	20.23
	<b>548.08</b>	<b>328.21</b>

# Notes to the Standalone Financial Statements

for the year ended March 31, 2022

## 43 OTHER EXPENSES

(₹ in Lakhs)		
Particulars	Mar-22	Mar-21
Consumption of Stores & Spares	179.79	147.74
Conversion Charges Paid	101.20	108.98
Power & Fuel	294.55	262.10
Carriage Inward	90.52	61.28
Repair & Maintenance		
Plant & Machinery	51.52	36.71
Building	15.62	8.19
Others	42.03	35.59
Research and Development Expenses	2.76	0.15
Carriage Outward	750.01	573.24
Advertisement and Sales & Promotion Expenses	12.09	14.08
Warranty Charges	-	3.95
Commission on sales	48.71	37.26
Allowance for doubtful debts	-	6.76
Rent	7.78	40.46
Rates & Taxes	27.53	6.93
Security Services Charges	78.61	63.24
Insurance	58.56	50.86
Traveling & Conveyance Expenses	81.83	59.59
Communication Expenses	47.58	41.04
Legal & Professional Charges	162.88	183.95
Payments to Auditors (Refer Note No 43.1)	6.67	8.45
Donations Paid	-	2.71
CSR Expenditure (Refer Note No 62)	12.45	11.20
Miscellaneous Expenses	200.94	154.36
	<b>2,273.64</b>	<b>1,918.82</b>

### Note No. 43.1 : Payment to Statutory Auditors

(₹ in Lakhs)		
Particulars	Mar-22	Mar-21
<b>As Auditors :</b>		
Audit Fees (including Limited Review)	6.50	6.40
<b>In Other Capacity :</b>		
Certification & Others	-	2.05
Out of pocket expenses	0.17	-
	<b>6.67</b>	<b>8.45</b>

## 44 EXCEPTIONAL ITEMS

(₹ in Lakhs)		
Particulars	Mar-22	Mar-21
On account of Sale of Undertaking (Refer Note No 44.1)	74.26	329.69
	<b>74.26</b>	<b>329.69</b>

**Note No 44.1:** The Company has sold fixed assets including land and building and the gains realised from the sale have been classified as exceptional item.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2022

## 45 EARNING PER SHARE

(₹ in Lakhs)		
Particulars	Mar-22	Mar-21
(A) Profit attributable to Equity Shareholders (₹)	354.83	665.55
(B) No. of Equity Share outstanding during the year	57,13,357	57,13,357
(C) Face Value of each Equity Share (₹)	10	10
(D) Basic & Diluted earning per Share (₹)	6.21	11.65

## 46 SEGMENT :

The company publishes standalone financial statements of the company along with the consolidated financial statements. In accordance with Ind AS 108 - Operating segments, the company has disclosed the segment information in the consolidated financial statements.

## 47 Employee Benefits

As per IND AS 19 "Employee Benefits", the disclosures of Employee benefits as defined in the said Accounting Standards are given below:

### i) Defined Contribution Plan

Contribution to Defined Contribution Plan includes Provident Fund. The expenses recognised for the year are as under :

(₹ in Lakhs)		
Particulars	2021-22	2020-21
Employer's Contribution to Provident Fund	79.83	77.24

### ii) Defined Benefit Plan

#### a) Gratuity:

The Company operates gratuity plan wherein every employee is entitled to the benefit equivalent to 15 days/one month salary last drawn for each completed year of service depending on the date of joining. The same is payable on termination of service, retirement or death, whichever is earlier. The benefit vests after 5 years of continuous service.

#### I Changes in present value of obligations

(₹ in Lakhs)		
Particulars	2021-22	2020-21
i) Present value of Defined Benefit Obligation at beginning of the year.	233.66	209.42
ii) Current Service Cost	19.06	18.58
iii) Interest Cost	16.01	14.30
iv) Past Service Cost	-	-
v) Actuarial (Gain) / Losses	(17.54)	1.99
vi) Benefits Payments	(42.28)	(10.63)
<b>vii) Present value of Defined Benefit Obligation at the end of the year.</b>	<b>208.91</b>	<b>233.66</b>

#### II Changes in the fair value of plan assets

(₹ in Lakhs)		
Particulars	2021-22	2020-21
i) Fair value of plan assets at the beginning of year	145.17	92.49
ii) Interest Income	9.94	6.32
iii) Contributions	89.27	55.86
iv) Benefits paid	(42.28)	(10.63)
v) Actuarial gain on Plan assets, Excluding Interest Income	(0.10)	1.12
<b>vi) Fair value of plan assets at the end of year</b>	<b>202.00</b>	<b>145.17</b>

# Notes to the Standalone Financial Statements

for the year ended March 31, 2022

## 47 Employee Benefits (Contd.)

### III Change in the present value of the defined benefit obligation and fair value of plan assets

(₹ in Lakhs)		
Particulars	2021-22	2020-21
i) Present value of Defined Benefit Obligations as at end of year.	(208.91)	(233.66)
ii) Fair value of plan assets as at 31 <sup>st</sup> March, 2022.	202.00	145.17
iii) Funded status [Surplus/(Deficit)]	(6.91)	(88.50)
<b>iv) Net assets/ (liabilities) as at 31<sup>st</sup> March, 2022.</b>	<b>(6.91)</b>	<b>(88.50)</b>

### IV Change in Assets during the year ended 31<sup>st</sup> March, 2022

(₹ in Lakhs)		
Particulars	2021-22	2020-21
i) Plan assets at the beginning of the year.	145.17	92.49
ii) Expected return on plan assets	9.94	6.32
iii) Contributions by Employer	89.27	55.86
iv) Actual benefits Paid	(42.28)	(10.63)
v) Plan assets at the end of the year.	202.10	144.04
vi) Actual return on plan assets	9.94	6.32

### V Expenses Recognised in statement of Profit & Loss

(₹ in Lakhs)		
Particulars	2021-22	2020-21
i) Current Service Cost	19.06	18.58
ii) Interest Cost	16.01	14.30
iii) Expected return on plan assets	(9.94)	(6.32)
iv) Net Actuarial (Gain) / Losses	(17.43)	0.86
<b>v) Total Expenses</b>	<b>7.70</b>	<b>27.43</b>

### VI Actuarial Gain/Loss recognized

(₹ in Lakhs)		
Particulars	2021-22	2020-21
i) Actuarial gain for the year -Obligation	(17.43)	0.86
ii) Total gain for the year	(17.43)	0.86
<b>iii) Total actuarial (gain)/ loss included in other comprehensive income</b>	<b>(17.43)</b>	<b>0.86</b>

### VII Actuarial Assumptions:

(₹ in Lakhs)		
Particulars	2021-22	2020-21
i) Discount Rate	7.23%	6.85%
ii) Salary Escalation	6.00%	6.00%
iii) Attrition Rate	4.00%	4.00%

The Company is unable to obtain the details of plan assets from LIC and hence the related disclosures are not given.

#### b) Leave encashment:

The Company has a policy on compensated absences which is applicable to its executives jointed upto a specified period and all employees. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each Balance Sheet date using projected unit credit method on the additional amount expected to be paid as a result of the unused entitlement that has accumulated at the Balance Sheet date.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2022

## 47 Employee Benefits (Contd.)

The plans of the Company exposes to actuarial risks such as Investment Risk, Interest rate risk, salary risk and longevity risk. These risks may impact the obligation of the Company

### Actuarial Assumptions:

Particulars	[₹ in Lakhs]	
	2021-22	2020-21
Discount Rate	7.23%	6.85%
Salary Escalation	6.00%	6.00%
Attrition Rate	4.00%	4.00%
Funding Status	Unfunded	Unfunded
Current Liability	5.97	8.45
Non Current Liability	40.04	36.32
<b>Projected Benefit Obligation</b>	<b>46.01</b>	<b>44.76</b>

## 48 RELATED PARTIES DISCLOSURE:

- (a) Related parties, as per Ind AS 24 - Related Party Disclosures, during the year as deemed in the Accounting Standard are given below the related parties with whom the company had transactions and related parties where control exist..

S.No.	Related Parties	Nature of Relationship
<b>KEY MANAGEMENT PERSONNEL</b>		
(i)	Mr. Krishna Kejriwal	Chairman & Managing Director
(ii)	Mrs. Chand Kejriwal	Wholetime Director
(iii)	Mr. Rahul Kejriwal	Wholetime Director & Chief Financial Officer ( w.e.f. 14 <sup>th</sup> December, 2020)
(iv)	Mr. Rohit Darji	Company Secretary
(v)	Mr. Amit Srivastava	Chief Executive Officer
(vi)	Mr. Subhash Vishwakarma	Chief Financial Officer (till 30 <sup>th</sup> June, 2020)
<b>RELATIVE OF KEY MANAGEMENT PERSONNEL</b>		
(i)	Mr. Basant Kejriwal	Brother of Chairman & Managing Director
<b>ENTITIES WHERE KEY MANAGEMENT PERSONAL/RELATIVES OF DIRECTORS HAS SIGNIFICANT INFLUENCE</b>		
(i)	Remsons Cables Industries Private Ltd.	Mr. Rahul Kejriwal is Director
(ii)	Goodluck Electronics Private Ltd.	Mr. Rahul Kejriwal is Director
(iii)	Remsons Holding Ltd.	Wholly Owned Subsidiary (w.e.f. 21 <sup>st</sup> August, 2020)
(iv)	Magal Automotive Ltd.	Stepdown Subsidiary (w.e.f. 26 <sup>th</sup> August, 2020)
(v)	Woolford Properties Ltd.	Stepdown Subsidiary (w.e.f. 21 <sup>st</sup> October, 2020)

- (b) DISCLOSURE OF TRANSACTIONS DURING THE YEAR WITH RELATED PARTIES :

Particulars	[₹ in Lakhs]			
	OTHER RELATED PARTIES		KEY MANAGEMENT PERSONNEL & RELATIVES	
	2021-22	2020-21	2021-22	2020-21
<b>Sale of Goods/services (Excluding Taxes)</b>	<b>1,206.27</b>	<b>1,030.24</b>	-	-
Goodluck Electronics Pvt Ltd	68.72	49.27	-	-
Magal Automotive Ltd	1,137.55	980.97	-	-
<b>Purchase of goods/services (Excluding Taxes)</b>	<b>550.28</b>	<b>401.80</b>	-	-
Goodluck Electronics Pvt Ltd	550.28	401.80	-	-
<b>Purchase of Capital goods (Excluding Taxes)</b>	<b>-</b>	<b>26.49</b>	-	-
Remsons Cables Industries Pvt Ltd	-	26.49	-	-
<b>Loan Taken</b>	<b>400.00</b>	-	-	-
Goodluck Electronics Pvt Ltd	400.00	-	-	-
<b>Rent paid (Excluding Taxes)</b>	<b>-</b>	<b>30.00</b>	-	<b>1.60</b>
Goodluck Electronics Pvt Ltd	-	30.00	-	-



# Notes to the Standalone Financial Statements for the year ended March 31, 2022

## 48 RELATED PARTIES DISCLOSURE: (Contd.)

### (b) DISCLOSURE OF TRANSACTIONS DURING THE YEAR WITH RELATED PARTIES :

(₹ in Lakhs)

Particulars	OTHER RELATED PARTIES		KEY MANAGEMENT PERSONNEL & RELATIVES	
	2021-22	2020-21	2021-22	2020-21
Mr. Rahul Kejriwal	-	-	-	1.60
<b>Commission Paid</b>	-	-	<b>14.07</b>	<b>6.50</b>
Mr. Basant Kejriwal	-	-	14.07	6.50
<b>*Remuneration</b>	-	-	<b>226.46</b>	<b>188.41</b>
Mr. Krishna Kejriwal	-	-	34.73	35.86
Mrs Chand Kejriwal	-	-	19.67	19.55
Mr. Rahul Kejriwal	-	-	49.19	38.59
Mr. Subhash Vishwakarma	-	-	-	5.90
Mr. Amit Srivastava	-	-	110.88	77.46
Mr. Rohit Darji	-	-	11.99	11.04
<b>Interest Paid</b>	-	-	<b>67.50</b>	<b>75.00</b>
Mr. Krishna Kejriwal	-	-	31.23	34.70
Mrs Chand Kejriwal	-	-	36.27	40.30
<b>Interest Received</b>	<b>42.92</b>	<b>22.55</b>	-	-
Remsons Holding Ltd.	42.92	22.55	-	-
<b>Loan Given</b>	-	<b>1,766.63</b>	-	-
Remsons Holding Ltd.	-	1,766.63	-	-
<b>Investments</b>	<b>1,403.64</b>	<b>505.91</b>	-	-
Remsons Holding Ltd.*	1,403.64	505.91	-	-

\*Loan converted into Equity Shares

### (c) BALANCES AT THE END OF THE YEAR WITH RELATED PARTIES :

(₹ in Lakhs)

S.No.	Related parties	Nature of Transactions during the year	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
(i)	Remsons Cables Industries Pvt Ltd (at fair value)	Investment in Equity Share	-	-
		Trade Payables	-	31.26
(ii)	Goodluck Electronics Pvt Ltd ( at fair value)	Investment in Equity Share	-	2.72
		Trade Receivable	-	48.72
		Trade Payables	70.32	35.66
		Loan Payable	400.00	-
(iii)	Magal Automotive Ltd.	Trade Receivable	516.91	708.20
(iv)	Remsons Holding Ltd.	Investment	1,909.55	505.91
		Loan Receivable	348.43	1,766.63
		Interest Receivable	2.58	22.55
(v)	Mr. Krishna Kejriwal	Loan Payable	347.00	347.00
(vi)	Mrs Chand Kejriwal	Loan Payable	403.00	403.00
(vii)	Mr. Basant Kejriwal	Commission Payable	4.67	6.67

\* The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

\* The above figures do not include provisions for encashable leave, gratuity and premium paid for group health insurance, as separate actuarial valuation / premium paid are not available.

The sitting fees paid to non-executive directors is ₹ 1.80 Lakhs and 2.80 Lakhs as at March 31, 2022 and March 31, 2021, respectively.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2022

## 49 DISCLOSURE OF RELATING TO PROVISION OF WARRANTY

Provision is made for estimated warranty claims only in respect of the product sold which are still under warranty at the end of the reporting period. These claims are expected to be settled as and when warranty claims arise. Management estimates the provision based on historical warranty claim information and any recent trends that may suggest future claim could differ from historical amounts.

(₹ in Lakhs)		
Particulars	2021-22	2020-21
Balance at the beginning	5.16	6.34
Net Amount utilised/reversed during the year	(1.67)	(1.18)
<b>Balance at the end of year</b>	<b>3.49</b>	<b>5.16</b>

## 50 FOREIGN CURRENCY EXPOSURE :

The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are as under.

### (a) Amount Receivable in Foreign Currency on account of the following :

(₹ in Lakhs)					
Particulars	Foreign Currency	As at 31 <sup>st</sup> Mar, 2022		As at 31 <sup>st</sup> Mar, 2021	
		Amount in Foreign Currency in Lakhs	₹ in Lakhs	Amount in Foreign Currency in Lakhs	₹ in Lakhs
Receivables/ Bank	GBP	4.63	460.44	7.17	724.01
	EURO	4.93	417.36	6.54	563.33
	USD	2.34	177.38	1.85	136.14

### (b) Amount Payable in Foreign Currency on account of the following :

(₹ in Lakhs)					
Particulars	Foreign Currency	As at 31 <sup>st</sup> Mar, 2022		As at 31 <sup>st</sup> Mar, 2021	
		Amount in Foreign Currency in Lakhs	₹ in Lakhs	Amount in Foreign Currency in Lakhs	₹ in Lakhs
Loan/Trade Payables	GBP	-	-	-	-
	EURO	2.33	197.46	1.04	89.95
	USD	0.08	5.89	0.09	6.62

## 51 Lease

The Company's leasing arrangements are in respect of office premises / warehouse. These leasing arrangements, which is mostly cancelable, range between 11 months to 3 years and are usually renewable by mutual consent at mutually agreed terms & conditions. The aggregate lease rentals of ₹ 7.78 Lakhs (Previous Year ₹. 40.46 Lakhs) are charged as rent and shown under the note no. 43 " Other Expenses".

**52** Balances of Trade Receivables, Trade Payables and Loans and Advances are subject to confirmation and consequential adjustment, if any.

**53** In the opinion of the Board, Current Assets, Loans and Advances have value in the ordinary course of business at least equal to the amount at which they are stated.

# Notes to the Standalone Financial Statements for the year ended March 31, 2022

## 54 Capital Management

### i) Risk Management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders. The primary objective of the Company capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitor capital using a gearing ratio and is measured by debt divided by total Equity. The Company's Debt is defined as long-term and short-term borrowings including current maturities of long term borrowings and total equity (as shown in balance sheet) includes issued capital and all other reserves.

### ii) Gearing Ratio

The gearing ratio at end of the reporting period was as follows.

(₹ in Lakhs)

Particulars	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2021
Borrowing	5,862.78	4,870.73
*Net Debt	5,862.78	4,870.73
Total Equity	3,460.43	3,139.00
<b>Capital Gearing Ratio (Times)</b>	<b>0.59</b>	<b>0.64</b>

\*Debt is defined as long-term and short-term borrowings including current maturities and books overdraft

Total equity (as shown in balance sheet) includes issued capital and all other equity reserves.

## 55 Fair Value Measurement

### Financial instruments by category

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> Mar, 2022			As at 31 <sup>st</sup> Mar, 2021		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
<b>Financial assets</b>						
Investments						
- Mutual Funds	50.84	-	-	48.73	-	-
- Equity instruments (Excluding investment in subsidiary)	-	0.00	-	-	2.72	-
Trade receivables	-	-	4,093.39	-	-	3,251.66
Cash and cash equivalents	-	-	81.86	-	-	29.03
Bank balances other than Cash and cash equivalents	-	-	2.70	-	-	9.79
Security deposit	-	-	110.93	-	-	160.18
Loan to Employees	-	-	5.54	-	-	7.26
Loan to Subsidiary Company	-	-	348.43	-	-	1,766.63
Interest accrued	-	-	2.58	-	-	22.79
<b>Total financial assets</b>	<b>50.84</b>	<b>-</b>	<b>4,645.42</b>	<b>48.73</b>	<b>2.72</b>	<b>5,247.32</b>
<b>Financial liabilities</b>						
Borrowings	-	-	5,862.78	-	-	4,870.73
Trade payables	-	-	3,621.51	-	-	4,136.23
Lease liabilities	-	-	718.70	-	-	858.69
Security deposit	-	-	84.79	-	-	74.22
Others	-	-	32.24	-	-	29.53
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>10,320.01</b>	<b>-</b>	<b>-</b>	<b>9,969.40</b>

# Notes to the Standalone Financial Statements

for the year ended March 31, 2022

## 55 Fair Value Measurement (Contd.)

### i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

(₹ in Lakhs)

Financial assets and liabilities measured at fair value At March 31, 2022	Level 1	Level 2	Level 3	Total
Financial assets				
Financial Investments at FVPL				
Mutual Funds	50.84	-	-	50.84
Financial Investments at FVOCI				
Equity Instruments	-	-	-	-
<b>Total financial assets</b>	<b>50.84</b>	<b>-</b>	<b>-</b>	<b>50.84</b>

(₹ in Lakhs)

Financial assets and liabilities measured at fair value At March 31, 2021	Level 1	Level 2	Level 3	Total
Financial assets				
Financial Investments at FVPL				
Mutual Funds	48.73	-	-	48.73
Financial Investments at FVOCI				
Equity Instruments	-	-	2.72	2.72
<b>Total financial assets</b>	<b>48.73</b>	<b>-</b>	<b>2.72</b>	<b>51.45</b>

There are no transfers between levels 1 and 2 during the year.

### Reconciliation of Level 3 fair value measurement is as follows:

(₹ in Lakhs)

Particulars	Amount
Balance as on 31 <sup>st</sup> March, 2020	2.95
Change In Value	(0.23)
<b>Balance as on 31<sup>st</sup> March, 2021</b>	<b>2.72</b>
Change In Value	(2.72)
<b>Balance as on 31<sup>st</sup> March, 2022</b>	<b>-</b>

The fair values of current debtors, cash & bank balances, loan to related party, security deposit to government department, current creditors and current borrowings and other financial liability are assumed to approximate their carrying amounts due to the short-term maturities of these assets and liabilities.

### ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- \* the use of quoted market prices or dealer quotes for similar instruments

All of the resulting fair value estimates are included in level 3 except for unlisted equity securities, contingent consideration and indemnification asset, where the fair values have been determined based on present values and the discount rates used were adjusted for counterparty or own credit risk.

### iii) Valuation processes

The carrying amounts of trade receivables, trade payables, capital creditors and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

# Notes to the Standalone Financial Statements for the year ended March 31, 2022

## 56 FINANCIAL RISK MANAGEMENT

The Company's activities expose it to market risk, credit risk, liquidity risk and price risk.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact thereof in the financial statements.

Risk	Exposure arising from	Measurement	Management
Market Risk – Foreign Exchange	Financial assets and liabilities not denominated in INR.	Foreign currency exposure review and sensitivity analysis.	The company partly hedged due to natural hedge and is exploring to hedge its unhedged positions.
Credit Risk	Cash and cash equivalents, trade receivables and financial assets.	Credit ratings, Review of aging analysis, on quarterly basis.	Strict credit control and monitoring system, diversification of counterparties, on quarterly basis.
Liquidity Risk	Trade payables and other financial liabilities.	Maturity analysis, cash flow projections.	Maintaining sufficient cash / cash equivalents and marketable security and focus on realisation of receivables.
Price Risk	Basic ingredients of company raw materials are various grade of steel and plastic granuels where prices are volatile	The company sourcing components from vendors directly, hence it does not hedge its exposure to commodity price risk.	The company is able to pass on substantial price hike to the customers.

The Board provides guiding principles for overall risk management, as well as policies covering specific areas such as credit risk, liquidity risk, price risk and Foreign Exchange Risk effecting business operations. The company's risk management is carried out by the management as per guidelines and policies approved by the Board of Directors.

### I Market risk

#### a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regard to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of the fixed rate and floating rate financial instruments in its total portfolio.

The exposure of Company borrowings to interest rate changes at the end of reporting period are as follows:

Particulars	(₹ in Lakhs)	
	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Variable rate borrowings	5,112.78	4,117.36
Fixed rate borrowings	750.00	753.37
<b>Total borrowings</b>	<b>5,862.78</b>	<b>4,870.73</b>

#### Sensitivity Analysis

Profit/loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

Particulars	Basis Points	(₹ in Lakhs)	
		Impact on Profit before Tax 31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2021
Increase in Basis points	+50	(25.56)	(20.59)
Decrease in Basis points	- 50	25.56	20.59

# Notes to the Standalone Financial Statements

for the year ended March 31, 2022

## 56 FINANCIAL RISK MANAGEMENT (Contd.)

### b) Foreign Currency risk

The Company has exposure to foreign currency risk on account of its payable and receivables in foreign currency. The company is following natural hedging to mitigate the foreign currency risk.

The Company's exposure to foreign currency risk which are unhedged at the end of the reporting period is as follows:

Particulars	₹ in Lakhs		
	EURO in Lakhs	USD in Lakhs	GBP in Lakhs
<b>31<sup>st</sup> March, 2022</b>			
Trade receivables/Bank - Foreign Currency	4.93	2.34	4.63
Trade receivables/Bank - INR	417.36	177.38	460.44
Trade payables/Loan - Foreign Currency	2.33	0.08	-
Trade payables/Loan - INR	197.46	5.89	-
<b>31<sup>st</sup> March, 2021</b>			
Trade receivables/Bank - Foreign Currency	6.54	1.85	7.17
Trade receivables/Bank - INR	563.33	136.14	724.01
Trade payables/Loan - Foreign Currency	1.04	0.09	-
Trade payables/Loan - INR	89.95	6.62	-

### Sensitivity Analysis-

The Company is mainly exposed to changes in Euro, GBP and USD. The sensitivity analysis demonstrate a reasonably possible change in Euro, GBP and USD exchange rates, with all other variables held constant. 5% appreciation/depreciation of Euro, GBP and USD with respect to functional currency of the company will have impact of following (decrease)/increase in Profit & vice versa.

Particulars	₹ in Lakhs			
	31 <sup>st</sup> Mar, 2022		As at 31 <sup>st</sup> Mar, 2021	
	Strengthens	Weakening	Strengthens	Weakening
<b>Impact on profit or loss for the year</b>				
Euro Impact	10.99	(10.99)	23.67	(23.67)
USD Impact	8.57	(8.57)	6.48	(6.48)
GBP Impact	23.02	(23.02)	36.20	(36.20)
<b>Total</b>	<b>42.59</b>	<b>(42.59)</b>	<b>66.35</b>	<b>(66.35)</b>

\* Holding all other variables constant

### c) Price Risk

The company is exposed to price risk in basic ingredients of Company's raw material and is procuring finished components and bought out materials from vendors directly. The Company monitors its price risk and factors the price increase in pricing of the products.

## II Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses the direct risk of default, risk of deterioration of creditworthiness as well as concentration risks. The Company is exposed to credit risk from its operating activities (primarily trade receivables).

### Credit Risk Management

The company's credit risk mainly from trade receivables as these are typically unsecured. This credit risk has always been managed through credit approvals, establishing credit limits and continuous monitoring the creditworthiness of customers to whom credit is extended in the normal course of business. The Company estimates the expected credit loss based on past data, available information on public domain and experience. Expected credit losses of financial assets receivable are estimated based on historical data of the Company. The company has provisioning policy for expected credit losses.



# Notes to the Standalone Financial Statements

for the year ended March 31, 2022

## 56 FINANCIAL RISK MANAGEMENT (Contd.)

The maximum exposure to credit risk as at 31<sup>st</sup> March 2022 and 31<sup>st</sup> March 2021 is the carrying value of such trade receivables as shown in note 15 of the financial statements.

### III Liquidity Risk

Liquidity risk represents the inability of the Company to meet its financial obligations within stipulated time. To mitigate this risk, the Company maintains sufficient liquidity by way of working capital limits from banks

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments:

(₹ in Lakhs)			
Particulars	Less than 1 year	More than 1 year	Total
<b>As at 31<sup>st</sup> March, 2022</b>			
Borrowings	4,057.03	1,805.75	5,862.77
Trade payables	3,621.51	-	3,621.51
Lease liabilities	174.21	544.49	718.70
Other financial liabilities	117.02	-	117.02
<b>Total</b>	<b>7,969.76</b>	<b>2,350.24</b>	<b>10,320.00</b>
<b>As at 31<sup>st</sup> March, 2021</b>			
Borrowings	2,814.41	2,056.32	4,870.73
Trade payables	4,136.23	-	4,136.23
Lease liabilities	147.88	710.81	858.69
Other financial liabilities	103.75	-	103.75
<b>Total</b>	<b>7,202.27</b>	<b>2,767.14</b>	<b>9,969.40</b>

**57** The Board of Directors at their meeting held on 30<sup>th</sup> May, 2022 proposed final dividend of Re. 1 per share i.e 10% on Equity Share of ₹ 10/- each, subject to the approval of the members at the ensuring Annual General meeting. Dividends paid during the year ended March 31, 2021 include an amount of Re. 1.00 per equity share towards final dividend for the year ended March 31, 2021.

**58** The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the group towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The group will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

**59** The company has assessed the possible effects that may result from the COVID-19 pandemic on the carrying amounts of receivables, intangibles, investments and other assets / liabilities. Based on the current indicators of economic conditions, the company expects to recover the carrying amount of all its assets. The Management has also assessed and concluded that no material uncertainty exists, which raises a doubt on the company's ability to continue as a going concern in the near future. The actual impact of the COVID-19 pandemic may be different from that estimated as at the date of approval of these financial statements and the company will continue to closely monitor any material changes to the economic conditions in the future.

**60** The following are applicable analytical ratios for the year ended March 31, 2022 and March 31, 2021:

(₹ in Lakhs)				
Particulars	Refer notes for variance	March 31, 2022	March 31, 2021	Variance (%)
(i) Current Ratio = (Current Assets/Current Liabilities) (Times)		1.00	1.02	-2.27%
(ii) Debt – Equity Ratio = (Total Debt (a) /Shareholder's Equity) (Times)		1.90	1.83	4.20%
(iii) Debt Service Coverage Ratio= (Earnings available for debt service(b)/ Debt Service(c)) (Times)	1	1.11	1.88	-40.72%
(iv) Return on Equity (ROE) = (Net Profits after taxes/Average Shareholder's Equity) (%)	2	11%	24%	-54.66%

# Notes to the Standalone Financial Statements

for the year ended March 31, 2022

## 60 (Contd.)

(₹ in Lakhs)				
Particulars	Refer notes for variance	March 31, 2022	March 31, 2021	Variance (%)
(v) Trade receivables turnover ratio = (Revenue/Average Trade Receivable) (Times)		6.08	7.13	-14.72%
(vi) Trade payables turnover ratio = (Purchases of services and other expenses/Average Trade Payables) (Times)		4.50	4.79	-6.17%
(vii) Net capital turnover ratio = (Revenue/Working Capital) (Times)	2	-3934.65	112.01	-3612.81%
(viii) Net profit ratio = (Net Profit/Total Income) (%)	2	2%	3%	-53.33%
(ix) Return on capital employed (ROCE) = (Earning before interest and taxes/Effective Capital Employed (d)) (%)		11%	15%	-24.67%
(x) Return on Investment (ROI) = (Income generated from investments/Time weighted average investments) (%)	3	0.17%	0.38%	-55.22%

### Note:

1. Decrease debt during the current year.
2. Decrease in profit during the current year
3. Decrease in profit during the current year

## 61 Loans and advances to Subsidiaries consist of following:

(₹ in Lakhs)		
Particulars	March 31, 2022	March 31, 2021
<b>a) Loans given</b>		
Remsons Holdings Ltd.	-	1,766.63
<b>d) Loans refund back</b>		
Remsons Holdings Ltd.*	1,403.64	-
*Converted into Equity Shares		
<b>c) Investments made</b>		
There are no investments by Company other than those stated under Note 9 in the financial statements.		
<b>d) Guarantees given</b>		
There are no guarantees given during the year.		
<b>e) Securities given</b>		
There are no securities given during the year.		

## 62 Corporate Social Responsibility (CSR)

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief, COVID-19 relief and rural development projects. A CSR committee has been formed by the company as per the Act. The funds were primarily allocated to a corpus and utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013:

(₹ in Lakhs)		
Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
(i) Amount required to be spent by the company during the year	11.61	10.94
(ii) Amount of expenditure incurred	12.45	11.20
(iii) Shortfall at the end of the year	-	-
(iv) Total of previous years shortfall	-	-

# Notes to the Standalone Financial Statements

for the year ended March 31, 2022

## 62 Corporate Social Responsibility (CSR) (Contd.)

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
(v) Reason for shortfall	NA	NA
(vi) Nature of CSR activities	1. Promoting education 2. Promoting health care including preventive health care 3. Eradicating hunger, poverty and malnutrition,	1. Contribution to the Prime Minister's National Relief Fund or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund), 2. promoting health care including preventive health care 3. Disaster management, including relief, rehabilitation and reconstruction activities.
(vii) Details of related party transactions, e.g. Contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard.	NA	NA
(viii) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately.	NA	NA

## 63 Benami Property held

No proceeding has been initiated or pending against the group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder

## 64 Relationship with Struck off Companies as on March 31, 2022

The group has no transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

## 65 Registration of charges or satisfaction with Registrar of Companies

The Company has no charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period.

**66** The Previous year figures have been regrouped/reclassified, wherever necessary to confirm to the current presentation as per the schedule III of Companies Act, 2013.

As per our report of even date attached  
 For **M L BHUWANIA AND CO LLP**  
 Chartered Accountants  
 FRN : 101484W / W100197

### Vijay Kumar Jain

Partner  
 Membership No. 108374  
 Place : Mumbai  
 Dated : 30<sup>th</sup> May, 2022

For and on behalf of the Board  
**REMSONS INDUSTRIES LIMITED**

### Krishna Kejriwal

Chairman & Managing Director  
 DIN : 00513788

### Amit Srivastava

Chief Executive Officer  
 Place : Mumbai  
 Dated : 30<sup>th</sup> May, 2022

### Rahul Kejriwal

Whole time Director & CFO  
 DIN : 00513777

### Rohit Darji

Company Secretary

# Independent Auditor's Report

To,  
The Members of **REMSONS INDUSTRIES LIMITED**

## Report on the Audit of the Consolidated Financial Statements

### Opinion

We have audited the accompanying consolidated financial statements of REMSONS INDUSTRIES LIMITED ("Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") listed in Annexure A, which comprise the Consolidated Balance Sheet as at March 31, 2022, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information ("the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and the accounting principles generally accepted in India, of their consolidated state of affairs of the Company as at March 31, 2022, their consolidated profit, the consolidated other comprehensive

income, their consolidated changes in equity and their consolidated cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibility for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI), and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit matter	How our audit addressed the key audit matter
<b>Provision for slow moving and non-moving inventories</b> The group carries a sizeable portion of inventory which is a material portion of the total assets of the group. The management has the process of identifying the slow moving and non-moving inventories. This estimate has inherent uncertainty as it involves estimation/judgment on the part of the management.	Our procedures included discussion with the management on the control on the data and its effectiveness. Our audit approach was a combination of test of internal controls and substantive procedures which included the following: <ul style="list-style-type: none"> <li>• Evaluated the design of internal controls relating to identifying the slow moving and non-moving items and tested the controls pertaining to the same.</li> <li>• Reviewed the age-wise inventory reports and movement of inventory and production of items in which such inventories are being used.</li> <li>• Discussed with the operating personnel about the alternate use of such items.</li> <li>• Reviewed the net realizable value of such non-moving and slow moving items.</li> <li>• Performed analytical procedures and test of details for reasonableness of the provisions.</li> </ul>

### Other Information

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Annual Report, but does not include the consolidated financial statements and our Auditors' Report thereon. Our opinion on the consolidated

financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements if the subsidiaries audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider

whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries is traced from their financial statements audited by the other auditors. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Management's Responsibility for the Consolidated Financial Statements

The Holding Company's management and Board of Directors are responsible for the matters stated in Section 134(5) of Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ("Ind AS") specified under section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015. The respective company's management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each entity and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective management and Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective management either intends to liquidate or cease operations, or has no realistic alternative but to do so.

The respective management and Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

### Auditor's Responsibility for the Audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit

conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the business activities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision

and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matters

- (a) We did not audit the financial statements / financial information of three subsidiaries (including two step down subsidiaries), whose financial statements / financial information, before consolidation adjustments, reflect unconsolidated total assets of ₹ 9,430.59 Lakhs as at March 31, 2022, total revenues of ₹ 7,546.34 Lakhs, net profit after tax of ₹ 137.56 Lakhs, total comprehensive income of ₹ 133.83 Lakhs and net cash inflows amounting to ₹ 370.53 Lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries are based solely on the reports of the other auditors/information provided by the management.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements / information of subsidiaries, unaudited financial statements / financial information referred

to in the paragraph on 'Other Matters' section above, we report, to the extent applicable, that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, returns and the reports of the other auditors.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015.
- e) On the basis of the written representations received from the directors of the Holding Company as on 31<sup>st</sup> March, 2022 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, none of the directors of the Group companies is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure B" which is based on the auditors' report of the Company and its subsidiary companies incorporated in India. Our report expresses unmodified opinion on the adequacy and operating effectiveness of internal controls over financial reporting of those companies.
- g) With respect to the matter to be included in the Auditor's Report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the Holding Company, subsidiary companies, wherever applicable, to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director by the Holding Company, subsidiary companies is not in excess of the limit laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) which are required to be commented upon by us.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the



Companies (Audit and Auditor's) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on the financial statements / information of the subsidiaries:

- i. The Group does not have any pending litigations which would impact its financial position.
- ii. The Group did not have any material foreseeable losses on long term contracts including derivatives contracts.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies wherever applicable during the year ended March 31, March, 2022.
- iv. (a) The respective Management of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the group to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The respective Management of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, has represented that, to the best of its knowledge and belief, no funds have been received by the Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the group shall, whether, directly

or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. As stated in Note No. 57 to the financial statements
  - (a) The final dividend proposed in the previous year, declared and paid by the holding company during the year is in accordance with Section 123 of the Act, as applicable.
  - (b) The Board of Directors of the group's holding company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.
2. With respect to the matters specified in paragraphs 3(xx) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For **M L BHUWANIA AND CO LLP**  
Chartered Accountants  
FRN: 101484W/W100197

**Vijay Kumar Jain**  
Partner

Place: Mumbai  
Date: May 30, 2022

Membership No. 108374  
UDIN: 22108374AJXSDL8670

## Annexure A to our report dated May 30, 2022

Sr. No.	Name	Subsidiary / Step down Subsidiary
1	Remsons Holdings Ltd.	Wholly owned Subsidiary
2	Woolford Properties Ltd.	Step Down Subsidiary
3	Magal Automotive Ltd.	Step Down Subsidiary

# Annexure B

## to the Independent Auditors' Report

### Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

Referred to in paragraph (f) of 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report on the consolidated financial statements of the Group for the year ended March 31, 2022.

#### Opinion

In conjunction with our audit of the consolidated financial statements of **REMSONS INDUSTRIES LIMITED** ("the Holding Company") as of and for the year ended March 31, 2022, we have audited the internal financial control over financial reporting of the Holding Company and its subsidiary companies, incorporated in India, wherever applicable, as of that date.

In our opinion to the best of our knowledge and according to the opinion expressed in the report of other auditors, the Holding Company, incorporated in India, wherever applicable, in all material respects, have an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the criteria for internal controls over financial reporting established by the respective companies, wherever applicable, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

#### Management's Responsibility for Internal Financial Controls

The respective company's management and Board of Directors of Holding Company, its subsidiary companies, incorporated in India, wherever applicable, are responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the respective companies, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the paragraph on 'Other Matters', is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Holding Company, its subsidiary companies, incorporated in India, wherever applicable

#### Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to

permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

### Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements in so far as it relates to subsidiaries, is based on the information provided by the Holding Company's Management.

For **M L BHUWANIA AND CO LLP**

Chartered Accountants

FRN: 101484W/W100197

**Vijay Kumar Jain**

Partner

Place: Mumbai

Date: May 30, 2022

Membership No. 108374

UDIN: 22108374AJXSDL8670

# Consolidated Balance Sheet

as at March 31, 2022

(₹ in Lakhs)

Particulars	Note No.	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>ASSETS</b>			
<b>Non - Current Assets</b>			
(a) Property, Plant and Equipment	3	3,440.19	3,170.82
(b) Right of Use Assets	4	687.12	881.12
(c) Capital work - in - progress	5	54.04	34.58
(d) Investment Property	6	1,499.48	1,520.67
(e) Other Intangible Assets	7	346.21	339.77
(f) Intangible assets under development	8	-	14.25
(g) Financial assets			
(i) Investments	9	-	2.72
(ii) Other financial assets	10	107.53	192.38
(h) Other non - current assets	11	361.05	256.33
<b>Total Non-Current Assets</b>		<b>6,495.62</b>	<b>6,412.63</b>
<b>Current assets</b>			
(a) Inventories	12	4,615.31	4,716.12
(b) Financial assets			
(i) Investment	13	50.84	48.73
(ii) Trade receivables	14	5,212.28	4,272.80
(iii) Cash and cash equivalents	15	636.39	213.03
(iv) Bank balances other than (iii) above	16	2.70	9.79
(v) Other financial assets	17	11.51	93.67
(c) Current Tax Assets (Net)	18	3.12	3.12
(d) Other current assets	19	456.71	733.88
<b>Total Current Assets</b>		<b>10,988.87</b>	<b>10,091.15</b>
<b>Assets classified as held for Sale</b>	3	-	26.26
<b>TOTAL ASSETS</b>		<b>17,484.49</b>	<b>16,530.04</b>
<b>EQUITY AND LIABILITIES</b>			
(a) Equity share capital	20	571.34	571.34
(b) Other Equity	21	2,881.62	2,400.58
<b>Total Equity</b>		<b>3,452.95</b>	<b>2,971.92</b>
<b>LIABILITIES</b>			
<b>Non Current Liabilities</b>			
(1) (a) Financial Liabilities			
(i) Borrowings	22	2,936.68	3,436.96
(ii) Lease Liability	23	604.76	836.51
(b) Provisions	24	41.44	38.38
(c) Deferred tax liabilities (Net)	25	464.62	417.37
<b>Total Non- Current Liabilities</b>		<b>4,047.50</b>	<b>4,729.22</b>
<b>Current Liabilities</b>			
(2) (a) Financial Liabilities			
(i) Borrowings	26	4,287.58	3,026.12
(ii) Lease liabilities	27	269.35	243.80
(iii) Trade payables	28		
(a) total outstanding dues of micro enterprises and small enterprises		371.16	531.91
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		4,468.83	4,365.85
(iv) Other financial liabilities	29	119.06	106.35
(b) Other current liabilities	30	429.46	398.49
(c) Provisions	31	14.97	100.04
(d) Current tax liabilities (Net)	32	23.64	56.35
<b>Total Current Liabilities</b>		<b>9,984.05</b>	<b>8,828.90</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>17,484.49</b>	<b>16,530.04</b>

Summary of significant accounting policies

The accompanying notes are an integral parts of the financial statements

As per our report of even date attached

 For **M L BHUWANIA AND CO LLP**

Chartered Accountants

FRN : 101484W / W100197

**Vijay Kumar Jain**

Partner

Membership No. 108374

Place : Mumbai

 Dated : 30<sup>th</sup> May, 2022

For and on behalf of the Board

**REMSONS INDUSTRIES LIMITED**
**Krishna Kejriwal**

Chairman &amp; Managing Director

DIN : 00513788

**Amit Srivastava**

Chief Executive Officer

Place : Mumbai

 Dated : 30<sup>th</sup> May, 2022

**Rahul Kejriwal**

Whole Time Director &amp; CFO

DIN : 00513777

**Rohit Darji**

Company Secretary

# Statement of Consolidated Profit & Loss

for the year ended March 31, 2022

(₹ in Lakhs)

Particulars	Note No.	2021-2022	2020-2021
<b>INCOME</b>			
Revenue from operations	34	28,645.15	22,615.07
Other income	35	73.94	241.12
<b>Total Income</b>		<b>28,719.09</b>	<b>22,856.19</b>
<b>EXPENSES</b>			
Cost of material consumed	36	17,327.13	15,236.34
Purchase of Stock in Trade	37	513.60	74.90
Changes in inventories of Finished goods and Work-in-progress	38	238.02	(143.74)
Employee benefit expense	39	5,227.44	3,958.02
Finance Costs	40	643.33	354.22
Depreciation & amortization expense	41	793.33	440.69
Other Expenses	42	3,316.20	2,473.46
<b>Total Expenses</b>		<b>28,059.05</b>	<b>22,393.89</b>
<b>Profit before exceptional items &amp; tax</b>		<b>660.05</b>	<b>462.30</b>
Add: Exceptional Items	43	74.26	329.69
<b>Profit/(Loss) before tax</b>		<b>734.30</b>	<b>791.99</b>
<b>Less: Tax expenses</b>			
(1) Current tax			
of Current year		156.57	159.00
of Earlier years		(5.19)	(12.22)
(2) Deferred tax			
of Current year		46.68	196.70
<b>Total Tax Expenses</b>		<b>198.05</b>	<b>343.48</b>
<b>Profit after tax</b>	A	<b>536.25</b>	<b>448.51</b>
<b>Other Comprehensive Income</b>			
A. (i) Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans		17.43	(0.86)
Fair value gain on investment		13.03	(0.23)
(ii) Income tax relating to items that will not be reclassified to profit or loss		(6.72)	0.51
B. (i) Items that will be reclassified to profit or loss		(21.83)	33.68
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
<b>Total Other Comprehensive Income for the year</b>	B	<b>1.91</b>	<b>33.09</b>
<b>Total Comprehensive Income for the year</b>	(A+B)	<b>538.16</b>	<b>481.60</b>
Earning per equity share (Face Value of ₹ 10/- each)			
(1) Basic		9.39	7.85
(2) Diluted		9.39	7.85

Summary of significant accounting policies

The accompanying notes are an integral parts of the financial statements

As per our report of even date attached

For **M L BHUWANIA AND CO LLP**

Chartered Accountants

FRN : 101484W / W100197

**Vijay Kumar Jain**

Partner

Membership No. 108374

Place : Mumbai

Dated : 30<sup>th</sup> May, 2022

For and on behalf of the Board

**REMSONS INDUSTRIES LIMITED****Krishna Kejriwal**

Chairman &amp; Managing Director

DIN : 00513788

**Amit Srivastava**

Chief Executive Officer

Place : Mumbai

Dated : 30<sup>th</sup> May, 2022**Rahul Kejriwal**

Whole Time Director &amp; CFO

DIN : 00513777

**Rohit Darji**

Company Secretary

# Consolidated Cash Flow Statement

for the year ended March 31, 2022

[₹ in Lakhs]		
Particulars	Year Ended March, 2022	Year Ended March, 2021
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
<b>Net Profit before tax &amp; Extraordinary Items/Exceptional Items</b>	<b>746.02</b>	<b>797.87</b>
Adjustment for:		
Depreciation and amortisation expenses	793.33	440.69
Interest Expenses	608.96	344.63
Reclassification of remeasurement of employee benefits	17.43	(0.86)
Fair value gain on investment	(2.72)	-
Profit on Sale of Undertaking	(74.26)	(329.69)
Unrealised gain on fair value of financial assets	(2.11)	(0.73)
Interest Income	13.80	(0.24)
Dividend Income	-	(0.31)
Provision for Doubtful debts	-	6.76
Provision no longer required, written back	(30.67)	(11.43)
Sundry Balance Written Back (Net)	(10.22)	(4.04)
Unrealised Foreign Exchange Fluctuation loss	60.49	48.03
Unwinding of interest on security deposits	(6.06)	(3.41)
	<b>1,367.97</b>	<b>489.40</b>
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>2,114.00</b>	<b>1,287.27</b>
ADJUSTMENTS FOR WORKING CAPITAL CHANGES :		
Other non - current financial assets	90.91	(170.87)
Other non - current assets	(1.89)	0.53
Inventories	100.81	(831.35)
Trade Receivable	(960.40)	(2,063.63)
Other financial assets	68.95	(33.04)
Other current assets	277.17	(508.31)
Long - Term Provisions	3.06	(4.69)
Trade payables	(12.37)	2,132.39
Other current financial liabilities	10.57	9.04
Other current liabilities	30.97	306.13
Short - Term Provisions	(85.07)	(30.67)
	<b>(477.30)</b>	<b>(1,194.45)</b>
<b>Cash generated from operations</b>	<b>1,636.69</b>	<b>92.82</b>
Direct Taxes paid	(201.97)	(138.54)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>1,434.72</b>	<b>(45.72)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of Property, Plant and Equipment including Capital Work in Progress	(957.02)	(815.45)
Sale of Investment	15.75	-
Purchase of Other Investments	-	(48.00)
Business Purchase	-	(2,569.00)
Interest Received	6.41	-
Sale of Property, Plant and Equipment	101.23	420.78
Dividend Received	-	0.31
	<b>(833.63)</b>	<b>(3,011.36)</b>
<b>NET CASH USED IN INVESTING ACTIVITY</b>	<b>(833.63)</b>	<b>(3,011.36)</b>



# Consolidated Cash Flow Statement

for the year ended March 31, 2022

(₹ in Lakhs)

Particulars	Year Ended March, 2022	Year Ended March, 2021
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Net (Decrease)/ Increase in Long Term Borrowings	(737.31)	3,164.82
Net (Decrease)/ Increase in Short Term Borrowings	1,456.45	347.18
Repayment of Lease liabilities	(286.41)	(56.16)
Dividend Paid	(57.13)	-
Interest Expenses	(553.32)	(327.70)
	<b>(177.73)</b>	<b>3,128.13</b>
<b>NET CASH USED IN FINANCING ACTIVITY</b>	<b>(177.73)</b>	<b>3,128.13</b>
<b>NET CHANGES IN CASH &amp; CASH EQUIVALENTS(A+B+C)</b>	<b>423.36</b>	<b>71.05</b>
<b>OPENING BALANCES OF CASH &amp; CASH EQUIVALENTS</b>	<b>213.03</b>	<b>141.97</b>
<b>CLOSING BALANCES OF CASH &amp; CASH EQUIVALENTS</b>	<b>636.39</b>	<b>213.03</b>
	<b>423.37</b>	<b>71.05</b>

## Notes

### 1 Closing Balance of Cash & Cash Equivalents

(₹ in Lakhs)

Particulars	Year Ended March, 2022	Year Ended March, 2021
Cash and Cash Equivalents Includes:		
CASH IN HAND	12.38	12.28
BALANCE WITH SCHEDULED BANKS		
- In Current Account	624.02	200.75
	<b>636.39</b>	<b>213.03</b>

- 2 Cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.

The accompanying notes are an integral parts of the financial statements

As per our report of even date attached

For **M L BHUWANIA AND CO LLP**

Chartered Accountants

FRN : 101484W / W100197

**Vijay Kumar Jain**

Partner

Membership No. 108374

Place : Mumbai

Dated : 30<sup>th</sup> May, 2022

For and on behalf of the Board

**REMSONS INDUSTRIES LIMITED**

**Krishna Kejriwal**

Chairman & Managing Director

DIN : 00513788

**Amit Srivastava**

Chief Executive Officer

Place : Mumbai

Dated : 30<sup>th</sup> May, 2022

**Rahul Kejriwal**

Whole Time Director & CFO

DIN: 00513777

**Rohit Darji**

Company Secretary

# Consolidated Statement of Changes in Equity

for the year ended March 31, 2022

## A. Equity Share Capital

(₹ in Lakhs)		
Particulars	No of Shares	Amount
Balance at at 1 <sup>st</sup> April, 2020	57,13,357	571.34
Changes in equity share capital during the year	-	-
Balance at at 31 <sup>st</sup> March, 2021	57,13,357	571.34
Changes in equity share capital during the year	-	-
Balance at at 31 <sup>st</sup> March, 2022	57,13,357	571.34

## B. Other Equity

(₹ in Lakhs)						
Particulars	Surplus		Other items of Other comprehensive income			Total
	Capital Reserve	Retained Earnings	Remeasurement of net defined benefit plans	Fair Value through Other Comprehensive Income of Equity Investments	Foreign Currency Translation Reserve	
Balance at at 31 <sup>st</sup> March, 2020	-	1,972.82	(72.97)	2.85	-	1,902.70
Profit for the year	-	448.51	-	-	-	448.51
Remeasurements of Defined Benefit Plan	-	-	(0.65)	-	-	(0.65)
Fair Value effect of Investments of shares	-	-	-	0.06	-	0.06
Foreign currency translation reserve	-	-	-	-	33.68	33.68
Capital Reserve (Refer Note No 59)	16.30	-	-	-	-	16.30
<b>Balance at at 31<sup>st</sup> March, 2021</b>	<b>16.30</b>	<b>2,421.33</b>	<b>(73.62)</b>	<b>2.91</b>	<b>33.68</b>	<b>2,400.58</b>
Profit for the period	-	536.25	-	-	-	536.25
Remeasurements of Defined Benefit Plan	-	-	13.04	-	-	13.04
Fair Value effect of Investments of shares	-	-	-	10.70	-	10.70
Dividend (Refer Note No. 51)	-	57.13	-	-	-	(57.13)
Tax on Dividend	-	-	-	-	-	-
FCTR	-	-	-	-	(21.83)	(21.83)
Capital Reserve	-	-	-	-	-	-
Revaluation Reserve	-	-	-	-	-	-
<b>Balance at at 31<sup>st</sup> March, 2022</b>	<b>16.30</b>	<b>2,900.44</b>	<b>(60.57)</b>	<b>13.61</b>	<b>11.84</b>	<b>2,881.62</b>

The accompanying notes are an integral parts of the financial statements

As per our report of even date attached

 For **M L BHUWANIA AND CO LLP**

Chartered Accountants

FRN : 101484W / W100197

**Vijay Kumar Jain**

Partner

Membership No. 108374

Place : Mumbai

 Dated : 30<sup>th</sup> May, 2022

For and on behalf of the Board

**REMSONS INDUSTRIES LIMITED**
**Krishna Kejriwal**

Chairman &amp; Managing Director

DIN : 00513788

**Amit Srivastava**

Chief Executive Officer

Place : Mumbai

 Dated : 30<sup>th</sup> May, 2022

**Rahul Kejriwal**

Whole Time Director &amp; CFO

DIN: 00513777

**Rohit Darji**

Company Secretary

# Notes to the Financial Statements

for the year ended March 31, 2022

## 1 Corporate Information

Remsons Industries Limited ('the group') is a listed public limited company incorporated in India. The registered office is located at 401, 4<sup>th</sup> floor, Hanuman Road, Vile Parle (East), Mumbai – 400 057, Maharashtra, India. The Group is manufacturing automotive control cables, flexible shafts, push pull cables and gear shifter assembly. The Group has six manufacturing plants located in India and one plant located outside India.

## 2 Summary of significant accounting policies

### 2.1. Basis of preparation

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

These financial statements have been prepared on historical cost basis, except for certain financial instruments which are measured at fair value or amortised cost at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. All assets and liabilities have been classified as current and non-current as per the Group's normal operating cycle.

The financial statements were authorized for issue by the Group's Board of Directors on 30<sup>th</sup> May, 2022.

These financial statements are presented in Indian Rupees (INR), which is also the functional currency. All the amounts have been rounded off to the nearest Lakhs, unless otherwise indicated.

### 2.2. Basis of Consolidation

#### i) Subsidiaries

These consolidated financial statements include the financial statements of Remsons Industries Limited and its subsidiaries. The subsidiaries considered in the consolidated financial statements as at March 31, 2022 are summarized below:

Name of the Subsidiaries	Country of incorporation	2021-22
Remsons Holdings Ltd.	United Kingdom	100%
Magal Automotive Ltd.	United Kingdom	100%
Woolford Properties Ltd.	United Kingdom	100%

### Incorporated during the previous year

The financial statements of the Parent Group and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating intra-Group balances / transactions and resulting unrealized profits in full. The amounts shown in respect of accumulated reserves comprises the amount of the relevant reserves as per the balance sheet of the Parent Group and its share in the post acquisition increase / decrease in the relevant reserves / accumulated deficit of its subsidiaries.

The Parent Group maintain their records and prepare their financial statements under the Historical Cost Convention except certain financial assets and liabilities (including derivative instruments) which is measured at fair value or amortised cost, in accordance with generally accepted accounting principals in India while the foreign subsidiaries maintain their records and prepare their financial statements in conformity with GAAP prevalent in their respective countries of domicile.

Consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances except in case of charge of depreciation on fixed assets and other insignificant items for which the accounting treatment is given on the basis of local laws applicable in the respective country, for which using uniform accounting policies for the purpose of consolidation is impracticable.

### 2.3. Use of estimates and judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised prospectively.

### 2.4. Current versus non-current classification

All assets and liabilities have been classified as current or non-current as per the Group's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

# Notes to the Financial Statements

for the year ended March 31, 2022

## 2.5. Foreign Exchange Transactions

### i. Functional and presentation currency

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the Group operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is Group's functional and presentation currency

### ii. Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. All the foreign exchange gains and losses are presented in the statement of Profit and Loss on a net basis within other expenses or other income as applicable.

The consolidated financial statements are reported in Indian rupees. The translation of the local currency of each foreign subsidiary within the Group into Indian rupees is performed in respect of assets and liabilities including fixed assets using the exchange rate in effect at the balance sheet date and for revenue and expense items, using a monthly simple average exchange rate for the period. Net exchange difference resulting from the above translation of financial statements of foreign subsidiaries is recognised in Foreign Exchange Fluctuation Reserve. Exchange Difference arising on investment in subsidiaries is recognised in Foreign Exchange Fluctuation Reserve.

## 2.6. Property Plant and Equipment

An item of PPE is recognized as an asset, if and only if, it is probable that the future economic benefits associated with the item will flow to the Group and its cost can be measured reliably. PPE are initially recognized at cost. The initial cost of PPE comprises its purchase price (including non-refundable duties and taxes but excluding any trade discounts and rebates), and any directly attributable cost of bringing the asset to its working condition and location for its intended use.

Subsequent to initial recognition, PPE are stated at cost less accumulated depreciation and any impairment losses. When significant parts of property, plant and equipment are required to be replaced in regular intervals, the Group recognizes such parts as separate component of assets. When an item of PPE is replaced, then its carrying amount is de-recognized from the balance sheet and cost of the new item of PPE is recognized. Further, in case the replaced part was not being depreciated separately, the cost of the replacement is used as an indication to determine the cost of the replaced part at the time it was acquired.

The expenditures that are incurred after the item of PPE has been put to use, such as repairs and maintenance, are normally charged to the statement of profit and loss in the period in which such costs are incurred

Depreciation has been charged to statement of profit & loss on Straight Line Method on Buildings, Plants and Machineries, Electric Installations and Dies & Mould, where as other assets on Written Down Value method determined based on the economic useful lives of assets estimated by the management; or at the rates prescribed under Schedule II of the Companies Act, 2013. Accordingly, the Group has used the following rates:-"

Name of Assets	Useful Life (in Years)
<b>Building</b>	
- Factory Building	30
- Other Building	60
- Fences,Wells,Tube wells	5
Plant & Machinery	15
Spares of Plant & Machinery	5
Moulds and Dies	15
Electrical Installations and Equipment's	10
Office equipment's	5
Furniture & Fittings	10
Servers and networks	6
Data processing machine and computer, laptops	3
Vehicle	8

## 2.7 Investment Property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as Investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised. Investment properties (except freehold land) are depreciated using the straight-line method over their estimated useful lives at the rates prescribed under Schedule II of the Companies Act, 2013.

## 2.8. Intangible assets

- i. An intangible asset shall be recognised if, and only if:
  - (a) it is probable that the expected future economic benefits that are attributable to the asset will flow to the Group and
  - (b) the cost of the asset can be measured reliably.

# Notes to the Financial Statements

for the year ended March 31, 2022

- ii. Cost of technical know-how is amortised over a period of life of contract.
- iii. Computer software is capitalised where it is expected to provide future enduring economic benefits. Capitalisation costs include license fees and costs of implementation / system integration services. The costs are capitalised in the year in which the relevant software is implemented for use. The softwares are amortised over a period of 3 to 8 years based on the life it is expected to provide future enduring benefits on straight-line method.

## 2.9 Borrowing Cost

Borrowing costs specifically relating to the acquisition or construction of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the asset. All other borrowing costs are charged to statement of profit & loss in the period in which it is incurred except loan processing fees which is recognized as per Effective Interest Rate method.

Borrowing costs consist of interest and other costs that group incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs."

## 2.10. Tax Expenses

Income Tax expense comprises of current tax and deferred tax charge or credit. Provision for current tax is made with reference to taxable income computed for the financial year for which the financial statements are prepared by applying the tax rates as applicable.

### i. Current Tax

Current tax charge is based on taxable profit for the year. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date where the Group operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current tax assets and tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current income taxes payable by overseas subsidiaries is computed in accordance with tax laws applicable in the jurisdiction in which the respective subsidiaries operates.

### ii. Deferred Tax

Deferred tax is provided using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements at the reporting date. Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilised.

Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss).

Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

The carrying amount of deferred tax assets is reviewed at each reporting date and adjusted to reflect changes in probability that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred income tax assets and liabilities are off-set against each other and the resultant net amount is presented in the Balance Sheet, if and only when, (a) the Group has a legally enforceable right to set-off the current income tax assets and liabilities, and (b) the deferred income tax assets and liabilities relate to income tax levied by the same taxation authority.

Minimum Alternate Tax credit is recognised as an asset only when and to the extent there is convincing evidence that the group will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Group will pay normal income tax during the specified period.

### iii. Dividend distribution tax

Dividend distribution tax paid on the dividends is recognised consistently with the presentation of the transaction that creates the income tax consequence. Dividend distribution tax is charged to statement of profit and loss if the dividend itself is charged to statement of profit and loss. If the dividend is recognised in equity, the presentation of dividend distribution tax is recognised in equity.

# Notes to the Financial Statements

for the year ended March 31, 2022

## 2.11 Revenue

### a) Revenue from operation

The Group derives revenues primarily from sale of manufactured goods, traded goods and related services.

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Group expects to receive in exchange for those products or services.

The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

The Group satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

1. The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs; or
2. The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
3. The Group's performance does not create an asset with an alternative use to the Group and an entity has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied."

### (b) Other Income:

- i. Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the group, and the amount of the dividend can be measured reliably.
- ii. Export incentives are accounted for on export of goods if the entitlements can be estimated with reasonable accuracy. Premium of sale of import licenses is recognised on an accrual basis.
- iii. Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount

of a financial asset. When calculating the effective interest rate, the group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

## 2.12 Inventory

Raw materials, Packing materials, Stores and Spare parts are valued at Lower of cost (cost includes direct cost & attributable overheads) or net realizable value. The Group follows Weighted Average Cost method for valuation of Raw materials, Packing materials, Stores and Spare parts. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Semi-finished & Finished goods are valued at lower of estimated cost or net realizable value. Scrap is valued at net realizable value.

The group values its Raw materials, Packing materials, Stores and Spare parts on Weighted Average Cost basis."

## 2.13 Segment Reporting

Primary Segment is identified based on the nature of products and services, the different risks and returns and the internal business reporting system. Secondary segment is identified based on geographical area in which major operating divisions of the Group operate.

## 2.14 Impairment Of Assets

Intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

## 2.15 Fair Value Measurement

The Group measures certain financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the



# Notes to the Financial Statements

for the year ended March 31, 2022

measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: Quoted (unadjusted) prices for identical assets or liabilities in active markets
- Level 2: Significant inputs to the fair value measurement are directly or indirectly observable
- Level 3: Significant inputs to the fair value measurement are unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets & liabilities on the basis of the nature, characteristics and the risks of the asset or liability and the level of the fair value hierarchy as explained above

## 2.16 Financial Instrument

### 2.16.1 Recognition, classification and presentation

The financial instruments are recognised in the balance sheet when the group becomes a party to the contractual provisions of the instrument.

The Group determines the classification of its financial instruments at initial recognition.

The Group classifies its financial assets in the following categories: a) those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and b) those to be measured at amortized cost. The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Financial assets and liabilities arising from different transactions are off-set against each other and the resultant net amount is presented in the balance sheet, if and only when, the Group currently has a legally enforceable right to set-off the related recognised amounts and intends either to settle on a net basis or to realize the assets and settle the liabilities simultaneously."

### 2.16.2. Measurement

#### I. Initial measurement

At initial recognition, the Group measures financial instruments at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Otherwise transaction costs are expensed in the statement of profit and loss.

#### II. Subsequent measurement - financial assets

The subsequent measurement of the financial assets depends on their classification as follows:

##### i. Financial assets measured at amortized cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost using the effective interest rate ('EIR') method (if the impact of discounting / any transaction costs is significant). Interest income from these financial assets is included in finance income.

##### ii. Financial assets at fair value through other comprehensive income ('FVTOCI')

Equity investments which are not held for trading and for which the Group has elected to present the change in the fair value in other comprehensive income and debt instruments that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flow represent solely payment of principal and interest, are measured at FVTOCI.

# Notes to the Financial Statements

for the year ended March 31, 2022

The changes in fair value are taken through OCI, except for the impairment, interest (basis EIR method), dividend and foreign exchange differences which are recognised in the statement of profit and loss.

When the financial asset is derecognized, the related accumulated fair value adjustments in OCI as at the date of derecognition are reclassified from equity and recognised in the statement of profit and loss. However, there is no subsequent reclassification of fair value gains and losses to statement of profit and loss in case of equity instruments.

### iii. Financial assets at fair value through profit or loss ('FVTPL')

All equity instruments and financial assets that do not meet the criteria for amortized cost or FVTOCI are measured at fair value through profit or loss. Interest (basis EIR method) and dividend income from FVTPL is recognised in the statement of profit and loss within finance income / finance costs separately from the other gains/losses arising from changes in the fair value.

#### Impairment

The group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost and debt instrument carried at FVTOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk since initial recognition. If credit risk has not increased significantly, twelve month ECL is used to provide for impairment loss, otherwise lifetime ECL is used.

However, only in case of trade receivables, the group applies the simplified approach which requires expected lifetime losses to be recognized from initial recognition of the receivables.

### III. Subsequent measurement - financial liabilities

Other financial liabilities are initially recognised at fair value less any directly attributable transaction costs. They are subsequently measured at amortized cost using the EIR method (if the impact of discounting / any transaction costs is significant).

### 2.16.3 De-recognition

The financial liabilities are de-recognised from the balance sheet when the under-lying obligations are extinguished, discharged, lapsed, cancelled, expires or legally released. The financial assets are de-recognised from the balance sheet when the rights to receive cash flows from the financial assets have expired, or have been transferred and the Group has transferred substantially all risks and rewards of ownership. A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

### 2.17 Cash and cash Equivalents

Cash and cash equivalents includes cash in hand, deposits with banks, other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes outstanding bank overdraft shown within current liabilities in statement of financial balance sheet and which are considered as integral part of group's cash management policy.

### 2.18 Cash Flow Statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

### 2.19 Investment

Investment which are of equity in nature is carried at Fair Value and gain/loss on fair valuation are recognised through Other Comprehensive Income.

### 2.20. Trade Receivable

Trade receivables are recognized initially at their fair value and subsequently measured at amortised cost using the effective interest method, less provision for expected credit loss.

### 2.21 Trade and Other payable

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. Trade and other payables are recognised, initially at fair value, and subsequently measured at amortised cost using effective interest rate method.

# Notes to the Financial Statements

for the year ended March 31, 2022

## 2.22 Provision, Contingent Liability and Contingent Assets

### i. Provision

A provision is recognized, when group has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made for the amount of obligation. The expense relating to the provision is presented in the profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

### ii. Contingent Liability

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent liabilities, if material, are disclosed by way of notes and contingent assets, if any, are disclosed in the notes to financial statements.

### iii. Contingent Assets

Contingent Assets are disclosed, where an inflow of economic benefits is probable.

## 2.23 Earnings Per Share

### i. Basic earnings per share

Basic earnings per share is calculated by dividing

- i. the profit attributable to owners of the Group; and
- ii. by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

### ii. Diluted earnings per share

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares; and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

## 2.24 Business Combination

The Group accounts for its business combinations under acquisition method of accounting. Acquisition related costs are recognised in the consolidated statement of profit and loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognised at their fair values at the acquisition date.

Purchase consideration paid in excess of fair value of net assets acquired is recognised as goodwill. Where the fair value of identifiable assets and liabilities exceed the cost of acquisition, after reassessing the fair value of identifiable assets and liabilities, the excess is recognised as capital reserve.

The interest of non-controlling shareholders is initially measured either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interest is the amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity of subsidiaries.

Business combinations arising from transfers of interests in entities that are under common control are accounted at historical cost. The difference between any consideration given and the aggregate historical carrying amounts of assets and liabilities of the acquired entity is recorded in shareholder's equity.

## 2.25 Leases

### i. As a lessee

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an

# Notes to the Financial Statements

for the year ended March 31, 2022

option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

## ii. As a lessor

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

## 2.26 Employee benefits

### i. Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

### ii. Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

### iii. Post-employment obligations

#### a. Defined benefit gratuity plan:

The Group provides for the liability towards the said benefit on the basis of actuarial valuation carried out as at the reporting date, by an independent qualified actuary using the projected-unit-credit method. The Group has opted for a Group Gratuity-cum-Life Assurance Scheme of the Life Insurance Corporation of India (LIC), and the contribution is charged to the Statement of Profit & Loss each year.

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan. The defined benefit obligation is calculated annually as provided by LIC. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss. Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

#### b. Defined Contribution plan:

Contribution payable to recognised provident fund which is defined contribution scheme is charged to Statement of Profit & Loss. The group has no further obligation to the plan beyond its contribution.

### iv. Other long-term employee benefits

The employees of the Group are entitled to compensated absences as well as other long-term benefits. Compensated absences benefit comprises of encashment and availment of leave balances that were earned by the employees over the period of past employment.

The Group provides for the liability towards the said benefit on the basis of actuarial valuation carried out quarterly as

# Notes to the Financial Statements

for the year ended March 31, 2022

at the reporting date, by an independent qualified actuary using the projected-unit-credit method. The related re-measurements are recognized in the statement of profit and loss in the period in which they arise.

Foreign subsidiaries maintain a defined contribution retirement plan, which covers substantially all the employees of the foreign subsidiaries and qualifies as a deferred salary arrangement under laws of respective countries. The Group matches employees' contributions at the discretion of the Group.

## 2.27 Operating Cycle

Based on the nature of products/activities of the Group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

## 2.28 Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below.

Ind AS 16 – Property Plant and equipment – The amendment clarifies that excess of net sale proceeds of items produced

over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its consolidated financial statements.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets – The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.

## 2.29 Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Rupees in Lakhs (upto two decimals), unless otherwise stated as per the requirement of Schedule III (Division II).

# Notes to the Financial Statements

for the year ended March 31, 2022

## NOTE NO 3 PROPERTY, PLANT AND EQUIPMENT

Particulars	Freehold Land*	Leasehold Land	Fences, Wells & Tubes	Building Office	Building Factory*	Plant & Machinery*	Dies & Moulds	Electrical Installation*	Office Equipment	Furniture & Fixture	Motor Vehicle	Server/ Networks	Computers	Total
(₹ in Lakhs)														
<b>Gross Carrying Value</b>														
As at April 1, 2020	75.16	43.44	10.23	79.60	923.57	1,388.19	224.49	70.24	41.66	65.39	91.22	5.06	20.49	3,038.77
Additions	33.50	-	6.54	-	52.17	1,061.76	31.52	143.15	22.83	5.23	92.74	10.99	8.57	1,469.02
Disposals / derecognised	-	-	-	(118.08)	-	(52.51)	-	(8.08)	-	-	(9.75)	-	-	(188.42)
<b>Gross Carrying Value As at March 31, 2021</b>	<b>108.66</b>	<b>43.44</b>	<b>16.78</b>	<b>(38.48)</b>	<b>975.75</b>	<b>2,397.45</b>	<b>256.01</b>	<b>205.31</b>	<b>64.49</b>	<b>70.62</b>	<b>174.21</b>	<b>16.05</b>	<b>29.07</b>	<b>4,319.37</b>
Additions	42.79	-	-	15.46	195.57	368.32	16.19	13.42	29.29	84.98	-	-	12.11	778.15
Disposals / derecognised	(0.92)	-	-	-	(36.70)	(6.57)	-	(4.64)	(1.64)	-	(0.69)	-	-	(51.16)
<b>Gross Carrying Value As at March 31, 2022</b>	<b>150.53</b>	<b>43.44</b>	<b>16.78</b>	<b>(23.02)</b>	<b>1,134.62</b>	<b>2,759.19</b>	<b>272.21</b>	<b>214.09</b>	<b>92.15</b>	<b>155.60</b>	<b>173.52</b>	<b>16.05</b>	<b>41.18</b>	<b>5,046.34</b>

Particulars	Freehold Land	Leasehold Land	Fences, Wells & Tubes	Building Office	Building Factory	Plant & Machinery	Dies & Moulds	Electrical Installation	Office Equipment	Furniture & Fixture	Motor Vehicle	Server/ Networks	Computers	Total
(₹ in Lakhs)														
<b>Accumulated depreciation</b>														
As at April 1, 2020	-	-	6.57	10.53	129.65	467.62	63.98	30.33	32.71	40.39	65.09	4.24	16.33	867.43
Depreciation charge during the year	-	-	1.26	1.64	39.21	238.35	18.86	8.50	6.79	8.33	22.09	2.19	4.71	351.95
Disposals / derecognised	-	-	-	(50.65)	-	(31.76)	-	(6.00)	-	-	(8.69)	-	-	(97.10)
<b>Accumulated depreciation As at March 31, 2021</b>	<b>-</b>	<b>-</b>	<b>7.84</b>	<b>(38.48)</b>	<b>168.87</b>	<b>674.21</b>	<b>82.85</b>	<b>32.82</b>	<b>39.50</b>	<b>48.72</b>	<b>78.49</b>	<b>6.43</b>	<b>21.04</b>	<b>1,122.28</b>
Depreciation charge during the year	-	-	2.23	0.36	52.15	324.53	19.99	20.17	18.79	26.16	28.54	4.54	10.60	508.06
Disposals / derecognised	-	-	-	-	(15.34)	(3.91)	-	(3.83)	(0.44)	-	(0.66)	-	-	(24.18)
<b>Accumulated depreciation As at March 31, 2022</b>	<b>-</b>	<b>-</b>	<b>10.07</b>	<b>(38.12)</b>	<b>205.68</b>	<b>994.83</b>	<b>102.84</b>	<b>49.16</b>	<b>57.85</b>	<b>74.88</b>	<b>106.37</b>	<b>10.97</b>	<b>31.64</b>	<b>1,606.16</b>
<b>Net carrying amount as at March 31, 2021</b>	<b>108.66</b>	<b>43.44</b>	<b>6.71</b>	<b>15.10</b>	<b>928.95</b>	<b>1,764.36</b>	<b>169.37</b>	<b>164.93</b>	<b>34.30</b>	<b>80.72</b>	<b>67.15</b>	<b>5.08</b>	<b>9.54</b>	<b>3,440.19</b>
<b>Net carrying amount as at March 31, 2021</b>	<b>108.66</b>	<b>43.44</b>	<b>8.94</b>	<b>(10.00)</b>	<b>806.88</b>	<b>1,723.24</b>	<b>173.16</b>	<b>172.49</b>	<b>25.00</b>	<b>21.89</b>	<b>95.72</b>	<b>9.62</b>	<b>8.03</b>	<b>3,197.08</b>

\*Includes Assets classified as held for sale of ₹ 26.26 Lakhs. ( foreheld land of ₹ 0.92 Lakhs building , factory of ₹ 21.61 Lakhs plant and machinery of ₹ 2.79 Lakhs and electrical installment of ₹ 0.88 Lakhs )



# Notes to the Financial Statements

for the year ended March 31, 2022

## NOTE NO 4 RIGHT OF USE ASSETS

(₹ in Lakhs)

Particulars	Building	Total
<b>Gross Carrying Value</b>		
As at April 1, 2020	113.49	113.49
Addition	883.65	883.65
<b>Gross Carrying Value As at March 31, 2021</b>	<b>997.14</b>	<b>997.14</b>
Addition	5.23	5.23
<b>Gross Carrying Value As at March 31, 2022</b>	<b>1,002.37</b>	<b>1,002.37</b>

(₹ in Lakhs)

Particulars	Building	Total
<b>Accumulated depreciation</b>		
As at April 1, 2020	59.21	59.21
Depreciation charge during the year	56.81	56.81
<b>Accumulated depreciation As at March 31, 2021</b>	<b>116.02</b>	<b>116.02</b>
Depreciation charge during the year	199.23	199.23
<b>Accumulated depreciation As at March 31, 2022</b>	<b>315.25</b>	<b>315.25</b>
<b>Net carrying amount as at March 31, 2022</b>	<b>687.12</b>	<b>687.12</b>
<b>Net carrying amount as at March 31, 2021</b>	<b>881.12</b>	<b>881.12</b>

## NOTE NO 5 CAPITAL WORK IN PROGRESS

(₹ in Lakhs)

Particulars	Building	Plant & Machinery	Others	Total
<b>Gross Carrying Value</b>				
As at April 1, 2020	-	8.48	-	8.48
Additions	10.90	6.58	17.10	34.58
Disposals / derecognised	-	(8.48)	-	(8.48)
<b>Gross Carrying Value As at March 31, 2021</b>	<b>10.90</b>	<b>6.58</b>	<b>17.10</b>	<b>34.58</b>
Additions	-	33.59	20.45	54.04
Disposals / derecognised	(10.90)	(6.58)	(17.10)	(34.58)
<b>Gross Carrying Value As at March 31, 2022</b>	<b>-</b>	<b>33.59</b>	<b>20.45</b>	<b>54.04</b>

### CWIP aging schedule as on March 31, 2022

(₹ in Lakhs)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	54.04	-	-	-	54.04
Projects temporarily suspended	-	-	-	-	-

### CWIP aging schedule as on March 31, 2021

(₹ in Lakhs)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	34.58	-	-	-	34.58
Projects temporarily suspended	-	-	-	-	-

# Notes to the Financial Statements

for the year ended March 31, 2022

## NOTE NO 6 INVESTMENT PROPERTY

Particulars	Building	Total
<b>Gross Carrying Value</b>		
As at April 1, 2020	7.38	7.38
Addition	1,514.25	1,514.25
<b>Gross Carrying Value As at March 31, 2021</b>	<b>1,521.63</b>	<b>1,521.63</b>
Addition	-	-
<b>Gross Carrying Value As at Sept 30, 2021</b>	<b>1,521.63</b>	<b>1,521.63</b>

(₹ in Lakhs)		
Particulars	Building	Total
<b>Accumulated depreciation</b>		
As at April 1, 2020	0.76	0.76
Depreciation charge during the year	0.19	0.19
<b>Accumulated depreciation As at March 31, 2021</b>	<b>0.95</b>	<b>0.95</b>
Depreciation charge during the year	21.19	21.19
<b>Accumulated depreciation As at March 31, 2022</b>	<b>22.14</b>	<b>22.14</b>
<b>Net carrying amount as at March 31, 2022</b>	<b>1,499.48</b>	<b>1,499.48</b>
<b>Net carrying amount as at March 31, 2021</b>	<b>1,520.67</b>	<b>1,520.67</b>

### Amount recognised in profit or loss for Investment Properties

(₹ in Lakhs)		
Particulars	March 31 <sup>st</sup> , 2022	March 31 <sup>st</sup> , 2021
Rental Income	0.03	3.56
Direct operating expenses (Net of recovery)	0.60	0.61
Direct operating expenses from property that did not generate rental income.		

There are no restrictions on the realisability of investment property.

The company is using same life for the same class of asset as applicable for property plant and equipment.

The company has let out the property.

### Fair Value

Investment Property- Market Value is 1,636.59 Lakhs (Previous year ₹ 1,636.59 Lakhs)

The Company has not taken third party independent valuation for the property. Last valuation has been conducted as at 09.09.2020 and management is of the opinion that there is no material change in the valuation of investment property.

# Notes to the Financial Statements

for the year ended March 31, 2022

## NOTE NO 7 OTHER INTANGIBLE ASSETS

(₹ in Lakhs)

Particulars	Computer Software	Technical Know How	Customer Contracts	Rebranding	Total
<b>Gross Carrying Value</b>					
As at April 1, 2020	189.33	12.91	-	-	202.24
Additions	-	-	243.81	-	243.81
<b>Gross Carrying Value As at March 31, 2021</b>	<b>189.33</b>	<b>12.91</b>	<b>243.81</b>	<b>-</b>	<b>446.05</b>
Additions	25.80	-	-	42.82	68.62
<b>Gross Carrying Value As at March 31, 2022</b>	<b>215.13</b>	<b>12.91</b>	<b>243.81</b>	<b>42.82</b>	<b>514.67</b>

(₹ in Lakhs)

Particulars	Computer Software	Technical Know How	Customer Contracts	Rebranding	Total
<b>Accumulated depreciation</b>					
As at April 1, 2020	60.94	12.91	-	-	73.85
Depreciation charge during the year	20.23	-	12.19	-	32.42
<b>Accumulated depreciation As at March 31, 2021</b>	<b>81.17</b>	<b>12.91</b>	<b>12.19</b>	<b>-</b>	<b>106.27</b>
Depreciation charge during the year	33.56	-	27.89	0.73	62.18
<b>Accumulated depreciation As at March 31, 2022</b>	<b>114.73</b>	<b>12.91</b>	<b>40.08</b>	<b>0.73</b>	<b>168.45</b>
<b>Net carrying amount as at March 31, 2022</b>	<b>100.40</b>	<b>-</b>	<b>203.72</b>	<b>42.09</b>	<b>346.21</b>
<b>Net carrying amount as at March 31, 2021</b>	<b>108.15</b>	<b>-</b>	<b>231.62</b>	<b>-</b>	<b>339.77</b>

## NOTE NO 8 INTANGIBLE ASSETS UNDER DEVELOPMENT

(₹ in Lakhs)

Particulars	Computer Software	Total
<b>Gross Carrying Value</b>		
As at April 1, 2020	-	-
Additions	14.25	14.25
Disposals / derecognised	-	-
<b>Gross Carrying Value As at March 31, 2021</b>	<b>14.25</b>	<b>14.25</b>
Additions	-	-
Disposals / derecognised	(14.25)	(14.25)
<b>Gross Carrying Value As at March 31, 2022</b>	<b>-</b>	<b>-</b>

### Intangible assets under development aging as on March 31, 2022

(₹ in Lakhs)

Intangible assets under development	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

### Intangible assets under development aging as on March 31, 2021

(₹ in Lakhs)

Intangible assets under development	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	14.25	-	-	-	14.25
Projects temporarily suspended	-	-	-	-	-

# Notes to the Financial Statements

for the year ended March 31, 2022

## 9 INVESTMENTS (NON CURRENT)

(₹ in Lakhs)

Particulars	Face Value	As at 31 <sup>st</sup> Mar, 2022		As at 31 <sup>st</sup> Mar, 2021	
		No. of Shares	Value	No. of Shares	Value
Non Trade Investments					
Investment in equity instruments (fully paid-up)					
Unquoted (at fair value through OCI) (FVOCI)					
Remsons Cables Industries Pvt Ltd	100	-	-	500	(0.00)
Goodluck Electronics Pvt Ltd	100	-	-	1,250	2.72
<b>Total Value of Unquoted Investments</b>			<b>-</b>		<b>2.72</b>

## 10 OTHER FINANCIAL ASSETS (NON CURRENT)

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> Mar, 2022	As at 31 <sup>st</sup> Mar, 2021
(Unsecured, consider Good, unless specified otherwise)		
Security Deposits	107.53	96.55
Other receivables	-	95.83
	<b>107.53</b>	<b>192.38</b>

## 11 OTHER NON CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> Mar, 2022	As at 31 <sup>st</sup> Mar, 2021
(Unsecured, consider Good, unless specified otherwise)		
Capital Advances	353.87	251.05
Advance recoverable in cash or kind or for value to be received	7.18	5.28
	<b>361.05</b>	<b>256.33</b>

## 12 INVENTORIES

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> Mar, 2022	As at 31 <sup>st</sup> Mar, 2021
Raw Material	2,628.51	2,665.49
Work-in-progress	300.22	291.41
Finished Goods (Refer Note No 12.1)	1,528.46	1,655.49
Stores & Spares	156.27	99.71
Scrap	1.84	4.01
	<b>4,615.31</b>	<b>4,716.12</b>

Note No 12.1: Finished Goods inventory includes Goods-in transit ₹ 360.99 Lakhs (Previous Year ₹ 317.41 Lakhs)

## 13 CURRENT INVESTMENTS

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> Mar, 2022	As at 31 <sup>st</sup> Mar, 2021
Investment in mutual Funds		
Quoted (at FVTPL)		
11,417.023 (P.Y. 11,417.023) units of ABSL saving fund, face value of ₹ 100 each)	50.84	48.73
	<b>50.84</b>	<b>48.73</b>
Aggregate amount of quoted investments	50.84	48.73
Aggregate market value of quoted investments	50.84	48.73

# Notes to the Financial Statements

for the year ended March 31, 2022

## 14 TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> Mar, 2022		As at 31 <sup>st</sup> Mar, 2021	
<b>(Unsecured)</b>				
Considered Good (Refer Note No 14.1)	5,212.28		4,272.80	
Less: Allowance for Expected Credit Loss	-	5,212.28	-	4,272.80
Credit Impaired	18.57		28.53	
Less: Allowance for Expected Credit Loss	(18.57)	-	(28.53)	-
		<b>5,212.28</b>		<b>4,272.80</b>

### Note No. 14.1

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> Mar, 2022	As at 31 <sup>st</sup> Mar, 2021
Receivable from - Company in which directors are interested	-	48.72
	<b>-</b>	<b>48.72</b>

### Movement in the Allowance of Expected Credit Loss

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> Mar, 2022	As at 31 <sup>st</sup> Mar, 2021
Balance at the beginning of the year	28.53	21.77
Changes in allowance for doubtful receivables	(9.96)	6.76
Balance at end of the year	<b>18.57</b>	<b>28.53</b>

### Trade Receivables ageing as on March 31, 2022

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment #					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	5,063.01	99.39	49.84	0.04	-	5,212.28
(ii) Disputed Trade receivables - considered doubtful	-	-	3.58	3.55	11.44	18.57
(iii) Less: Allowance for expected credit loss						18.87
						<b>5,212.28</b>

### Trade Receivables ageing as on March 31, 2021

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment #					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	4,135.21	65.37	72.22	-	-	4,272.80
(ii) Disputed Trade receivables - considered doubtful	-	-	17.46	11.08	-	28.53
(iii) Less: Allowance for expected credit loss						28.53
						<b>4372.80</b>

## 15 CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> Mar, 2022	As at 31 <sup>st</sup> Mar, 2021
Balance With Banks		
In Current account	624.02	200.75
Cash on Hand	12.38	12.28
	<b>636.39</b>	<b>213.03</b>

# Notes to the Financial Statements

for the year ended March 31, 2022

## 16 OTHER BANK BALANCES

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> Mar, 2022	As at 31 <sup>st</sup> Mar, 2021
Margin Money Deposit (Refer Note No 16.1)	-	7.00
Unpaid Dividend Account (Refer Note No 16.2)	2.70	2.79
	<b>2.70</b>	<b>9.79</b>

Note No. 16.1: Margin money includes deposit against Bank Guarantee of ₹5 Lakhs and Letter of Credit of ₹ 2 Lakhs.

Note No. 16.2: The company can utilise balances only towards settlement of of the unpaid dividend.

## 17 OTHER FINANCIAL ASSETS (CURRENT)

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> Mar, 2022	As at 31 <sup>st</sup> Mar, 2021
(Unsecured, consider Good, unless specified otherwise)		
Security Deposit	3.40	63.63
Others		
Loan to employee	5.54	7.26
Interest accrued	2.58	22.79
	<b>11.51</b>	<b>93.67</b>

## 18 CURRENT TAX ASSETS (NET)

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> Mar, 2022	As at 31 <sup>st</sup> Mar, 2021
Income Tax refund receivable	3.12	3.12
	<b>3.12</b>	<b>3.12</b>

## 19 OTHER CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> Mar, 2022	As at 31 <sup>st</sup> Mar, 2021
Balance with Statutory/ Government Authorities	132.27	128.14
Advance to Supplier	82.30	53.76
Advance recoverable in cash or kind or for value to be received	144.54	42.78
Export Incentive Receivable	75.49	116.96
Other Advances	-	201.90
Other Receivable	18.74	185.46
Other Current Assets	3.38	4.89
	<b>456.71</b>	<b>733.88</b>

## 20 EQUITY SHARE CAPITAL

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> Mar, 2022	As at 31 <sup>st</sup> Mar, 2021
<b>Authorized Share Capital</b>		
120,00,000 Equity shares, ₹ 10 par value (Previous Year: 120,00,000 equity shares ₹ 10 each)	1,200.00	1,200.00
	<b>1,200.00</b>	<b>1,200.00</b>
<b>Issued, Subscribed and Fully Paid Up Shares</b>		
57,13,357 Equity shares, ₹ 10 par value fully paid up (Previous Year: 57,13,357 equity shares ₹ 10 each)	571.34	571.34
	<b>571.34</b>	<b>571.34</b>



# Notes to the Financial Statements

for the year ended March 31, 2022

## Note No 20.1: The reconciliation of the number of shares outstanding at the beginning and at the end of reporting period 31-03-2022:

Particulars	As at 31 <sup>st</sup> Mar, 2022		As at 31 <sup>st</sup> Mar, 2021	
	No. of Shares	Amount	No. of Shares	Amount
Number of shares at the beginning	57,13,357	571.34	57,13,357	571.34
Add: Shares issued during the year	-	-	-	-
Less : Shares bought back (if any)	-	-	-	-
<b>Number of shares at the end</b>	<b>57,13,357</b>	<b>571.34</b>	<b>57,13,357</b>	<b>571.34</b>

(₹ in Lakhs)

### Note No 20.2: Terms/rights attached to equity shares

- (A) The company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholder in the ensuing Annual General Meeting.
- (B) In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholder.

### Note No 20.3: The details of shareholders holding more than 5% shares in the company:

Name of the shareholder	31 <sup>st</sup> Mar, 2022		31 <sup>st</sup> Mar, 2021	
	No. of shares held	% held	No. of shares held	% held
Krishna Kejriwal	15,79,494	27.65	15,79,494	27.65
Chand Kejriwal	17,08,444	29.90	17,08,444	29.90
Rahul Kejriwal	3,06,851	5.37	3,06,851	5.37
Shivani Kejriwal	3,03,197	5.31	3,03,197	5.31
Krish Automotive Sales & Services Pvt Ltd	4,51,549	7.90	4,51,549	7.90

(₹ in Lakhs)

### Note No 20.4: % Change in Shareholding of Promoter & Promoter group:

Name of the shareholder	Number of shares held	% held	% Change during the year	Number of shares held	% held	% Change during the year
Krisna Kejriwal	1579494	27.65	0.00	1579494	27.65	0.00
Chand Kejriwal	1708444	29.90	0.00	1708444	29.90	0.00
Rahul Kejriwal	306851	5.37	0.00	306851	5.37	0.00
Shivani Kejriwal	303197	5.31	0.00	303197	5.31	0.00
Ranee Khatkhate	1401	0.02	0.00	1401	0.02	0.00
Krishna Kejriwal HUF	266693	4.67	0.00	266693	4.67	0.00
Rahul Kejriwal HUF	571	0.01	0.00	571	0.01	0.00
Remsons Cable Industries Private Limited	57357	1.00	0.00	57357	1.00	0.00
Goodluck Electronics Private Limited	61000	1.07	0.00	61000	1.07	0.00

(₹ in Lakhs)

## 21 OTHER EQUITY

Particulars	As at 31 <sup>st</sup> Mar, 2022	As at 31 <sup>st</sup> Mar, 2021
<b>Surplus*</b>		
Retained Earnings	2900.44	2,421.33
Capital Reserve (Refer Note (i) below)	16.30	16.30
Other Comprehensive Income (OCI)		
- Remeasurement of net defined benefit plans	(62.90)	(73.62)
- Fair Value of Equity Investments through OCI (Refer Note (ii) below)	15.94	2.91
- Foreign Currency Translation Reserve (Refer Note (iii) below)	11.84	33.68
	<b>2,881.62</b>	<b>2,400.58</b>

(₹ in Lakhs)

\* For movement, refer Statement of Changes in Equity.

### Nature of reserves

Note No (i) Capital reserve created on Business Combination of acquisition of business by one of the step down subsidiaries of the company.

Note No (ii) The company recognises unrealised and realised gain on equity shares in FVOCI - Equity investments.

Note No (iii) The exchange differences arising from the translation of financial statements of foreign operations with functional currency other than Indian rupees is recognised in other comprehensive income, net of taxes and is presented within equity in the foreign currency translation reserve.

# Notes to the Financial Statements

for the year ended March 31, 2022

## 22 BORROWINGS (NON CURRENT)

(₹ in Lakhs)		
Particulars	As at 31 <sup>st</sup> Mar, 2022	As at 31 <sup>st</sup> Mar, 2021
<b>Secured</b>		
From Banks		
Vehicle loans (Refer Note No 22.1)	27.91	40.29
Corporate loan (Refer Note No 22.2)	1,688.91	1,827.63
From Others (Refer Note No 22.3)	69.86	819.04
	<b>1,786.68</b>	<b>2,686.96</b>
<b>Unsecured</b>		
Loan from Directors	750.00	750.00
Loan from related parties	400.00	-
	<b>1,150.00</b>	<b>750.00</b>
	<b>2,936.68</b>	<b>3,436.96</b>

Note No 22.1: Vehicle Loans from banks secured by Hypothecation of respective vehicles and repayable in 36 months to 60 months.

Note No 22.2 (i): From State Bank of India, Mumbai secured by first charge on the fixed assets to the Company and personal guarantee by Chairman & Managing Director and a whole time director and repayable in 36 monthly instalments after a moratorium of 6 months from the date of disbursement. Rate of Interest of New Demand Loan Working Capital GECL 7.40%

Note No 22.2 (ii): From State Bank of India, Mumbai secured by first charge on the fixed assets to the Company and personal guarantee by Chairman & Managing Director and a whole time director and repayable in 72 monthly instalments after a moratorium of 12 months from the date of disbursement. Rate of Interest of Open Term Loan 7.65%

Note No 22.2 (iii): From OakNorth Bank PLC, UK secured by first charge on the 100% Shares held by the Company in Remsons Holding Ltd wholly owned subsidiary. Open Term Loan of ₹ GBP 6,00,000/- repayable in 36 monthly instalments. Rate of Interest of Term Loan 6.17%.

Note No 22.2 (iv): From OakNorth Bank PLC, UK secured by first charge on the 100% Shares held by the Company in Remsons Holding Ltd wholly owned subsidiary. Uncommitted Revolving Credit Facility of ₹ GBP 10,00,000/- . Rate of Interest of Term Loan 5.72%.

Note No 22.3: From Aditya Birla Finance Ltd, Mumbai is secured by Exclusive charge on property at, Ghorpadi, Pune - 411001 owned by Chairman & Managing Director and a whole time director and personal guarantee by Chairman & Managing Director and a whole time directors. Term Loan repayable in 72 monthly installments at 12% rate of interest.

## 23 LEASE LIABILITIES (NON CURRENT)

(₹ in Lakhs)		
Particulars	As at 31 <sup>st</sup> Mar, 2022	As at 31 <sup>st</sup> Mar, 2021
Lease Liabilities	604.76	836.51
	<b>604.76</b>	<b>836.51</b>

## 24 PROVISIONS (NON CURRENT)

(₹ in Lakhs)		
Particulars	As at 31 <sup>st</sup> Mar, 2022	As at 31 <sup>st</sup> Mar, 2021
Provisions for Employee Benefits		
- For Leave encashment (Refer Note No 46)	40.04	36.32
Others		
- Provision for warranty (Refer Note No 48)	1.39	2.06
	<b>41.44</b>	<b>38.38</b>

# Notes to the Financial Statements

for the year ended March 31, 2022

## 25 DEFERRED TAX LIABILITIES (NET)

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> Mar, 2022	As at 31 <sup>st</sup> Mar, 2021
Deferred tax liabilities (Net) (Refer Note 25.1)	464.62	417.37
	<b>464.62</b>	<b>417.37</b>

### Note No.: 25.1

(₹ in Lakhs)

Particulars	Net balance as at 1 April 2021	Acquired pursuant to business combination	Recognised in statement of profit and loss	Recognised in OCI	Recognised in Foreign Currency Translation Reserve	Net balance as at 31 March 2022
<b>Deferred Tax Liabilities/(Assets)</b>						
Property, plant and equipment/Investment	462.87	-	42.81	-	-	505.68
Property/Other Intangible Assets						
Fair Value through P&L	4.19	-	(17.27)	-	-	(13.08)
Fair Value through OCI	(27.42)	-	-	4.39	-	(23.03)
Others	(15.09)	-	18.63	-	(3.82)	(0.28)
Allowance for Bad & Doubtful Debts	(7.18)	-	2.51	-	-	(4.67)
	<b>417.37</b>	<b>-</b>	<b>46.68</b>	<b>4.39</b>	<b>(3.82)</b>	<b>464.62</b>

(₹ in Lakhs)

Particulars	Net balance as at 1 April 2020	Acquired pursuant to business combination	Recognised in statement of profit and loss	Recognised in OCI	Recognised in Foreign Currency Translation Reserve	Net balance as at 31 March 2021
<b>Deferred Tax Assets/(Liabilities)</b>						
Property, plant and equipment/Investment	178.80	108.05	176.02	-	-	462.87
Property/Other Intangible Assets						
Fair Value through P&L	(1.17)	-	5.36	-	-	4.19
Fair Value through OCI	(26.91)	-	-	(0.51)	-	(27.42)
Others	(31.53)	-	16.45	-	-	(15.09)
Allowance for Bad & Doubtful Debts	(6.06)	-	(1.12)	-	-	(7.18)
	<b>113.14</b>	<b>108.05</b>	<b>196.70</b>	<b>(0.51)</b>	<b>-</b>	<b>417.37</b>

### Income tax

The major components of Income Tax Expense for the year ended 31 March, 2022

(₹ in Lakhs)

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
<b>Profit and Loss:</b>		
Current tax – net of reversal of earlier year : ₹ (5.19) Lakhs (Previous Year) ₹ (12.22 Lakhs)	151.38	146.78
Deferred Tax	46.68	196.70
	<b>198.05</b>	<b>343.48</b>

# Notes to the Financial Statements

for the year ended March 31, 2022

## Note No.: 25.1 (Contd.)

### Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate

(₹ in Lakhs)		
Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Profit before income tax expense	734.30	791.99
Tax at the Indian tax rate 25.168 % (Previous Year - 25.168%)	184.81	199.33
<b>Add: Items giving rise to difference in tax</b>		
Income Tax for earlier years	(5.19)	(12.22)
Others	18.43	156.37
<b>Income Tax Expenses</b>	<b>198.05</b>	<b>343.48</b>

## 26 BORROWINGS (CURRENT)

(₹ in Lakhs)		
Particulars	As at 31 <sup>st</sup> Mar, 2022	As at 31 <sup>st</sup> Mar, 2021
<b>Secured From Bank</b>		
Working Capital Loan - repayable on demand (Refer Note 26.1)		
Indian Rupees Cash Credit	3,621.47	2,240.16
Foreign Currency Cash Credit	401.02	263.63
Current maturities of long-term debt (Refer Note No 22.1, 22.2 & 22.3)	265.09	522.33
	<b>4,287.58</b>	<b>3,026.12</b>

Note 26.1 From State Bank of India, Mumbai secured by first charge on present & future current assets of the Company and extension by way of second charge on other fixed assets of the Company (excluding vehicles) and personal guarantee by Chairman & Managing Director and a whole time director.

Note 26.2 From OakNorth Bank PLC, UK secured by first charge on the 100% Shares held by the Company in Remsons Holding Ltd wholly owned subsidiary. Open Term Loan of ₹ GBP 6,00,000/- repayable in 36 monthly instalments. Rate of Interest of Term Loan 6.17%.

## 27 LEASE LIABILITIES (CURRENT)

(₹ in Lakhs)		
Particulars	As at 31 <sup>st</sup> Mar, 2022	As at 31 <sup>st</sup> Mar, 2021
Lease Liabilities (Refer Note No. 27.1)	269.35	243.80
	<b>269.35</b>	<b>243.80</b>

## 28 TRADE PAYABLES

(₹ in Lakhs)		
Particulars	As at 31 <sup>st</sup> Mar, 2022	As at 31 <sup>st</sup> Mar, 2021
Dues of micro enterprises and small enterprises (Refer Note No 28.1)	371.16	531.91
Dues other than micro enterprises and small enterprises (Refer Note No 28.1)	4,468.83	4,365.85
	<b>4,839.98</b>	<b>4,897.76</b>

Note No 28.1: Micro enterprises and Small enterprises have been identified by the Company on the basis of the information available. Total outstanding dues of Micro and Small enterprises, which are outstanding for more than the stipulated period and other disclosures as per Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) are given below :

# Notes to the Financial Statements

for the year ended March 31, 2022

## 28 TRADE PAYABLES (Contd.)

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> Mar, 2022	As at 31 <sup>st</sup> Mar, 2021
(a) Dues remaining unpaid		
- Principal	-	-
- Interest on above*	-	-
(b) Interest paid in terms of Section 16 of MSMED Act		
- Principal paid beyond the appointed date	-	-
- Interest paid in terms of Section 16 of MSMED Act	-	-
(c) Amount of interest due and payable for the period of delay on payments made beyond the appointed day during the year	-	-
(d) Amount of interest accrued and unpaid*	-	-

\* The Company has not provided any interest on the amount outstanding beyond stipulated period in the previous year.

### Trade payables ageing as on March 31, 2022

(₹ in Lakhs)

Particulars	Outstanding for the following period from the due date of payment #				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	371.16	-	-	-	371.16
(ii) Others	3,707.88	14.54	3.76	0.21	3,726.39
(iii) Unbilled Dues	742.44	-	-	-	742.44
<b>Total</b>	<b>4,821.45</b>	<b>14.54</b>	<b>3.76</b>	<b>0.21</b>	<b>4,839.95</b>

### Trade payables ageing as on March 31, 2021

(₹ in Lakhs)

Particulars	Outstanding for the following period from the due date of payment #				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	531.91	-	-	-	531.91
(ii) Others	3,447.02	18.19	0.21	-	3,465.43
(iii) Unbilled Dues	900.41	-	-	-	900.41
<b>Total</b>	<b>4,879.35</b>	<b>18.19</b>	<b>0.21</b>	<b>-</b>	<b>4,897.76</b>

## 29 OTHER FINANCIAL LIABILITIES (CURRENT)

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> Mar, 2022	As at 31 <sup>st</sup> Mar, 2021
Interest Accrued but not due	2.04	5.48
Trade Deposits from Dealers	84.79	74.22
Unpaid Dividends (Refer Note No 29.1)	2.70	2.79
Creditor for Capital Goods	29.54	23.86
	<b>119.06</b>	<b>106.35</b>

Note No 29.1: There are no amounts due and outstanding to be credited to Investor's Education and Protection Fund as at March 31, 2022.

## 30 OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> Mar, 2022	As at 31 <sup>st</sup> Mar, 2021
Statutory Dues Payable	209.38	125.08
Advances From Customers	220.08	173.41
Other Advances	0.00	100.00
	<b>429.46</b>	<b>398.49</b>

# Notes to the Financial Statements

for the year ended March 31, 2022

## 31 PROVISIONS (CURRENT)

(₹ in Lakhs)		
Particulars	As at 31 <sup>st</sup> Mar, 2022	As at 31 <sup>st</sup> Mar, 2021
Provision for Employee Benefits		
- Gratuity (Refer Note No 46)	6.91	88.50
- Leave encashment (Refer Note No 46)	5.97	8.45
Others		
- Provision for warranty (Refer Note No 48)	2.09	3.10
	<b>14.97</b>	<b>100.04</b>

## 32 CURRENT TAX LIABILITIES (NET)

(₹ in Lakhs)		
Particulars	As at 31 <sup>st</sup> Mar, 2022	As at 31 <sup>st</sup> Mar, 2021
Provision for taxation (Net of advance tax)	23.64	56.35
	<b>23.64</b>	<b>56.35</b>

## 33 A) CONTINGENT LIABILITIES: #

(₹ in Lakhs)		
Particulars	As at 31 <sup>st</sup> Mar, 2022	As at 31 <sup>st</sup> Mar, 2021
(a) Disputed Income Tax Liability	-	0.32
(b) Disputed Sales Tax Liability	-	12.38
	<b>-</b>	<b>12.70</b>

## B) COMMITMENTS:

(₹ in Lakhs)		
Particulars	As at 31 <sup>st</sup> Mar, 2022	As at 31 <sup>st</sup> Mar, 2021
Estimated Amounts of Contract remaining to be executed on Capital account and not provided for (Net of Advances)	108.93	173.78
	<b>108.93</b>	<b>173.78</b>

### Note:

# The management does not expect these demands/claims to succeed. Claims, where the possibility of outflow of resources embodying economic benefits is remote, have not been considered in contingent liability.

## 34 REVENUE FROM OPERATIONS

(₹ in Lakhs)		
Particulars	2021-2022	2020-2021
Sale of Products		
- Own Manufactured	27,624.20	22,381.68
- Traded	876.42	84.94
Sale of Services	12.11	12.28
<b>Other Operating Revenue</b>		
Process waste sale	62.58	30.25
Export Incentive/Others	69.85	105.91
	<b>28,645.15</b>	<b>22,615.07</b>

# Notes to the Financial Statements

for the year ended March 31, 2022

## 35 OTHER INCOME

(₹ in Lakhs)		
Particulars	Mar-22	Mar-21
Interest Income (Refer Note No 36.1)	2.54	2.05
Dividend income from equity instruments designated at FVOCI	-	0.31
Rent Income	0.03	3.56
Provision no longer required, written back	30.67	11.43
Fair Value gain on financial assets measured at FVTPL	2.11	0.73
Sundry Balance Written Back (Net)	10.22	4.04
Exchange Fluctuation Gain (Net)	5.94	146.55
Unwinding of interest on security deposits	6.06	3.41
Miscellaneous Income	16.37	-
Royalty Income	-	69.05
	<b>73.94</b>	<b>241.12</b>

### Note No. 35.1 : Break-up of Interest Income

(₹ in Lakhs)		
Particulars	Mar-22	Mar-21
Interest Income on deposits with Bank	0.27	0.24
Interest Income on Security deposits	1.64	1.06
Interest Income on Others	0.63	0.75
	<b>2.54</b>	<b>2.05</b>

## 36 COST OF MATERIALS CONSUMED

(₹ in Lakhs)		
Particulars	Mar-22	Mar-21
Inventory at the beginning of the year	2,871.18	1,504.05
Add: Purchases during the year	17,248.85	16,603.47
	<b>20,120.03</b>	<b>18,107.52</b>
Less: Inventory at the end of the year	2,729.89	2,817.18
	<b>17,327.13</b>	<b>15,236.34</b>

## 37 PURCHASE OF STOCK IN TRADE

(₹ in Lakhs)		
Particulars	Mar-22	Mar-21
Traded Goods	513.60	74.90
	<b>513.60</b>	<b>74.90</b>

## 38 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS

(₹ in Lakhs)		
Particulars	Mar-22	Mar-21
<b>Inventories at the beginning of the year</b>		
Finished Goods	1,556.94	1,491.33
Work In Progress	291.41	209.36
Scrap	4.01	7.53
	<b>1,851.96</b>	<b>1,708.22</b>
<b>Inventories at the end of the year</b>		
Finished Goods	1,311.87	1,556.54
Work In Progress	300.22	291.41
Scrap	1.84	4.01
	<b>1,613.94</b>	<b>1,851.96</b>
	<b>238.02</b>	<b>(143.74)</b>



# Notes to the Financial Statements

for the year ended March 31, 2022

## 39 EMPLOYEE BENEFIT EXPENSES

(₹ in Lakhs)		
Particulars	Mar-22	Mar-21
Salaries, Wages and Bonus	4,975.85	3,773.33
Contribution to Provident and other fund	110.65	109.06
Staff Welfare Expenses	140.94	75.64
	<b>5,227.44</b>	<b>3,958.02</b>

## 40 FINANCE COSTS

(₹ in Lakhs)		
Particulars	Mar-22	Mar-21
Interest Expenses (Refer Note No. 41.1)	530.40	339.78
Interest on lease liabilities	79.73	6.39
<b>Other Borrowing Cost</b>		
Other Financial Charges	33.21	8.05
	<b>643.33</b>	<b>354.22</b>

### Note No. 41.1 Break-up of Interest Expenses

(₹ in Lakhs)		
Particulars	Mar-22	Mar-21
Interest on Bank Borrowings	451.18	214.20
Interest on Income Tax	11.72	5.89
Interest on Unsecured Loans	67.50	119.68
	<b>530.40</b>	<b>339.78</b>

## 41 DEPRECIATION & AMORTIZATION EXPENSE

(₹ in Lakhs)		
Particulars	Mar-22	Mar-21
Depreciation on Property, Plant and Equipment	535.12	351.94
Depreciation on Leased Assets	199.23	56.81
Depreciation on Investment Property	0.19	0.19
Amortisation on Intangible Assets	58.78	31.74
	<b>793.33</b>	<b>440.69</b>

## 42 OTHER EXPENSES

(₹ in Lakhs)		
Particulars	Mar-22	Mar-21
Consumption of Stores & Spares	200.68	157.92
Conversion Charges Paid	101.20	108.98
Power & Fuel	441.64	336.29
Carriage Inward	388.40	79.62
Repair & Maintenance		
Plant & Machinery	169.39	102.18
Building	15.62	8.19
Others	81.19	55.71
Research and Development Expenses	2.76	0.15
Carriage Outward	835.23	619.65
Advertisement and Sales & Promotion Expenses	29.31	26.97
Warranty Charges	9.38	54.67
Commission on sales	48.71	37.26
Allowance for doubtful debts	-	6.76
Rent (Refer Note No. 25.1)	7.78	40.46
Rates & Taxes	92.10	35.47

# Notes to the Financial Statements

for the year ended March 31, 2022

## 42 OTHER EXPENSES (Contd.)

(₹ in Lakhs)		
Particulars	Mar-22	Mar-21
Security Services Charges	81.17	65.11
Insurance	188.16	99.73
Traveling & Conveyance Expenses	89.86	63.64
Communication Expenses	57.33	47.01
Legal & Professional Charges	244.62	259.69
Payments to Auditors	6.67	8.45
Donations Paid	-	2.71
CSR Expenditure	12.45	11.20
Exchange Fluctuation Loss (Net)	19.59	25.32
Miscellaneous Expenses	192.95	220.32
	<b>3,316.20</b>	<b>2,473.46</b>

### Note No. 42.1 : Payment to Statutory Auditors

(₹ in Lakhs)		
Particulars	Mar-22	Mar-21
<b>As Auditors :</b>		
Audit Fees (including Limited Review)	6.50	6.40
<b>In Other Capacity :</b>		
Certification & Others	-	2.05
Out of pocket expenses	0.17	-
	<b>6.67</b>	<b>8.45</b>

## 43 EXCEPTIONAL ITEMS

(₹ in Lakhs)		
Particulars	Mar-22	Mar-21
On account of Sale of Undertaking (Refer Note No 44.1)	74.26	329.69
	<b>74.26</b>	<b>329.69</b>

Note No 43.1: During the year, the Company has sold fixed assets including land and building and the gains realised from the sale have been classified as exceptional item.

## 44 EARNING PER SHARE

(₹ in Lakhs)		
Particulars	Mar-22	Mar-21
(A) Profit attributable to Equity Shareholders (₹)	536.25	448.51
(B) No. of Equity Share outstanding during the year	57,13,357	57,13,357
(C) Face Value of each Equity Share (₹)	10	10
(D) Basic & Diluted earning per Share (₹)	9.39	7.85

## 45 SEGMENT :

### i) Primary Segment :

The group is in the business of manufacturing Automotive Components parts & all its products fall in the same segment as nature of the products, production process, methods used for distribution, the regulatory environment and the resulting risks & rewards associated business lines are not materially different hence, it operates in only one primary segment (Business). Secondary segmental reporting is based on the geographical location of customer. The following is the distribution of the group's sale by geographical markets and segment assets which can be attributed to customers in such markets.

# Notes to the Financial Statements

for the year ended March 31, 2022

## 45 SEGMENT : (Contd.)

### ii) Secondary : Geographic Segment :

#### a) Segment Revenue

(₹ in Lakhs)		
Particulars	2021-22	2020-21
India	19,365.08	17,045.11
Rest of world	9,354.01	5,811.08
	<b>28,719.09</b>	<b>22,856.19</b>

#### b) Segment Assets

(₹ in Lakhs)		
Particulars	2021-22	2020-21
India	10,668.28	9,269.58
Rest of world	6,816.21	7,260.46
	<b>17,484.49</b>	<b>16,530.04</b>

#### c) Segment Capital Expenditure

(₹ in Lakhs)		
Particulars	2021-22	2020-21
India	769.45	812.53
Rest of world	8.69	900.30
	<b>778.15</b>	<b>1,712.83</b>

## 46 Employee Benefits

As per IND AS 19 "Employee Benefits", the disclosures of Employee benefits as defined in the said Accounting Standards are given below:

### i) Defined Contribution Plan

Contribution to Defined Contribution Plan includes Provident Fund. The expenses recognised for the year are as under :

(₹ in Lakhs)		
Particulars	2021-22	2020-21
Employer's Contribution to Provident Fund	79.83	77.24

### ii) Defined Benefit Plan

#### a) Gratuity:

The Group operates gratuity plan wherein every employee is entitled to the benefit equivalent to 15 days/one month salary last drawn for each completed year of service depending on the date of joining. The same is payable on termination of service, retirement or death, whichever is earlier. The benefit vests after 5 years of continuous service.

#### I Changes in present value of obligations

(₹ in Lakhs)		
Particulars	2021-22	2020-21
(i) Present value of Defined Benefit Obligation at beginning of the year.	233.66	209.42
(ii) Current Service Cost	19.06	18.58
(iii) Interest Cost	16.01	14.30
(iv) Past Service Cost	-	-
(v) Actuarial (Gain) / Losses	(17.54)	1.99
(vi) Benefits Payments	(42.28)	(10.63)
<b>(vii) Present value of Defined Benefit Obligation at the end of the year.</b>	<b>208.91</b>	<b>233.66</b>

# Notes to the Financial Statements

for the year ended March 31, 2022

## 46 Employee Benefits (Contd.)

### II Changes in the fair value of plan assets

(₹ in Lakhs)

Particulars	2021-22	2020-21
(i) Fair value of plan assets at the beginning of year	145.17	92.49
(ii) Interest Income	9.94	6.32
(iii) Contributions	89.27	55.86
(iv) Benefits paid	(42.28)	(10.63)
(v) Actuarial gain on Plan assets, Excluding Interest Income	(0.10)	1.12
<b>(vi) Fair value of plan assets at the end of year</b>	<b>202.00</b>	<b>145.17</b>

### III Change in the present value of the defined benefit obligation and fair value of plan assets

(₹ in Lakhs)

Particulars	2021-22	2020-21
(i) Present value of Defined Benefit Obligations as at end of year.	(208.91)	(233.66)
(ii) Fair value of plan assets as at 31 <sup>st</sup> March, 2022.	202.00	145.17
(iii) Funded status [Surplus/(Deficit)]	(6.92)	(88.50)
(iv) Net assets/ (liabilities) as at 31 <sup>st</sup> March, 2022.	(6.92)	(88.50)

### IV Change in Assets during the year ended 31<sup>st</sup> March, 2022

(₹ in Lakhs)

Particulars	2021-22	2020-21
(i) Plan assets at the beginning of the year.	145.17	92.49
(ii) Expected return on plan assets	9.94	6.32
(iii) Contributions by Employer	89.27	55.86
(iv) Actual benefits Paid	(42.28)	(10.63)
(v) Plan assets at the end of the year.	202.10	144.04
(vi) Actual return on plan assets	9.94	6.32

### V Expenses Recognised in statement of Profit & Loss

(₹ in Lakhs)

Particulars	2021-22	2020-21
(i) Current Service Cost	19.06	18.58
(ii) Interest Cost	16.01	14.30
(iii) Expected return on plan assets	(9.94)	(6.32)
(iv) Net Actuarial (Gain) / Losses	(17.44)	0.86
<b>(v) Total Expenses</b>	<b>7.69</b>	<b>27.43</b>

### VI Actuarial Gain/Loss recognized

(₹ in Lakhs)

Particulars	2021-22	2020-21
(i) Actuarial gain for the year -Obligation	(17.44)	0.86
(ii) Total gain for the year	(17.44)	0.86
<b>(iii) Total actuarial (gain)/ loss included in other comprehensive income</b>	<b>(17.44)</b>	<b>0.86</b>

### VII Actuarial Assumptions:

(₹ in Lakhs)

Particulars	2021-22	2020-21
(i) Discount Rate	7.23%	6.85%
(ii) Salary Escalation	6.00%	6.00%
(iii) Attrition Rate	4.00%	4.00%

The Group is unable to obtain the details of plan assets from LIC and hence the related disclosures are not given.

# Notes to the Financial Statements

for the year ended March 31, 2022

## 46 Employee Benefits (Contd.)

### b) Leave encashment:

The Group has a policy on compensated absences which is applicable to its executives jointed upto a specified period and all employees. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each Balance Sheet date using projected unit credit method on the additional amount expected to be paid as a result of the unused entitlement that has accumulated at the Balance Sheet date.

The plans of the Group exposes to actuarial risks such as Investment Risk, Interest rate risk, salary risk and longevity risk. These risks may impact the obligation of the Group.

#### Actuarial Assumptions:

(₹ in Lakhs)		
Particulars	2021-22	2020-21
Discount Rate	7.23%	6.85%
Salary Escalation	6.00%	6.00%
Attrition Rate	4.00%	4.00%
Funding Status	Unfunded	Unfunded
Current Liability	5.97	8.45
Non Current Liability	40.04	36.32
<b>Projected Benefit Obligation</b>	<b>46.01</b>	<b>44.76</b>

## 47 RELATED PARTIES DISCLOSURE:

- (a) Related parties, as per Ind AS 24 - Related Party Disclosures, during the year as deemed in the Accounting Standard are given below the related parties with whom the group had transactions and related parties where control exist.

S.No.	Related Parties	Nature of Relationship
<b>KEY MANAGEMENT PERSONNEL</b>		
(i)	Mr. Krishna Kejriwal	Chairman & Managing Director
(ii)	Mrs. Chand Kejriwal	Wholtime Director
(iii)	Mr. Rahul Kejriwal	Wholtime Director & Chief Financial Officer (w.e.f. 14 <sup>th</sup> December, 2020)
(iv)	Mr. Rohit Darji	Company Secretary
(v)	Mr. Amit Srivastava	Chief Executive Officer
(vi)	Mr. Subash Vishwakarma	Chief Financial Officer (till 30 <sup>th</sup> June, 2020)
<b>RELATIVE OF KEY MANAGEMENT PERSONNEL</b>		
(i)	Mr. Basant Kejriwal	Brother of Chairman & Managing Director
<b>ENTITIES WHERE KEY MANAGEMENT PERSONAL/RELATIVES OF DIRECTORS HAS SIGNIFICANT INFLUENCE</b>		
(i)	Remsons Cables Industries Private Ltd.	Mr. Rahul Kejriwal is Director
(ii)	Goodluck Electronics Private Ltd.	Mr. Rahul Kejriwal is Director
(iii)	Remsons Holding Ltd.	Wholly Owned Subsidiary (w.e.f. 21 <sup>st</sup> August, 2020)
(iv)	Magal Automotive Ltd.	Stepdown Subsidiary (w.e.f. 26 <sup>st</sup> August, 2020)
(v)	Woolford Properties Ltd.	Stepdown Subsidiary (w.e.f. 21 <sup>st</sup> October, 2020)

### (b) DISCLOSURE OF TRANSACTIONS DURING THE YEAR WITH RELATED PARTIES :

(₹ in Lakhs)				
Particulars	OTHER RELATED PARTIES		KEY MANAGEMENT PERSONNEL & RELATIVES	
	2021-22	2020-21	2021-22	2020-21
<b>Sale of Goods/services (Excluding Taxes)</b>	<b>68.72</b>	<b>49.27</b>	-	-
Goodluck Electronics Pvt Ltd	68.72	49.27	-	-
<b>Purchase of goods/services (Excluding Taxes)</b>	<b>550.28</b>	<b>401.80</b>	-	-
Goodluck Electronics Pvt Ltd	550.28	401.80	-	-
<b>Purchase of Capital goods (Excluding Taxes)</b>	-	26.49	-	-
Remsons Cables Industries Pvt Ltd	-	26.49	-	-

# Notes to the Financial Statements

for the year ended March 31, 2022

## 47 RELATED PARTIES DISCLOSURE: (Contd.)

### (b) DISCLOSURE OF TRANSACTIONS DURING THE YEAR WITH RELATED PARTIES :

(₹ in Lakhs)

Particulars	OTHER RELATED PARTIES		KEY MANAGEMENT PERSONNEL & RELATIVES	
	2021-22	2020-21	2021-22	2020-21
<b>Loan Taken</b>	<b>400.00</b>	-	-	-
Goodluck Electronics Pvt Ltd	400.00	-	-	-
<b>Rent paid (Excluding Taxes)</b>	<b>-</b>	<b>30.00</b>	<b>-</b>	<b>1.60</b>
Goodluck Electronics Pvt Ltd	-	30.00	-	-
Mr. Rahul Kejriwal	-	-	-	1.60
<b>Commission Paid</b>	<b>-</b>	<b>-</b>	<b>14.07</b>	<b>6.50</b>
Mr. Basant Kejriwal	-	-	14.07	6.50
<b>*Remuneration</b>	<b>-</b>	<b>-</b>	<b>226.46</b>	<b>188.41</b>
Mr. Krishna Kejriwal	-	-	34.73	35.86
Mrs Chand Kejriwal	-	-	19.67	19.55
Mr. Rahul Kejriwal	-	-	49.19	38.59
Mr. Subhash Vishwakarma	-	-	-	5.90
Mr. Amit Srivastava	-	-	110.88	77.46
Mr. Rohit Darji	-	-	11.99	11.04
<b>Interest Paid</b>	<b>-</b>	<b>-</b>	<b>67.50</b>	<b>75.00</b>
Mr. Krishna Kejriwal	-	-	31.23	34.70
Mrs Chand Kejriwal	-	-	36.27	40.30

### (c) BALANCES AT THE END OF THE YEAR WITH RELATED PARTIES :

(₹ in Lakhs)

S.No.	Related parties	Nature of Transactions during the year	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
(i)	Remsons Cables Industries Pvt Ltd (at fair value)	Investment in Equity Share	0.00	0.00
		Trade Payables	-	31.26
(ii)	Goodluck Electronics Pvt Ltd (at fair value)	Investment in Equity Share	-	2.72
		Trade Receivable	-	48.72
		Trade Payables	70.05	35.66
		Loan Payable	400.00	-
(iii)	Mr. Krishna Kejriwal	Loan Payable	347.00	347.00
(iv)	Mrs Chand Kejriwal	Loan Payable	403.00	403.00
(v)	Mr. Basant Kejriwal	Commission Payable	4.67	6.67

\* The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

\* The above figures do not include provisions for encashable leave, gratuity and premium paid for group health insurance, as separate actuarial valuation / premium paid are not available.

The sitting fees paid to non-executive directors is ₹ 1.80 Lakhs as at March 31, 2022.

# Notes to the Financial Statements

for the year ended March 31, 2022

## 48 DISCLOSURE OF RELATING TO PROVISION OF WARRANTY

Provision is made for estimated warranty claims only in respect of the product sold which are still under warranty at the end of the reporting period. These claims are expected to be settled as and when warranty claims arise. Management estimates the provision based on historical warranty claim information and any recent trends that may suggest future claim could differ from historical amounts.

(₹ in Lakhs)		
Particulars	2021-22	2020-21
Balance at the beginning	5.16	6.34
Net Amount utilised/reversed during the year	(1.68)	(1.18)
Balance at the end of year	3.48	5.16

## 49 FOREIGN CURRENCY EXPOSURE

The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are as under.

### (a) Amount Receivable in Foreign Currency on account of the following :

(₹ in Lakhs)					
Particulars	Foreign Currency	As at 31 <sup>st</sup> Mar, 2022		As at 31 <sup>st</sup> Mar, 2021	
		Amount in Foreign Currency in Lakhs	₹ in Lakhs	Amount in Foreign Currency in Lakhs	₹ in Lakhs
Receivables/ Bank	GBP	4.63	460.44	7.17	724.01
	EURO	4.93	417.36	6.54	563.33
	USD	2.34	177.38	1.85	136.14

### (b) Amount Payable in Foreign Currency on account of the following :

(₹ in Lakhs)					
Particulars	Foreign Currency	As at 31 <sup>st</sup> Mar, 2022		As at 31 <sup>st</sup> Mar, 2021	
		Amount in Foreign Currency in Lakhs	₹ in Lakhs	Amount in Foreign Currency in Lakhs	₹ in Lakhs
Loan/Trade Payables	GBP	-	-	-	-
	EURO	2.33	197.46	1.04	89.95
	USD	0.08	5.89	0.09	6.62

## 50 Lease

The Group's leasing arrangements are in respect of office premises / warehouse. These leasing arrangements, which is mostly cancelable, range between 11 months to 3 years and are usually renewable by mutual consent at mutually agreed terms & conditions. The aggregate lease rentals of ₹ 7.78 Lakhs are charged as rent and shown under the note no. 42 "Other Expenses".

**51** Balances of Trade Receivables, Trade Payables and Loans and Advances are subject to confirmation and consequential adjustment, if any.

**52** In the opinion of the Board, Current Assets, Loans and Advances have value in the ordinary course of business at least equal to the amount at which they are stated.



# Notes to the Financial Statements

for the year ended March 31, 2022

## 53 Capital Management

### i) Risk Management

For the purpose of the Group's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders. The primary objective of the Group capital management is to maximise the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Group monitor capital using a gearing ratio and is measured by debt divided by total Equity. The Group's Debt is defined as long-term and short-term borrowings including current maturities of long term borrowings and total equity (as shown in balance sheet) includes issued capital and all other reserves.

### ii) Gearing Ratio

The gearing ratio at end of the reporting period was as follows.

Particulars	(₹ in Lakhs)	
	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2021
Borrowing	7,224.26	6,463.08
*Net Debt	7,224.26	6,463.08
Total Equity	3,452.97	2,971.92
<b>Capital Gearing Ratio</b>	<b>0.48</b>	<b>0.46</b>

\*Debt is defined as long-term and short-term borrowings including current maturities and books overdraft

Total equity (as shown in balance sheet) includes issued capital and all other equity reserves.

## 54 Fair Value Measurement

Particulars	(₹ in Lakhs)					
	As at 31 <sup>st</sup> Mar, 2022			As at 31 <sup>st</sup> Mar, 2021		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
<b>Financial assets</b>						
Investments						
- Mutual Funds	50.84	-	-	48.73	-	-
- Equity instruments (Excluding investment in subsidiary)	-	0.00	-	-	2.72	-
Trade receivables	-	-	5,212.28	-	-	4,272.80
Cash and cash equivalents	-	-	636.39	-	-	213.03
Bank balances other than Cash and cash equivalents	-	-	2.70	-	-	9.79
Security deposit	-	-	110.93	-	-	160.18
Loan to Employees	-	-	5.54	-	-	7.26
Interest accrued	-	-	2.58	-	-	22.79
Other Receivables	-	-	-	-	-	95.83
<b>Total financial assets</b>	<b>50.84</b>	<b>-</b>	<b>5,970.41</b>	<b>48.73</b>	<b>2.72</b>	<b>4,781.67</b>
<b>Financial liabilities</b>						
Borrowings	-	-	7,224.26	-	-	6,463.08
Trade payables	-	-	4,839.98	-	-	4,897.76
Lease liabilities	-	-	874.11	-	-	1,080.30
Security deposit	-	-	84.79	-	-	74.22
Others	-	-	34.27	-	-	32.12
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>13,057.41</b>	<b>-</b>	<b>-</b>	<b>12,547.49</b>

# Notes to the Financial Statements

for the year ended March 31, 2022

## 54 Fair Value Measurement (Contd.)

### i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

(₹ in Lakhs)

Financial assets and liabilities measured at fair value At March 31, 2022	Level 1	Level 2	Level 3	Total
Financial assets				
Financial Investments at FVPL				
Mutual Funds	50.84	-	-	50.84
Financial Investments at FVOCI				
Equity Instruments	-	-	-	-
<b>Total financial assets</b>	<b>50.84</b>	<b>-</b>	<b>-</b>	<b>50.84</b>

(₹ in Lakhs)

Financial assets and liabilities measured at fair value At March 31, 2021	Level 1	Level 2	Level 3	Total
Financial assets				
Financial Investments at FVPL				
Mutual Funds	48.73	-	-	48.73
Financial Investments at FVOCI				
Equity Instruments	-	-	2.72	2.72
<b>Total financial assets</b>	<b>48.73</b>	<b>-</b>	<b>2.72</b>	<b>51.45</b>

There are no transfers between levels 1 and 2 during the year.

### Reconciliation of Level 3 fair value measurement is as follows:

(₹ in Lakhs)

Particulars	Amount
Balance as on 31 <sup>st</sup> March, 2020	2.95
Change In Value	(0.23)
<b>Balance as on 31<sup>st</sup> March, 2021</b>	<b>2.72</b>
Change In Value	(2.72)
<b>Balance as on 31<sup>st</sup> March, 2022</b>	<b>-</b>

The fair values of current debtors, cash & bank balances, loan to related party, security deposit to government department, current creditors and current borrowings and other financial liability are assumed to approximate their carrying amounts due to the short-term maturities of these assets and liabilities.

### ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

\* the use of quoted market prices or dealer quotes for similar instruments

All of the resulting fair value estimates are included in level 3 except for unlisted equity securities, contingent consideration and indemnification asset, where the fair values have been determined based on present values and the discount rates used were adjusted for counterparty or own credit risk.

### iii) Valuation processes

The carrying amounts of trade receivables, trade payables, capital creditors and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

# Notes to the Financial Statements

for the year ended March 31, 2022

**Note 55: Additional information, as required to Consolidated Financial Statements to Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary for the year ended March 31, 2022**

(₹ in Lakhs)

Particulars	Net Assets i.e total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income (OCI)		Share in total comprehensive income (TCI)	
	As % of Consolidated Net Assets	₹ in Lakhs	As % of Consolidated profit or loss	₹ in Lakhs	As % of Consolidated OCI	₹ in Lakhs	As % of Consolidated TCI	₹ in Lakhs
Remsons Industries Ltd.	46.45%	3,460.43	72.06%	354.83	15.07%	23.75	58.25%	378.58
Subsidiaries								
Foreign								
Remsons Holding Ltd.	24.01%	1,789.06	-18.26%	(89.90)	-56.08%	(88.38)	-27.43%	-178.28
Magal Automotive Ltd.	11.30%	841.69	46.20%	227.47	141.02%	222.21	69.18%	449.67
Woolford Properties Ltd.	18.24%	1,359.16	0.00%	-	0.00%	-	0.00%	-
Total	100.00%	7,450.34	100.00%	492.39	100.00%	157.58	100.00%	649.97
Adjustments arising out of consolidation		(3,997.39)		43.86		(155.66)		(111.81)
<b>Consolidated Net Assets, Profit after tax / OCI / TCI</b>		<b>3,452.95</b>		<b>536.25</b>		<b>1.91</b>		<b>538.16</b>

## 56 FINANCIAL RISK MANAGEMENT

The Group's activities expose it to market risk, credit risk, liquidity risk and price risk.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact thereof in the financial statements.

Risk	Exposure arising from	Measurement	Management
Market Risk – Foreign Exchange	Financial assets and liabilities not denominated in INR.	Foreign currency exposure review and sensitivity analysis.	The group partly hedged due to natural hedge and is exploring to hedge its unhedged positions.
Credit Risk	Cash and cash equivalents, trade receivables and financial assets.	Credit ratings, Review of aging analysis, on quarterly basis.	Strict credit control and monitoring system, diversification of counterparties, on quarterly basis.
Liquidity Risk	Trade payables and other financial liabilities.	Maturity analysis, cash flow projections.	Maintaining sufficient cash / cash equivalents and marketable security and focus on realisation of receivables.
Price Risk	Basic ingredients of company raw materials are various grade of steel and plastic granuels where prices are volatile	The company sourcing components from vendors directly, hence it does not hedge its exposure to commodity price risk.	The group is able to pass on substantial price hike to the customers.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the Group's position with regard to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of the fixed rate and floating rate financial instruments in its total portfolio.

# Notes to the Financial Statements

for the year ended March 31, 2022

## 56 FINANCIAL RISK MANAGEMENT (Contd.)

### I Market risk

#### a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the Group's position with regard to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of the fixed rate and floating rate financial instruments in its total portfolio.

The exposure of Company borrowings to interest rate changes at the end of reporting period are as follows:

(₹ in Lakhs)

Particulars	As at	As at
	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2021
Variable rate borrowings	6,074.26	5,713.08
Fixed rate borrowings	1,150.00	750.00
<b>Total borrowings</b>	<b>7,224.26</b>	<b>6,463.08</b>

#### Sensitivity Analysis

Profit/loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

(₹ in Lakhs)

Particulars	Basis Points	Impact on Profit before Tax	
		31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2021
Increase in Basis points	+50	(30.37)	(28.57)
Decrease in Basis points	- 50	30.37	28.57

#### b) Foreign Currency risk

The Group has exposure to foreign currency risk on account of its payable and receivables in foreign currency. The group is following natural hedging to mitigate the foreign currency risk.

The Group's exposure to foreign currency risk which are unhedged at the end of the reporting period is as follows:

(₹ in Lakhs)

Particulars	EURO in Lakhs	USD in Lakhs	GBP in Lakhs
<b>31<sup>st</sup> March, 2022</b>			
Trade receivables/Bank - Foreign Currency	4.93	2.34	4.63
Trade receivables/Bank - INR	417.36	177.38	460.44
Trade payables/Loan - Foreign Currency	2.33	0.08	-
Trade payables/Loan - INR	197.46	5.89	-
<b>31<sup>st</sup> March, 2021</b>			
Trade receivables/Bank - Foreign Currency	6.54	1.85	7.17
Trade receivables/Bank - INR	563.33	136.14	724.01
Trade payables/Loan - Foreign Currency	1.04	0.09	-
Trade payables/Loan - INR	89.95	6.62	-

#### Sensitivity Analysis-

The Group is mainly exposed to changes in Euro, GBP and USD. The sensitivity analysis demonstrate a reasonably possible change in Euro, GBP and USD exchange rates, with all other variables held constant. 5% appreciation/depreciation of Euro, GBP and USD with respect to functional currency of the group will have impact of following (decrease)/increase in Profit & vice versa.

# Notes to the Financial Statements

for the year ended March 31, 2022

## 56 FINANCIAL RISK MANAGEMENT (Contd.)

(₹ in Lakhs)

Particulars	31 <sup>st</sup> Mar, 2022		As at 31 <sup>st</sup> Mar, 2021	
	Strengthens	Weakening	Strengthens	Weakening
Impact on profit or loss for the year				
Euro Impact	10.99	(10.99)	23.67	(23.67)
USD Impact	8.57	(8.57)	6.48	(6.48)
GBP Impact	23.02	(23.02)	36.20	(36.20)
<b>Total</b>	<b>42.59</b>	<b>(42.59)</b>	<b>66.35</b>	<b>(66.35)</b>

### c) Price Risk

The group is exposed to price risk in basic ingredients of Group's raw material and is procuring finished components and bought out materials from vendors directly. The Group monitors its price risk and factors the price increase in pricing of the products.

## II Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses the direct risk of default, risk of deterioration of creditworthiness as well as concentration risks. The Group is exposed to credit risk from its operating activities (primarily trade receivables).

### Credit Risk Management

The group's credit risk mainly from trade receivables as these are typically unsecured. This credit risk has always been managed through credit approvals, establishing credit limits and continuous monitoring the creditworthiness of customers to whom credit is extended in the normal course of business. The Group estimates the expected credit loss based on past data, available information on public domain and experience. Expected credit losses of financial assets receivable are estimated based on historical data of the Group. The group has provisioning policy for expected credit losses.

The maximum exposure to credit risk as at 31<sup>st</sup> March 2022 is the carrying value of such trade receivables as shown in note 14 of the financial statements.

## III Liquidity Risk

Liquidity risk represents the inability of the Group to meet its financial obligations within stipulated time. To mitigate this risk, the Group maintains sufficient liquidity by way of working capital limits from banks

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments:

(₹ in Lakhs)

Particulars	Less than 1 year	More than 1 year	Total
<b>As at 31<sup>st</sup> March, 2022</b>			
Borrowings	4,287.58	2,936.68	7,224.25
Trade payables	4,839.98	-	4,839.98
Lease liabilities	269.35	604.76	874.11
Other financial liabilities	119.06	-	119.06
<b>Total</b>	<b>9,515.98</b>	<b>3,541.44</b>	<b>13,057.40</b>
<b>As at 31<sup>st</sup> March, 2021</b>			
Borrowings	3,026.12	3,436.96	6,463.08
Trade payables	4,897.76	-	4,897.76
Lease liabilities	243.80	836.51	1,080.30
Other financial liabilities	106.35	-	106.35
<b>Total</b>	<b>8,274.02</b>	<b>4,273.47</b>	<b>12,547.49</b>

# Notes to the Financial Statements

for the year ended March 31, 2022

- 57** The Board of Directors at their meeting held on 30<sup>th</sup> May, 2022 proposed final dividend of Re. 1 per share i.e 10% on Equity Share of ₹ 10/- each, subject to the approval of the members at the ensuring Annual General meeting.
- 58** The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the group towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The group will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.
- 59** The group has assessed the possible effects that may result from the COVID-19 pandemic on the carrying amounts of receivables, intangibles, investments and other assets / liabilities. Based on the current indicators of economic conditions, the group expects to recover the carrying amount of all its assets. The Management has also assessed and concluded that no material uncertainty exists, which raises a doubt on the group's ability to continue as a going concern in the near future. The actual impact of the COVID-19 pandemic may be different from that estimated as at the date of approval of these financial statements and the group will continue to closely monitor any material changes to the economic conditions in the future.
- 60** The Previous year figures have been regrouped/reclassified, wherever necessary to confirm to the current presentation as per the schedule III of Companies Act, 2013.
- 61** The following are applicable analytical ratios for the year ended March 31, 2022 and March 31, 2021:

(₹ in Lakhs)				
Particulars	Refer notes for variance	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2021	Variance (%)
(i) Current Ratio = (Current Assets/Current Liabilities) (Times)		1.10	1.14	-3.70%
(ii) Debt – Equity Ratio = (Total Debt (a) /Shareholder's Equity) (Times)		2.35	2.54	-7.60%
(iii) Debt Service Coverage Ratio= (Earnings available for debt service(b)/ Debt Service(c)) (Times)		1.22	1.62	-24.75%
(iv) Return on Equity (ROE) = (Net Profits after taxes/ Average Shareholder's Equity) (%)		0.17	0.15	10.61%
(v) Trade receivables turnover ratio =(Revenue/ Average Trade Receivable) (Times)		6.04	5.29	14.12%
(vi) Trade payables turnover ratio =(Purchases of services and other expenses/Average Trade Payables) (Times)		4.11	5.24	-21.59%
(vii) Net capital turnover ratio= (Revenue/Working Capital) (Times)	1	28.51	17.92	59.11%
(viii) Net profit ratio= (Net Profit/Total Income) (%)		0.02	0.02	-5.61%
(ix) Return on capital employed (ROCE) = (Earning before interest and taxes/Effective Capital Employed (d)) (%)		0.13	0.12	5.75%
(x) Return on Investment(ROI) = (Income generated from investments/Time weighted average investments) (%)	1	0.04	0.10	-53.54%

**Note:**

1. Decrease in profit during the current year.

# Notes to the Financial Statements

for the year ended March 31, 2022

## 62 CORPORATE SOCIAL RESPONSIBILITY (CSR)

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief, COVID-19 relief and rural development projects. A CSR committee has been formed by the company as per the Act. The funds were primarily allocated to a corpus and utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013:

Particulars	(₹ in Lakhs)	
	March 31, 2022	March 31, 2021
(i) Amount required to be spent by the group during the year	11.61	10.94
(ii) Amount of expenditure incurred	12.45	11.20
(iii) Shortfall at the end of the year	-	-
(iv) Total of previous years shortfall	-	-
(v) Reason for shortfall	NA	NA
(vi) Nature of CSR activities	1. Promoting education 2. Promoting health care including preventive health care 3. Eradicating hunger, poverty and malnutrition,	1. Contribution to the Prime Minister's National Relief Fund or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund), 2. promoting health care including preventive health care 3. Disaster management, including relief, rehabilitation and reconstruction activities.
(vii) Details of related party transactions, e.g. Contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard.	NA	NA
(viii) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately.	NA	NA

## 63 BENAMI PROPERTY HELD

No proceeding has been initiated or pending against the group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder



# Notes to the Financial Statements

for the year ended March 31, 2022

## 64 RELATIONSHIP WITH STRUCK OFF COMPANIES AS ON MARCH 31, 2022

The group has no transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

## 65 REGISTRATION OF CHARGES OR SATISFACTION WITH REGISTRAR OF COMPANIES

The Company has no charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period.

The accompanying notes are an integral parts of the financial statements

As per our report of even date attached

For **M L BHUWANIA AND CO LLP**

Chartered Accountants

FRN : 101484W / W100197

**Vijay Kumar Jain**

Partner

Membership No. 108374

Place : Mumbai

Dated : 30<sup>th</sup> May, 2022

For and on behalf of the Board

**REMSONS INDUSTRIES LIMITED**

**Krishna Kejriwal**

Chairman & Managing Director

DIN : 00513788

**Amit Srivastava**

Chief Executive Officer

Place : Mumbai

Dated : 30<sup>th</sup> May, 2022

**Rahul Kejriwal**

Whole Time Director & CFO

DIN: 00513777

**Rohit Darji**

Company Secretary

[illegible]

## Note





## **Remsons Industries Limited**

401, Gladdiola, Near Tilak School, Hanuman Road, Vile  
Parle (East), Mumbai - 400057, India

Phone : + 91 - 22 - 2611 3883 | + 91 -22-2611 4452

Email : [corporate@remsons.com](mailto:corporate@remsons.com)

Webiste: [www.remsons.com](http://www.remsons.com)

