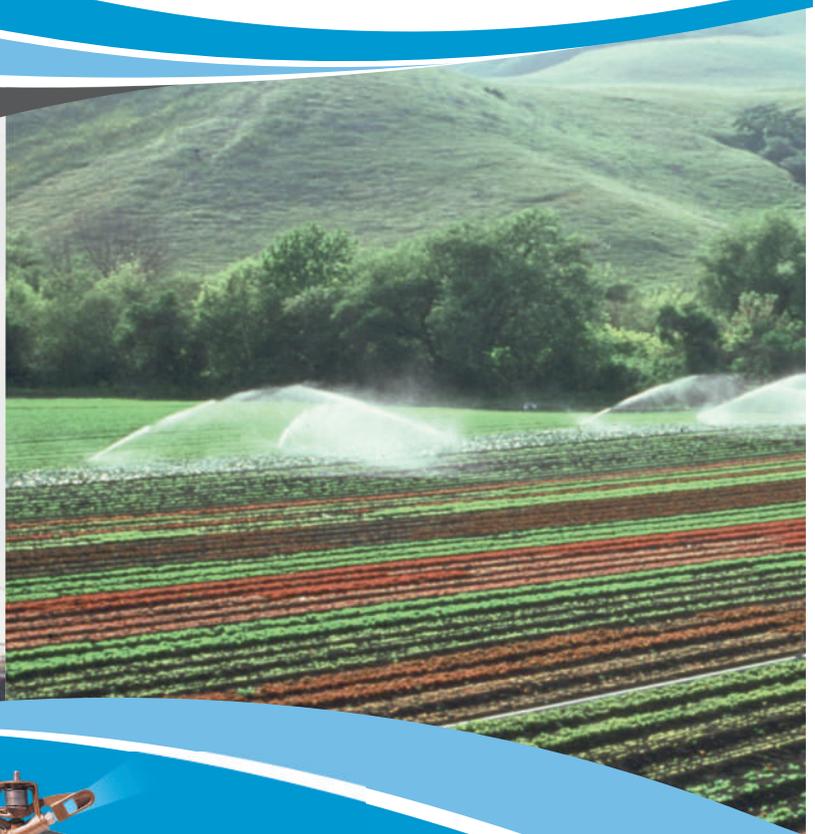




# QUALITY THAT HELPS IN NATION BUILDING

**33<sup>rd</sup>**  
**ANNUAL**  
**REPORT**  
**2021-22**



**KISAN MOULDINGS LIMITED**

# CONTENTS

<b>1.</b>	<b>CORPORATE OVERVIEW</b>	<b>Page No.</b>
	1. CORPORATE INFORMATION .....	02
	2. PRODUCT SEGMENTS.....	03
<b>2.</b>	<b>STATUTORY REPORTS</b>	
	1. DIRECTORS' REPORT .....	06
	2. MANAGEMENT DISCUSSION & ANALYSIS.....	17
	3. REPORT ON CORPORATE GOVERNANCE.....	26
	4. CERTIFICATES .....	47
<b>3.</b>	<b>FINANCIAL STATEMENTS</b>	
	1. INDEPENDENT AUDITOR'S REPORT ON STANDALONE FINANCIAL STATEMENTS ....	52
	2. STANDALONE FINANCIAL STATEMENTS .....	64
	3. INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS	99
	4. CONSOLIDATED FINANCIAL STATEMENTS.....	108
<b>4.</b>	<b>NOTICE</b>	
	1. NOTICE OF ANNUAL GENERAL MEETING.....	147
	2. EXPLANATORY STATEMENTS .....	156
	3. ANNEXURE A .....	157

## ANNUAL GENERAL MEETING THROUGH VIDEO CONFERENCING/OTHER AUDIO VISUAL MEANS (“VC/OAVM”) FACILITY

**Date :** Friday, September 30, 2022

**Time :** 3.30 p.m.

## E-VOTING SCHEDULE

CUT OFF DATE	START DATE	END DATE
Wednesday, September 23, 2022	Tuesday, September 27, 2022 (9:00 a.m.)	Thursday, September 29, 2022 (5:00 p.m.)

### Forward looking statement

In this Annual Report, we have disclosed forward-looking information to enable Stake Holders to comprehend our prospects and take Relative decisions. This report and other statements - written and oral - that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievements of results are subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated, or projected. Readers should keep this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.



# CORPORATE OVERVIEW

## Corporate Information

### BOARD OF DIRECTORS

#### EXECUTIVE DIRECTORS

- Mr. Sanjeev Aggarwal - Chairman & Managing Director (DIN: 00064076)
- Mr. Rishav Aggarwal - Whole-time Director (DIN: 05155607)

#### NON EXECUTIVE DIRECTORS

- Mrs. Urvashi Dharadhar- Independent Director (DIN: 08279196)
- Mr. Jhumarlal Bhalgat - Independent Director (DIN: 08693670)
- Mr. Dinesh Modi - Independent Director (DIN: 00004556)
- Mr. Narendra Kumar Poddar - Additional Director (Independent) (DIN: 07115618) – up to March 7, 2022

#### LISTING

BSE Limited

#### REGISTERED OFFICE

Kisan Mouldings Limited  
26 'A', 3<sup>rd</sup> Floor, K-wing, "Tex Centre",  
Chandivali, Off Saki Vihar Road,  
Andheri (East), Mumbai – 400 072. India.  
Tel: 42009100/9200,  
Email ID: [cs.kisan@kisangroup.com](mailto:cs.kisan@kisangroup.com)  
Website: [www.kisangroup.com](http://www.kisangroup.com)

#### CORPORATE IDENTIFICATION NUMBER

L17120MH1989PLC054305

#### REGISTRAR AND SHARE TRANSFER AGENT

Link Intime India Private Limited  
C-101, 247 Park, LBS Marg, Vikhroli West,  
Mumbai - 400083  
Tel. No.: 022 - 4918 6270/6000,  
Fax No. : 022-4918 6060  
Email: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

#### KEY MANAGERIAL PERSONNEL

- Mr. Suresh Purohit – Chief Financial Officer
- Mr. Vijay Joshi - Company Secretary & Compliance Officer

#### STATUTORY AUDITOR

M/s. S. Guha & Associates, Chartered Accountants

#### SECRETARIAL AUDITOR

M/s. AVS & Associates, Company Secretaries

#### INTERNAL AUDITOR

M/s. KAVA & Associates , Chartered Accountants

#### COST AUDITOR

M/s. Bhanwarlal Gurjar & Co., Cost Accountants

#### BANKERS

- Punjab National Bank
- Union Bank of India
- The Shamrao Vithal Co-op Bank Ltd.
- IDBI Bank Ltd
- ICICI Bank Ltd

#### PLANT LOCATIONS

- Survey no. 64/1, 63/1, 70, 71, 72, 74/1/1 Village - Mahagaon, Taluka-Palghar, Boisar, Dist, Thane (Maharashtra).
- Survey No. 34/1/1, Village - Umerkui, Silvassa - D. & N.H. (U. T.).
- Plot No. 5-A/5 Industrial Area No. 2, Dewas, Madhya Pradesh - 455001.
- Survey No. 108/1/6, Surangi Road, Near Khadoli Sub Station, Silvassa.

## Product Segments

Kisan Mouldings Limited (KML) has built a plethora of products in the plastic piping and irrigation industry and is positioned to gain traction in the market there by bringing in with it stronger sales, higher growth, improved customer services and higher profitability. The products address the needs of various customers spanning from architects, builder, farmers and individuals.

The refresh in the existing product line and the introduction of new products are uniquely placed to cater to different target markets. This gives KML the confidence to be aggressive in re-gaining market share. We are confident of the fact with the investments made in technical know-how and the product line will reap rich dividends over the coming years.

Our Product basket consists of the following::



- 1. KML CLASSIC CPVC Plumbing System:** The Chlorinated Polyvinyl Chloride pipe is manufactured at the plant which is located in Boisar, Maharashtra. The usage of these products is mainly Residential, Commercial Buildings, Hotels, Educational Institutions and Swimming Pools whose application is used to distribute water of both hot and cold temperatures. The products are manufactured using high quality resin and technology from Japan. The pipes are free from corrosion and work well in conditions where the soil or atmospheric conditions are at an extreme. The CPVC pipes are usually known to have longer life expectancy (50 years) in comparison to the galvanized iron pipes.
- 2. FREE flow UPVC plumbing pipes (ASTM):** The Unplasticized Polyvinyl Chloride (UPVC) pipes are manufactured in the state-of-the-art plants based in Tarapur location. These pipes are used in multifarious application like any other CPVC product. The pipes are mainly installed for transporting drinking water without causing any changes to the water properties. The pipes manufactured by KML are chemical and corrosion resistant and are durable and stronger. The pipes are easy to install, low in maintenance and high life expectancy making it a cost effective solution for the user.

- 3. Soil, Waste & Rain water system (S.W.R.):** These pipes find their usage in drainage & sewerage applications and are more superior and durable than the conventional drainage systems.

These pipes are available in the range of Permafit and Classic with diameters ranging from 40mm to 200mm. These pipes are light in weight and cost effective. The pipes of such kind do not require maintenance or inspection which is why its performance is always unblemished. The SWR pipes are also less prone to damage during transit and the pipes are corrosion and rodent resistant.

- 4. Irrigation systems:** Irrigation is an important aspect of farming and agriculture in India. It means supplying water to regions/areas which are dry and mainly will be used for cultivation. India being an agrarian economy, irrigation continues to be the backbone. In order to facilitate irrigation, KML manufactures products which are mainly drip and sprinkle irrigation. The irrigation products enable to save water consumption by 50-70%. It has also shown significant increase in the yield of the crop.
- 5. Solvents:** The solvent cements are used mainly for joining the pipes and fitting. These solvents vary for the different kind of pipes i.e. UPVC, CPVC, HDPE and are available in plastic pet bottles, cans, carboys and barrels..

# STATUTORY REPORTS



## DIRECTORS' REPORT

To,  
The Members,  
Kisan Mouldings Limited

The Board of Directors ('Board') have pleasure in presenting the Company's Thirty-Third (33<sup>rd</sup>) Annual Report on the business and operations of the Company together with the Standalone and Consolidated Audited Financial Statements for the Financial Year ended March 31, 2022.

### 1. FINANCIAL SUMMARY/ HIGHLIGHTS:

The Company's financial performance for the Financial Year ended March 31, 2022 is summarised below:

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	FY. 2021-22	FY.2020-21	FY.2021-22	FY.2020-21
Revenue from operations	30,716.88	20,987.68	30716.88	20,987.68
Add:- Other Income	371.85	216.96	370.65	215.76
<b>Total Income</b>	<b>31,088.73</b>	<b>21,204.64</b>	<b>31087.53</b>	<b>21,203.44</b>
<b>Total Expenses</b>	<b>39,587.18</b>	<b>25,981.51</b>	<b>39,596.17</b>	<b>25,989.01</b>
<b>Profit/ (loss) before tax (PBT)</b>	<b>(8498.46)</b>	<b>(4776.87)</b>	<b>(8508.64)</b>	<b>(4785.57)</b>
Less:- Tax expenses	0.00	(66.34)	0.00	(66.30)
<b>Profit/ (loss) after tax (PAT)</b>	<b>(8498.46)</b>	<b>(4710.53)</b>	<b>8508.64</b>	<b>(4719.26)</b>
Other Comprehensive Income/ (Loss)	23.54	(24.08)	23.54	(24.08)
<b>Total Comprehensive income/ (loss)</b>	<b>(8474.92)</b>	<b>(4734.61)</b>	<b>(8485.11)</b>	<b>(4743.34)</b>

### 2. INDIAN ACCOUNTING STANDARDS:

Pursuant to the notification issued by the Ministry of Corporate Affairs dated February 16, 2015, notifying the Companies (Indian Accounting Standards) Rules, 2015, the Company has adopted Indian Accounting Standards (Ind-AS) with effect from April 1, 2017.

### 3. FINANCIAL PERFORMANCE:

On Standalone and consolidated basis, the revenue from operations for Financial Year 2021-22 stood at Rs. 30716.88 lakhs as compared to ₹ 20987.68 in the previous year 2020-21, an increase of 46.53 %. The Company incurred a loss of ₹.8498.46 lakhs in the FY. 2021-22 as compared to ₹ 4710.53 Lakhs in the previous year FY. 2020- 21, an increase of 80.41 %.

An increase in turnover was on account of increase in the unit cost of sale. However, there has been disproportionate hike in raw material and other input cost across the board and strain in fully passing on the increased input cost to the consumer coupled with inadequate working capital resulted in increase in the losses during the year under review.

In order to increase further sales in the near future, the Company is planning to adopt various strategies and programmes which will boost the demand for the Company's products. The Company is of the view to focus on magnifying innovations in the marketplace through brilliant execution and on building markets of the future or what we call as 'market development' and thereby enhancing stakeholders value.

### 4. TRANSFER TO RESERVE:

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

**5. DIVIDEND:**

In view of the losses incurred, your directors do not recommend any dividend for the year under review.

**6. SHARE CAPITAL:**

Issued, subscribed and paid up equity share capital of the Company is ₹ 33,86,30,650/- divided in to 3,38,63,065 Equity shares of face value of ₹ 10/- each.

There is no increase in paid up equity capital during the year under review. Further, the Company has neither issued any shares with differential voting rights nor granted any stock options or sweat equity and does not have any scheme to fund its employees to purchase the shares of the Company. Further, no securities are issued during the year under review.

**7. CONSOLIDATED FINANCIAL STATEMENTS:**

The Consolidated Financial Statements of the Company are prepared in accordance with the relevant Indian Accounting Standards issued by the Institute of Chartered Accountants of India and forms as an integral part of this Report.

**8. DEPOSITS:**

During the year under review, your Company has not accepted any deposits within the meaning of Section 73 and Section 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

**9. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION BETWEEN THE END OF FINANCIAL YEAR AND DATE OF REPORT AND CHANGE IN NATURE OF BUSINESS OF THE COMPANY:**

There are no other material changes and commitments affecting the financial position of the Company between the end of the financial year and date of this report. There has been no change in the nature of business of the Company.

**10. DETAILS IN RESPECT OF FRAUD REPORTED BY AUDITORS:**

Pursuant to provisions of Section 143 (12) of the Companies Act, 2013 there were no frauds reported by the Auditors of the Company during the year under review, to the Audit Committee or the Board of Directors, as such there is nothing to report under Section 134 (3) (ca) of the Companies Act, 2013.

**11. DIRECTOR'S RESPONSIBILITY STATEMENT:**

Pursuant to section 134(5) of the Companies Act, 2013, the Board of Directors make the following

statements to the best of their knowledge and ability:

- a. That in the preparation of the annual financial statements, the applicable accounting standards have been followed along with proper explanation and that no material departures have been made from the same;
- b. That such accounting policies as mentioned in Notes to the Financial Statements have been selected and applied 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 as at March 31, 2022 and of the losses of the Company for the year ended on that date;
- c. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. That the annual financial statements have been prepared on a going concern basis;
- e. That the directors had laid down proper internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively; and
- f. That the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**12. BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL:**

In accordance with the provisions of Section 152 of the Companies Act, 2013 and that of Articles of Association of the Company, Mr. Sanjeev Aggarwal (DIN: 00064076), Chairman & Managing Director of the Company, being longest in the office is liable to retire by rotation at ensuing 33<sup>rd</sup> Annual General Meeting of the Company and being eligible, offers himself for re-appointment.

Appointments and cessations of Directors & Key Managerial Personnel are as under:

**Appointments:**

- Mr. Vijay Joshi, on recommendation of Nomination and Remuneration Committee, appointed as the Company Secretary & Compliance Officer and Key Managerial

Personnel of the Company with effect from December 25, 2021 by the Board of Directors at their meeting held on December 25, 2021.

#### **Cessation:**

- Mrs. Khushboo Jalan, Company Secretary & Compliance Officer of the Company had resigned from the service of the Company with effect from September 08, 2021. Consequently she has also ceased to act as the Key Managerial Personnel of the Company.
- Mr. Narendra Kumar Poddar (DIN: 07115618) resigned as Independent Director of the Company with effect from March 07, 2022.

Pursuant to requirements of the Section 203 of the Companies Act, 2013, the Board of Directors noted that Mr. Sanjeev Aggarwal (DIN: 00064076), Chairman & Managing Director, Mr. Rishav Aggarwal (DIN: 05155607), Whole-time Director, Mr. Suresh Purohit, Chief Financial Officer and Mr. Vijay Joshi, Company Secretary & Compliance Officer of the Company are the Key Managerial Personnel of the Company as on the date of this report.

#### **13. DECLARATION BY INDEPENDENT DIRECTORS:**

All Independent Directors of the Company have submitted a declaration under section 149(7) of the Companies Act, 2013 and confirmed that they meet the criteria of independence as mentioned under the provisions of sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 along with declaration received pursuant to sub rule (3) of Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time. The Independent Directors have also confirmed that they have complied with Schedule IV of the Companies Act, 2013 and the Company's Code of Conduct.

#### **14. STATEMENT OF BOARD OF DIRECTORS:**

The Board of Directors of the Company are of the opinion that all the Independent Directors of the Company possesses highest standard of integrity, relevant expertise and experience required to best serve the interest of the Company.

#### **15. NOMINATION AND REMUNERATION POLICY:**

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and on the recommendation

of the Nomination & Remuneration Committee, the Board had adopted the Nomination & Remuneration Policy for selection and appointment of Directors, Senior Management including Key Managerial Personnel (KMP) and their remuneration. The details of Remuneration Policy are stated in the Corporate Governance Report. The details of this policy have been posted on the website of the Company viz. <http://www.kisangroup.com/investorrelations/code-policies.php>

#### **16. BOARD EVALUATION:**

Pursuant to the applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual evaluation of its own performance, Statutory Committees of the Board viz. Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee and Individual Directors and Chairperson. The evaluation process *inter alia* considers attendance of Directors at Board and committee meetings, acquaintance with business, communicating inter se board members, effective participation, domain knowledge, compliance with code of conduct, vision and strategy, etc., which is in compliance with applicable laws, regulations and guidelines.

The performance evaluation of the Independent Directors was also carried out by the entire Board, excluding the Director being evaluated. The Board of Directors expressed their satisfaction with the evaluation process.

Pursuant to Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 and Schedule IV of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole; Chairperson of the Company and assessed the quality, quantity and timeliness of flow of information between the Company management and the Board at their separate meeting held on February 14, 2022. The Independent Directors found their performance satisfactory.

#### **17. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS:**

Pursuant to provision of Section 178(3) of the Companies Act, 2013, the policy for appointment and selection of director and their remuneration including criteria for determining qualification, positive attributes, independence of director and other matters are adopted by the Board of Directors of the Company.

**18. NUMBER OF MEETINGS OF THE BOARD:**

Six (6) meetings of the Board of Directors were held during the Financial Year 2021-2022. The details of Board Meetings and the attendance of Directors are provided in the Corporate Governance Report, which is part of this report.

**19. COMMITTEES OF THE BOARD:**

The Board currently has Six (6) committees under the applicable provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 namely:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders Relationship Committee
4. Executive Committee
5. Preferential Issue Committee
6. Enquiry Committee

All the recommendations of the above Committee's have been accepted by the Board. A detailed update on the Board, its Committees, its composition, detailed charter including terms of reference of various Board Committees, number of board and committee meetings held and attendance of the directors at each meeting is provided in the Corporate Governance Report, which forms part of this Annual Report

**20. NUMBER OF MEETINGS OF THE AUDIT COMMITTEE:**

Six (6) meetings of the Audit Committee were held during the Financial Year 2021-2022. The details of Audit Committee Meetings and the attendance of members are provided in the Corporate Governance Report, which is part of this report. All recommendations of the Audit Committee have been accepted by the Board.

**21. AUDITORS:****a) Statutory Auditors:**

M/s. S. Guha & Associates, Chartered Accountants, (Firm Registration No. 322493E) were appointed as statutory auditor in 32<sup>nd</sup> Annual General Meeting ('AGM') to hold office from the Conclusion of 32<sup>nd</sup> AGM for a term of consecutive five years till conclusion of 37<sup>th</sup> AGM to be held for the year 2025-2026.

It is proposed to appoint M/s Sen and Ray (Firm Registration Number 303047E) as Joint Statutory Auditors of the Company at the ensuing Annual General Meeting. They have

also confirmed their eligibility and that they are further confirmed that they are not disqualified for such appointment. Members are requested to consider and approve the appointment.

MCA vide circular dated May 7, 2018 omitted the requirement of ratification of term of Statutory Auditor every year. However, the Auditors have confirmed their eligibility, limits as prescribed in the Companies Act, 2013 and that they are not disqualified for such appointment.

The Notes on Financial Statements referred to in the Auditors' Report are self-explanatory and there are audit qualifications/ observations in the Auditor's Report on Standalone and Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2022 which are as follows:

Sr. No.	Audit Qualifications/ Observations	Reply to the audit qualifications/ observations
1.	The Company has defaulted in repayment of loan and interest in respect of term loan and Cash Credit of Punjab National Bank, Union Bank of India, IDBI Bank and The Shamrao Vithal Co-op Bank due to which the accounts are considered as Non-Performing Assets (NPA) by all the banks.	In light of the overdue to Financial creditors, the Company has submitted a Comprehensive Debt Resolution Plan to the banks and the same is under consideration and approval.
2.	The Company is in default w.r.t. payment of statutory dues to government authorities and filing of periodic returns thereof, which may entail penalty which is not ascertainable and hence not provided for.	The Company is in the process of analyzing and regularising the dues. The interest as applicable on these delays is already provided for.

**b. Cost Auditors:**

In terms of Section 148 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, it is stated that the cost accounts and records are made and maintained by the Company as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013. Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with

the Companies (Cost Records and Audit) Rules, 2014, your Company is required to appoint Cost Auditor for the audit of cost records of the Company.

A Certificate from M/s. Bhanwarlal Gurjar & Co., Cost Accountants has been received to the effect that their appointment as Cost Auditor of the Company, if made, would be in accordance with the limits specified under Section 141 of the Act and Rules framed thereunder.

The Board, on recommendation of Audit Committee, has approved the re-appointment and remuneration of M/s. Bhanwarlal Gurjar & Co., Cost Accountants (FRN: 101540) as the Cost Auditor to audit cost accounting records of the Company for the Financial Year 2022-2023, at their meeting held on May 30, 2022.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, since the remuneration payable to the Cost Auditors is required to be ratified by the shareholders; the Board recommends the same for approval of shareholders at the ensuing AGM.

In the Cost Audit Report of the Company for the Financial Year 2021-2022, issued by M/s. Bhanwarlal Gurjar & Co., Cost Accountants in Form CRA-3, there is no audit qualification, reservation or adverse remark.

**c) Secretarial Auditors:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and on recommendation of Audit Committee, the Board of Directors at their meeting held on May 30, 2022 had appointed M/s. AVS & Associates, Company Secretaries in practice, Navi Mumbai to conduct Secretarial Audit for the Financial Year 2022-23.

The report on secretarial audit for the Financial Year 2021-2022, issued by M/s. AVS & Associates, Company Secretaries in Form MR-3 forms integral part of this report as “**Annexure- D**”.

The observations given by Secretarial Auditor in their report for the Financial Year ended March 31, 2022 are self-explanatory except the following:

Sr. No.	Observations	Reply to the observations
1.	Delay of 40 days has been noticed in submission of quarterly financial results of the Company for quarter ended September 30, 2021 to the Stock Exchange;	There was hard disk crash early this month (November 2021) resulting in loss of data required for audit. It took little more time than expected in hard disk problem diagnostic and data recovery. Consequently, timely access to data, documents and records required for compilation of financial statements and audit thereof curtailed significantly, resulting in non-compliance under Regulation 33 of SEBI (LODR) Regulations, 2015.
2.	Due to resignation of Mr. Narendra Kumar Poddar, Independent Director of the Company w.e.f. March 7, 2022, there is shortage of one director on the Board for few days under Regulation 17(1)(C) of SEBI(LODR) Regulations, 2015 during the audit period. However as on date of issue of this report, the requirement of the said regulation is not applicable to the Company.	As on 31 <sup>st</sup> March, 2021, the Company's name appeared in the top 2000 BSE Listed Company. Accordingly, the Company was required to have minimum Board Strength of Six Directors in terms of provisions of Reg. 17(1)(c) of SEBI (LODR) Regulations, 2015. The strength of Board continued to remain Six during FY 2021-22. However, one of the Independent Director of the Company resigned as Director on 7 <sup>th</sup> March, 2022. The casual vacancy caused due to resignation referred above was required to be fulfilled within 3 months from Resignation in terms of Regulation 25 (6) of SEBI (LODR) Regulations, However, as on 31 <sup>st</sup> March, 2022, the Company's name did not appear in the Top 2000 BSE Listed Company. Hence, on and after 01.04.2022 the Company was not mandatorily required to have the Board strength of Six directors. By plain interpretation of Reg. 17(1)(c) of SEBI (LODR) Regulations, 2015, there was a limited period of non-compliance of 24 days during the FY. 2021-2022. However, considering the 3 months window available to fill the casual vacancy available under Regulation 25 (6) of SEBI (LODR) Regulations, 2015, the same may not be considered as non-compliance.

**d) Internal Auditors:**

Pursuant to the provisions of Section 138 of the Companies Act, 2013 and rules made thereunder (including any amendment(s), modification(s) or re-enactment(s) thereof for the time being in force), the Board of Directors of the Company, on recommendation of Audit Committee, at their meeting held on May 30, 2022 have appointed M/s. KAVA & Associates, Chartered Accountants (FRN: 145721W) as Internal Auditors of the Company for the Financial Year 2022-2023 to conduct Internal Audit of the Company.

**22. INTERNAL FINANCIAL CONTROL SYSTEM AND THEIR ADEQUACY:**

The Company has in place Internal Financial Control system, commensurate with size, scale and complexity of its operations to ensure proper recording of financial and operational information & compliance of various internal controls, statutory compliances and other regulatory compliances. During the year under review, no material or serious observation has been received from the M/s. KAVA & Associates, Chartered Accountants, Internal Auditors of the Company for inefficiency or inadequacy of such controls.

M/s. S. Guha & Associates, Chartered Accountants, Statutory Auditors of the Company have monitored & evaluated the efficiency of Internal Financial Control System in the Company, it is in compliance with operating system, accounting procedures & policies at all the locations of the Company. Based on report of Internal Audit function, corrective actions in the respective area are undertaken & controls are strengthened. Significant audit observations and recommendations along with corrective action suggested thereon are presented to the Audit Committee of the Board. The Company is periodically following all the applicable Indian Accounting Standards for properly maintaining the books of account and reporting Financial Statements.

**23. FAMILIARISATION PROGRAMME FOR THE INDEPENDENT DIRECTORS:**

In compliance with the requirements of Regulation 25(7) of the Listing Regulations, the Company has put in place a Familiarization Programme for the Independent Directors to familiarize them with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model etc. The details of training and familiarization Programme have been provided under the Corporate Governance Report.

**24. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY THE COMPANY:**

Details of loans, guarantees and investments under the provisions of Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014, as on March 31, 2022, are set out in Notes to the Standalone and Consolidated Financial Statements of the Company provided in this Annual Report.

**25. VIGIL MECHANISM/WHISTLE BLOWER POLICY:**

The Company has established and adopted Vigil Mechanism and the policy (Whistle Blower Policy) thereof for directors and employees of the Company in accordance with the provisions of Companies Act, 2013 as well as Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. During the year under review, no personnel of the Company approached the Audit Committee on any issue falling under the said policy. The vigil mechanism policy is available on the website of the Company viz. <http://www.kisangroup.com/investorrelations/code-policies.php>.

**26. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:**

All transactions entered into by the Company with related parties were in the ordinary course of the business and at arm's length basis and are in accordance with the provisions of the Companies Act, 2013, Rules made thereunder & Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has obtained prior approval of the Audit Committee for entering into transactions with related parties. A statement of all Related Party Transactions are placed before the Audit Committee and Board for its review on a quarterly basis, specifying the nature, value and terms and conditions of the transactions.

During the year under review, the Company has not entered into any contracts/ arrangements/ transactions with related parties which qualify as material in accordance with the Policy of the Company on materiality of related party transactions. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable. The details of the related party transactions as per Indian Accounting Standards (Ind AS) are set out in Note No. 38 of the Standalone Financial Statements of the Company and the policy on related party transaction, as formulated by the Board is available on the Company's website at <http://www.kisangroup.com/investorrelations/code-policies.php>.

## 27. ANNUAL RETURN:

Pursuant to the provisions of Section 134(3) (a) and Section 92(3) of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, the Annual Return of the Company for the Financial Year ended March 31, 2022 is available on the website of the Company at [www.kisangroup.com](http://www.kisangroup.com).

## 28. INVESTOR EDUCATION AND PROTECTION FUND (IEPF):

Pursuant to the provision of the Companies Act, 2013 and rules made thereunder, all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF Authority as established by the Government of India, after completion of seven years. Accordingly, the Company has transferred the unclaimed and unpaid dividend of ₹ 1,35,216/- for the Financial Year 2013-14 to the IEPF Authority.

Further, pursuant to the provision of Section 124 of the Companies Act, 2013 read with the Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time (IEPF Rules), shares of the Company in respect of which dividend entitlements have remained unclaimed and unpaid for seven consecutive years or more, are required to be transferred by the Company to the demat account of the IEPF Authority within a period of 30 days of such shares becoming due to be so transferred. Communication was sent by the Company to the concerned Members who had not claimed their dividend for seven consecutive years or more providing them an opportunity to claim such dividend. Accordingly, the Company has transferred 36080 Equity shares on November 30, 2021 to the IEPF Authority for the Financial Year 2013-14.

## 29. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The particulars under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 with respect to conservation of energy, technology absorption, Foreign Exchange Earnings and Outgo are provided in the “Annexure-E” to this Report.

## 30. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY:

As per provisions of the Companies Act, 2013 and as part of good Corporate Governance, the Company has laid down the procedures to inform to the Board about the risk assessment and minimization procedures and the Board shall be responsible for framing, implementing and

monitoring the risk management plan and policy for the Company. The main objective is to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business.

The Audit Committee and the Board of Directors periodically review the various risk associates with business of the Company. Such review includes risk identification, evaluation and mitigation of the risk.

## 31. SUBSIDIARIES:

KML Tradelinks Private Limited is a Wholly Owned Subsidiary of your Company. During the year, the Board of Directors (‘the Board’) reviewed the affairs of the Subsidiary. In accordance with Section 129(3) of the Companies Act, 2013, the Company has prepared consolidated financial statements of the Company and its Subsidiary, which form part of the Annual Report.

Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing salient features of the financial statements of Subsidiaries/ Associate Companies/ Joint Ventures is given in ‘Form AOC-I’ and forms an integral part of this report as “Annexure- A”.

In accordance with Section 136 of the Companies Act, 2013, the audited financial statements, including the consolidated financial statements and related information of the Company and audited accounts of its subsidiary, are available on website of the Company <http://kisangroup.com/investorrelations/financialresults.php>.

## 32. MATERIAL SUBSIDIARY:

The Board of Directors of the Company had adopted a Policy for determining material subsidiary in line with the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The Policy is posted on the Company’s website at <http://www.kisangroup.com/investorrelations/code-policies.php>.

Presently, there is no material subsidiary company of the Company for the Financial Year 2021-22 pursuant to provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## 33. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:

As the provisions of Corporate Social Responsibility under Section 135 of the Companies Act, 2013 are not applicable to the Company and thus the Company has not developed or implemented any Corporate Social Responsibility initiatives as on date.

**34. MANAGEMENT’S DISCUSSION AND ANALYSIS REPORT:**

The Management’s Discussion and Analysis Report is provided in a separate section and forms an integral part of this report as “**Annexure-C**” and it gives detail of the overview, industry structure and developments, different product groups of the Company, operations of the Company for the year under review.

**35. PARTICULARS OF REMUNERATION TO DIRECTORS AND EMPLOYEES:**

Pursuant to provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the particulars of remuneration to the Directors and the details of the ratio of remuneration of each director to the median employee’s remuneration is annexed herewith as “**Annexure- B**” to this Report.

Further, none of the employees of the Company is drawing remuneration in excess of the limits prescribed under Rule (5)(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**36. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:**

During the year under review, no significant or material orders were passed by the Regulators or Courts or Tribunals which would impact the Company’s existence, going concern status and future operations of the Company.

**37. CORPORATE GOVERNANCE REPORT:**

Pursuant to Regulation 34 read with Schedule V of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, a separate report on Corporate Governance practices followed by the Company, together with a certificate from the Company’s Secretarial Auditors confirming compliance of conditions of Corporate Governance forms an integral part of this report.

**38. COMPLIANCE WITH SECRETARIAL STANDARDS:**

The Institute of Company Secretaries of India, a Statutory Body, has issued Secretarial Standards on various aspects of corporate law and practices. The Company has devised proper system to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

**39. PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE:**

The Company strongly believes in zero tolerance towards sexual harassment at the workplace and is committed to provide a healthy environment to each and every employee of the Company. Your Company has framed and adopted a policy in line with provision of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules made thereunder. All employees (permanent, contractual, temporary, trainees) are cover under the said policy.

The Company has also constituted an Internal Complaints Committee (ICC) to consider and resolve all sexual harassment complaints reported by women. The constitution of the ICC is as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the committee also includes external members with relevant experience. Half of the total members of the ICC are women.

There were no complaints received and pending during the F.Y 2021-2022.

**40. ACKNOWLEDGEMENT:**

The Board of Directors wishes to express its gratitude and record its sincere appreciation towards its clients, vendors, investors, Financial Institutions, Bankers, Business Associates and the Government and other regulatory authorities for their continued support, cooperation and professionalism during the year. The Directors of the Company thank all stakeholders for their valuable sustained support and encouragement towards the conduct of the proficient operation of the Company and look forward to their continued support in the future. The Directors would like to express its gratitude and place on record its sincere appreciation for the commitment and dedicated efforts put in by all the employees during the year.

For and on behalf of the Board of Directors  
Kisan Mouldings Limited

**Sd/-**  
**Sanjeev A. Aggarwal**  
Chairman & Managing Director  
(DIN: 00064076)

Date: 12<sup>th</sup> August 2022  
Place: Mumbai

## ANNEXURE - A

## Form AOC-1

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

Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

**Part A: Subsidiaries**

(Information in respect of each subsidiary to be presented with amounts in ₹)

Name of the subsidiary	KML Tradelinks Private Limited
The date since when subsidiary was acquired	February 09, 2017
Reporting period	31 <sup>st</sup> March, 2022
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR
Share Capital	₹ 1,00,000/-
Reserves and Surplus	25,77,760/-
Total Assets	75,41,528/-
Total Liabilities	75,41,528/-
Investments	-
Turnover	-
Profit/ (Loss) before taxation	(10,18,900)
Provision for taxation	-
Profit/ (Loss) after taxation	(10,18,900)
Proposed Dividend	Not Applicable
Extent of shareholding (in percentage)	100%

**Notes:** The following information shall be furnished at the end of the statement:

- 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**

**Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures: Not Applicable**

- Names of associates or joint ventures which are yet to commence operations.
- Names of associates or joint ventures which have been liquidated or sold during the year.

**Note:** This Form is to be certified in the same manner in which the Balance Sheet is to be certified..

For and on behalf of the Board of Directors  
**Kisan Mouldings Limited**

<b>Sd/-</b>	<b>Sd/-</b>	<b>Sd/-</b>	<b>Sd/-</b>	<b>Sd/-</b>
<b>Sanjeev A Aggarwal</b> Chairman & Managing Director (DIN: 00064076)	<b>Rishav S Aggarwal</b> Whole-time Director (DIN: 05155607)	<b>Suresh Purohit</b> Chief Financial Officer	<b>Vijay Joshi</b> Company Secretary & Compliance Officer	<b>CA Saurabh Mitra</b> Partner, S. Guha & Associates, Chartered Accountants Statutory Auditors

Date: May 30, 2022  
Place: Mumbai

Date: May 30, 2022  
Place: Kolkatta

**ANNEXURE B**

Remuneration details pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

**I. Information as per Rule 5(1) of Chapter XIII, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

Sr. No.	Requirement under Rule 5(1)	Details
1.	Ratio of the remuneration of Managing Director & Executive Director to the median remuneration of the employees of the Company for the Financial Year	NIL
2.	Percentage increase in remuneration of Managing Director, each Executive Director, Chief Financial Officer & Company Secretary (Salary of 2021-22 v/s Salary of 2020-21).	MD: N.A. ED: N.A. CFO : 27.19 CS : (-21.59)
3.	Percentage increase in the median remuneration of employees in the financial year (2021-22 v/s 2020-21)	(4%)
4.	Number of permanent employees as on 31 <sup>st</sup> March, 2022 on rolls of Company.	486
5.	Average percentile increase 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 percentile increase made in the salaries of employees other than the managerial personnel in the last financial year:- 15% Comparison with the percentile increase in the managerial remuneration:- NIL justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:- N.A.
6.	Affirmation that the remuneration paid is as per the remuneration policy of the Company for Directors, Key Managerial Personnel and Senior Management Personnel.	Yes

**Note:-** Managing Director & Executive Directors are not getting any remuneration & other Directors are Non-Executive Directors, who are paid only sitting fees for attending the Board & Committees thereof. Hence ratios provided are only for Chief Financial Officer & Company Secretary only.

## ANNEXURE- C

# MANAGEMENT DISCUSSION AND ANALYSIS

## ECONOMIC OVERVIEW:

After witnessing a significant contraction related to COVID-19 pandemic in 2020, global economy recovered in 2021. However, the momentum was slowed down in Q2 by a deadlier variant of the virus, the impact of which was fortunately short lived helped largely by vaccination drives across the world. Towards the end of Q4 FY2022, escalated geopolitical tension arising from prolonged Russia-Ukraine conflict has led to increased financial volatility. Oil and other commodity prices have surged significantly, thereby worsening the already high inflation dynamics of both advanced as well as emerging/developing economies. Record inflation has led the US Fed to accelerate its monetary policy normalisation. This, in turn, has led to capital outflows from the emerging markets including India as risk-off takes center stage. Global growth is thus expected to moderate to 3.2% in 2022. Even the global trade estimates for 2022 have been revised downwards to 3.0%.

Against this backdrop, the Indian economy grew by 8.7% in FY2022. On the external front, our merchandise exports performance remained buoyant growing by 14.53% and crossing the \$400 billion mark in FY2022. However, imports growth too remained strong at 55% during the year.

The Consumer Price Index ('CPI') inflation had moderated to 5.2% in FY 2021-22 (April-December) from 6.6% in the corresponding period of FY 2020-21 but has edged up to 6.1% as recorded in February 2022. Energy and food prices are major contributing factors to headline inflation. Risks are tilted to the upside amidst sanctions from the West and raw material shortages.

The RBI increased the repo rate recently by 40 bps in an off-cycle meeting to rein in inflation, while supporting growth. However, hardening of global crude and commodity prices amidst prolonged geopolitical tensions, along with supply chain issues arising out of prolonged lock down in China could keep inflationary pressures on the upside. While India is expected to grow at 7.2% in FY2023, the current account deficit could breach 2.5% of GDP mainly due to geopolitical tensions and elevated crude oil prices.

## COMPANY OVERVIEW:

Kisan Mouldings Limited has carved a niche in the field of pipes and fittings for water management, irrigation, water distribution and sewage disposal systems over

the last three decades. Your company has emerged as one of India's leading manufacturers of Plastic piping Company including Chlorinated Poly Vinyl Chloride (CPVC) and Poly Vinyl Chloride (PVC) Pipes and also leading in irrigation system and plumbing systems for residential, commercial and industrial consumption and processes around 20,000 - 40,000 MT of polymer every year. The Company's plumbing range consists of KML Classic CPVC Plumbing system, Free Flow UPVC Plumbing system (ASTM). It provides 'One-stop' piping solutions with its wide range of PVC and CPVC pipes, fittings and solvents.

During the year under review, your Company has its pipe manufacturing facilities in India at Tarapur in the state of Maharashtra, Dewas in the state of Madhya Pradesh, Umerkui and Khadoli at Dadra and Nagar Haveli for manufacturing of Pipes, Fittings and Solvents manufacturing of plumbing systems, drainage systems, irrigation systems.

## STRENGTHS:

The management has taken several corrective steps, as below, to stage a turnaround in business performance.

- Piping Brand Recognition: Since past few years, the Company has successfully achieved object of recognising Kisan and KML Classic as most popular brand plumbing systems and irrigation systems in various location of India.
- Focus on high margin products: The Company is operating from various manufacturing sites including parent plant at Mahagaon, Maharashtra. We have increased number of SKU's in the fittings segments and are now offering wider variety of solvents. These are high margin products and help to improve overall margin profile.
- Distribution channel: The Company is continuously working on strengthening its distribution network by strategically locating its warehouses and manufacturing facilities with extensive distribution channel. The Company has also been participating in several exhibitions and large meets of plumbers, dealers with smaller groups in order to maintain appropriate discipline in COVID-19 atmosphere and strengthen and widen its distribution network.. The Company is serving its customers through opening and maintaining Depot in order to reach its prospective buyers for creating customer base for the Company in a cost efficient manner.

## OPPORTUNITIES AND THREATS:

In FY 2021-22, on a consolidated basis, the pipes and fittings segment contributed the revenue from operations of ₹ 30,716.88 Lakhs. Your company's new and renewed focus makes it well poised to seize opportunities arising in the sectors where we operate.

### Construction piping:

India is in the midst of a major construction drive that is mainly supported by the Government of India. Multiple schemes and projects launched in last couple of years are leading to higher demand for pipes.

- **Real Estate Regulation Act (RERA):** RERA has created a major transformation the way housing construction for sale was in vogue in the country. Many prominent business houses have made ambitious plans in this sector to grow geometrically with launch of their projects at multiple locations. It is expected to get good demands from Plastic Piping sector on continual basis.
- **Jal Jeevan Mission:** Jal Jeevan Mission (JJM), which was introduced in the Union Budget 2019, is envisioned to provide safe and adequate drinking water through individual household tap connections "Har Ghar Jal" (piped water supply) to all households in rural India., The Government of India in the Union Budget 2021-22 had announced that the Jal Jeevan Mission (Urban), which aims at universal water supply in all 4,378 Urban Local Bodies with 2.86 crores household tap connections, as well as liquid waste management in 500 AMRUT cities. It will be implemented over 5 years, with an outlay of ₹ 2,87,000 crores.
- **AMRUT:** The Atal Mission for Rejuvenation and Urban Transformation (AMRUT) was launched with the focus to establish infrastructure that could ensure adequate robust sewage networks and water supply for urban transformation by implementing urban revival projects. Some of the broad targets of AMRUT scheme are ascertaining that everyone has access to tap water and sewerage facilities, greenery like parks and open spaces are well maintained, digital and smart facilities like weather prediction, internet and WIFI facilities, pollution reduction by encouraging the public for using cheaper but secure public transport etc.
- **Swachh Bharat Abhiyan:** It is a country-wide campaign initiated by the Government of India to eliminate open defecation and improve solid waste management The GOI in Union Budget

2021 has focused on swachhta of urban India, and has intended to focus on complete faecal sludge management and waste water treatment, source segregation of garbage, reduction in single-use plastic, reduction in air pollution by effectively managing waste from construction-and-demolition activities and bio-remediation of all legacy dump sites. The GoI has announced that the Urban Swachh Bharat Mission 2.0 will be implemented with a total financial allocation of ₹ 1,41,678 crores over a period of 5 years from 2021-2026.

### Agriculture piping and micro irrigation:

Agriculture being an important sector of Indian economy and due to dependency of around 50% of agricultural lands on monsoon, the Government of India (GOI)\_has increased its focus on improving irrigation coverage area, which is expected to drive demand for PVC plastic pipes over the medium-to-long term. The GoI has laid down several initiatives, schemes and reforms that would directly and indirectly trigger higher demand for plastic piping as well as micro irrigation products.

- The Government has given a clarion call to double farmer's income. This is to be achieved by helping farmers to produce more from the same land parcel at lesser cost and at the same time fetch higher prices for their produce. More agricultural land is expected to be brought under irrigation resulting in efficient modes of water transportation. Government is hopeful to form 10,000 new Farmer Producer Organizations, to ensure economies of scale for farmers over the next five years.
- **Pradhan Mantri Krishi Sinchayee Yojna (PMKSY):** It has been formulated with the vision of extending the coverage of irrigation 'Har Khet ko pani' and improving water use efficiency 'More crop per drop' in a focused manner with end to end solution to increase area under irrigation, flood control, interconnectivity of canals which is expected to augment the demand of PVC pipes.

### OUTLOOK:

Favourable factors like consistent agricultural performance, massive initiatives taken by the GoI in the areas of agriculture, construction of affordable houses, water supply and sanitation, leads to upsurge in the demand for plastic piping products and irrigation system. Similarly, reforms such as GST and RERA would result in favourable playing field for organized players. These favourable macro-economic variables point towards an encouraging outlook for

the year 2022-23. We intend to leverage on these opportunities.

The Company's efforts towards improving processes and operational efficiencies through automation are expected to deliver desired benefits. The Company's attempts for the improved quality of its distribution

network will help the Company to control costs and maintain its competitive advantage. There is focused effort towards increasing revenue contribution from high margin products to aid overall margins of the Company.

## FINANCIAL PERFORMANCE:

An overview of the financial performance is given in the Directors Report. The Audit Committee constituted by the Board of Directors periodically reviews the financial performance and reporting systems. Summary of Standalone and Consolidated Profit and Loss for the Financial Year 2021-22 are as follows:

### Summarised Profit and Loss Accounts

(Amount in lakhs)

Particulars	Standalone		Consolidated	
	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21
Revenue from Operation	30716.88	20,987.68	30716.88	20,987.68
Other Income	371.85	216.96	370.65	215.76
Operating cost	35729.11	21,915.74	35732.3	21,917.08
EBDIT	-4,640.38	-711.10	-4,644.77	-713.64
Depreciation	883.04	1,057.12	883.04	1,057.12
EBIT	-5523.42	-1,768.22	-5,527.81	-1,770.76
Finance Cost	2,975.03	3,008.65	2980.83	3,014.81
EBT	-8,498.45	-4,776.88	-8,508.64	-4,785.57
Taxation	0.00	-66.34	0	-66.30
Profit/ Loss for the year	-8,498.45	-4,710.54	-8,508.64	-4,719.27
Other Comprehensive Income	23.54	-24.08	23.54	-24.08
Total Comprehensive Income/Loss	-8,474.91	-4,734.62	-8485.10	-4,743.34
Basic EPS (in ₹)	-25.10	-13.98	-25.13	-13.94

### KEY FINANCIAL RATIO:

Particulars	Standalone			Consolidated		
	FY 2021-22	FY 2020-21	YOY (Change in %)	FY 2021-22	FY 2020-21	YOY (Change in %)
Ratios:						
Debtors turnover (in days)	82.84	106.62	-22.30%	83.21	107.62	-22.68%
Inventory turnover (in days)	106.08	272.76	-61.11%	106.08	272.76	-61.11%
Interest Coverage Ratio	-1.56	-0.24	559.94%	-1.558	-0.24	558.27%
Current Ratio	0.55	0.81	-32.35%	0.55	0.81	-32.37%
Debt Equity Ratio	-19.09	2.52	-857.30%	-19.62	2.51	-880.52%
Operating Profit Margin (in %)	-15.1%	-3.4%	345.87%	-15.12%	-3.4%	344.70%
Net Profit Margin (in %)	-27.67%	-22.4%	23.27%	-27.70%	-22.5%	23.19%
Return on Net worth (in %)	-887.14%	-62.67%	1315.68%	-912.79%	-62.48%	1360.87%

## RISKS AND CONCERNS:

The Company is exposed to the financial market risks from changes in rate of interest and inflation, global recessionary trend, economic slowdown, increase in financial charges, non-availability (or undue increase in cost) of raw materials coupled with market fluctuations. The volatile movements in exchange rates are caused by major geopolitical developments besides mere economic and financial issues which are beyond the control of your Company. The Company is utilizing numerous bank facilities and consequently our financial cost is on the higher side.

We have seen delays in customer orders, delays in execution of on-going orders, delays in payments by customers and logistics and supply chain challenges to keep our operations running smoothly. As a result the Company is currently facing cash constraints in making timely payment to its creditors, meeting certain regular operational expenses and serving debts and other financing arrangements. While we have made all efforts and resumed our operations to as normal as possible in the current situation, we will be exposed to the overarching impact of this pandemic. We will continue to monitor the situation and business outlook, while closely watching our cash position and expenses and respond appropriately with corrective actions.

Further due to limited workforce and restrictions on deployment of employees in our manufacturing units and offices, the capacity utilization will not be at the desired level. This will affect performance, turnover/profitability and consequent liquidity position of the Company in the short run. The Company is planning to restrict the production based on the market demand and also reduce the overhead cost proportionately.

In view of unprecedented & difficult times, the Company's focus shall remain on all critical areas of cost control and cost reduction thereof and the finance cost being one of them shall always be a focal point for constant optimization.

Long lead time in release of State subsidies leads to more requirement of working capital for MI Industry. However, the implementation of PMKSY by the Central Government is bringing some uniformity in release of subsidies. Many States are now releasing subsidies online.

## INTERNAL CONTROL SYSTEM:

The Company has adequate internal control procedure proportionate to the nature of its business and the size of its operations for the smooth conduct of its businesses. Internal auditors comprising

of Independent professional firm of Chartered Accountants, M/s. SSRV & Associates, Chartered Accountants, Mumbai, FRN: 135901W have been entrusted the job to conduct regular internal audits and report to the management the lapses, if any for the Financial Year 2021-22. The internal control is designed to provide reasonable assurance with regard to maintaining proper accounting controls, protecting assets from unauthorized losses and ensuring reliability of financial and operational information and proper compliance with regulations. The Audit Committee, in its periodic Meeting, review the adequacy of internal control system and procedures and suggest areas of improvements. The recommendations of Internal Auditors and the Audit Committee are placed before the Board for their consideration and followed up effectively for its implementation. The Company's statutory auditors have, in their report, confirmed the existence of effective internal control procedures.

## TRANSPARENCY IN SHARING INFORMATION:

Your Company believes in total transparency in sharing information about its business operations with all its stakeholders. Your Company strives to provide maximum possible information in the Annual Report and also through other means like regularly posting of information on website of the Company, intimation to stock exchange and Publication in Newspaper wherever necessary to keep the stakeholders informed about the business performance.

## HUMAN RESOURCE:

Human Capital Management has always been a key focus area for Kisan Mouldings Limited which is evident from the fact that employees are one of our key stakeholders. Considering the health and safety of the employees of the Company and in line with the advisories, orders and directions issued by both State and Central Government in order to prevent the spread of the corona virus (Covid 19) outbreak, the Company has operated all its plants and Registered office and Branch offices as per the advisories with limited workforce issued by Central & State Governments in the Lockdown period. Further the Company has also implemented Work from Home Policy to ensure the safety of employees during the said period. Your Company continues to maintain constructive relationship with its employees and deals with issues related to compensation, hiring, performance management, organization development, safety, wellness, benefits, employee motivation, communication, administration, and training; thereby striving hard to provide a positive environment to improve employee efficiency. Your Company's Human Resource Department aims to maximize the

productivity by optimizing the effectiveness of its employees. Your Company commits to further align its HR Policies in order to meet the growing needs of the business. The total number of permanent employees as on 31<sup>st</sup> March, 2022 was 486.

**CAUTIONARY STATEMENT:**

Certain statements in this Management Discussion and Analysis Report may be ‘forward looking statements’ within the meaning of applicable laws and regulations. Actual results might differ substantially or materially from those expressed or implied in the statement. Such statements reflect the Company’s current views with respect to the future events and are subject to risk and uncertainties. Important factors that could make a difference to your Company’s operations include changes in industry structure, significant changes in political and economic environment particularly in view of ongoing COVID-19 pandemic in India and overseas, tax laws, litigation and industrial relations. It also includes economic conditions affecting

demand / supply, price conditions in the domestic and international markets. The Company undertakes no obligation to publicly amend, modify or revise any forward-looking statements on the basis, of any subsequent developments, information or events. This report is prepared on the basis of public information available on website / report / articles etc. of various institutions. The above discussion and analysis should be read in conjunction with the Company’s financial statements included herein and the notes thereto.

For and on behalf of the Board of Directors  
Kisan Mouldings Limited

**Sd/-**  
**Sanjeev A. Aggarwal**  
Chairman & Managing Director  
(DIN: 00064076)

Date: August 12, 2022  
Place: Mumbai

## ANNEXURE-D

## 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,

**Kisan Mouldings Limited**

Add: Tex Centre, K Wing, 3<sup>rd</sup> Floor, 26-A  
 Chandivili Road, Nr. HDFC Bank,  
 Andheri (E), Mumbai - 400072

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. Kisan Mouldings Limited** (hereinafter called the “**Company**”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s books, papers, minute 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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 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.

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

- (i) The Companies Act, 2013 (**‘the Act’**) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (**‘SCRA’**) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (**Not applicable to the Company during the audit period**)
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (**‘SEBI Act’**):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (**Not applicable to the Company during the audit period**);
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014/Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (**Not applicable to the Company during the audit period**);
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008/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**);
  - (f) 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;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009/The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (**Not applicable to the Company during the audit period**) and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (**Not applicable to the Company during the audit period**)

CORPORATE OVERVIEW	STATUTORY REPORTS	FINANCIAL STATEMENTS	NOTICE
--------------------	-------------------	----------------------	--------

(vi) We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test-check basis, the Company has complied with the following laws applicable specifically to the Company to the extent applicable:

- The Legal Metrology Act, 2009 read with the Legal Metrology (Packaged Commodities) Rules, 2011
- The Petroleum Act, 1934 read with Petroleum Rules, 2002

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India.
- (ii) The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except the followings:

- *Delay of 40 days has been noticed in submission of quarterly financial results of the Company for quarter ended September 30, 2021 to the Stock Exchange; and*
- *Due to resignation of Mr. Narendra Kumar Poddar, Independent Director of the Company w.e.f. March 7, 2022, there is shortage of one director on the board for few days under regulation 17(1) (c) of SEBI (LODR) Regulations, 2015 during the audit period. However, as on date of issue of this report, the requirement of the said regulation is not applicable to the Company.*

**We further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors except mentioned above. 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 notice is given to all directors to schedule the Board Meetings and agenda items 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 meeting.

All decisions at Board Meetings and Committee Meetings are carried out either unanimously or majority as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

**We 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.

**We further report that** the Company has adopted new set of Memorandum of Association in accordance with the Companies Act, 2013 duly approved by the Shareholders of the Company at their 32<sup>nd</sup> Annual General Meeting held on September 29, 2021.

For AVS & Associates  
Company Secretaries

Sd/-  
**Vijay Yadav**  
Partner  
Membership No. A39251  
C.P. No: 16806  
Peer Review No: 1451/2021  
UDIN: A039251D000444150

Place: Navi Mumbai  
Date: May 31, 2022

This report is to be read with our letter of even date which is annexed as '**Annexure - A**' and forms an integral part of this report.

**ANNEXURE- D - ANNEXURE- A**

To,  
The Members,  
**Kisan Mouldings Limited**

Add: Tex Centre, K Wing, 3rdFloor, 26-A  
Chandivili Road, Nr. HDFC Bank,  
Andheri (E), Mumbai - 400072

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

1. Maintenance of secretarial and other records under applicable laws is the responsibility of the management of the Company. Our responsibility is to issue Secretarial Audit Report, based on the audit of the relevant records maintained and furnished to us by the Company, along with explanations where so required.
2. We 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 check basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and major events during the audit period.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. Our examination was limited to the verification of procedures on test check basis for the purpose of issue of the Secretarial Audit Report.
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 **AVS & Associates**  
Company Secretaries

**Vijay Yadav**  
Partner  
Membership No. A39251  
C.P. No: 16806  
Peer Review No: 1451/2021  
UDIN: A039251D000444150

Place: Navi Mumbai  
Date: May 31, 2022

**ANNEXURE- E****ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:****1) CONSERVATION OF ENERGY:**

The Company has strong commitment towards conservation of energy, natural resources and adoption of latest technology in its area of operations. The Company putting best endeavor to reduce energy consumption in all its operations and activities by focusing on:

- 1) Continuously monitoring the energy parameters such as maximum demand, power factor, load factor, TOD tariff utilization on regular basis.
- 2) Achieving the power factor near to unity in all plants by the effective reactive energy management.
- 3) The Company is also looking further exploring the feasibility of utilization of solar power.

**The information related to power and fuel consumption of energy is as follows:**

Electricity	Unit	2021-22	2020-21
Purchased	KWH	1,27,80,981	1,18, 94,005
Total Amount	₹ In lakhs	1058.37	1071.51
Average Rate per unit	₹	8.28	9.01

**2) TECHNOLOGY ABSORPTION AND RESEARCH & DEVELOPMENT (R & D)****i. Efforts made towards technology absorption:**

The CAPEX plans of the Company have progressed well, with several key projects either complete or on the verge of completion. The Company has successfully launched the Water Tank division during FY 17, through its plant in Tarapur. Further machines have commenced in North and South India to push the same regionally. The fittings Automation project of Tarapur stands completed as far as all machines related to building products are concerned.

**ii. Benefits derived as a result of above efforts:**

The above said efforts have contributed towards improvement in the existing products and improvement in quality of products, thus enabling the Company to cater to the needs of diverse industrial applications.

**iii. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)**

- (a) The details of technology imported – Not Applicable
- (b) The year of import- Not Applicable
- (c) Whether the technology been fully absorbed- Not Applicable
- (d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and - Not Applicable.

**iv. The expenditure incurred on Research and Development- Not Significant****3) FOREIGN EXCHANGE EARNINGS AND OUTGO**

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.

- A. Foreign Exchange Earning = NIL
- B. Foreign Exchange Outgo = NIL

# CORPORATE GOVERNANCE REPORT

## 1. STATEMENT ON COMPANY'S PHILOSOPHY:

The Company strongly believes that Good Corporate Governance emerges from the application of the best and sound management practices and compliance with the laws coupled with adherence to the highest standards of transparency and business ethics. Corporate Governance is a system by which an organization is managed and controlled within the parameters laid down by the regulatory authorities. The Company constantly strives towards betterment of these aspects and thereby perpetuate it into generating long term value for its shareholders, customers, employees, other associated persons and the society as a whole.

The Company understands that the compliances of applicable legislations and timely disclosures enhance the image of the Company as a good Corporate Citizen in the Country.

## 2. BOARD OF DIRECTORS:

The Board of Directors of the Company is entrusted with the ultimate responsibility of the management, general affairs, direction and performance of the Company and has been vested with requisite powers, authorities and duties. The Board has a fiduciary relationship in ensuring that the rights of all the stakeholders are protected. The Board action and decision are aligned with the Company's best interest.

### A. Board Composition:

The Board of Directors (Board) of the Company is a balanced Board having an optimum combination of Executive and Non- Executive Directors including Woman Director. As on March 31, 2022, the Board consisted of Five Directors. The Chairman of the Company is Promoter and Executive Director and hence the requirement that at least one - half of the Board shall consist of Independent Directors is complied with as the Company has 3 Independent Directors. Out of the 5 Directors, Two (i.e.40%) are Executive/ Whole-time Directors and Three (i.e. 60%) are Non-Executive Independent Directors including a Woman Director. The profiles of the Directors can be found on <http://kisangroup.com/aboutus/bod.php>. The composition of Board represents an optimal mix of professionalism, competence, knowledge, experience and enables Board to discharge its responsibilities and provide effective leadership to the business. The Board periodically evaluates the need for change in its composition and size.

Necessary disclosures regarding directorship and committee position as on March 31, 2022 has been made by the directors and based on that it is confirmed that all the Directors of the Company comply with the provisions relating to maximum number of Directorships as specified in Regulation 17A of the SEBI Listing Regulations and Section 165 of the Companies Act, 2013 and the provisions relating to committee positions as specified in Regulation 26 of the SEBI Listing Regulations. None of the Directors of the Company is related to each other except Mr. Sanjeev Aggarwal and Mr. Rishav Aggarwal. The composition of the Board as on March 31, 2022 is in conformity with the Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable, with regard to Corporate Governance.

During the year under review, following appointments and cessations of Directors took place:

#### Appointments:

- At the 32<sup>nd</sup> Annual General Meeting of the Company, the shareholders of the Company approved the appointment of Mr. Sanjeev Aggarwal (DIN: 00064076) as Chairman & Managing Director of the Company for further period of 3 years with effect from April 01, 2022.
- At the 32<sup>nd</sup> Annual General Meeting of the Company, the shareholders of the Company approved the appointment of Mr. Narendra Kumar Poddar (DIN: 07115618) as an Independent Director of the Company for a period of 3 years with effects from February 12, 2021.

#### Cessations:

- Mr. Narendra Kumar Poddar (DIN: 07115618) resigned from the office of Independent Director of the Company due to personal reasons and pre - occupation with effect from the closing of business hours on March 07, 2022

As on March 31, 2022 the Company has complied with the requirement pursuant to Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 except Reg. 17(1)

(c) due to resignation of Mr. Narendra Kumar Poddar, Independent Director of the Company w.e.f. March 7, 2022, there is shortage of one director on the board for few days in terms of plain reading regulation 17(1)(c) of SEBI (LODR) Regulations, 2015 during the review period. However, as on date of issue of this report, the requirement of the said regulation is not applicable to the Company read with Section 149 of the Companies Act, 2013 (Including any Statutory Modification or Re-enactment thereof for the time being in force).

**The names and categories of the Directors on the Board and the number of Directorship and Committee Chairmanships / Membership held by them in other public companies as on March 31, 2022 are given here under:**

Sl no.	Name of the Directors	Designation	Category	Number of other Directorship and Committee Membership/ Chairmanship			Directorship in other Listed Entity (Category of Directorship)
				Other Directorship	Committee Membership	Committee Chairmanship	
<b>Executive Directors</b>							
1	Mr. Sanjeev Aggarwal	Chairman & Managing Director	Promoter	-	-	-	Nil
2	Mr. Rishav Aggarwal	Whole-time Director	Promoter	-	-	-	Nil
<b>Non-Executive Directors</b>							
3	Mr. Jhumarlal Motilal Bhalgat	Independent Director	Non Promoter	-	-	-	Nil
4	Mrs. Urvashi Dharadhar	Woman Director (Independent Director)	Non Promoter	-	-	-	Nil
5	Mr. Dinesh Navnitlal Modi	Independent Director	Non Promoter	4	5	2	1. Arrow Greentech Limited - Independent Director 2. Shree Pushkar Chemical & Fertilisers Limited - (Independent Director)
6	Mr. Narendra Kumar Poddar*	Independent Director	Non Promoter	-	-	-	Nil

\* Resigned w.e.f. 07<sup>th</sup> March, 2022

- The other directorship held by the Directors, as mentioned above excluded directorship of private limited companies, Foreign Companies, Companies formed under Section 25 of the Companies Act, 1956 and Section 8 of the Companies Act, 2013 and Directorship held as an Alternate Director.
- For the purpose of determination of limit of the Board Committees, Chairmanship and Membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26 (1) (b) of the SEBI Listing Regulations, 2015.
- As on March 31, 2022, none of the directors were related to each other except Mr. Rishav Aggarwal being the son of Mr. Sanjeev Aggarwal.

**B. Board Terms and Conditions for Appointment & Tenure:**

The Board of Directors of the Company is appointed by members at the General Meetings. The Nomination and Remuneration Committee works with Board periodically to determine the appropriate skills of the Board as a whole and its individual members.

Pursuant to Section 152 of the Companies Act, 2013 & Rules made thereunder, all Directors, except the Independent Directors of the Company are subject to retire by rotation and if eligible, offer themselves for re-appointment. The Executive Directors on the Board serve in accordance with the terms of their contract of service with the Company. The terms and conditions of appointment of Independent Directors are disclosed on the website of the Company. The Company has adopted provisions with respect to appointment and tenure of Independent Director which are consistent with the Companies Act, 2013 and other related Regulations.

Pursuant to Section 165 of the Companies Act, 2013 and rules made thereunder, none of the Directors on the Board hold office as a director, including any alternate directorship, in more than twenty companies in which the maximum number of public companies does not exceed ten. Further, none of the Directors on the Board is a Member of more than 10 Committees and Chairman of more than 5 Committees as specified

in Regulation 26 (1) of the SEBI Listing Regulations across all the listed Companies in which he/she is a Director. Requisite disclosures pertaining to Committee positions in other public companies as on March 31, 2022 have been made by the Directors to the Compliance Officer.

In terms of the requirement of the Companies Act, 2013 and the SEBI Listing Regulations, an annual performance evaluation of the Board was undertaken. A note on Board Evaluation is detailed in the Directors Report.

### C. Independent Directors:

The Independent Directors of the Company are Non-Executive Directors as defined under Regulation 16(1) (b) of the SEBI Listing Regulations read with Section 149(6) of the Companies Act, 2013. The maximum tenure of Independent Directors is two terms of five years each. The Company has received necessary declaration from each Independent Directors as prescribed under Section 149(7) of the Companies Act, 2013 and Rule 6(3) of The Companies (Appointment and Qualifications of Directors) Rules, 2014 that he/she meets the criteria of independence and has included their names in Independent Director (ID) Databank as per aforesaid provisions.

Based on the confirmations / disclosures received from the Independent Directors, the Board is of the opinion that all the existing Independent Directors and those who are proposed to be re-appointed at the Annual General Meeting fulfill the criteria or conditions specified under the Companies Act, 2013 and SEBI Listing Regulations and are independent from the management.

The Independent Directors met once during the Financial Year ended March 31, 2022 on February 14, 2022 without the presence of Executive Directors as prescribed under Regulation 25 of SEBI Listing Regulations and inter alia:

- reviewed the performance of Non-Independent Directors and the Board as a whole;
- reviewed the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors;
- assessed 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;

All the Independent Directors were present at the Meeting.

The Independent Directors were also provided with necessary documents/brochures, reports and internal policies to enable them to familiarize with the Company, its operations, business, industry, environment in which it functions, procedures and practices. At the time of appointment of an Independent Director, a formal letter of appointment is given to him/her, which inter alia explains the role, function, duties and responsibilities expected from him/her as an Independent Director of the Company. The Company has also set up Code of Conduct & Familiarisation Programme for Independent Directors which can be accessed on the weblink at <http://www.kisangroup.com/investorrelations/code-policies.php>

### D. Board Meeting and Attendance:

The Board of Directors meets regularly to review strategic, operational and financial matters of the Company. The Board Meetings of the Company are governed by a structured agenda and notes are generally circulated to the Directors at least seven days before the meeting except notes related to Unpublished Price Sensitive Information with the consent of majority of the Directors including at least one Independent Director, if any. Wherever it is not practicable to attach any document to the agenda the same is tabled before the Meeting with specific reference to this effect in the Agenda. The Board Members, in consultation with the Chairman, may bring up any matter for the consideration of the Board. All major agenda items are backed by comprehensive background information and supporting documents to enable the Board to take informed decision.

The Board Meetings are pre-scheduled and a tentative date of the Board is communicated to the Directors well in advance to facilitate them to plan their schedule and to ensure meaningful participation in the meetings. The Board Meetings are usually held at the Registered Office of the Company at 26 'A', 3<sup>rd</sup> Floor, "K" Wing, Tex Centre, Chandivali, Off. Saki Vihar Road, Andheri (East), Mumbai - 400 072. The Directors are also provided the facility of video conferencing to enable them to participate effectively in the Meeting(s), as and when required. In case of business exigency or urgency of matters, resolutions are passed by circulation in accordance with the provisions of Companies Act, 2013.

During the Financial Year 2021-22, total Six (6) Meetings of the Board of Directors were held. Necessary quorum was present in all the meetings. Leave of absence was granted to the concerned directors who could not attend the respective board meeting on request. The maximum gap between two meetings was within the period prescribed under Section 173 of the Companies Act, 2013 and Regulations 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Sr. No.	Date of Board Meeting	Board Strength	Number of directors present
1	June 11, 2021	6	6
2	June 28, 2021	6	6
3	August 13, 2021	6	6
4	August 28, 2021	6	5
5	December 25, 2021	6	5
6	February 14, 2022	6	6

During the year under review, Four Circular resolutions were also passed particulars of which are as follows:

Sr. No.	Item Passed
1.	Approval to amend the Related Party Transaction Policy of the Company in compliance with the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 (further approved at the meeting of Board of Directors held on 14 <sup>th</sup> February, 2022).
2.	Approval for change in Nodal Officer for Investor Education and Protection Fund (IEPF)
3.	Transfer of unpaid dividend to Investor Education and Protection Fund (IEPF)
4.	Transfer of shares to Investor Education and Protection Fund (IEPF)

The above items were approved by majority of the Board Members. None of director dissent any resolution passed during the year under review.

The 32<sup>nd</sup> Annual General Meeting (AGM) of Members of the Company was held on Wednesday, 29<sup>th</sup> September, 2021 through Video Conference / Other Audio Visual Means ("VC/ OAVM") without the physical presence of the Members at a common venue, as permitted and in compliance with General Circular No. 14/2020 dated April 08, 2020, General Circular No. 17/2020 dated April 13, 2020 and General Circular No. 20/2020 dated May 05, 2020 issued by the Ministry of Corporate Affairs and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 issued by Securities and Exchange Board of India (SEBI).

The attendance of Directors at the Board Meetings and at the Annual General Meeting (AGM) during the Financial Year 2021 - 2022 is as follows:

Sr. No.	Name of Director	Designation	Number of Board Meeting entitled to attend	Number of Board Meeting attended	Attendance at the last AGM held on 29. 09. 2021 through VC/ OAVM
1.	Mr. Sanjeev Aggarwal	Chairman & Managing Director	6	6	Yes
2.	Mr. Rishav Aggarwal	Whole-time Director	6	6	Yes
3.	Mrs. Urvashi Dharadhar	Independent Director	6	5	Yes
4.	Mr. Jhumarlal Bhalgat	Independent Director	6	6	Yes
5.	Mr. Dinesh Modi	Independent Director	6	5	Yes
6.	Mr. Narendra Kumar Poddar (Cessation w.e.f. 07 <sup>th</sup> March, 2022)	Independent Director	6	6	Yes

#### E. Number of shares and convertible instruments held by Non- Executive Directors:

None of the non - executive Directors of the Company held any of shares or convertible instruments during the year under review.

Details of familiarisation programmes of Independent Directors can be accessed on the weblink viz. <http://www.kisangroup.com/investorrelations/code-policies.php>.

#### F. Skills/expertise/competencies of the Board of Directors:

In compliance with SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 ("SEBI Amendment Regulations, 2018), the Board of Directors has identified the skills/expertise/competencies in the context of the Company's business for it to function effectively which are as follows:

- 1) Business experience
- 2) Industry knowledge
- 3) Professional Skill and Qualification
- 4) Behavioral Competencies including integrity and high ethical standard

In the table below, the specific areas of focus or expertise of individual Board members have been highlighted. However, the absence of a mark against a member's name does not necessarily mean the member does not possess the corresponding skills/expertise/competencies.

Name of Director	Business experience	Industry knowledge	Professional Skill and Qualification	Behaviour competencies including integrity and high ethical standard
Mr. Sanjeev Aggarwal	✓	✓	✓	✓
Mr. Rishav Aggarwal	✓	✓	✓	✓
Mrs. Urvashi Dharadhar	✓	-	✓	✓
Mr. Jhumarlal Bhalgat	✓	✓	✓	✓
Mr. Dinesh Modi	✓	✓	✓	✓
Mr. Narendra Kumar Poddar (cessation w.e.f. 07 <sup>th</sup> March, 2022)	✓	✓	✓	✓

### 3. COMMITTEES OF THE BOARD

The Board Committees are the operating system of the Company and are constituted to handle specific activities and ensure speedy resolution of the diverse matters. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles under which are considered to be performed by members of the Board, as a part of good governance practice. These Committees prepare the groundwork for decision making and report to the Board. There are total Six Board Committees as on March 31, 2022, which comprise of four statutory committees and two other non-statutory committees that have been formed, considering the needs of the Company, details of which are as follows:

1. Audit Committee
2. Stakeholders' Relationship Committee
3. Nomination and Remuneration Committee
4. Executive Committee
5. Preferential Issue Committee
6. Enquiry Committee

These Board Committees play a crucial role in the governance structure of the Company as it make full use of members' expertise, time and commitment and ensures diversity of opinions on the Board. Meetings of each Board Committee are convened by the respective Committee Chairman. Matters requiring the Board's attention/approval, as emanating from the Board Committee meetings, are placed before the Board by the respective Committee Chairman. The signed minutes of the Committee Meetings are also placed before the Board for information and noting.

**A. AUDIT COMMITTEE:**

**(i) Brief description of terms of reference of Audit Committee:**

The Audit Committee of the Company assists the Board in its responsibility for overseeing the quality and integrity of the accounting, auditing and reporting practices of the Company and its compliance with the legal and regulatory requirements. It also provides reassurance to the Board on the existence of an effective internal control environment and is entrusted with the responsibility to supervise the Company's internal controls and inter alia performs the following functions:

- overseeing the Company's financial reporting process and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- reviewing with the management the quarterly financial statements before submission to the Board for approval;
- reviewing with the management, the statement of uses/application of funds raised through an issue (public issue, right issue, preferential issue, etc.) the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- scrutiny of inter-corporate loans and investments made by the Company;
- reviewing, approving or subsequently modifying any Related Party Transactions in accordance with the Related Party Transaction Policy of the Company;
- approving the appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
- Recommendation for appointment, remuneration and terms of appointment of Statutory Auditors of the Company and approval for payment of any other services rendered;
- reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - (a) Matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - (b) Changes, if any, in accounting policies and practices and reasons for the same;
  - (c) Major accounting entries involving estimates based on the exercise of judgment by management;
  - (d) Significant adjustments made in the financial statements arising out of audit findings;
  - (e) Compliance with listing and other legal requirements relating to financial statements;
  - (f) Disclosure of any related party transactions;
  - (g) Modified opinion(s) in the draft audit report;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- reviewing with the management, performance of Statutory Auditors and Internal Auditors, adequacy of the internal control systems;

- reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up thereon;
- reviewing the findings of any internal investigations by the internal auditors into 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;
- Evaluation of the internal financial controls and risk management systems;
- evaluating the valuation of undertaking or assets of the Company, wherever it is necessary;
- reviewing the functioning of the Whistle Blower Mechanism;
- carrying out any other function as is mentioned in the terms of reference of the audit committee;
- reviewing the utilization of loans and / or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
- consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders.
- shall mandatorily review:
  - (1) Management discussion and analysis of financial condition and results of operations;
  - (2) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
  - (3) Management letters / letters of internal control weaknesses issued by the statutory auditors;
  - (4) Internal audit reports relating to internal control weaknesses;
  - (5) The appointment, removal and terms of remuneration of the chief internal auditor and
  - (6) Statement of deviations:
    - (a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
    - (b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

#### **(ii) Composition of the Committee:**

As on March 31, 2022, the Audit Committee comprised of Three Non- Executive Directors and One Executive Director. Majority of members of the Committee are Independent Directors. Mrs. Urvasi Dharadhar, Independent Director is the Chairperson of the Committee. Mr. Jhumarlal Bhalgat, Independent Director, Mr. Dinesh Modi, Independent Director and Mr. Rishav Aggarwal, Whole-time Director of the Company are the members of the Committee. The Company does not have outstanding Special Rights equity shares. The composition of the Committee is in accordance with Regulation 18(1) of SEBI Listing Regulations. All members of the Committee are financially literate and possess accounting and financial management expertise.

During the year under review, following changes were undertaken in the composition of the said committee:

- Mr. Narendra Kumar Poddar (DIN: 07115618) was appointed as a Member of the Audit Committee of the Company with effect from June 28, 2021 by the Board of Directors and ceased to be member of the Audit Committee of the Company with effect from March 07, 2022.

#### **(iii) Audit Committee Meetings and attendance of the members:**

The permanent invitees to the Audit Committee Meetings include the Executive Directors, Chief Financial Officer, Statutory Auditors and Internal Auditors. The Company Secretary acts as the Secretary to the

Committee. Executive summary of the Audit Committee Meetings are placed before the immediate next Board Meeting held after the Audit Committee Meetings for deliberation. The minutes of each Audit Committee meeting are placed and confirmed in the next meeting of the Board.

During the Financial Year 2021 - 22, the Audit Committee met Six times i.e. on June 11, 2021, June 28, 2021, August 13, 2021, August 28, 2021, December 25, 2021, and February 14, 2022. . The maximum gap between two meetings was within the period prescribed under Regulation 18 of the SEBI Listing Regulations and the Companies Act 2013 read with MCA General Circular No.11/2020 dated 24.03.2020 and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/110 dated 26.06.2020. The adequate quorums were present at every Audit Committee Meeting.

**The details of meetings attended by the Members during FY 2021 - 22 , are given below:**

Sr. No.	Name of Director	Position	No. of Meetings entitled to attend	No. of Meetings attended
1	Mrs. Urvashi Dharadhar	Chairperson	6	5
2	Mr. Jhumarlal Bhalgat	Member	6	6
3	Mr. Rishav Aggarwal	Member	6	6
4	Mr. Dinesh Modi	Member	6	5
5	Mr. Narendra Poddar	Member	4	4

During the year under review, the Audit Committee has passed the following resolution by way of circulation.

- Approval and recommendation to the Board to amend Related Party Transaction Policy of the Company in compliance with the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Chairperson of the Audit Committee Mrs. Urvashi Dharadhar, Independent Director had attended the 32<sup>nd</sup> Annual General Meeting of the Company held on September 29, 2021 through Video Conference/ Other Audio Visual Means ("VC/ OAVM") to answer Shareholder's queries.

## B. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

### (i) Brief description of terms of reference:

The Company has duly constituted a Stakeholders' Relationship Committee as per the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 read with Part D of Schedule II of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company does not have outstanding Special Rights equity shares. The Committee expedite the process of redressal of shareholder and investor grievances and, inter alia, take into account any matter pertaining to transmission of shares, transfer of shares, sub-division / consolidation / renewal / issue of duplicate share certificates, non-receipt of annual report and non-receipt of declared dividends etc.

The role of Stakeholders' Relationship Committee, inter alia, includes the following:

- oversee and review all matters connected with the transfer of Company's securities;
- approve issue of the Company's duplicate share certificates;
- consider, resolve and monitor the grievances of security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
- review of measures taken for effective exercise of voting rights by shareholders;
- ensure expeditious share transfer process;
- review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;

- review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;
- provide guidance and make recommendations to improve investor service levels for the investors;
- carry out any other function as is referred by the Board from time to time and / or enforced by any statutory notification / amendment / or modification as may be applicable;
- perform such other functions as may be necessary or appropriate for the performance of its duties;
- sub-delegation of any power to any Committee member.

#### (ii) Stakeholders' Relationship Committee Composition:

As on March 31, 2022, the Stakeholders' Relationship Committee comprised of total 3 members. Mrs. Urvashi Dharadhar, Independent Director is the Chairperson of the Committee and Mr. Sanjeev Aggarwal, Chairman & Managing Director and Mr. Rishav Aggarwal, Whole-time Director are the members of the Committee.

During the year under review, no changes were undertaken in the composition of the said committee:

#### (iii) Meeting of the Stakeholders' Relationship Committee and attendance of the members:

The Committee met Four times i.e. on June 28, 2021, August 13, 2021, December 25, 2021, February 14, 2022.

The details of meetings attended by the Members during FY 2021-22 are given below:

S r . No.	Name of Director	Position	No. of meetings entitled to attend	No. of meetings attended
1	Mrs. Urvashi Dharadhar	Chairperson	4	3
2	Mr. Sanjeev Aggarwal	Member	4	4
3	Mr. Rishav Aggarwal	Member	4	4

The Chairperson of the Stakeholders Relationship Committee, Mrs. Urvashi Dharadhar, Independent Director had attended the 32<sup>nd</sup> Annual General Meeting of the Company held on September 29, 2021 through Video Conference/ Other Audio Visual Means ("VC/ OAVM") to answer Shareholder's queries.

#### (iv) Complaints/ request received from shareholders during the Financial Year 2021-22:

Opening Balance	Received during the year	Resolved during the year	Closing Balance
-	-	-	-

#### (v) Name and Designation of Compliance Officer:

Name : Mr. Vijay Joshi (w.e.f. 25<sup>th</sup> December, 2021)  
 Designation : Company Secretary & Compliance Officer  
 Address : Kisan Mouldings Limited  
 26-A, 3<sup>rd</sup> Floor, K Wing, Tex Centre, Chandivali, Off Saki Vihar Road,  
 Andheri (East), Mumbai - 400 072  
 Tel No. : +91 22 4200 9100  
 Email ID : [cs.kisan@kisangroup.com](mailto:cs.kisan@kisangroup.com)

### C. NOMINATION AND REMUNERATION COMMITTEE:

#### (i) Brief description of terms of reference:

The Nomination and Remuneration Committee of the Company is constituted pursuant to Section 178 of the Companies Act, 2013 and Regulation 19 read with Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company does not have outstanding Special Rights equity shares.

The role of Nomination and Remuneration Committee, inter alia, include the following:

- formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to the remuneration of the directors, key managerial personnel and other employees;
- during the formulation of policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees, it must ensure that—
  - a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
  - b) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - c) Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.
- identifying candidates who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and shall specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance, determine whether to extend or continue the term of appointment of the independent director on the basis of the report of performance evaluation of independent directors;
- formulation of criteria for evaluation of performance of independent directors and the board of directors;
- devising a policy on diversity of board of directors;
- recommend to the Board, all remuneration, in whatever form, payable to senior management.

**(ii) Composition of the Committee:**

As on March 31, 2022, the Nomination and Remuneration Committee comprises of three Non- Executive Directors. The Chairman of the Committee is Mr. Dinesh Modi, Non- Executive Director (Independent Director) . Mrs. Urvashi Dharadhar, Non- Executive Director (Independent Director) and Mr. Jhumarlal Bhalgat, Non-Executive Director (Independent Director) are the members of the Committee.

During the period under review, following changes were undertaken in the composition of the said committee:

**(iii) Meeting of the Nomination and Remuneration Committee and attendance of the members:**

During the Financial Year ended March 31, 2022, the Committee met Three times on August 13, 2021, December 25, 2021, February 14, 2022.

**The details of meetings attended by the Members during FY 2021-22, are given below:**

Name of the Director	Position	No. of Meetings entitled to attend	No. of Meetings attended
Mr. Dinesh Modi	Chairperson	3	3
Mr. Jhumarlal Bhalgat	Member	3	3
Mrs. Urvashi Dharadhar	Member	3	2

During the year under review, the Nomination & Remuneration Committee has not passed any resolutions by way of circulation.

**(iv) Remuneration of Directors:**

**a) All pecuniary relationship or transactions of the Non- Executive Directors:**

No pecuniary relationship exists between the Non- Executive Directors and the Company other than drawing sitting fees and reimbursement of expenses to attend meetings of the Board and Committees thereof.

**b) Criteria of making payments to Non- Executive Directors:**

The criteria of making payment to Non- Executive Directors of the Company is disseminated on the website of the Company and can be accessed at following weblink: <http://www.kisangroup.com/investorrelations/code-policies.php>

**c) Remuneration policy:**

The Remuneration Policy of Kisan Mouldings Limited (“the Company”) is designed to attract, motivate, retain manpower, improve productivity, encouraging initiatives, personal growth and team work and inculcating a sense of belonging and involvement. The policy reflects the Company’s objectives for good corporate governance as well as sustained long term value creation for shareholders.

This Remuneration Policy applies to Directors, Senior Management including Key Managerial Personnel (KMP) of the Company. The said policy can be accessed at the following weblink: <http://www.kisangroup.com/investorrelations/code-policies.php>

**1. Remuneration to Manager/ Whole Time Director/ Managing Director:**

The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration/commission to Managing Director / Whole-time Directors by taking into consideration the performance and contribution, remuneration practices followed by Companies of similar size and stature and the Industry Standards. It shall also be governed as per the provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.

Managing Director / Whole-time Directors of the Company is being paid salary, allowances, perquisites, which are of fixed nature and does not involve performance linked incentives and there is no ESOP issued. Payment of remuneration to Whole Time Director and Chairman & Managing Director is governed by the terms and conditions of which have been duly approved by the Board of Directors and the shareholders of the Company. The Executive Directors shall not be entitled to any sitting fees for attending any meetings of Board or Committees thereof.

**Service contracts, notice period, severance fees:**

The Service Contract entered by the Company with Mr. Sanjeev Aggarwal (DIN: 00064076), Chairman & Managing Director and Mr. Rishav Aggarwal (DIN: 05155607), Whole-time Director for 3 years w.e.f. August 13, 2021 and August 22, 2020 respectively. The terms of employment stipulate a notice period of 3 (Three) months, for termination of appointment of Whole-time Director and Chairman & Managing Director, on either side. There is no provision for payment of severance fees.

**2. Remuneration to Non- Executive Director/ Independent Director:**

- a. The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013 and rules made thereunder. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.
- b. All the remuneration of the Non- Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling / limits as provided under the Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.
- c. An Independent Director shall not be eligible to get Stock Options and to participate in any share based payment scheme of the Company.
- d. Any remuneration paid to Non- Executive / Independent Directors for services rendered which are of professional nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:
  - i. The services are rendered by such Director in his capacity as the professional; and
  - ii. In the opinion of the Committee, the Director possesses the requisite qualification for the practice of that profession.

### 3. Remuneration to Key Managerial Personnel and Senior Management:

- a. The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and may include incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.
- b. The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as may be decided from time to time.
- c. The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

#### d) Performance Evaluation criteria for Independent Directors:

The Board works with the Nomination and Remuneration Committee to lay down the evaluation criteria for the performance of the Independent Directors through a peer evaluation, excluding the Director being evaluated. An indicative list of factors that may be evaluated include active participation and contribution by a Director in long-term strategic planning, commitment to the fulfillment of a Director's obligations and fiduciary responsibilities, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behavior and judgment.

### D. EXECUTIVE COMMITTEE:

The Board of Directors had constituted an Executive Committees which is non-statutory Committee to expedite the day to day functioning and exercise of delegated powers of the Board. This Committee meets as per the requirement of business, to expedite all matters relating to business operations and granting authority for various functional requirements in line with the delegated authority of Board of Directors from time to time. The composition of the Executive Committee is determined by the Board based on the recommendation of the Nomination & Remuneration Committee.

#### (i) Executive Committee Composition:

As on March 31, 2022, the Executive Committee comprised of all the Executive Directors of the Company i.e. Mr. Sanjeev Aggarwal, Chairman & Managing Director as Chairman of the Committee and Mr. Rishav Aggarwal, Whole-time Director as the Member of the Committee. During the year under review there was no change made in the composition of the Committee.

#### (ii) Role of Executive Committee:

The role of Executive Committee delegated by the Board of Directors are as follows:

- To borrow loans and monies etc. from the Banks, financial institutions or other corporate agencies for an aggregate amount, including present and future, not exceeding to ₹ 500 Crores from time to time;
- To invest funds in Bonds, Mutual Funds Units, Fixed Deposits, RD etc. and to make loans, advances, give guarantee or provide security in respect of loan to any other for an aggregate amount, including present and future, not exceeding to ₹ 50 Crore;
- To entrusting the responsibility of identifying the surplus assets of the Company and dispose of idle assets of the Company for a value not exceeding to ₹ 50 Crores;
- To issue power of attorney/ delegate operational powers to the officials of the Company for the purpose of routine matters of the Company;
- To appoint any person as authorize representatives of the Company to appear before the various regulatory, agencies, statutory authorities for any matter related to obtaining registration, no objections and approvals for the business of the Company;
- To apply for new connections/enhancement in power for various plants of the Company from time to time;
- To appoint employee or Solicitors/ Advocates or such other agencies as authorize representatives on behalf of the Company, to appear and represent legal cases or matters filed by or against the Company in civil courts or criminal courts or any court of law or any judiciary authority;

- To appoint Tax Advisors/ Professionals or such other agencies for tax matters of the Company;
- To oversee policy development pertaining to ethics, security guidelines, quality management, human resources, environmental and regulatory requirements;
- To authorize officials of the Company to enter into/ execute or sign and submit any deed(s), agreement(s), application(s), tender(s) or any other necessary document(s) or papers on behalf of Company with Banks, Financial Institutions, Statutory or regulatory authorities or any other agencies;
- To open current account, cash credit account and any other account with various Banks and authorize officials of the Company, from time to time, in relation to operating such bank account.

The Committee reports to the Board and the minutes of these meetings are placed before the Board for confirmation.

**(iii) Executive Committee Meetings:**

The Executive Committee met Ten times during the Financial Year ended March 31, 2022 i.e. on April 05, 2021, May 05, 2021, June 24, 2021, July 27, 2021, September 08, 2021, October 18, 2021, December 01, 2021, December 28, 2021, February 04, 2022, March 14, 2022.

**E. PREFERENTIAL ISSUE COMMITTEE:**

In order to assist the Board for timely discharge of responsibilities in connection with the preferential allotment, a Preferential Issue Committee is constituted for the allotment of Equity Shares and to discuss and freeze their roles and responsibilities.

**(i) Preferential Issue Committee Composition:**

As on March 31, 2022, the Preferential Issue Committee comprises of Mr. Sanjeev Aggarwal, Chairman & Managing Director as Chairman of the Committee and Mrs. Urvashi Dharadhar, Independent Director as Member of the Committee.

During the year under review, no changes were undertaken in the composition of the said committee.

**(ii) Role of Preferential Issue Committee:**

The role of Preferential Issue Committee is as follows:

- Review, monitor and provide strategic direction for utilization/usage of application money received from the proposed allottees.
- Obtain in-principle approval from the Stock Exchange where the shares of the Company are listed.
- Allot equity shares to the proposed allottees.
- Carry out formalities for Listing of Equity Shares on the Stock Exchange.
- Carry out any other acts, deeds and activities which may be deemed necessary in relation to the issue of equity shares on preferential basis.

**(iii) Preferential Issue Committee Meetings:**

During the financial year under review no meeting of **Preferential Issue Committee** was held.

**F. ENQUIRY COMMITTEE:**

As per the SEBI (Prohibition of Insider Trading) Regulations, 2015 and Clause 7 of policy of the Company on procedure of inquiry in case of leak of unpublished price sensitive information, an Enquiry Committee is constituted by the Company to conduct preliminary enquiry to ascertain the truth contained in the information or complaint pertaining to actual or suspected leak of unpublished price sensitive information and inform the Board promptly of such leaks, inquiries and results of such inquiries.

**(i) Enquiry Committee Composition:**

As on March 31, 2022, the Enquiry Committee comprises of Mr. Sanjeev Aggarwal, Chairman & Managing Director as Chairman of the Committee, Mr. Suresh Purohit, Chief Financial Officer and Mrs. Khushboo

Vivek Jalan, Company Secretary & Compliance Officer upto September 08, 2021 and thereafter Mr. Vijay Joshi (w.e.f. December 25, 2021) of the Company as the members of the said Committee.

During the year under review, following changes were undertaken in the composition of the said committee:

- Mrs. Khushboo Vivek Jalan, Company Secretary & Compliance Officer of the Company Ceased to be Member of the Committee with effect from September 08, 2021.
- Mr. Vijay Joshi, Company Secretary & Compliance officer of the Company appointed as Member of the Committee with effect from December 25, 2021.

**(ii) Role of the Enquiry Committee:**

- To conduct a preliminary enquiry to ascertain the truth contained in the information or complaint pertaining to actual or suspected leak of UPSI, if any;
- To authorize any person to collect necessary support material; and
- To decide disciplinary action thereon.
- Any other function as may be decided by the Board from time to time.

**(iii) Enquiry Committee Meetings:**

During the financial year under review, there was no meeting conducted of the Committee.

**4. SUBSIDIARY COMPANIES:**

The Company has only one Wholly Owned Subsidiary namely KML Tradelinks Private Limited which is not a material subsidiary of the Company as defined under Regulation 16(1)(c) of the SEBI Listing Regulations wherein a 'material subsidiary' means a subsidiary, whose income or net worth exceeds 10% of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year. The Company monitors the performance of its subsidiary company, *inter alia*, by the following means:

- Financial statements, in particular, the investments made by the unlisted subsidiary company are reviewed quarterly by the Company's Audit Committee.
- Minutes of Board meetings of unlisted subsidiary company are placed before the Company's Board quarterly.
- A statement, wherever applicable, containing all significant transactions and arrangements entered into by unlisted subsidiary company is placed before the Company's Board.

Policy on determining material subsidiaries of the Company can be accessed from the following weblink: <http://www.kisangroup.com/investorrelations/code-policies.php>

**5. GENERAL BODY MEETINGS:**

**i. Details of the last three Annual General Meetings and the Summary of Special Resolutions passed therein are as under:**

AGM	Financial Year ended	Date and Time	Special Resolutions Passed
30 <sup>th</sup>	March 31, 2019	September 21, 2019 at 4.30 p.m.	<ul style="list-style-type: none"> <li>• Re-appointment of Mr. Sanjeev A. Aggarwal as Chairman &amp; Managing Director of the Company.</li> </ul>
31 <sup>th</sup>	March 31, 2020	September 26, 2020 at 12:00 Noon	<ul style="list-style-type: none"> <li>• Re-appointment of Mr. Rishav Aggarwal (DIN: 05155607) as Whole-time Director of the Company.</li> </ul>
32 <sup>nd</sup>	March 31, 2021	September 29, 2021 at 11:30 Noon	<ul style="list-style-type: none"> <li>• Re-appointment of Mr. Sanjeev Aggarwal (DIN: 00064076) as Chairman &amp; Managing Director of the Company.</li> <li>• Adoption of Memorandum of Association (MOA) of the Company as per the Provisions of the Companies Act, 2013.</li> </ul>

The above-mentioned 30<sup>th</sup> AGMs were held at Mirage Hotel, International Airport Approach Road, Marol, Andheri (East), Mumbai: 400059 and 31<sup>st</sup> & 32<sup>nd</sup> AGM was held through Video Conferencing/ Other Audio Visual Means (“VC/ OAVM”) Facility, The deemed venue for the 31<sup>st</sup> & 32<sup>nd</sup> AGM was Registered Office of the Company at Tex Centre, K-Wing, 3<sup>rd</sup> Floor, 26-A, Chandivali Road, Off Saki Vihar Road, Andheri (East), Mumbai – 400 072.

**ii. Extra Ordinary General Meeting (EGM)**

No Extra Ordinary General Meeting (EGM) was held during the Financial Year i.e. 2021 -2022.

**iii. Postal Ballot**

During the year under review, no resolution was passed through Postal Ballot process.

None of the business proposed to be transacted at the ensuing Annual General Meeting requires passing of Special Resolution through postal ballot process.

**6. DISCLOSURES:**

**a) Disclosures on materially significant related party transactions that may have potential conflict with the Company’s interests at large:**

No transactions of a material nature have been entered into by the Company with any of its related parties that may have potential conflict of interest of the Company during the financial year. All related party transactions entered into during the financial year were on arm’s length basis and were in the ordinary course of business. The management of the Company furnishes the details of related party transactions on quarterly basis before the Audit Committee / Board of Directors meetings. The particulars of Related Party Transactions during the year have been disclosed vide Note no. 38 in notes forming part of the Standalone Financial Statements as per requirements of ‘Indian Accounting Standards – 24 on Related Party Disclosure’ issued by the Institute of Chartered Accountants of India.

Policy for consideration and approval of Related Party Transactions of the Company can be accessed from the following weblink: <http://www.kisangroup.com/investorrelations/code-policies.php>

**b) Details of Non-Compliance by the Company, penalties and strictures imposed on the Company by the Stock Exchanges or SEBI or any statutory authorities or any matter related to capital market during the last three years:**

During the year under review, the Company has complied with the applicable statutory provisions, rules and regulations of the Stock Exchange as well as SEBI relating to the Capital Market except as stated hereunder:

1. Defaults has been made in the repayment of interest/installment of loans or revolving facilities like cash credit, bank overdraft etc. availed from Banks and/or Financial Institutions by the Company and disclosures of such defaults as per SEBI circular SEBI/HO/CFD/CMD1/CIR/P/2019/140 dated November 21, 2019 for the month of April 2020, May 2020 & June 2020 has made in delay i.e. not within 24 hours from 30<sup>th</sup> day of such default by company to the stock exchange.
2. The Company was required to submit its quarterly and half yearly financial results for quarter and half year ended September 30, 2021 till 14<sup>th</sup> November, 2021. However, it was submitted to the stock exchange on December 25, 2021. The BSE Limited had imposed fine of ₹ 2,36,000 for the above referred non compliance which has been duly paid by the Company as on the date of this report.
3. In terms of provisions of Reg. 17(1)(c) of SEBI (LODR) Regulations, 2015 the Company was listed in top 2000 BSE Listed Company as on 31<sup>st</sup> March, 2021. Accordingly the Company was required to have minimum 6 Directors. The total strength of Board of Directors of the Company remained six during the year. However, Mr. Narendra Poddar one of the Independent Director resigned as Director on 7<sup>th</sup> March, 2022. The casual vacancy caused due to resignation of Mr. Narendra Poddar as Director was required to be filled within 3 months from the date of his Resignation to maintain the strength of Director to Six. However, from 01.04.2022 Company is not listed in Top 2000 BSE Listed Company. Consequently, on and after 01.04.2022, the Company is not required to have strength of Six Directors. There was a limited period of non -compliance for 24 days during the FY. 2021-2022 considering the plain reading of Regulation 17(1)(c) of SEBI (LODR) Regulations, 2015. However, considering the 3 months window available to fill the casual vacancy (caused by resignation of Director) available under regulation 25 of of SEBI (LODR) Regulations, 2015, the same may not be viewed as non-compliance.

**c) Details of establishment of vigil mechanism, whistle blower policy and affirmation that no personnel has been denied access to the Audit Committee:**

The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism pursuant to the Section 177 (9) and (10) of the Companies Act, 2013 and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for employees and directors to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct. The Company Secretary is the Vigilance Officer for effective implementation of the policy and dealing with the complaints registered under the policy. All cases registered under the Whistle Blower Policy of the Company, are reported to the Audit Committee for their review. However, during the year under review, there were no complaint lodged with the Company under the said vigil mechanism and whistle blower policy. No person has been denied access to the Chairman of the Audit Committee. The said policy has also been put up on the website of the Company at the following web link: <http://www.kisangroup.com/investorrelations/code-policies.php>

**d) Disclosure of Directors disqualification under Section 164 of the Companies Act, 2013:**

The Company has obtained a certificate from M/s. AVS & Associates, Practicing Company Secretaries, Secretarial Auditors of the Company regarding confirmation that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Securities and Exchange Board of India (SEBI), Ministry of Corporate Affairs (MCA) or any such Statutory authority. Certificate of Non-Disqualification of Directors is appended as **"Annexure-1"** of this Corporate Governance Report.

**e) Proceeds from Preferential Issue:**

The Company discloses to the Audit Committee, the uses/applications of proceeds/funds raised from Preferential Allotment from time to time. However, during the year, the Company has not raised any funds through Preferential Issue.

**f) Details of utilisation:**

During the year, the Company has not raised any funds through Preferential Allotment or Qualified Institutions Placement as specified under Regulation 32(7A) of the Listing Regulations.

**g) Compliance with the Corporate Governance Framework:**

The Board of Directors periodically reviewed the compliance of all applicable laws and steps taken by the Company to rectify instances of non-compliance, if any. The Board Members are qualified for their positions and have a clear understanding of their role in corporate governance and are not subject to undue influence from management or outside concerns. The Company periodically submits a quarterly compliance report on corporate governance in the format as specified under Regulation 27 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

As on March 31, 2022, the Company is in compliance with the requirements stipulated under Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable, with regard to Corporate Governance. Certificate of Compliance with the Corporate Governance Requirement is appended as **"Annexure -2"** of this Corporate Governance Report.

**h) Details of compliance with the mandatory requirements and adoption of the non-mandatory requirements:**

Except as stated at point no. 6 (3) above, the Company has complied with all the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has not adopted non-mandatory requirement as prescribed in Schedule II, PART E of Regulation 27(1) of (Listing Obligations and Disclosure Requirements) Regulations, 2015. However, they are complied with to the extent possible..

**i) Details of total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the Statutory Auditor and all entities in the network firm/ network entity of which the Statutory Auditor is a part:**

M/s S. Guha & Associates, Chartered Accountants (Firm Registration No. 322493E) have been appointed as the Statutory Auditors of the Company. The particulars of payment of Statutory Auditors' fees paid by the Company and its subsidiary, on consolidated basis, are given below:

Particulars	Amount in ₹
Services as Statutory Auditors (including quarterly audits)	10,00,000/-
Tax Audit	Nil
Services for tax matters	Nil
Other matters	Nil
Re-imburement of out-of-pocket expenses	Nil
<b>Total</b>	<b>10,00,000/-</b>

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

The Company strongly believes in zero tolerance towards sexual harassment at the workplace and is committed to provide a healthy environment to each and every employee of the Company. Your Company has framed and adopted a policy and has constituted Internal Complaints Committee (ICC) for redressal of complaints related to sexual harassment in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. All employees (permanent, contractual, temporary, trainees) are covered under the said policy. Details of the complaints as on 31.03.2022 are as under:

Number of complaints pending as on the beginning of the year	Nil
Number of complaints received during the year	Nil
Number of complaints disposed off during the year	Not applicable
Number of cases pending for more than 90 days	Not applicable
Nature of action taken by the employer	Not applicable
Number of complaints pending as on end of the year	Nil

**7. MEANS OF COMMUNICATION TO SHAREHOLDERS:**

Timely disclosure of consistent, comparable, relevant and reliable information on corporate financial performance is at the core of good governance. The Company regularly interacts with shareholders through multiple channels of communication such as results announcement, annual report, Company's website and subject specific communication.

The quarterly, half yearly and annual financial results of the Company are submitted to the BSE Limited immediately after they are approved by the Board of Directors of the Company through online compliances dissemination portal mandated by the BSE Limited. The Results were published in one English newspaper widely circulating in the whole or substantially the whole of India viz. Business Standard and in one Marathi newspaper viz. Mumbai Lakshadeep. These results are also made available on the website of the Company at <http://www.kisangroup.com/investorrelations/financialresults.php>. The quarterly financial results, press release, shareholding pattern and all other information disseminated to analysts/ Institutional investors, if any, are hosted on the Company's website at [www.kisangroup.com](http://www.kisangroup.com).

The Company has also designated E-mail id: [investor.relations@kisangroup.com](mailto:investor.relations@kisangroup.com) and [cs.kisan@kisangroup.com](mailto:cs.kisan@kisangroup.com) for investor servicing. The investors' complaints are also being processed through the centralized web based complaint redressal system provided by SEBI viz. SCORES (SEBI Complaints Redressal System) wherein the investors can view online the action taken and current status of their complaints. Further SEBI has launched a mobile app "SEBI SCORES", making it easier for investors to lodge their grievances with SEBI, as they can now access SCORES at their convenience of a smart phone.

**8. NON COMPLIANCE OF ANY REQUIREMENTS OF CORPORATE GOVERNANCE REPORT WITH REASONS THEREOF SHALL BE DISCLOSED:**

The Company was not in compliance with the requirement of minimum number of Directors under Regulation 17(1) (c) of SEBI (LODR) Regulations, 2015 for some period during the year under review. During the said period, the Company was in search of an appointment of suitable Director on the Board of the Company to comply with the aforesaid provisions. However the Company has complied with the said provisions as on March 31, 2022.

## 9. SHAREHOLDERS' INFORMATION:

### a) Particulars of ensuing Annual General Meeting for the Financial Year 2021-22:

<b>Date</b>	September 30, 2022
<b>Venue</b>	Not Applicable as the Company is conducting meeting through Video Conferencing (VC) / Other Audio Visual Means (OAVM) pursuant to the MCA Circular dated May 5, 2022 and as such there is no requirement to have a venue for the AGM. For details please refer to the Notice of this AGM.
<b>Time</b>	3:30 P.M
<b>Day</b>	Friday
<b>Financial Year</b>	March 31, 2022
<b>Dividend payment date</b>	Not Applicable

### b) Tentative Calendar for financial year ending March 31, 2023

The tentative dates of meeting of Board of Directors for consideration of quarterly financial results for the financial year ending March 31, 2023 are as follows:

Financial Results for the quarter ending 30.06.2022	On or before 14.08.2022
Financial Results for the quarter ending 30.09.2022	On or before 14.11.2022
Financial Results for the quarter ending 31.12.2022	On or before 14.02.2023
Annual Audited Financial Results for the Financial Year ended 31.03.2023	On or before 30.05.2023

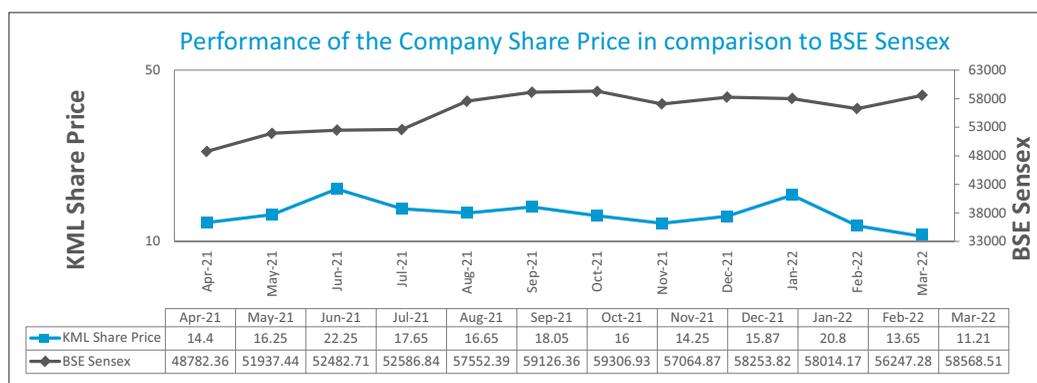
### c) Listing in Stock Exchanges and Stock Codes:

Name of the Stock Exchange	BSE Limited (BSE)
Stock Code	530145
ISIN	INE017C01012
Payment of Annual Listing Fees for 2021-2022	Payment is duly made within the time limit.

### d) Share Price Data:

The monthly high and low prices of Company's equity shares traded at BSE Limited (BSE) during the Financial Year ended March 31, 2022 are as follows:

MONTH	HIGH	LOW
April 2021	18.05	13.95
May 2021	18.00	14.10
June 2021	24.60	13.35
July 2021	22.25	15.75
August 2021	21.25	15.50
September 2021	19.20	15.80
October 2021	19.00	15.55
November 2021	16.80	13.95
December 2021	17.48	13.33
January 2022	28.40	15.00
February 2022	21.40	13.00
March 2022	15.51	11.01



**e) Registrar and Share Transfer Agent:**

**M/s. Link Intime India Private Limited (Erstwhile Registrar and Share Transfer Agent M/s. Sharex Dynamic (India) Pvt. Ltd has merged with M/s. Link Intime India Private Limited with effect from August 31, 2020),**

C-101, 247 Park, LBS Marg, Vikhroli West, Mumbai - 400 083,

Tel.: +91 22 4918 6000, Fax: +91 22 49186060, Email: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

Website: [www.linkintime.co.in](http://www.linkintime.co.in)

**f) Share Transfer System:**

In terms of Regulation 40(1) of SEBI Listing Regulations, as amended, securities of listed companies can only be transferred in dematerialised form with effect from April 01, 2019. However, SEBI vide Press Release No. 12/2019 dated 27<sup>th</sup> March, 2019, clarified that transfer deeds lodged prior to deadline of 1<sup>st</sup> April, 2019 and rejected / returned due to deficiency in the documents may be re-lodged with requisite documents.

Further, SEBI vide Circular no. SEBI/HO/MIRSD/RTAMB/CIR/P/2020/166 dated 7<sup>th</sup> September, 2020 have fixed March 31, 2021 as the cut-off date for re-lodgement of transfer deeds. Further, the shares that are re-lodged for transfer (including those request that are pending with the listed company / RTA, as on date) shall henceforth be issued only in demat mode.

Such Share Transfers and Share Certificates are processed and returned within time stipulated by the Companies Act, 2013 subject to the documents being valid and complete in all respects by Link Intime India Private Limited, Registrar and Share Transfer Agent (RTA) of the Company (Erstwhile RTA M/s. Sharex Dynamic (India) Private Limited has merged with M/s. Link Intime India Private Limited with effect from August 31, 2020). Transfers of equity shares in electronic form are affected through the depositories with no involvement of the Company. A summary of transfers/transmission of securities of the Company from the RTA is placed quarterly before Stakeholders Relationship Committee Meeting.

**g) Distribution of Shareholding as on March 31, 2022:**

HOLDINGS	SHAREHOLDERS		SHARES	
	NUMBER	%	NUMBER	%
Up to 5000	6523	75.954	862190	2.546
5001 to 10000	778	9.059	658636	1.945
10001 to 20000	492	5.728	754339	2.227
20001 to 30000	216	2.515	566216	1.672
30001 to 40000	90	1.048	329769	0.973
40001 to 50000	97	1.129	465240	1.373
50001 to 100000	146	1.700	1074166	3.172
100001 to above	246	2.864	29152509	86.089
<b>Total</b>	<b>8588</b>	<b>100.00</b>	<b>33863065</b>	<b>100.00</b>

#### h) Shareholding Pattern as on March 31, 2022:

Category	Category of Shareholder	Total number of shares	Total Shareholding as a % of Total No. of Shares
<b>A. SHAREHOLDING OF PROMOTER AND PROMOTER GROUP:</b>			
Indian	Promoter & Promoter Group	148,08,502	43.73
	<b>Total (Promoter &amp; Promoter Group)</b>	<b>148,08,502</b>	<b>43.73</b>
<b>A. PUBLIC SHAREHOLDING:</b>			
<b>Institutions</b>	Foreign Portfolio Investor	1,62,000	0.48
	Financial Institutions/ Banks	0	0.00
	<b>Total (Institutions)</b>	<b>162,000</b>	<b>0.48</b>
<b>Non-institutions</b>	Individuals	132,22,061	39.04
	NBFCs registered with RBI	3000	0.01
	IEPF	133,853	0.40
	Clearing Members	83,256	0.25
	Non-Resident Indian (NRI)	371,341	1.10
	HUF	17,52,009	5.17
	Bodies Corporate	33,270,43	9.82
	<b>Total (Non-Institutions)</b>	<b>23,43,459</b>	<b>55.79</b>
	<b>Total Public Shareholding</b>	<b>190,54,563</b>	<b>56.27</b>
	<b>Total (A + B)</b>	<b>338,63,065</b>	<b>100.00</b>

#### i) Dematerialization of Shares:

The shares of the Company are compulsorily traded in dematerialised form on BSE Limited and are available for trading in both the depository systems of NSDL and CDSL. 100% of the holding of the Promoters and Promoter Group are in dematerialised form. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE017C01012.

Details of shareholding of the Company in dematerialised and physical mode are as under:

Category	No. of Shares	% of Total Issued Capital
CDSL	132,31,355	39.07
NSDL	204,93,610	60.51
Physical	1,38,100	0.40
<b>Total</b>	<b>338,63,065</b>	<b>100%</b>

#### j) Postal Ballot:

The Company has not passed any special resolution through postal ballot during the last financial year i.e. 2021-2022 and as of now no special resolution is proposed to be conducted through postal ballot.

#### k) Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, conversion date and likely impact on equity:

The Company in the past has not issued any GDRs/ ADRs/ Warrants or any Convertible Instruments and therefore as on March 31, 2022, the Company does not have any outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments which will likely impact the Equity Share Capital of the Company.

#### l) Commodity price risk or foreign exchange risk and hedging activities:

The Company does not have any exposure hedged through commodity derivatives. During the year under review, the Company has managed the foreign exchange risk and hedging activities.

The Company monitors these risks on regular basis to ensure that they are mitigated and margins are not adversely impacted.

**m) Plant Locations are as under:**

Survey No. 64/1, 63/1, 70, 71, 72, 74/1/1 Village-Mahagaon, Taluka-Palghar, Boisar, Dist-Thane (Maharashtra).

- Survey No. 34/1/1, Village - Umerkui, Silvassa - D. & N.H. (U. T.). (Working & Lease)
- Plot No. 5-A/5 Industrial Area No. 2, Dewas, Madhya Pradesh - 455001.
- Survey No. 108/1/6, Surangi Road, Near Khadoli Sub Station, Silvassa.

**n) Address for Investor Correspondence:**

**Registered office of the Company**

**Kisan Mouldings Limited**

26 'A', 3<sup>rd</sup> Floor, 'K' Wing, Tex Centre,  
Chandivali, Off Saki Vihar Road,  
Andheri (East), Mumbai - 400 072  
Tel. No.: 022 - 42009100  
E-mail: [cs.kisan@kisangroup.com](mailto:cs.kisan@kisangroup.com)  
[investor.relations@kisangroup.com](mailto:investor.relations@kisangroup.com)  
Website: [www.kisangroup.com](http://www.kisangroup.com)

**Registrar and Share Transfer Agent**

**Link Intime India Private Limited**

C-101, 247 Park, LBS Marg,  
Vikhroli West, Mumbai - 400 083  
Tel. No.: 022 - 4918 6000  
Fax No.: 022 - 4918 6060.  
Email: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)  
Website: [www.linkintime.co.in](http://www.linkintime.co.in)

**o) Credit Ratings:**

**During the year under review, the Company has been assigned D rating by CARE Ratings Limited.**

**p) CEO/CFO Certificate:**

Certificate from Mr. Suresh Purohit, Chief Financial Officer and Mr. Sanjeev Aggarwal, Chairman & Managing Director of the Company, in terms of Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the Financial Year 2021-2022 was placed before the Board at its meeting held on May 30, 2022. The said CEO/CFO Certificate is appended as **"Annexure-3"** of this Corporate Governance Report.

**q) Code of Conduct for Members of Board and Senior Management:**

The Company has adopted the Code of Conduct for Executive Directors, Non-Executive Directors and Senior Management Personnel. A declaration has been received from Executive Directors, Non-executive Directors and Senior Management Personnel regarding compliance of the Code for the year under review in terms of SEBI Listing Regulations. The said code is posted on the website of the Company, which can be accessed at following weblink: <http://www.kisangroup.com/investorrelations/code-policies.php>. A declaration to this effect signed by Mr. Sanjeev A Aggarwal, Chairman & Managing Director of the Company forms part of this Report as **"Annexure - 4"**.

For **Kisan Mouldings Limited**

**Sd/-**

**Sanjeev A Aggarwal**

(DIN: 00064076)

Chairman & Managing Director

Date: 12<sup>th</sup> August, 2022

Place: Mumbai

**Annexure-1****CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members,  
**Kisan Mouldings Limited**  
Add: Tex Centre, K Wing, 3<sup>rd</sup> Floor,  
26-A, Chandivili Road, Nr. HDFC Bank,  
Andheri (E), Mumbai – 400072

We have examined the relevant records, information, forms, returns and disclosures received from the Directors of **M/s. KISAN MOULDINGS LIMITED** having **CIN: L17120MH1989PLC054305** and having registered office at **Tex Centre, K Wing, 3<sup>rd</sup> Floor, 26-A, Chandivili Road, Nr. HDFC Bank, Andheri (E), Mumbai – 400072** (hereinafter referred to as ‘the Company’) produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our 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 us by the Company & its officers, we hereby certify that, none of the Directors on the Board of the Company as stated below 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 for the financial year ending on March 31, 2022.

No.	Name of the Directors	DIN
1.	Mr. Sanjeev Amarnath Aggarwal	00064076
2.	Mr. Rishav Sanjeev Aggarwal	05155607
3.	Mrs. Urvashi Anand Dharadhar	08279196
4.	Mr. Jhumarlal Motilal Bhalgat	08693670
5.	Mr. Dinesh Navnitlal Modi***	00004556
6.	Mr. Narendra Kumar Poddar****	07115618

\*\*Narendra Kumar Poddar has resigned from the company w.e.f 07/03/2022

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our 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 **AVS & Associates**  
Company Secretaries

**Sd/-**

**Vijay Yadav**

Partner

Membership No. A39251

C.P. No: 16806

UDIN: A039251C000702034

Place: Navi Mumbai

Date: May, 31 2022

**Annexure-2****CERTIFICATE OF COMPLIANCE WITH THE CORPORATE GOVERNANCE**  
REQUIREMENTS UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS)  
REGULATIONS, 2015

To  
The Members of  
**KISAN MOULDINGS LIMITED**

We have examined the compliance of conditions of corporate governance by **M/s. Kisan Mouldings Limited ('the Company')** for the year ended 31<sup>st</sup> March, 2022, as stipulated in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the said Company with stock exchanges.

The compliance of the conditions of corporate governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 except mentioned in the Secretarial Audit Report issued by us.

We 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 **AVS & Associates**  
Company Secretaries

**Sd/-**  
**Vijay Yadav**  
Partner  
Membership No.39251  
C.P. No: 16806  
UDIN: A039251C000702012

Place: Navi Mumbai  
Date: May 31, 2022

**Annexure-3**

## CEO & CFO CERTIFICATION

To

The Board of Directors

**KISAN MOULDINGS LIMITED**

In compliance with Regulation 17(8) read with Schedule II Part B of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby certify that:

1. We have reviewed financial statements and cash flow statement of **KISAN MOULDINGS LIMITED** for the quarter and financial year ended on March 31, 2022 and that to the best of our knowledge and belief:
  - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the quarter and year which are fraudulent, illegal or violate the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the Auditors and the Audit Committee:
  - i. That there are no significant changes in internal control over financial reporting during the year;
  - ii. That there are no significant changes in accounting policies during the year; and
  - iii. That there are no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For **Kisan Mouldings Limited**

**Sd/**

**Sanjeev Aggarwal**

Chairman & Managing Director  
(DIN: 00064076)

**Sd/-**

**Suresh Purohit**

Chief Financial Officer

Date: May 30, 2021

Place: Mumbai

**Annexure-4**

## Declaration regarding compliance by Board Members and Senior Management Personnel with the Company's Code of Conduct

I Mr. Sanjeev A Aggarwal, Chairman & Managing Director of the Company, hereby declare that all the Board members and Senior Management Personnel affirmed for the Financial Year 2021-22 compliance with the Code of Conduct of the Company laid down for them pursuant to Regulation 17(5) read with Schedule V (D) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015..

For **Kisan Mouldings Limited**

**Sd/-**

**Sanjeev A Aggarwal**

Chairman & Managing Director  
(DIN: 00064076)

Date: May 30, 2022

Place: Mumbai

# FINANCIAL STATEMENTS



# Independent Auditor's Report

To The Members of Kisan Mouldings Limited

## Report on the Audit of the Standalone Financial Statements

### Qualified Opinion

We have audited the accompanying standalone financial statements of Kisan Mouldings Limited ("the Company"), which comprise the standalone balance sheet as at March 31, 2022, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects, if any, of the matter described in the "Basis for Qualified Opinion" paragraph of our report, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, of its profit, other comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for Qualified Opinion

1. We draw attention to note 23.1 & 23.2 to the standalone financial Statement, which states that the the Company has defaulted in repayment of loans and interest in respect of Term Loan and Cash Credit of Punjab National Bank, Union Bank of India, IDBI Bank and Shamrao Vitthal Cooperative Bank due to which the accounts are considered as Non-Performing Asset (NPA) by all the banks.
2. We draw attention to note 26.1 of the standalone financial statement, which states that the Company is in default w.r.t. payment of statutory dues to government authorities and filing of periodic returns thereof; which may entail penalty which is not ascertainable and hence not provided for.

We conducted our audit in accordance with the Standards on Auditing (SAs') specified under section 143(10) of the Act. Our responsibilities under those SAs 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 ('the ICAI') 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 qualified opinion on the standalone financial statements.

### Emphasis of Matters

1. We draw attention to note 8.1 of the standalone financial statement, which states that the Company has currently not recognized deferred tax assets in respect of deductible temporary differences arising during the quarter and year ended 31<sup>st</sup> March, 2022. However, the Company has a total deferred tax asset of ₹ 3818.61 Lakhs as at 31<sup>st</sup> March 2022 for which Company has assessed that there is reasonable certainty that sufficient future taxable income will be available against which such deferred asset can be realized.
2. We draw your attention to Note 11.1 of the standalone financial statement with regard to Trade Receivables are subject to balance confirmation and adjustments, if any.

### 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.

In addition to the matter described in the “Basis for Qualified Opinion” paragraph we have determined that the following are the key audit matters:

Sr. No.	Key Audit Matter	Auditors Response
<b>1</b>	<b>Revenue Recognition</b>  (refer Note. 1.9 related to Revenue) We focused on this area as a key audit matter due to the risk of incorrect timing of revenue recognition and estimation related to recording the discount and rebates. According to the Standalone Financial Statement accounting principles revenue is recognized at a point in time when the control of the goods is transferred to the customer according to delivery terms. Due to variation of contractual sales terms and practices across the market and the pressure, the management may feel to achieve performance targets, there is a risk of material error.	To address this risk of material misstatement relating to revenue recognition, our audit procedures included:  - Assessing the compliance of Company’s revenue recognition policies with applicable accounting standards, including those related to discounts and rebates.  - Assessing the adequacy of relevant disclosures.
<b>2</b>	<b>Inventories</b>  Refer Note No. 1.4 related to Inventories  Inventory were considered as a Key audit matter due to the size of the balance and because inventory valuation involves management judgment. According to Company’s accounting policies inventories are measured at the lower of cost or net realizable value.	to address the risk for material error on inventories, our audit procedures included amongst other:  - Assessing the compliance of Company’s accounting policies over inventory with applicable accounting standards.  - Assessing the analyses and assessment made by management with respect to slow moving stock.

**Other Matters**

- Due to COVID-19 pandemic it is not possible to verify the physical verification of inventories at all locations, therefore we have relied on the inventory verification and valuation report issued by Independent Chartered Accountant. Our conclusion is not modified in respect of this matter.

**Information Other than the Financial Statements and Auditor’s Report Thereon**

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 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 in the 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. As described in the Basis for Qualified Opinion paragraph above we are unable to comment on the impact thereof if any on the standalone financial statements for the year ended March 31 2022. Accordingly we are unable to conclude whether or not the other information is materially misstated with respect to this matter.

**Management’s and Board of Directors’ Responsibility for the Standalone Financial Statements**

The Company’s Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs profit/loss and other comprehensive income changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 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 the 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 the Board of Directors either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities 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 controls 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 auditors 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 auditors 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 consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements.

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 auditors 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 (Auditors’ Report) Order 2016 (“the Order”) issued by the Central Government in terms of section 143 (11) of the Act we give in the “Annexure A” a statement on the matter specified in paragraphs 3 and 4 of the Order which is subject to the effects/ possible effects of the matter described in the “Basis for Qualified Opinion” paragraph of our Audit Report.
2. (A) As required by Section 143(3) of the Act we report that:
  - a. We have sought and except for the matter described in the “Basis for Qualified Opinion” paragraph above obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. Except for the possible effects of the matter described in the “Basis for Qualified Opinion” paragraph above in our opinion proper books of account as required by law 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) the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.
  - d. Except for possible effects of the matter described in the “Basis for Qualified Opinion” paragraph above in our opinion the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act.

- e. The matter described in the “Basis for Qualified Opinion” paragraph and the “Emphasis of Matter” paragraphs above in our opinion may have an adverse effect on the functioning of the Company.
  - f. 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.
  - g. The qualification relating to maintenance of accounts and other matters connected there with are as stated in the “Basis for Qualified Opinion” paragraph above.
  - h. With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls refer to our separate Report in “Annexure B”.
- (B) With respect to the other matters to be included in the Auditors’ Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules 2014 in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations as at March 31, 2022 on its financial position in its standalone financial statements - Refer Note 43 to the standalone financial statements;
  - 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;
  - iv. (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 44(i) to the standalone financial statements, no funds (which are material either individually or in the aggregate) 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; statements;

- (b) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 44 (ii) to the standalone financial statements, no funds (which are material either individually or in the aggregate) 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.

- (C) With respect to the matter to be included in the Auditors’ Report under section 197(16): 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.

For **S. Guha & Associates**

Chartered Accountants

Firm Registration No. 322493E

**Sd/**

**CA Saurabh Mitra**

Partner

Membership No. 308743

UDIN: 22308743AJXWEW7551

Kolkata

May 30, 2022

# Annexure 'A' to the Independent Auditor's Report on the Standalone Financial Statements of Kisan Mouldings Limited for the year ended March 31, 2022

**(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date and except for the effects / possible effects of the matters described in the "Basis for Qualified Opinion" paragraph of our audit report)**

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
  - 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 Company has a program of physical verification of Property, Plant and Equipment so to cover all the assets in a phased manner which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - (c) According to the information and explanations given to us and on the basis of records examined by us, we report that, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the standalone financial statements are held in the name of the Company as at the balance sheet date. Except two immovable properties acquired under the scheme of merger.
  - (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, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. The Company has a program of verification to cover all the items of inventories in a phased manner which, in our opinion, is reasonable having regard to the size of the Company. According to the information and explanations given to us physical inventory verifications was carried out at all locations by Independent Chartered Accountants which is relied on by us and no material discrepancies were noticed on such verification.
- iii. According the information and explanations given to us, the Company has not granted any secured or unsecured loans to body corporates, firms, LLP or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, reporting under clause (iii) of the order is not applicable to the Company.
- iv. The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi. We have broadly reviewed the books of accounts maintained by the Company in respect of products where pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the Central Government under section 148(1) of the Act. We are of the opinion, that prima facie the prescribed accounts and records have been maintained by the Company. The contents of these accounts and records have not been examined by us.
- vii. According to the information and explanations given to us, in respect of statutory dues :

- (a) The Company has not been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax and other material statutory dues applicable to it with the appropriate authorities
- (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable except Indirect Tax of ₹ 364.41 Lakh, TDS of ₹ 39.51 Lakh and PF of ₹ 182.99 Lakh.
- (c) According to the information and explanations given to us, there are no dues of income tax, duty of excise and service tax and value added tax have not been deposited with the appropriate authorities on account of any dispute Except the below.

Sr. No.	Act	Nature of Dues	Period related	Amount in Lakh	Authority
1	The Central Sales tax/ Vat/ET	VAT, CST, ENTRY TAX	2000-2018	1,512.42	DY.COM. SALES TAX (APPEAL) NAVI MUMBAI, DY. AND ASST. COMMISSIONER OF SALES TAX, DC/ APPEAL SALES TAX-PALGARH, DC SALES TAX BELAPUR NODAL OFFICE, JC APPEAL SALES TAX BHAYANDAR
2	The Central Excise Act, 1944	Excise Duty, Service Tax	2006-2015	1,900.40	COMMISSIONER CENTRAL EXCISE, RAIGAD, DY. COMMISSIONER OF ALIBAUG DIVISION, ADDL. COMMISSIONER THANE-II, ASSISTANT & DEPUTY COMMISSIONER
3	Income Tax Act, 1961	Income Tax	2017-18	97.53	CENTRAL CIRCLE 7(3), MUMBAI

- 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) In our opinion and according to the information and explanations given to us, the company has defaulted in the repayment of dues to bank as mentioned below. The Company did not have any outstanding dues to debenture holder during the year.

(Amount in Lakhs)

Name of the Lender	Principal (Including Interest)*
<b>Punjab National Bank</b>	
Term Loan	1140.29
Cash Credit	6503.17
<b>Union Bank of India</b>	
Term Loan	777.23
Cash Credit	4101.82
<b>IDBI Bank</b>	
Term Loan	877.46
Cash Credit	3425.76
<b>SVC</b>	
Term Loan	1572.25
Cash Credit	3835.19

\*Interest provision created by company is not considered in above table

CORPORATE OVERVIEW	STATUTORY REPORTS	FINANCIAL STATEMENTS	NOTICE
--------------------	-------------------	----------------------	--------

- (b) According to the information and explanations given to us and on the basis of our audit procedures, the Company is not declared willful defaulter by any bank or financial institution or other lender.
- (c) According to the information and explanations given to us and on the basis of the books and records examined by us, the term loans taken during the year have been applied for the purposes for which those were obtained.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that funds raised on short-term basis have not been utilised for long-term purposes.
- (e) On an overall examination of the 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) According to the information and explanations given to us and procedures performed by us, the company has not raised any loans during the year on the pledge of securities held on its subsidiaries or associates companies.
- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, 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.
- xi. (a) No fraud by the Company and no material 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) Rules, 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 upto 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 (xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party 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 adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports 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 during the year the Company has not entered into any non-cash transactions with its 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) In our opinion, the Company is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) 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 incurred cash losses of ₹ 508.09 Lakhs during the financial year covered by our audit.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the 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. As per the information and explanations given to us and on basis of books and records examined

by us, we report that since the Company has average net losses during the immediately preceding three financial years, it is not required to spend any money under sub-section (5) of section 135 of the Act and accordingly, any reporting under clause (xx) of the Order is not applicable to the Company for the year.

For **S. Guha & Associates**

Chartered Accountants

Firm Registration No. 322493E

Sd/-

**CA Saurabh Mitra**

Partner

Membership No. 308743

UDIN: 22308743AJXWEW7551

Kolkata

May 30, 2022

# Annexure 'B' to the Independent Auditor's Report on the Standalone Financial Statements of Kisan Mouldings Limited for the year ended March 31, 2022

Report on the Internal Financial Controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act 2013

(Referred to in paragraph (2)(A)(h) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

## Opinion

We have audited the internal financial controls with reference to standalone financial statements of Kisan Mouldings 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 the Company has in all material respects adequate internal financial controls with reference to standalone financial statements and such internal financial controls were operating effectively as at March 31 2022 based on the internal financial controls with reference to standalone financial statements 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 (the "Guidance Note").

## Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 (hereinafter referred to as "the Act").

## Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. 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 with reference to standalone financial statements were established and maintained and whether 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 with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of such internal financial controls 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 judgement 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 with reference to standalone financial statements.

## Meaning of Internal Financial controls with Reference to Standalone Financial Statements

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements include

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 standalone 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 Standalone financial statements.

#### **Inherent Limitations of Internal Financial controls with Reference to Standalone Financial Statements**

Because of the inherent limitations of internal financial controls with reference to standalone financial statements 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 with reference to the standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to the standalone financial statements may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

For **S. Guha & Associates**

Chartered Accountants

Firm Registration No. 322493E

Sd/-

**CA Saurabh Mitra**

Partner

Membership No. 308743

UDIN: 22308743AJXWEW7551

Kolkata

May 30, 2022

## Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results - (Standalone)

### Statement on Impact of Audit Qualifications for the Financial Year ended March 31,2022 (See Regulation 33/52 of the SEBI (LODR )(Amendment ) Regulations, 2016)

I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (Audited figures after adjusting for qualifications)
	1	Turnover/Total Income	31,088.73	31,088.73
	2	Total Expenditure	39,587.18	39,587.18
	3	Net Profit/(Loss)	(8,474.92)	(8,474.92)
	4	Earnings per share	(25.10)	(25.10)
	5	Total Assets	33,950.22	33,950.22
	6	Total Liabilities	33,950.22	33,950.22
	7	Net Worth	(957.96)	(957.96)
	8	Any other Financial item(s) (as felt appropriate by the Management)	-	-
<b>II. Audit Qualification (each audit qualification separately):</b>				
	a.	Details of Audite Qualification : <b>Credit Facilities availed from four consortium bank turned NPA</b>		
	b.	Type of Audit Qualifaction : <b>Qualified opinion</b>		
	c.	Frequency of Qulification : <b>Second Time</b>		
	d.	For Audit Qulification (s) where the impact is quantified by the auditor, Management;s view : <b>Yes</b>		
	e.	For Audit Qulification (s) where the impact is not quantified by the Auditor :		
	i.	Manegnents estimation on the impact of Audit qulification : <b>Nil alreedy provided</b>		
	ii.	If management is unable to estimate the impact, reason for the same :- <b>N.A.</b>		
	iii.	Auditor Comments on (i) or (ii) above: <b>With reference to para 3 of Limited Review report - We have approached all banks for considering the proposal of restructuring .</b>		
<b>III. Signatories:</b>				

#### For S. Guha and Associates

Chartered Accountants

ICAI Firm Registration Number: 322493E

sd/-

**CA Saurabh Mitra**

Partner

Membership No. 308743

sd/-

**Urvashi Dharadhar**

**Chairperson of Audit Committee**

sd/-

**Sanjeev Aggarwal**

DIN: 00064076

**Chairman & Managing Director**

sd/

**Suresh Purohit**

**Chief Financial Officer**

Date:- May 30, 2022

Place:- Kolkatta

Date:- May 30, 2022

Place:- Mumbai

# Standalone Balance sheet as at March 31, 2022

(All amounts are in lakhs, except share data and as stated)

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
<b>ASSETS</b>			
<b>Non - Current Assets</b>			
Property, plant and equipment	2	10,894.47	11,669.35
Capital work-in-progress	2	3.42	9.85
Intangible assets	3	1.16	2.01
Investment in subsidiary	4	1.00	1.00
Financial assets			
Investments	5	6.56	6.56
Other financial assets	6	88.24	89.39
Non-current tax assets (net)	7	213.68	186.56
Deferred tax assets (net)	8	3,818.61	3,818.61
Other non-current assets	9	174.60	209.94
		<b>15,201.73</b>	<b>15,993.28</b>
<b>Current assets</b>			
Inventories	10	8,927.4	15,683.62
Financial assets			
Trade receivables	11	6,971.89	7,175.30
Cash and cash equivalents	12	152.42	660.51
Bank balances other than cash and cash equivalents mentioned above	13	300.17	286.25
Loans	14	71.14	191.91
Other financial assets	15	563.13	643.71
Other current assets	16	480.51	956.71
Assets classified as held for sale	17	1,281.86	1,281.86
		<b>18,748.49</b>	<b>26,879.88</b>
		<b>33,950.22</b>	<b>42,873.16</b>
<b>TOTAL</b>			
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity share capital	18	3,386.31	3,386.31
Other equity	19	(4,344.27)	4,130.65
<b>Total Equity</b>		<b>(957.96)</b>	<b>7,516.96</b>
<b>LIABILITIES</b>			
<b>Non - Current Liabilities</b>			
Financial liabilities			
Borrowings	20	256.72	1,563.77
Other financial liabilities	21	162.27	187.38
Provisions	22	317.28	319.07
		<b>736.27</b>	<b>2,070.22</b>
<b>Current liabilities</b>			
Financial liabilities			
Borrowings	23	17,866.16	17,247.70
Trade payables	24	5,582.44	6,409.95
Other financial liabilities	25	5,840.77	4,874.09
Other current liabilities	26	1,660.04	2,759.97
Provisions	27	3,222.50	1,994.27
		<b>34,171.90</b>	<b>33,285.98</b>
		<b>33,950.22</b>	<b>42,873.16</b>
<b>TOTAL</b>			
Significant accounting policies and Key accounting estimates and judgements	1		
The accompanying notes form an integral part of these Financial Statements.			

As per our attached report of even date

**For S. Guha and Associates**

Chartered Accountants  
Firm Registration No. 322493E

**CA Saurabh Mitra**

Partner  
Membership No. 308743

**For and on behalf of the Board of Directors of,  
Kisan Mouldings Limited.**

**Sanjeev A. Aggarwal**

DIN: 00064076

**Chairman & Managing Director**

**Rishav S. Aggarwal**

DIN: 05155607

**Whole Time Director**

**Suresh Purohit**

**Chief Financial Officer**

**Vijay Joshi**

M.No. A7298

**Company Secretary**

Date:- May 30, 2022  
Place:- Kolkatta

Date:- May 30, 2022  
Place:- Mumbai

# Standalone Statement of Profit and Loss for the year ended March 31, 2022

(All amounts are in lakhs, except share data and as stated)

Particulars	Notes	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Income</b>			
Revenue from operations	28	30,716.88	20,987.68
Other income	29	371.85	216.96
<b>Total Income</b>		<b>31,088.73</b>	<b>21,204.64</b>
<b>Expenses</b>			
Cost of Materials consumed	30	22,350.47	16,644.38
Purchases of stock-in-trade	31	1,184.68	294.78
Changes in inventories of finished goods, work-in-progress and stock-in-trade	32	6,227.47	(1,051.84)
Employee benefits expense	33	1,231.73	959.25
Finance costs	34	2,975.03	3,008.65
Depreciation and amortisation expense	2 & 3	883.04	1,057.12
Other expenses	35	4,734.76	5,069.15
<b>Total Expenses</b>		<b>39,587.18</b>	<b>25,981.51</b>
<b>Profit / (Loss) for the year before tax</b>		<b>(8,498.46)</b>	<b>(4,776.87)</b>
Exceptional Items -(Loss)/Income		-	-
Prior period (income) / Expenses		-	-
<b>Profit / (Loss) for the year before tax</b>		<b>(8,498.46)</b>	<b>(4,776.87)</b>
<b>Tax expense :-</b>			
Current tax			
Deferred tax charge / (Credit)	8	-	(66.34)
<b>Profit / (Loss) for the year (A)</b>		<b>(8,498.46)</b>	<b>(4,710.53)</b>
<b>Other Comprehensive Income</b>			
<i>Items that will not be reclassified to profit or loss</i>			
Remeasurements gains/(losses) on defined benefit plan		23.54	(35.20)
Income tax effect on above		-	11.12
<b>Total other comprehensive income / (loss) for the year (B)</b>		<b>23.54</b>	<b>-24.08</b>
<b>Total comprehensive income / (loss) for the year (A+B)</b>		<b>(8,474.92)</b>	<b>-4,734.61</b>
Earnings per equity share of face value of ₹ 10 each fully paid up			
Basic ₹	36	(25.10)	(13.91)
Diluted ₹	36	(25.10)	(13.91)
Significant accounting policies and Key accounting estimates and judgements	1		
The accompanying notes form an integral part of these Financial Statements.			

As per our attached report of even date

**For S. Guha and Associates**  
Chartered Accountants  
Firm Registration No. 322493E

**CA Saurabh Mitra**  
Partner  
Membership No. 308743

Date:- May 30, 2022  
Place:- Kolkatta

**For and on behalf of the Board of Directors of,  
Kisan Mouldings Limited.**

**Sanjeev A. Aggarwal**  
DIN: 00064076

**Rishav S. Aggarwal**  
DIN: 05155607

**Suresh Purohit**

**Vijay Joshi**  
M.No. A7298

**Chairman & Managing Director**

**Whole Time Director**

**Chief Financial Officer**

**Company Secretary**

Date:- May 30, 2022  
Place:- Mumbai

# Standalone Statement of changes in equity for the year ended March 31, 2022

(All amounts are in lakhs, except share data and as stated)

## (a) EQUITY SHARE CAPITAL

	Amt.
<b>Balance as at April 01, 2020</b>	<b>3,386.31</b>
Changes in equity during F.Y 2020-21	-
<b>Balance as at April 01, 2021</b>	<b>3,386.31</b>
Changes in equity during F.Y 2021-22	-
<b>Balance as at March 31, 2022</b>	<b>3,386.31</b>

## (b) OTHER EQUITY

	Reserves & Surplus			Other Comprehensive Income	Total
	Securities Premium	General Reserves	Retained Earnings	Remeasurements of defined benefit plans	
<b>Balance as on March 31, 2020</b>	<b>10,309.89</b>	<b>366.46</b>	<b>(1,841.94)</b>	<b>30.86</b>	<b>8,865.26</b>
Addition during the year	-	-	-	-	-
Profit / (Loss) for the year	-	-	(4,710.53)	-	(4,710.53)
Other comprehensive income	-	-	-	(24.08)	(24.08)
<b>Balance as on March 31, 2021</b>	<b>10,309.89</b>	<b>366.46</b>	<b>(6,552.47)</b>	<b>6.78</b>	<b>4,130.65</b>
Addition during the year	-	-	-	-	-
Profit / (Loss) for the year	-	-	(8,498.46)	-	(8,498.46)
Other comprehensive income	-	-	-	23.54	23.54
<b>Balance as on March 31, 2022</b>	<b>10,309.9</b>	<b>366.46</b>	<b>(15,050.92)</b>	<b>30.32</b>	<b>(4,344.27)</b>

As per our attached report of even date  
**For S. Guha and Associates**  
 Chartered Accountants  
 Firm Registration No. 322493E

**CA Saurabh Mitra**  
 Partner  
 Membership No. 308743

Date:- May 30, 2022  
 Place:- Kolkatta

**For and on behalf of the Board of Directors of,  
 Kisan Mouldings Limited.**

**Sanjeev A. Aggarwal**  
 DIN: 00064076

**Chairman & Managing Director**

**Rishav S. Aggarwal**  
 DIN: 05155607

**Whole Time Director**

**Suresh Purohit**

**Chief Financial Officer**

**Vijay Joshi**  
 M.No. A7298

**Company Secretary**

Date:- May 30, 2022  
 Place:- Mumbai

# Standalone Statement of Cash Flows for the year ended March 31, 2022

(All amounts are in lakhs, except share data and as stated)

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
<b>A. CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES:</b>		
Profit before tax	<b>(8,474.92)</b>	<b>(4,812.07)</b>
<b>Adjustments for :</b>		
Depreciation and amortisation	883.04	1,057.12
Interest expenses	2,975.03	3,008.65
(Profit)/Loss on sale of property, plant and equipments	(20.01)	20.86
Provision For Doubtful debts	100.00	150.00
Dividend income	(0.60)	-
Liability written back	(210.55)	(0.00)
<b>Cash Generated from operations before working capital changes</b>	<b>(4,748.00)</b>	<b>(575.43)</b>
(Increase) / Decrease in inventories	6,756.25	854.10
(Increase) / Decrease in trade receivables	103.41	1,865.46
(Increase) / Decrease in other non-current financial assets	1.16	(0.21)
(Increase) / Decrease in other non-current assets	35.34	143.75
(Increase) / Decrease in other current financial assets	201.35	272.90
(Increase) / Decrease in other current assets	476.20	563.15
Increase / (Decrease) in non-current provisions	(1.79)	85.81
Increase / (Decrease) in current provisions	1,228.23	621.12
Increase / (Decrease) in other non-current financial liabilities	(25.11)	(46.47)
Increase / (Decrease) in other current financial liabilities	349.71	(3,897.39)
Increase / (Decrease) in other current liabilities	(1,099.93)	582.90
(Increase) / Decrease in non current tax [net]	(27.12)	144.01
Increase / (Decrease) in other assets held for sales	-	(72.70)
<b>Cash generated from operations</b>	<b>3,249.70</b>	<b>541.01</b>
Income taxes paid	-	-
<b>Net cash generated from / (used in) operating activities (A)</b>	<b>3,249.70</b>	<b>541.01</b>
<b>B. CASH FLOWS FROM / (USED IN) INVESTING ACTIVITIES:</b>		
Purchase of property, plant and equipment and additions to capital work in progress	(188.91)	(116.49)
Proceeds from sale of property, plant and equipment	108.06	148.60
Dividend received	0.60	
Movement in bank balances other than cash and cash equivalents	(13.92)	541.40
<b>Net cash from / (used in) investing activities (B)</b>	<b>(94.17)</b>	<b>573.51</b>

# Standalone Statement of Cash Flows for the year ended March 31, 2022

(All amounts are in lakhs, except share data and as stated)

<b>C. CASH FLOWS FROM / (USED IN) FINANCING ACTIVITIES :-</b>		
Proceeds from issuance of share capital		
Premium on issue of shares		
Proceeds from Working Capital		
Repayment of non-current borrowings	(1,307.05)	(1,919.12)
Repayment of deposits		
Proceeds from current borrowings	618.45	4,379.00
Interest paid	(2,975.03)	(3,008.65)
<b>Net cash from/(used in) financing activities (C)</b>	<b>(3,663.62)</b>	<b>(548.77)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>(508.09)</b>	<b>565.75</b>
<b>CASH AND CASH EQUIVALENTS, beginning of year</b>	<b>660.53</b>	<b>94.78</b>
Unrealised gain / (loss) on foreign currency cash and cash equivalents	-	-
<b>CASH AND CASH EQUIVALENTS, end of year</b>	<b>152.44</b>	<b>660.53</b>
<b>Components of cash and cash equivalents, as at March 31,2022</b>		
Cash on hand	7.40	15.29
Cash in current account	145.02	645.23
	<b>152.44</b>	<b>660.53</b>

- A. The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows.
- B. All figures in bracket are outflow.

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

## Note 1

### Significant accounting policies and Key accounting estimates and judgements

#### COMPANY BACKGROUND

Kisan Mouldings Limited (the 'Company') is a public limited Company domiciled in India with its registered office located at 26 'A', 3<sup>rd</sup> Floor, K-wing, "Tex Centre", Chandivali, Off Saki Vihar Road, Andheri (East), Mumbai - 400 072. The Company is listed on the Bombay Stock Exchange (BSE). The Company is a well-known brand in the PVC Pipes, Fittings and Allied Products. Its pipes and fittings are widely used for water management, irrigation, water distribution, cable ducting, drinking water, tube wells and sewage disposal systems. The Company has also engaged itself in the manufacturing of Custom Moulded Articles and Moulded Furniture. The Company has manufacturing facilities across the country and sells primarily in India through independent distributors..

#### BASIS OF PREPARATION AND MEASUREMENT

##### A. Basis of preparation

These financial statements are the separate financial statements of the Company (also called standalone financial statements) prepared in compliance with Indian Accounting Standards (hereinafter referred to as the 'Ind AS') notified under Section 133 of the Companies Act, 2013 (the Act), read together with the Companies (Indian Accounting Standards) Rules, 2015, (as amended).

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

The financial statements of the Company for the year ended March 31<sup>st</sup>, 2022 were approved for issue in accordance with the resolution of the Board of Directors on May 30<sup>th</sup>, 2022.

##### B. Basis of measurement

These financial statements are prepared under the historical cost convention unless otherwise indicated..

##### C. Application of New Accounting Pronouncements

The Company has applied the Ind AS pronouncements pursuant to issuance of the Companies (Indian Accounting Standards) Amendment Rules, 2019 and the Companies (Indian Accounting Standards) Second Amendment Rules, 2019.

##### D. Functional and presentation currency

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

##### E. Key estimates and assumptions

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets, liabilities and the accompanying disclosures along with contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require material adjustments to the carrying amount of assets or liabilities affected in future periods. The Company continually evaluates these estimates and assumptions based on the most recently available information. The Management believes that the estimates used in preparation of the Financial Statements are prudent and reasonable.

In particular, information about significant areas of estimates and judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are included in the following notes:-

- Financial instruments (Refer note 40 & 41);
- Valuation of inventories (Refer note 10);
- Measurement of Defined Benefit Obligation, key actuarial assumptions (Refer note 39);
- Provisions and Contingencies (Refer note 22, 27 and 43) and
- Recognition and Evaluation of recoverability of deferred tax assets (Refer note 8)
- Determining the lease term for the purpose of Ind AS 116 (Refer note 37)

Revisions to accounting estimates are recognized prospectively in the Statement of Profit and Loss in the period in which the estimates are revised and in any future periods affected.

#### F. Recent accounting developments

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2021.

### 1. SIGNIFICANT ACCOUNTING POLICIES

#### 1. Property, Plant and Equipment (PPE)

##### i. Recognition and measurement

An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of property, plant and equipment are carried at its cost less accumulated depreciation and accumulated impairment losses.

The cost of an item of PPE comprises:

- its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Pre-operative expenses, including interest on borrowings up to the date of commercial operations, are treated as part of project cost and capitalised.

Items such as spare parts, stand-by equipment and servicing equipment that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Costs in nature of repairs and maintenance are

recognized in the Statement of Profit and Loss as and when incurred.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labor, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Income and expenses related to the incidental operations, not necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by management, are recognized in profit or loss.

Advance paid towards the acquisition of Property, Plant and Equipment outstanding at each balance sheet date is classified as capital advance under “Other Non-Current Assets”.

The Company had elected to consider the carrying value of all its property, plant and equipment appearing in the financial statements prepared in accordance with Accounting Standards notified under the section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 and used the same as deemed cost in the opening Ind AS Balance sheet prepared on 1<sup>st</sup> April, 2016.

##### ii. Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

##### iii. Depreciation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on PPE (other than leasehold land) has been provided based on useful life of the assets as estimated by the management on Straight Line Method. The useful lives used, are in agreement

with those specified in Schedule II of the Companies Act, 2013.

Leasehold land are amortized over the lease period. Buildings constructed on leasehold land are depreciated based on the management estimate of useful life, where the lease period is beyond the life of the building. In other cases, buildings constructed on leasehold land is amortized over the primary lease period of the land.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Profit and loss on disposals are determined by comparing proceeds with carrying amount. These are included in statement of profit and loss.

#### iv. De-recognition:

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the Derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognized.

## 2. Intangible assets

### i. Recognition and measurement

Intangible assets are carried at cost less accumulated amortization and impairment losses, if any. The cost of an intangible asset comprises of its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use.

### ii. Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates.

### iii. Amortization

Intangible asset comprises computer software purchased, which are not an

integral part of the related hardware and are amortized on a straight line basis over a period of 8 years, which in Management's estimate represents the period during which the economic benefits will be derived from their use.

#### iv. De-recognition

The carrying amount of an intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the Derecognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and is recognized in the Statement of Profit and Loss when the asset is derecognized.

#### v. Research and development cost:

##### a) Research cost:

Revenue expenditure on research is charged to statement of profit and loss under the respective heads of accounts in the period in which it is incurred.

##### b) Development cost:

Development expenditure on new product is capitalized as intangible asset, if all of the following can be demonstrated.

- (i) the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- (ii) the Company has intention to complete the development of intangible asset and use or sell it;
- (iii) the Company has ability to use or sell the intangible asset;
- (iv) the manner in which the probable future economic benefit will be generated including the existence of a market for output of the intangible asset or the intangible asset itself or if it is to be used internally, the usefulness of the intangible asset;
- (v) the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- (vi) the Company has ability to measure the expenditure attributable to the intangible asset during the development reliably.

Development costs on the intangible assets, fulfilling the criteria are amortized over a period of five years, otherwise are expensed in the period in which they are incurred.

### 3. Investment in subsidiary

Investments in subsidiary are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiary, if any, the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss..

### 4. Inventories

Inventories are valued after providing for obsolescence, if any, as under:

(a) Raw materials, components, stores and spare parts and packing materials	At lower of cost computed, on FIFO basis and net realizable value
(b) Work -in-progress - Manufacturing	At lower of cost of materials, plus appropriate production overheads and net realizable value.
(c) Finished goods - Manufacturing	At lower of cost of materials plus appropriate production overheads/ payable on such goods and net realizable value.
(d) Finished goods - Trading (others)	At lower of cost computed, on FIFO basis and net realizable value
(e) Scrap (Reusable)	At cost computed on FIFO basis

The cost of inventories have been computed to include all cost of purchases, cost of conversion and other related costs incurred in bringing the inventories to their present location and condition. Materials and supplies held for use in the production of inventories are not written down, if the finished goods in which they will be used are expected to be sold at or above cost.

### 5. Cash and cash equivalents

Cash and cash equivalents includes cash on hand, call deposits and 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..

### 6. Assets Held for Sale:

Non-current assets comprising of land and buildings are classified as 'held for sale' when all of the following criteria's are met:

- (i) decision has been made to sell;
- (ii) the assets are available for immediate sale in its present condition;
- (iii) the assets are being actively marketed and
- (iv) sale has been agreed or is expected to be concluded within 12 months of the Balance Sheet date.

Subsequently, such non-current assets classified as held for sale are measured at the lower of its carrying value and fair value less costs to sell. Non-current assets held for sale are not depreciated or amortised.

### 7. Financial instruments

#### i. Financial assets

Financial assets are recognised when the Company become a party to the contractual provisions of the instrument. On initial recognition, a financial asset is recognised at fair value. In case of Financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction cost is recognised in the statement of profit and loss. In other cases, the transaction cost is attributed to the acquisition value of the financial asset.

Financial assets are subsequently classified and measured at

- amortised cost
- fair value through profit and loss (FVTPL)
- fair value through other comprehensive income (FVOCI).

Financial assets are not reclassified subsequent to their recognition, except during the period the Company changes its business model for managing financial assets.

### Trade Receivables and Loans

Trade receivables are initially recognised at fair value. Subsequently, these assets are held at amortised cost, using the effective interest rate (EIR) method net of any expected credit losses. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

### Debt instruments

Debt instruments are initially measured at amortised cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') till derecognition on the basis of (i) the Company's business model for managing the financial assets and (ii) the contractual cash flow characteristics of the financial asset.

#### (a) Measured at amortised cost:

Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the 'EIR' method less impairment, if any. The amortisation of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss.

#### (b) Measured at fair value through other comprehensive income (FVOCI):

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognised in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss.

#### (c) Measured at fair value through profit or loss (FVTPL):

A financial asset not classified as either

amortised cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'other income' in the Statement of Profit and Loss.

### Equity instruments

All investments in equity instruments classified under financial assets are initially measured at fair value, the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL.

The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument is recognised as 'other income' in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognised in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss.

### De-recognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

### Impairment of financial assets

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for recognition and measurement of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortized cost e.g. deposits and bank balance;
- b) Trade receivables - The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECL's at each reporting date, right from its initial recognition.

## ii. Financial liabilities

### Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss. In case of trade payables, they are initially recognised at fair value and subsequently, these liabilities are held at amortised cost, using the effective interest rate method.

The Company's financial liabilities include trade and other payables and loans and borrowings including bank overdrafts.

### Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

### Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit and loss when the liabilities are derecognized.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or transaction costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

This category generally applies to interest-bearing loans and borrowings.

### De-recognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability.

The difference in the respective carrying amounts is recognized in the statement of profit and loss.

### Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

## 8. Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

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

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

## 9. Revenue recognition

### Sale of goods

Revenue from sale of goods is recognised when control of the goods being sold is transferred to our customer and when there are no longer any unfulfilled obligations. The Performance

Obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms.

Revenue is measured on the basis of contracted price, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the Government such as goods and services tax, etc. Accumulated experience is used to estimate the provision for such discounts and rebates. Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur.

Our customers have the contractual right to return goods only when authorised by the Company. An estimate is made of goods that will be returned and a liability is recognised for this amount using a best estimate based on accumulated experience.

#### **Sale of services**

Income from services rendered is recognised based on agreements/arrangements with the customers as the service is performed and there are no unfulfilled obligations.

#### **Dividend income**

Dividend income on investments is recognised when the right to receive dividend is established.

#### **Interest income**

Interest income is recognised using the effective interest rate (EIR) method.

### **10. Employee benefits**

#### **i. Short term employee benefits**

Short term employee benefits consisting of salaries, wages, short-term compensated absences, performance incentives, etc., and the expected cost of bonus, ex-gratia are benefits payable and recognized in 12 months. Short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized undiscounted during the year as the related service are rendered by the employee.

#### **ii. Defined contribution plans**

The Company's contribution towards provident fund, superannuation fund and employee state insurance scheme, employee pension scheme and labour welfare fund for certain eligible employees are considered to be defined contribution

plan for which the Company made contribution on monthly basis.

Company's contribution for the year paid/payable to defined contribution retirement benefit schemes are charged to Statement of Profit and Loss.

#### **iii. Defined benefit plans**

Company's liabilities towards defined benefit plans viz. gratuity which is expected to occur after twelve months, is determined using the Projected Unit Credit Method. Actuarial valuations under the Projected Unit Credit Method are carried out at the balance sheet date. Actuarial gains and losses are recognized in the Statement of other comprehensive income in the period of occurrence of such gains and losses for gratuity. The retirement benefit obligation recognized in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost, and as reduced by the fair value of scheme assets, if any.

Other long term employee benefits such as compensated absences payable to the employees is provided for in the books of accounts on accrual basis.

#### **iv. Termination benefits**

Termination benefits are recognised as an expense in the period in which they are incurred, if any.

### **11. Impairment of non-financial assets**

The carrying amount of the assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal / external factors. An asset is impaired when the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is higher of the asset's fair value less costs of disposal and value in use, which means the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. For the purposes of assessing impairment, assets are grouped at their 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). Impairment loss is charged to the profit and loss account in the year in which the asset is identified as impaired.

An impairment loss for an asset is reversed if, and only if, the reversal can be related objectively to

an event occurring after the impairment loss was recognized or relates to a change in the estimate of the recoverable amount in the previous periods. The carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

## 12. Income Tax

Income tax expense comprises current and deferred tax. It is recognized in profit and loss except to the extent that it relates to items recognized directly in equity or in OCI.

### i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted as at the reporting date.

#### **Current tax assets and liabilities are offset only if:**

- a) there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority; and
- b) there is intention either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

### ii. Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred income tax is also 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 are generally recognized for deductible temporary differences (if any) to the extent that it is probable that future taxable profits will be available against which they can be used.

The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore in case of history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary difference or there is convincing other evidence that sufficient taxable profits will be available against which such deferred tax asset can be realized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets and liabilities are offset only if they relate to income taxes levied by the same taxation authority on the same taxable entity.

## 13. Leases

The Company has adopted Ind AS 116 - Leases effective 1<sup>st</sup> April, 2019. The Company has evaluated the impact of Ind AS 116 on its existing leases as on the transition date (1 April 2019) and as on the reporting date (31 March 2020) and have concluded that there are no leases which fall within the purview of Ind AS 116.

The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- a. the contract involves the use of an identified asset
- b. the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- c. the Company has the right to direct the use of the asset.

The Company has leases with a term of twelve months or less (short-term leases) and leases of low value assets. For these short-term and leases of low value assets, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

#### 14. Foreign currency

##### (i) Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of company at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction. Foreign exchange gains and losses from settlement of these transactions are recognised in the Statement of Profit and Loss.

##### (ii) Transactions and balances

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date, the gain or loss arising from such translations are recognised in the statement of profit and loss.

#### 15. Earnings per share (EPS)

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

#### 16. Borrowing cost

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs, if any, directly attributable to the acquisition, construction or production of an

asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized, if any. All other borrowing costs are expensed in the period in which they occur.

#### 17. Operating Segments

The Company has presented segment information in the consolidated financial statements which are presented in the same financial report. Accordingly, in terms of Paragraph 3 of Ind AS 108 'Operating Segments', no disclosures related to segments are presented in this standalone financial statements.

#### 18. Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the consolidated financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

#### 19. Current vs non-current classification

Any asset or liability is classified as current if it satisfies any of the following conditions:

- i. the asset/liability is expected to be realized/settled in the Company's normal operating cycle;
- ii. the asset is intended for sale or consumption;
- iii. the asset/liability is held primarily for the purpose of trading;
- iv. the asset/liability is expected to be realized/settled within twelve months after the reporting period;
- v. the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;
- vi. in the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-current.

For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of assets or inventories for processing and their realization in cash and cash equivalents.

(All amounts are in lakhs, except share data and as stated)

**Note 2****Property, Plant & Equipment**

Particulars	Gross Block				Accumulated Depreciation				Net Block		
	As at April 01, 2021	Additions	Disposal	Assets held for Sale	As at March 31, 2022	As at April 01, 2021	Depreciation charge for the year	Deduction / Transfer	As at March 31, 2022	As at March 31, 2022	As at March 31, 2021
Freehold Land	4,442.65	-	-	-	4,442.65	-	-	-	-	4,442.65	4,442.65
Leasehold land	161.81	-	-	-	161.81	14.25	2.82	-	17.07	144.74	147.56
Residential & Office Premises	5.00	-	-	-	5.00	0.46	0.09	-	0.55	4.45	4.54
Office & Godowns	578.94	-	-	-	578.94	69.73	2.88	-	72.62	506.32	509.20
Factory Buildings	2,835.93	12.04	-	-	2,847.97	255.60	54.26	-	309.86	2,538.11	2,580.33
Plant & Machinery	5,075.79	152.57	77.02	-	5,151.33	2,729.63	511.53	8.06	3,233.10	1,918.23	2,346.15
Dies & Moulds	1,871.70	16.58	4.00	-	1,884.27	851.15	186.83	-	1,037.98	846.30	1,020.55
Lab Equipments & Instruments	34.83	0.76	-	-	35.59	13.79	2.98	-	16.77	18.83	21.05
Office Equipments & Devices	58.87	0.31	-	-	59.18	39.33	6.63	-	45.97	13.21	19.54
Factory Equipments & Devices	236.05	0.51	10.34	-	226.22	154.94	13.15	8.54	159.55	66.68	81.11
Computers & Peripherals	70.34	2.60	-	-	72.94	50.33	4.91	-	55.24	17.70	20.00
Furniture & Fixtures	157.31	0.35	-	-	157.66	95.42	11.17	-	106.59	51.07	61.88
Electrical Fittings & Installations	364.36	1.87	(0.00)	-	366.23	228.55	27.62	-	256.17	110.06	135.81
Air condition	9.90	-	-	-	9.90	7.66	0.64	-	8.30	1.60	2.24
Transformer	67.58	0.90	-	-	68.48	28.42	5.93	-	34.35	34.13	39.16
Vehicles	545.25	6.86	34.10	-	518.01	316.00	49.43	20.82	344.61	173.39	229.25
Eot crane	23.00	-	-	-	23.00	16.99	1.19	-	18.19	4.82	6.01
Generator	12.99	-	-	-	12.99	10.68	0.12	-	10.80	2.19	2.31
<b>Total</b>	<b>16,552.30</b>	<b>195.35</b>	<b>125.47</b>	<b>-</b>	<b>16,622.18</b>	<b>4,882.95</b>	<b>882.19</b>	<b>37.42</b>	<b>5,727.72</b>	<b>10,894.47</b>	<b>11,669.35</b>
<b>Capital Work In Progress</b>	9.85	1.88	8.31	-	3.42	-	-	-	-	3.42	9.85

**Note 3****Intangible assets**

Particulars	Gross Block				Accumulated Amortization				Net Block		
	As at April 01, 2021	Additions	Disposal	Assets held for sales	As at March 31, 2022	As at April 01, 2021	Amortization charge for the year	Deduction / Transfer	As at March 31, 2022	As at March 31, 2022	As at March 31, 2021
Computer software	7.10	-	-	-	7.10	5.09	0.86	-	5.94	1.16	2.01
<b>Total</b>	<b>7.10</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7.10</b>	<b>5.09</b>	<b>0.86</b>	<b>-</b>	<b>5.94</b>	<b>1.16</b>	<b>2.01</b>

**Note 4****Investment in subsidiary**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Investment in subsidiary carried at cost</b>		
10,000 shares (March 31, 2022: 10,000 and March 31, 2021: 10000) of KML Tradelink Pvt. Ltd. of ₹ 10/- each.	1.00	1.00
<b>TOTAL</b>	<b>1.00</b>	<b>1.00</b>

(All amounts are in lakhs, except share data and as stated)

**Note 5****Non-current financial assets - Investments**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>A. Investment in equity shares at cost</b>		
<b>Unquoted, fully paid up</b>		
22,453 shares (March 31, 2022: 22,453 and April 01, 2021: 22,453) of The Shamrao Vithal Co-op Bank Ltd of ₹ 25/- each *	5.61	5.61
<b>B. Investments in Unquoted Government securities measured at amortised cost</b>		
In Government or Trust Securities National Savings Certificate (NSC)	0.95	0.95
<b>TOTAL [ A+B]</b>	<b>6.56</b>	<b>6.56</b>

\* Out of the 22,453 number of shares, 2,453 shares are held in the erstwhile name of company Bhagirath Agro Plast Ltd. and Kisan Irrigations Ltd. which had merged with Kisan Mouldings Ltd.

**Note 6****Non - current financial assets - others**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Other financial assets carried at amortised cost</b>		
Security Deposits	88.24	89.39
<b>TOTAL</b>	<b>88.24</b>	<b>89.39</b>

**Note 7****Non - current tax assets**

Particulars	As at March 31, 2022	As at March 31, 2021
Advance for Income Tax (Net of Provision Tax Paid)	213.68	186.56
<b>TOTAL</b>	<b>213.68</b>	<b>186.56</b>

**Note 8****Income taxes****(a) Tax recognised in profit and loss**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Current tax charge/(credit)</b>		
<b>Deferred tax charge/(credit), net</b>		
Origination and reversal of temporary differences.	-	(66.34)
<b>Deferred tax charge/(credit)</b>	<b>-</b>	<b>(66.34)</b>
<b>Tax charge/(credit) for the year</b>	<b>-</b>	<b>(66.34)</b>

(All amounts are in lakhs, except share data and as stated)

**(b) Tax recognised in other comprehensive income**

Particulars	For the year ended March 31, 2022			For the year ended March 31, 2021		
	Before tax (charge) / credit	Tax (charge) / credit	Net of tax (charge) / Credit	Before tax (charge) / credit	Tax (charge) / credit	Net of tax (charge) / credit
<b>Items that will not be reclassified to profit or loss</b>						
Remeasurements of the defined benefit plans	23.54	-	23.54	(35.20)	11.12	(24.08)
<b>TOTAL</b>	<b>23.54</b>	<b>-</b>	<b>23.54</b>	<b>(35.20)</b>	<b>11.12</b>	<b>(24.08)</b>

**(c) Movement in deferred tax assets and liabilities**

Particulars	Net deferred tax assets/ (liabilities) as on April 01, 2020	Recognised in profit or loss	Recognised in other comprehensive income	Net deferred tax assets/ (liabilities) as on April 01, 2021	Recognised in Profit or loss	Recognised in other comprehensive income	Net deferred tax assets/ (Liabilities) as on March 31, 2022
Deferred tax assets/ (liabilities)	3,741.16	(66.33)	(11.12)	3,818.61	-	-	3,818.61

**Note 8.1**

The company has not currently recognised deferred tax assets in respect of deductible temporary difference arising during the quarter and year ended 31<sup>st</sup> march,2022, however the company may reassess the unrecognised deferred tax assets at the end of the each reporting period and recognise previously unrecognised deferred tax assets to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

**Note 9**

**Other non - current assets**

Particulars	As at March 31, 2022	As at March 31, 2021
Prepaid Expense	-	57.81
Balance with Vat Authority	174.60	152.13
<b>Total</b>	<b>174.60</b>	<b>209.94</b>

**Note 10**

**Inventories**

Particulars	As at March 31, 2022	As at March 31, 2021
a) Raw Materials and components	394	705
b) Work-in-progress	5,372	7,305
c) Finished goods	2,585	6,771
d) Stock-in-trade	342	450
e) Stores and spares	234	453
<b>Total</b>	<b>8,927.37</b>	<b>15,683.62</b>

**Note:**

1. Inventories are valued at cost or net realizable value, whichever is lower.

(All amounts are in lakhs, except share data and as stated)

#### Note 11

##### Trade receivables

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good	6,124.14	8,342.08
Less:- Allowance for expected credit loss	-	(1,166.78)
	<b>6,124.14</b>	<b>7,175.30</b>
Unsecured, considered doubtful	1,347.03	1,156.82
Less:- Allowance for expected credit loss	(499.29)	(1,156.82)
	<b>847.74</b>	-
<b>Total</b>	<b>6,971.89</b>	<b>7,175.30</b>

#### Note 12

##### Cash and cash equivalents

Particulars	As at March 31, 2022	As at March 31, 2021
Cash and cash equivalents		
Balances with banks		
In current account	145.02	645.23
	<b>145.02</b>	<b>645.23</b>
Cash on hand	7.40	15.29
<b>Total</b>	<b>152.42</b>	<b>660.51</b>

#### Note 13

##### Bank balances other than cash and cash equivalents

Particulars	As at March 31, 2022	As at March 31, 2021
Deposits with banks (earmarked for electricity/Sales tax/Margin money)	300.17	284.89
Unclaimed dividend	-	1.35
<b>Total</b>	<b>300.17</b>	<b>286.25</b>

#### Note 14

##### Loans

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Other financial assets carried at amortised cost</b>		
Loan to employees	71.14	191.91
<b>Total</b>	<b>71.14</b>	<b>191.91</b>

#### Note 15

##### Other current financial assets

Particulars	As at March 31, 2022	As at March 31, 2021
Insurance receivable	15.34	10.23
<b>Recoverable in cash from :</b>		
- Other than related party	192.21	113.18
Security Deposits	355.58	520.30
<b>Total</b>	<b>563.13</b>	<b>643.71</b>

(All amounts are in lakhs, except share data and as stated)

#### Note 16

##### Other current assets

Particulars	As at March 31, 2022	As at March 31, 2021
Raw material advance	124.46	391.87
Capital advances	99.87	252.78
Advance/claim recoverable for expenses	63.06	105.75
Prepaid expenses	12.94	80.58
Balance with Excise authority	93.68	93.68
Balance with VAT authority	86.49	32.06
<b>Total</b>	<b>480.51</b>	<b>956.71</b>

#### Note 17

##### Assets held for sale

Particulars	As at March 31, 2022	As at March 31, 2021
Land	1,165.12	1,165.12
Building	116.74	116.74
<b>Total</b>	<b>1,281.86</b>	<b>1,281.86</b>

#### Note 18

##### Equity share capital

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	Amount	No. of Shares	Amount
<b>Authorised</b>				
Equity shares of ₹ 10/- each	<b>35,000,000</b>	<b>3,500.00</b>	<b>35,000,000</b>	<b>3,500.00</b>
<b>Issued, Subscribed &amp; Paid up</b>				
<b>Equity shares of ₹ 10/- each fully paid up</b>				
Shares Outstanding as at the beginning of the Year	33,863,065	3,386.31	33,863,065	3,386.31
Add: Shares issued during the year	-	-	-	-
Shares outstanding as at the end of the year	<b>33,863,065</b>	<b>3,386.31</b>	<b>33,863,065</b>	<b>3,386.31</b>

a) The Company has only one class of equity shares having at par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.

b) **Details of equity shares held by each shareholders holding more than 5% of total equity shares : -**

Particular	As at March 31, 2022		As at March 31, 2021	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Polsons Traders LLP [Earlier known as Polsons Investment and Finance Pvt Ltd]	3,640,046	10.75%	3,640,046	10.75%

(All amounts are in lakhs, except share data and as stated)

## Note 19

### Other Equity

#### a) Summary of other equity balances

Particular	As at March 31 2022	As at March 31 2021
Securities premium	10,309.89	10,309.89
General reserve	366.46	366.46
Retained earnings	(15,050.92)	(6,552.47)
<b>Other Comprehensive Income</b>		
Remeasurements of net defined benefit plan	30.32	6.78
	<b>(4,344.26)</b>	<b>4,130.66</b>

Refer Statement of Changes in Equity for detailed movement in equity balance.

#### b) Nature and purpose of the reserve

##### Securities Premium

Securities premium is used to record the premium received on issue of shares. It shall be utilised in accordance with the provisions of the Companies Act, 2013.

##### General Reserve

General reserve forms part of the retained earnings and is permitted to be distributed to shareholders as part of dividend.

##### Retained Earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

##### Other Comprehensive Income - Remeasurements of defined benefit plans

It represents Remeasurements of defined benefit plan i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit and loss.

## Note 20

### Non -Current financial liabilities -Borrowings

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Secured</b>		
Term loans from banks [Refer Note 23.1]	-	1,259.52
Vehicle loans	-	32.68
	-	<b>1,292.20</b>
<b>Unsecured</b>		
Loans from others	256.72	271.57
	<b>256.72</b>	<b>271.57</b>
<b>Total</b>	<b>256.72</b>	<b>1,563.77</b>

#### Additional Information to Secured Long Term Borrowings

The long term portion of term loans are shown under long term borrowings and the current maturities of the long term borrowings are shown under other Current Liabilities as per disclosure requirements of the Schedule III of the companies Act,2013.

(All amounts are in lakhs, except share data and as stated)

### Details Relating to Term Loans

#### Secured by way of :-

1. First charge on pari-passu basis on entire fixed assets both present and future of the Company.
2. Second charge on pari-passu basis on current assets of the Company.
3. Personal Guarantee of Mr. Sanjeev A. Aggarwal - Chairman & Managing Director, Mr. Ashok J. Aggarwal, Mr. Satish J. Aggarwal and Mr. Vijay J. Aggarwal.
4. Pledge of 1,39,76,265 Lakhs equity shares held by the following directors/Promoter & Promoter group/their relative of the Company on pari-passu basis with working capital bankers.

Name of the holders	Relation	No. of the Equity Shares	Name of the holders	Relation	No. of the Equity Shares
Polsons Traders LLP	Promoter Group Body Corporate	3,629,246	Gaurav A. Aggarwal	Promoter	577,974
Jaisal Venture LLP	Promoter Group Body Corporate	1,552,211	Rishav S. Aggarwal	WTD & Promoter	885,953
Shruti S. Aggarwal	Promoter Group	148,449	Amit V. Aggarwal	Promoter	549,171
Shweta S. Aggarwal	Promoter Group	156,709	Rekha S. Aggarwal	Promoter Group	594,842
Sanjeev A. Aggarwal	CMD & Promoter	1,284,045	Ashok J. Aggarwal	Promoter	732,597
Nishi S. Aggarwal	Promoter & Director Relative	784,260	Vijay J. Aggarwal [HUF]	Promoter	58,873
Vijay J. Aggarwal	Promoter	1,217,336	Neerav Aggarwal	Promoter & Director Relative	708,184
Zitura Investment & Finance Pvt Ltd	Promoter Group Body Corporate	93,200	Spread Fintrade Ltd.	Promoter Group Body Corporate	250,524
Classic Creation Impex Pvt Ltd	Promoter Group Body Corporate	40,000	Sanjeev A. Aggarwal [HUF]	Promoter	17,190
Polsons Investment & Finance Pvt Ltd	Promoter Group Body Corporate	10,800	Radhika Aggarwal	Promoter	508,400
Ashok J. Aggarwal - HUF	Promoter	176,301			
<b>Total - A</b>		<b>9,092,557</b>	<b>Total - B</b>		<b>4,883,708</b>
<b>Grand Total [A+B]</b>					<b>13,976,265</b>

#### Terms of repayment

Bank Name	Sanction Amount (₹ In lakhs)	Revised Sanction Loan as per Master restructuring Agreement	Rate of Interest	No. of Installment/Term	First Installment Date
The SVC Bank Limited	500.00	486.79	PLR - 5.50%	83 [Monthly]	31-Jan-17

#### Details Terms of repayment of Working Capital Term Loan.

Bank Name	Sanction Amount (₹ In lakhs)	Rate of Interest	No. of Installment	First Installment Date
The SVC Bank Limited	900	PLR - 5.50%	60 [Monthly]	31-Jan-17
Punjab National Bank	1,200	BR + 1.25% + TP 0.5%	60 [Monthly]	31-Jan-17
Union Bank of India	1,000	12% Fixed	60 [Monthly]	1-Jan-17
IDBI Bank Ltd	800	BBR + 1.75%	60 [Monthly]	1-Jan-17

(All amounts are in lakhs, except share data and as stated)

**Details Terms of repayment of Funded Interest on Term Loan & Working Capital Term Loan.**

Bank Name	Sanction Amount (₹ In lakhs)	Rate of Interest	No. of Installment	First Installment Date
The SVC Bank Limited	135.00	PLR - 6.50%	48 [Monthly]	31-Jan-17
The SVC Bank Limited	50.81	PLR - 6.50%	48 [Monthly]	31-Jan-17
The SVC Bank Limited	72.98	PLR - 6.50%	48 [Monthly]	31-Jan-17
Union Bank of India	40.00	11.00%	48 [Monthly]	1-Jan-17
IDBI Bank Ltd	270.00	BBR + 0.75%	48 [Monthly]	1-Jan-17
Union Bank of India	150.00	11.00%	48 [Monthly]	1-Jan-17

**Note 21**

**Non - current financial liabilities - others**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Other financial liabilities carried at amortised cost</b>		
Sundry Deposits	162.27	187.38
<b>Total</b>	<b>162.27</b>	<b>187.38</b>

**Note 22**

**Non - current provisions**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Provision for employee benefits (Refer note 39)</b>		
Gratuity	317.28	319.07
<b>Total</b>	<b>317.28</b>	<b>319.07</b>

**Note 23**

**Current financial liabilities - borrowings**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Secured</b>		
<b>Working Capital Loans :</b>		
From Banks (Cash credit accounts)	17,866.16	17,247.70
<b>Total</b>	<b>17,866.16</b>	<b>17,247.70</b>

**Note:**

**23.1.** The Company has defaulted in repayment of loans and interest in respect of Term Loan and Cash Credit of Punjab National Union Bank of India, IDBI Bank and Shamroa Vitthal Cooperative Bank.

**23.2.** In Light of the overdues to Financial Creditors, the Company has submitted a Comprehensive Debt Resolution Plan to the banks, and the same is under consideration.

**Note 24**

**Current financial liabilities - Trade payables**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Trade payables</b>		
Total outstanding dues of micro enterprises and small enterprises [Refer Note No. 27.1]	1,977.38	1,238.69
Total outstanding dues of creditors other than micro enterprises and small enterprises	3,605.05	5,171.26
<b>Total</b>	<b>5,582.44</b>	<b>6,409.95</b>

(All amounts are in lakhs, except share data and as stated)

#### Note 25

##### Current - Other financial liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Other financial liabilities carried at amortised cost</b>		
<b>Current maturities of long-term debt :-</b>		
Term Loans [ Refer Note 23.1]	4,367.23	3,373.16
Vehicle Loans	18.32	30.98
Other payable for Expenses	942.25	892.89
Payable towards Property, Plant & Equipment	58.80	154.56
Unclaimed dividends	-	1.35
<b>Unsecured</b>		
Loans from others - ICD	454.17	421.15
<b>Total</b>	<b>5,840.77</b>	<b>4,874.09</b>

#### Note 26

##### Other current liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Advance from customers	747.40	1,044.66
Statutory dues	912.64	1,715.31
<b>Total</b>	<b>1,660.04</b>	<b>2,759.97</b>

#### Note 26.1

The Company is in default w.r.t payment of statutory dues to the government authorities and filling of periodic returns thereof; which may entail penalty which is not ascertainable and hence not provided for. The company is in the process of analyzing and paying off the dues.

#### Note 27

##### Current Provisions

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Provision for employee benefits</b>		
Salary & Reimbursement	396.79	406.67
Gratuity	33.80	35.58
	<b>430.60</b>	<b>442.25</b>
<b>Other provisions</b>		
Provision for Expenses	2,791.90	1,552.02
	2,791.90	1,552.02
<b>Total</b>	<b>3,222.50</b>	<b>1,994.27</b>

**Note 27.1 :-** Provision for Expenses included Intt. on MSME Creditors **Amt of ₹ 3.36 Cr incl.** the P.Y Intt. on MSME amt of ₹ 1.11 Cr.

**Note 27.2:-** Provision for Expenses included interest provided on banks loans [Incl.Term Loans and Working Capital Loans on which Banks are not charging intt in their books of accounts **Amt of ₹ 20.33 Cr** including the P.Y intt on banks loan amt of ₹ 1.66 Cr.

(All amounts are in lakhs, except share data and as stated)

**Note 28****Revenue from operations**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Sale of products</b>		
a) Manufactured goods	29,525.54	20,563.19
b) Traded goods	1,147.74	391.61
<b>Other operating revenues</b>		
Sales-Scrap	30.72	12.67
Sales -Other than empty bags	12.86	20.21
<b>Total</b>	<b>30,716.88</b>	<b>20,987.68</b>

**Note 29****Other income**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Liability no longer required written back	210.55	0.00
Royalties Income	25.45	23.21
Rent including lease income	103.80	63.65
Profit on sale of assets	22.02	16.09
Recovery on sales & service	5.70	3.82
Job work income	-	85.52
Other miscellaneous income	-	0.56
Dividend income	0.60	-
Interest income - Other	3.73	24.10
<b>Total</b>	<b>371.85</b>	<b>216.96</b>

**Note 30****Cost of material consumed**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening stock of raw materials	704.89	2,556.01
Add: Purchases of raw materials		
Resins & chemical	21,879.48	14,367.81
Carriage inwards	160.38	425.45
Less: Closing stock of raw materials	394.28	704.89
<b>Total</b>	<b>22,350.47</b>	<b>16,644.38</b>

**Note 31****Purchase of stock-in-trade**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Purchase of stock-in-trade	1,184.68	294.78
<b>Total</b>	<b>1,184.68</b>	<b>294.78</b>

(All amounts are in lakhs, except share data and as stated)

**Note 32****Changes in inventories of finished goods, work-in-progress and stock-in-trade**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Opening Inventories</b>		
Finished goods	6,770.73	7,559.95
Stock in trade	450.01	463.36
Work-in-progress	7,305.41	5,451.01
	<b>14,526.15</b>	<b>13,474.31</b>
<b>Closing Inventories</b>		
Finished goods	2,584.90	6,770.73
Stock in trade	341.70	450.01
Work-in-progress	5,372.10	7,305.41
	<b>8,298.69</b>	<b>14,526.15</b>
<b>Total</b>	<b>6,227.47</b>	<b>(1,051.84)</b>

**Note 33****Employee benefit expenses**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries and wages	1,021.25	773.42
Staff welfare expenses	89.05	67.62
Contribution to provident and other funds	48.64	43.19
Gratuity fund contributions	72.79	75.02
<b>Total</b>	<b>1,231.73</b>	<b>959.25</b>

**Note 34****Finance cost**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest expense		
On Borrowing	467.18	538.06
On working capital facility	2,234.47	2,036.23
On purchase	244.75	367.23
On vehicle loan	4.14	7.83
Bank charges & processing fees	25.06	61.18
Foreign Currency gain	(0.56)	(1.87)
<b>Total</b>	<b>2,975.03</b>	<b>3,008.65</b>

(All amounts are in lakhs, except share data and as stated)

**Note 35****Other expenses**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>MANUFACTURING EXPENSES</b>		
Labour cost	1,304.00	1,383.84
Power and fuel	1,067.57	1,074.40
Consumption of packing material	344.78	254.86
Consumption of stores and spare parts	297.70	172.57
<b>Repair &amp; Maintenance</b>		
- Plant & Machinery	87.43	75.69
- Buildings	27.44	48.34
Security expenses	46.17	51.95
Laboratory expenses	34.87	15.52
Insurance- Plant & Machinery	18.21	22.14
License & Renewal charges	15.33	12.50
Factory expenses	14.55	10.36
<b>Total - A</b>	<b>3,258.06</b>	<b>3,122.17</b>
<b>ADMINISTRATIVE, SELLING &amp; DISTRIBUTION EXPENSES</b>		
Cartage outwards	553.27	414.92
Travelling & Conveyance expenses	148.85	113.29
Sales promotion expenses	23.32	30.66
Advertisement expenses	35.89	71.07
Legal and Professional	93.87	90.13
Commission & Brokerage	47.31	345.04
Rates and Taxes	132.14	352.80
Loading & Unloading	72.03	97.03
General expenses	60.58	45.01
Rent	90.13	92.91
Telephone & Postage	14.54	20.31
Printing & Stationery	8.79	0.50
<b>Repair &amp; Maintenance</b>		
- Office	4.60	7.50
- Motor car	9.47	9.22
Electricity charges	18.61	20.55
Insurance - Other	37.28	25.61
Security expenses other than plant	9.82	9.66
<b>Auditor's Remuneration</b>		
- Audit fees	10.00	10.00
- Tax Audit fees	2.00	2.00
Other Expenses	-	0.05
Postage & Courier expenses	2.03	0.15
Charity & Donation	0.02	0.64
Membership & Subscription	0.13	0.21
Books & Periodical	0.03	0.00
Sundry balance written off	(0.02)	0.80
Provision For doubtful debts	100.00	150.00
Loss on sale of fixed assets	2.01	36.95
<b>Total - B</b>	<b>1,476.70</b>	<b>1,946.99</b>
<b>Total (A+B)</b>	<b>4,734.76</b>	<b>5,069.16</b>

(All amounts are in lakhs, except share data and as stated)

### Note 36

#### Earnings per share

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit / (loss) attributable to equity share holders of the Company	(8,498.46)	(4,710.53)
<b>Reconciliation of number of shares</b>	<b>No. of Shares</b>	<b>No. of Shares</b>
Weighted average number of equity shares outstanding considered for calculating Basic & Diluted EPS	33,863,065	33,863,065
<b>Earnings per share (face value ₹ 10/- each)</b>		
Earnings per share - Basic in Rupees	<b>(25.10)</b>	<b>(13.91)</b>
Earnings per share - Diluted in Rupees	<b>(25.10)</b>	<b>(13.91)</b>

### Note 37

#### Leases

##### As Lessee:

##### a) Operating Lease:-

The Company has taken office premises on lease which are cancellable by either parties and there is no lock in period. These lease and license agreements for the office premises are generally for a period not exceeding one year and are in most cases renewable by mutual consent, on mutually agreeable terms. There are no restrictions imposed by lease arrangements or any contingent rents payable. There are no subleases. Therefore for the purposes of Ind AS 16 - Leases, there are no leases which required specific disclosures.

##### b) Finance lease:

The company has entered into long-term leasing arrangements for land with government authorities which are in the nature of long term leases. These arrangements do not involve any material recurring payments, hence other disclosures are not given. These long term land leases are accounted as per Ind AS 16 - Property, Plant & Equipments.

### Note 38

#### Related Party Disclosure

As per Indian Accounting Standard 24, the disclosures of transactions with the related parties are given below:-

##### a) Subsidiary Company

KML Tradelinks Pvt. Ltd

##### b) Entites in where control/significant influence by Director, KMPs and their relative and with whom transaction has taken place

Reliance Industrial Product

Polsons Traders LLP

Zitura Investment & Finance Pvt Ltd

Jaisal Venture LLP

Ladderup Finance Ltd [Up to 4<sup>th</sup> Sept, 2019]

##### c) Key managerial personnel

Sanjeev A. Aggarwal - Chairman & Managing Director

Rishav S. Aggarwal - Whole time Director

##### d) Relatives of Key managerial personnel

**Nishi Sanjeev Aggarwal**

[Spouse of CMD - sanjeev Aggarwal and director of the Subsidiary Company ]

**Neerav Sanjeev Aggarwal**

[Son of CMD - Sanjeev Aggarwal]

##### e) Non Executive Directors

Urvashi Dharadhar

Prashant Deshmukh \*

Dinesh Modi \*

J.M. Bhalghat \*

Ravi Kant Jagetiya \*

(All amounts are in lakhs, except share data and as stated)

**\*Note: 1.** Mr. Prashant Desmukh, Additional Director (Independent Director ) of the the company appointed w.e.f 21<sup>st</sup> October, 2019 and resigned from the directorship w.e.f. 11<sup>th</sup> August, 2020.

**\*Note: 2.** Mr. Jhumarlal Bhalghat ,Additional Director (Independent Director ) of the the company appointed w.e.f 14<sup>th</sup> Feburary,2020.

**\*Note: 3.** Mr. Dinesh Modi, Additional Director (Independent Director ) of the the company appointed w.e.f 23<sup>rd</sup> June,2020.

**\*Note: 4.** Mr. Ravi Kant Jagetiya, Additional Director (Independent Director ) of the the company appointed w.e.f 13<sup>th</sup> July,2020 and resigned on 18<sup>th</sup> November, 2020

**\*Note:5.** Mr. Narendra Kumar Poddar, additional director (Independent Director ) of the the company appointed w.e.f 12<sup>th</sup> Feb,2021 and resigned on 7<sup>th</sup> March, 2022.

f)	Transactions with related parties during the year	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>i)</b>	<b>Sitting fees</b>		
	Non Executive Director	3.05	3.05
<b>ii)</b>	<b>Salary</b>		
	Relatives of key managerial personnel	15.24	15.24
<b>iii)</b>	<b>Rent Received</b>		
	Subsidiary	1.20	1.20
<b>iv)</b>	<b>Other expenses</b>		
	Professional service rendered during the period	-	3.07
	Entites where control/significant influence by Director [Rent]	42.00	42.00

g)	Related party balances	As at March 31, 2022	As at March 31, 2021
<b>i)</b>	<b>Salary payable</b>		
	Relatives of key managerial personnel	2.82	2.82
<b>ii)</b>	<b>Investment</b>		
	Subsidiary	1.00	1.00
<b>iii)</b>	<b>Trade/Deposit / Loan Receivables</b>		
	Subsidiary	0.32	24.04
	Entites where control/significant influence by Director	-	47.66
	Entites where control/significant influence by Director- Rent Deposit	200.00	350.00
<b>iv)</b>	<b>Trade/Expenses/Loan payables</b>		
	Payable towards professional service rendered by ( Kava & Associates w.e.f. 12.02.21)	-	3.07
	Key Managerial Personnel	-	5.92

\*As the liabilities for defined benefit plans are provided on actuarial basis for the Company as a whole, the amounts pertaining to Key Management Personnel are not included.

(All amounts are in lakhs, except share data and as stated)

### Note 39

#### Employee benefits

##### (A) Defined benefit plans

Gratuity liability is provided in accordance with the provisions of the Payment of Gratuity Act, 1972 based on actuarial valuation. The plan provides a lump sum gratuity payment to eligible employee at retirement or termination of their employment. The amounts are based on the respective employee's last drawn salary and the years of employment with the Company.

The most recent actuarial valuation of the defined benefit obligation was carried out at the balance sheet date. The present value of the defined benefit obligations and the related current service cost and past service cost were measured using the Projected Unit Credit Method.

Based on the actuarial valuation obtained in this respect, the following table sets out the details of the employee benefit obligation as at balance sheet date:-

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
	Gratuity (Funded)	
<b>I Expenses recognised in profit or loss :-</b>		
1 Current Service Cost	35.58	34.89
2 Interest cost	22.06	16.42
3 Past Service Cost	-	-
<b>Total Expenses</b>	<b>57.63</b>	<b>51.31</b>
<b>II Expenses recognised in Other Comprehensive Income</b>		
1. Actuarial changes arising from changes in demographic assumptions	-	-
2. Actuarial changes arising from changes in financial assumptions	-7.76	-
3. Actuarial changes arising from changes in experience adjustments	-15.39	35.09
4. Return on plan assets excluding amounts included in interest income	-0.39	0.11
<b>Total Expenses</b>	<b>(23.53)</b>	<b>35.20</b>
<b>III Reconciliation of defined benefit obligation</b>		
Defined Obligations at the beginning of the year	381.90	293.72
Current Service Cost	35.58	34.89
Interest cost	23.68	18.21
Actuarial changes arising from changes in financial assumptions	-7.76	-
Actuarial changes arising from changes in experience adjustments	-	-
Actuarial changes arising from changes in experience adjustments	-15.39	35.09
Benefit paid	-37.67	-
<b>Net asset / (liability) at the end of the year</b>	<b>380.33</b>	<b>381.91</b>
<b>IV Reconciliation of plan assets</b>		
Opening value of plan assets	27.25	25.58
Interest Income	1.61	1.79
Return on plan assets excluding amounts included in interest income	0.39	(0.11)
Contributions by employer	-	-
Benefits paid	-	-
<b>Closing value of plan assets</b>	<b>29.15</b>	<b>27.25</b>
(Plan assets are partially comprise of insurance policies)		

(All amounts are in lakhs, except share data and as stated)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>V Quantitative sensitivity analysis for significant assumptions is as below:</b>		
<b>1 Increase/(decrease) on present value of defined benefit obligation at the end of the year</b>		
(i) 0.5 percent point increase in discount rate	369.87	370.81
(ii) 0.5 percent point decrease in discount rate	391.53	(393.79)
(iii) 0.5 percent point increase in rate of salary increase	391.57	393.77
(iv) 0.5 percent point decrease in rate of salary increase	369.73	(370.71)
(v) 10 percent point increase in withdrawal rate	381.09	382.24
(vi) 10 percent point decrease in withdrawal rate	379.48	(381.49)
<b>2 Sensitivity analysis method</b>		
Sensitivity analysis is determined based on the expected movement in liability if the assumptions were not proved to be true on different count.		
<b>VI The expected future cash flows were as follows:</b>		
1 <sup>st</sup> following year	54.15	40.86
2 <sup>nd</sup> following year	22.46	24.27
3 <sup>rd</sup> following year	31.83	26.40
4 <sup>th</sup> following year	24.99	31.85
5 <sup>th</sup> following year	24.82	24.13
Years 6 to 10	133.98	118.03
<b>VII Net Asset / (Liability) recognised as at balance sheet date:</b>		
1 Present value of defined benefit obligation	380.33	381.90
2 Fair value of plan assets	29.15	27.25
3 Net Asset /(Liability)	(351.19)	(354.64)
<b>VIII Actuarial Assumptions:</b>		
1 Discount rate	7.45%	6.55%
2 Expected rate of salary increase	6.00%	6.00%
3 Withdrawal rate	7.00%	7.00%
4 Mortality	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate

**Notes:-**

- Amount recognised as an expense in the Statement of Profit and Loss and included in Note- 33 under "Employee benefit expenses" : Gratuity Rs. 72.29 lakhs (Previous year - ₹ 75.02 lakhs).
- The estimates of future salary increases considered in the actuarial valuation take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.
- The plan above is typically exposed to actuarial risk such as interest risk, mortality risk and salary risk
  - Interest risk: The decrease in the bond interest rate will increase the liability.
  - Mortality risk: The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
  - Salary risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

(All amounts are in lakhs, except share data and as stated)

## B) Defined contribution plan -

The Company makes contributions towards provident fund and other funds which are in the nature of defined contribution post employment benefit plans. Under the plan, the Company is required to contribute a specified percentage of payroll cost to fund the benefits.

Amount recognised as an expense in the Statement of Profit and Loss - included in Note 33 - "Contribution to provident and other funds" ₹ 48.64 lakhs (Previous year - ₹ 43.19 lakhs).

The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

### Note 40

#### Financial Instruments - Fair Value

- Carrying value of financial assets and financial liabilities, are presented below.

- It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value..

As at March 31, 2022	Carrying Value	
	Amortised Cost	Total
<b>Financial Assets</b>		
Other Non Current Investments	6.56	6.56
Security deposits	443.82	443.82
Loans to employees	71.14	71.14
Trade receivables	6,971.89	6,971.89
Cash and cash equivalents	152.42	152.42
Bank balance (other than Cash and cash equivalents)	300.17	300.17
Other Current Financial Asset	207.55	207.55
<b>Total</b>	<b>8,153.54</b>	<b>8,153.54</b>
<b>Particulars</b>		
Borrowings	18,122.88	18,122.88
Deposits	162.27	162.27
Trade payables	5,582.44	5,582.44
Other financial liabilities	5,840.77	5,840.77
<b>Total</b>	<b>29,708.36</b>	<b>29,708.36</b>
<b>As at March 31, 2021</b>	<b>Carrying Value</b>	
	<b>Amortised Cost</b>	<b>Total</b>
<b>Financial Assets</b>		
Other Non Current Investments	6.56	6.56
Security deposits	609.70	609.70
Loans to Employees	191.91	191.91
Trade receivables	7,175.30	7,175.30
Cash and cash equivalents	660.51	660.51
Bank balance (other than Cash and cash equivalents)	286.25	286.25
Other Current Financial Asset	123.41	123.41
<b>Total</b>	<b>9,053.64</b>	<b>9,053.64</b>
Borrowings	18,811.47	18,811.47
Deposits	187.38	187.38
Trade payables	6,409.95	6,409.95
Other financial liabilities	4,874.09	4,874.09
<b>Total</b>	<b>30,282.89</b>	<b>30,282.89</b>

(All amounts are in lakhs, except share data and as stated)

#### Note 41

#### Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- I Credit risk
- II Liquidity risk
- iii Interest rate risk
- iv Market risk and
- v. Currency risk

#### Risk management framework

The Company's Risk Management Framework encompasses practices relating to the identification, analysis, evaluation, treatment, mitigation and monitoring of the strategic, external and operational controls risks in achieving key business objectives.

The Company has laid down the procedure for risk assessment and their mitigation through audit Committee. Key risks and their mitigation arising out of periodic reviews by the Committee are assessed and reported to the Board of Directors of the company, on a periodic basis.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to policies and procedures.

The Company has an independent Internal Audit and assurance team. There is a practice of reviewing various key select risks and report to Audit Committee from time to time. The Company, has also, during the year, has adopted a co-sourced model for internal audit. The internal audit team carry out internal audit reviews in accordance with the approved internal audit plan. Internal audit team reviews the status of implementation of internal audit recommendations. Summary of Critical observations if any and recommendations under implementation are reported to the Audit Committee.

#### i. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, deposits and cash and cash equivalents. The Company makes provision on trade receivables based on Expected Credit loss (ECL) method based on provision matrix.

#### Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company has a detailed review mechanism of overdue trade receivables at various levels in the organisation to ensure proper attention and focus on realisation.

Summary of the Company's exposure to credit risk of the outstanding from various customers is as follows:-

Particulars	As at March 31, 2022	As at March 31, 2021
Normal - Before Provision	6,124.14	8,342.08
Legal - Before Provision	1,347.03	1,156.82
Provision for doubtful debts	(499.29)	(2,323.60)
<b>Total</b>	<b>6,971.89</b>	<b>7,175.30</b>

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Management believes that the unimpaired amounts that

(All amounts are in lakhs, except share data and as stated)

are past due are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk.

The movement in the allowance for impairment in respect of trade receivables during the year was as follows: -

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Balance	2,323.60	2,346.51
Changes during the year	100.00	150.00
written off against the Provision	(1,924.31)	(172.91)
<b>Closing Bal</b>	<b>499.29</b>	<b>2,323.60</b>

#### Cash and cash equivalents

The Company held cash and cash equivalents and bank deposits with banks. The credit worthiness of such banks are evaluated by the management on an on-going basis and is considered to be good.

#### Others

Other than trade receivables reported above, the Company has no other financial assets that is past due but not impaired.

#### ii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure that it will have sufficient liquidity to meet its liabilities. The Company monitors the net liquidity position through forecasts on the basis of expected cash flows.

The Company has obtained fund and non-fund based working capital lines from various banks.

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

As at March 31, 2022	Carrying amt.	Total	Contractual cash flows		
			0-12 months	1- 5 years	More than 5 years
<b>Non-derivative financial liabilities</b>					
Term loans from banks/Financial Institutions (including interest)	4,367.23	4,367.23	4,367.23	-	-
Vehicle loan	18.32	18.32	18.32	-	-
Working capital loans from banks	17,866.16	17,866.16	17,866.16	-	-
Trade payables and Other Current Financial Liabilities	7,037.65	7,037.65	7,037.65	-	-
<b>Total</b>	<b>29,289.36</b>	<b>29,289.36</b>	<b>29,289.36</b>	<b>-</b>	<b>-</b>

As at March 31, 2021	Carrying amt.	Total	Contractual cash flows		
			0-12 months	1- 5 years	More than 5 years
<b>Non-derivative financial liabilities</b>					
Term loans from banks/Financial Institutions (including interest)	4,632.68	4,632.68	3,373.16	1,259.52	-
Vehicle loan	63.66	63.66	30.98	32.68	-
Working capital loans from banks	17,247.70	17,247.70	17,247.70	-	-
Trade payables and Other Current Financial Liabilities	7,879.90	7,879.90	7,879.90	-	-
<b>Total</b>	<b>29,823.94</b>	<b>29,823.95</b>	<b>28,531.75</b>	<b>1,328.10</b>	<b>-</b>

(All amounts are in lakhs, except share data and as stated)

### iii. Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing instruments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing instruments will fluctuate because of fluctuations in the interest rates.

#### Exposure to interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows

Particulars	Nominal amount	
	As at March 31, 2021	As at March 31, 2020
<b>Variable-rate instruments</b>		
Financial liabilities	16,372.58	16,942.42
	<b>16,372.58</b>	<b>16,942.42</b>
<b>Fixed-rate instruments</b>		
Financial liabilities	1,062.50	1,119.14
Financial asset	609.70	625.29
	<b>1,672.20</b>	<b>1,744.43</b>

#### Interest rate sensitivity - fixed rate instruments.

The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss for any of these fixed interest bearing financial instruments.

#### Interest rate sensitivity - variable rate instruments.

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased / (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

Variable-rate instruments Particulars	Impact on Profit/(loss)- Increase/(Decrease) in Profit	
	For the year ended March 31, 2021	For the year ended March 31, 2020
100 bp increase	(163.73)	(169.42)
100 bp decrease	163.73	169.42

### iv. Market risk :-

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and other prices such as equity price. These will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. Financial instruments affected by market risk include loans, borrowings and deposits. The Market risk which the Company is exposed can be classified as Currency risk and Interest rate risk.

### v. Currency risk :-

The Company is exposed to currency risk on account of its operations in other countries. The functional currency of the Company is Indian Rupee. The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies.

Particulars	Currency	As at March 31, 2022			As at March 31, 2021		
		Amount in Foreign Currency	Exchange Rate	₹ in lakhs	Amount in Foreign Currency	Exchange Rate	₹ in lakhs
Trade Payables	USD						
				NIL			NIL

(All amounts are in lakhs, except share data and as stated)

#### Note 42 Capital Management

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long-term and short-term goals of the Company.

The Company determines the amount of capital required on the basis of annual and long-term strategic plans. The Company's policy is aimed at combination of short-term and long-term borrowings.

The Company monitors the capital structure on the basis of 'adjusted net debt' to 'adjusted equity'. For this purpose adjusted net debt is defined as total liabilities comprising interest bearing loans and borrowings and obligations under finance lease, less cash and cash equivalents, Bank balance and current investments. Adjusted equity comprises Equity attributable to the shareholders of the Company (other than amounts accumulated in the hedging reserve, if any.)

The following table summarizes the capital of the Company : -

Particular	As at March 31, 2022	As at March 31, 2021
Total Borrowings (including accrued interest)	22,508.44	22,215.61
Less : Cash and cash equivalents, Bank balance and Current investment	459.15	953.33
<b>Adjusted net debt</b>	<b>22,049.29</b>	<b>21,262.29</b>
<b>Adjusted equity</b>	<b>-957.96</b>	<b>7,516.96</b>
Adjusted net debt to adjusted equity ratio	-23.02	2.83

#### Note 43

##### Contingent Liabilities and Commitments (to the extent not provided for)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Contingent Liabilities</b>		
Sales tax liabilities	1,512.42	1,322.32
Guarantees given by Banks and Financial Institutions	76.60	238.18
Income Tax	97.53	238.18

#### Note 44

- (i) To the best of its knowledge and behalf, No Fund have been advance and loaned or invested (either from borrowed fund or share premium or any other source or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entity (intermediaries), with the understanding, whether recorded in writing or otherwise, that the intermediary sell, whether, directly or indirectly land or invest in other persons or entities identified in any manner whatsoever by or on behalf of company (ultimate beneficiaries or provide any gurantee, security, or the like on behalf of ultimate beneficiaries
- (ii) To the best of its knowledge and behalf, No fund have been received by the company from any person(s) or entity(ies) , including foreign entities("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 company (ultimate beneficiaries or provide any gurantee , security , or the like on behalf of ultimate beneficiaries.

As per our attached report of even date

**For S. Guha and Associates**  
Chartered Accountants  
Firm Registration No. 322493E

**CA Saurabh Mitra**  
Partner  
Membership No. 308743

Date:- May 30, 2022  
Place:- Kolkatta

**For and on behalf of the Board of Directors of,  
Kisan Mouldings Limited.**

**Sanjeev A. Aggarwal**  
DIN: 00064076

**Rishav S. Aggarwal**  
DIN: 05155607

**Suresh Purohit**

**Vijay Joshi**  
M.No. A7298

Date:- May 30, 2022  
Place:- Mumbai

**Chairman & Managing Director**

**Whole Time Director**

**Chief Financial Officer**

**Company Secretary**

# Independent Auditor's Report

To The Members of Kisan Mouldings Limited

## Report on the Audit of the Consolidated Financial Statements

### Qualified Opinion

We have audited the accompanying consolidated financial statements of Kisan Mouldings Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at March 31, 2022, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects, if any, of the matter described in the "Basis for Qualified Opinion" paragraph of our report, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Company as at March 31, 2022, of its consolidated profit, consolidated other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

### Basis for Qualified Opinion

- We draw attention to Note 22.1 & Note 22.2 to the consolidated financial Statement, which states that the Company has defaulted in repayment of loans and interest in respect of Term Loan and Cash Credit of Punjab National Bank, Union Bank of India, IDBI Bank and Shamrao Vitthal Cooperative Bank due to which the accounts are considered as Non-Performing Asset (NPA) by all the banks.
- We draw attention to note 25.1 of the consolidated financial statement, which states that the Company is in default w.r.t. payment of statutory dues to government authorities and filing of periodic returns thereof; which may entail penalty which is not ascertainable and hence not provided for.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated 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 ('the ICAI') together with the ethical requirements that are relevant to our audit of the consolidated 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 qualified opinion on the consolidated financial statements.

### Emphasis of Matters

- We draw attention to note 7.1 of the consolidated financial statement, which states that the Company has currently not recognized deferred tax assets in respect of deductible temporary differences arising during the quarter and year ended 31<sup>st</sup> March, 2022. However, the Company has a total deferred tax asset of Rs 3818.61 Lakhs as at 31<sup>st</sup> March 2022 for which Company has assessed that there is reasonable certainty that sufficient future taxable income will be available against which such deferred asset can be realized.
- We draw your attention to Note 10.1 of the consolidated financial statement with regard to Trade Receivables are subject to balance confirmation and adjustments, if any.

## Key Audit Matters

Key audit matters are those matters that in our professional judgment were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial

statements as a whole and in forming our opinion thereon and we do not provide a separate opinion on these matters.

In addition to the matter described in the “Basis for Qualified Opinion” paragraph we have determined that the following are the key audit matters:

Sr. No.	Key Audit Matter	Auditors Response
1	<p><b>Revenue Recognition</b></p> <p>(refer Note. 1.8 related to Revenue) We focused on this area as a key audit matter due to the risk of incorrect timing of revenue recognition and estimation related to recording the discount and rebates. According to the Consolidated Financial Statement accounting principles revenue is recognized at a point in time when the control of the goods is transferred to the customer according to delivery terms. Due to variation of contractual sales terms and practices across the market and the pressure, the management may feel to achieve performance targets, there is a risk of material error.</p>	<p>To address this risk of material misstatement relating to revenue recognition, our audit procedures included:</p> <ul style="list-style-type: none"> <li>-Assessing the compliance of Company's revenue recognition policies with applicable accounting standards, including those related to discounts and rebates.</li> <li>-Assessing the adequacy of relevant disclosures..</li> </ul>
2	<p><b>Inventories</b></p> <p>Refer Note No. 1.3 related to Inventories</p> <p>Inventory were considered as a Key audit matter due to the size of the balance and because inventory valuation involves management judgment. According to Company's accounting policies inventories are measured at the lower of cost or net realizable value.</p>	<p>to address the risk for material error on inventories, our audit procedures included amongst other:</p> <ul style="list-style-type: none"> <li>-Assessing the compliance of Company's accounting policies over inventory with applicable accounting standards.</li> <li>-Assessing the analyses and assessment made by management with respect to slow moving stock.</li> </ul>

## Other Matters

- Due to COVID-19 pandemic it is not possible to verify the physical verification of inventories at all locations, therefore we have relied on the inventory verification and valuation report issued by Independent Chartered Accountant. Our conclusion is not modified in respect of this matter.

## Information Other than the Financial Statements and Auditor's Report Thereon

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 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 and in doing so consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the 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.

As described in the Basis for Qualified Opinion paragraph above we are unable to comment on the impact thereof if any on the consolidated financial statements for the year ended March 31 2022. Accordingly, we are unable to conclude whether or not the other information is materially misstated with respect to this matter.

### Management's and Board of Directors' 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 the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated state of affairs, Consolidate statement of profit/loss and 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. The respective management and Board of Directors of the Company included in the group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 accuracy and completeness of the accounting records relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement whether due to fraud or error, which has been used for the purpose of preparation of the consolidated financial statements by the management and Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements the Management and Board of Directors of the companies included in the group are responsible for assessing the Company's ability of each Company 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 Board of Directors either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so.

The respective Board of Directors of the group is responsible for overseeing the financial reporting process of each Company.

### Auditor's Responsibilities 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 controls 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 with reference to the consolidated financial statement and the operating effectiveness of such controls based on our audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and the Board of Directors.

- Conclude on the appropriateness of management's and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements 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 auditors 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 auditors 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.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced.

We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

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 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.

### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

- 1) As required by Section 143(3) of the Act we report that:
  - a. We have sought and except for the matter described in the "Basis for Qualified Opinion" paragraph above 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. Except for the possible effects of the matter described in the "Basis for Qualified Opinion" paragraph above 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.
  - 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 accounts maintained for the purposes of preparation of the consolidated financial statements.
  - d. Except for possible effects of the matter described in the "Basis for Qualified Opinion" paragraph above in our opinion

- the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act.
- e. The matter described in the “Basis for Qualified Opinion” paragraph and the “Emphasis of Matter” paragraphs above in our opinion may have an adverse effect on the functioning of the Company.
  - f. On the basis of the written representations received from the directors of the Holding Company 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.
  - g. The qualification relating to maintenance of accounts and other matters connected there with are as stated in the “Basis for Qualified Opinion” paragraph above.
  - h. With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Company and the operating effectiveness of such controls refer to our separate Report in “Annexure A”.
- (B) With respect to the other matters to be included in the Auditors’ Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules 2014 in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations as at March 31 2022 on its financial position in its consolidated financial statements - Refer Note 42 to the consolidated financial statements;
  - 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;
- iv. (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 43(i) to the consolidated financial statements, no funds (which are material either individually or in the aggregate) 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; statements;
  - (b) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 43(ii) to the consolidated financial statements, no funds (which are material either individually or in the aggregate) 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.

- (C) With respect to the matter to be included in the Auditors' 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 and its subsidiary 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.

For **S. Guha & Associates**

Chartered Accountants

Firm Registration No. 322493E

**CA Saurabh Mitra**

Partner

Membership No. 308743

UDIN: 22308743AJXXBB9951

Kolkata

May 30, 2022

# Annexure “A” to the Independent Auditor’s Report on the Consolidated Financial Statements of Kisan Mouldings Limited for the year ended March 31, 2022

Report on the Internal Financial Controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

(Referred to in paragraph 1(h) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of **KISAN MOULDINGS LIMITED** of even date)

## Opinion

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to consolidated financial statements of KISAN MOULDINGS LIMITED (“hereinafter referred to as “the Holding Company”) and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary company (together referred to as “the Group”) as of that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary company, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls are operating effectively as at March 31, 2022, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the “Guidance Note”).

## Management’s Responsibility for Internal Financial Controls

The respective Company’s management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. 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 (hereinafter referred to as ‘the Act”).

## Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, 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 judgement, 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, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

## Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements

A company’s internal financial control with reference to consolidated financial statements is a process

designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements 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 consolidated 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 financial statements.

#### **Limitations of Internal Financial Controls with Reference to Consolidated Financial Statements**

Because of the inherent limitations of internal financial controls with reference to consolidated financial

statements, 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 with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **S. Guha & Associates**  
Chartered Accountants  
Firm Registration No. 322493E

**CA Saurabh Mitra**  
Partner  
Membership No. 308743  
UDIN: 22308743AJXXBB9951

Kolkatta  
May 30, 2022

## Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results - (Consolidated)

### Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2022 (See Regulation 33/52 of the SEBI (LODR) (Amendment) Regulations, 2016)

I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (Audited figures after adjusting for qualifications)
	1	Turnover/Total Income	31087.53	31087.53
	2	Total Expenditure	39596.17	39596.17
	3	Net Profit/(Loss)	(8485.11)	(8485.11)
	4	Earnings per share	(25.13)	(25.13)
	5	Total Assets	34023.62	34023.62
	6	Total Liabilities	34023.62	34023.62
	7	Net Worth	(932.16)	(932.16)
	8	Any other Financial item(s) (as felt appropriate by the	-	-
<b>II. Audit Qualification (each audit qualification separately):</b>				
	a.	Details of Audit Qualification: Credit Facilities availed from consortium banks turned NPA		
	b.	Type of Audit Qualification: Qualified opinion		
	c.	Frequency of qualification: Second time		
	d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's view : Yes		
	e.	For Audit qualification(s) where the impact Is not quantified by the auditor:		
	(i)	Managements estimation on the impact of Audit qualification : Nil already provided		
	(ii)	If management is unable to estimate the impact, reason for the same: N.A.		
	(iii)	Auditor Comments on (i) or (ii) above: With reference to Para 3 of Limited Review Report - We have approached all banks for considering the proposal of restructuring.		
<b>III. Signatories:</b>				

**For S. Guha and Associates**  
Chartered Accountants  
ICAI Firm Registration Number: 322493E

**sd/-**  
**CA Saurabh Mitra**  
Partner  
Membership No. 308743

**sd/-**  
**Urvashi Dharadhar**

**Chairperson of Audit Committee**

**sd/-**  
**Sanjeev Aggarwal**  
DIN: 00064076

**Chairman & Managing Director**

**sd/**  
**Suresh Purohit**

**Chief Financial Officer**

Date:- May 30, 2022  
Place:- Kolkatta

Date:- May 30, 2022  
Place:- Mumbai

# Consolidated Balance sheet as at March 31, 2022

(All amounts are in lakhs, except share data and as stated)

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
<b>ASSETS</b>			
<b>Non - Current Assets</b>			
Property, plant and equipment	2	10,894.47	11,669.35
Capital work-in-progress	2	3.42	9.85
Intangible assets	3	1.16	2.01
Financial assets			
Investments	4	6.56	6.56
Other financial assets	5	88.24	89.39
Non-current tax assets (net)	6	213.74	186.65
Deferred tax assets (net)	8	3,818.61	3,818.61
Other non-current assets	8	174.89	210.93
		<b>15,201.09</b>	<b>15,993.37</b>
<b>Current assets</b>			
Inventories	10	8,927.4	15,683.62
Financial assets			
Trade receivables	10	7,002.94	7,184.74
Cash and cash equivalents	11	156.16	666.10
Bank balances other than cash and cash equivalents mentioned above	12	300.17	286.25
Loans	13	71.14	191.91
Other financial assets	14	602.38	722.53
Other current assets	15	480.51	956.71
Assets classified as held for sale	16	1,281.86	1,281.86
		<b>18,822.53</b>	<b>26,973.72</b>
<b>TOTAL</b>		<b>34,023.62</b>	<b>42,967.09</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity share capital	17	3,386.31	3,386.31
Other equity	18	(4,318.47)	4,166.64
<b>Total Equity</b>		<b>(932.16)</b>	<b>7,552.95</b>
<b>LIABILITIES</b>			
<b>Non - Current Liabilities</b>			
Financial liabilities			
Borrowings	19	257.72	1,564.77
Other financial liabilities	20	162.27	187.38
Provisions	21	317.28	319.07
		<b>737.27</b>	<b>2,071.22</b>
<b>Current liabilities</b>			
Financial liabilities			
Borrowings	22	17,866.16	17,247.70
Trade payables	23	5,596.04	6,431.23
Other financial liabilities	24	5,873.77	4,909.76
Other current liabilities	25	1,660.04	2,759.97
Provisions	26	3,222.50	1,994.27
		<b>34,218.51</b>	<b>33,342.92</b>
<b>TOTAL</b>		<b>34,023.62</b>	<b>42,967.09</b>
Significant accounting policies and Key accounting estimates and judgements	1		
The accompanying notes form an integral part of these Financial Statements.			

As per our attached report of even date  
**For S. Guha and Associates**  
 Chartered Accountants  
 Firm Registration No. 322493E

**CA Saurabh Mitra**  
 Partner  
 Membership No. 308743

Date:- May 30, 2022  
 Place:- Kolkatta

**For and on behalf of the Board of Directors of,  
 Kisan Mouldings Limited.**

**Sanjeev A. Aggarwal**  
 DIN: 00064076

**Rishav S. Aggarwal**  
 DIN: 05155607

**Suresh Purohit**

**Vijay Joshi**  
 M.No. A7298

Date:- May 30, 2022  
 Place:- Mumbai

**Chairman & Managing Director**

**Whole Time Director**

**Chief Financial Officer**

**Company Secretary**

# Consolidated Statement of Profit and Loss for the year ended March 31, 2022

(All amounts are in lakhs, except share data and as stated)

Particulars	Notes	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Income</b>			
Revenue from operations	27	30,716.88	20,987.68
Other income	28	370.65	215.76
<b>Total Income</b>		<b>31,087.53</b>	<b>21,203.44</b>
<b>Expenses</b>			
Cost of Materials consumed	29	22,350.47	16,644.38
Purchases of stock-in-trade	30	1,184.68	294.78
Changes in inventories of finished goods, work-in-progress and stock-in-trade	31	6,227.47	(1,051.84)
Employee benefits expense	32	1,231.73	959.25
Finance costs	33	2,980.83	3,014.81
Depreciation and amortisation expense	2 & 3	883.04	1,057.12
Other expenses	34	4,737.96	5,070.50
<b>Total Expenses</b>		<b>39,596.17</b>	<b>25,989.01</b>
<b>Profit / (Loss) for the year before tax</b>		<b>(8,508.64)</b>	<b>(4,785.57)</b>
Exceptional Items -(Loss)/Income		-	-
Prior period (income) / Expenses		-	-
<b>Profit / (Loss) for the year before tax</b>		<b>(8,508.64)</b>	<b>(4,785.57)</b>
<b>Tax expense : -</b>			
Current tax		-	-
Deferred tax charge / (Credit)	7	-	(66.30)
<b>Profit / (Loss) for the year (A)</b>		<b>(8,508.64)</b>	<b>(4,719.26)</b>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified to profit or loss			
Remeasurements gains/(losses) on defined benefit plan		23.54	(35.20)
Income tax effect on above		-	11.12
<b>Total other comprehensive income / (loss) for the year (B)</b>		<b>23.54</b>	<b>-24.08</b>
<b>Total comprehensive income / (loss) for the year (A+B)</b>		<b>(8,485.11)</b>	<b>-4,743.34</b>
Earnings per equity share of face value of ₹ 10 each fully paid up			
Basic ₹	35	(25.13)	(13.94)
Diluted ₹	35	(25.13)	(13.94)
Significant accounting policies and Key accounting estimates and judgements	1		
The accompanying notes form an integral part of these Financial Statements.			

As per our attached report of even date  
**For S. Guha and Associates**  
 Chartered Accountants  
 Firm Registration No. 322493E

**CA Saurabh Mitra**  
 Partner  
 Membership No. 308743

Date:- May 30, 2022  
 Place:- Kolkatta

**For and on behalf of the Board of Directors of,  
 Kisan Mouldings Limited.**

**Sanjeev A. Aggarwal**  
 DIN: 00064076

**Rishav S. Aggarwal**  
 DIN: 05155607

**Suresh Purohit**

**Vijay Joshi**  
 M.No. A7298

Date:- May 30, 2022  
 Place:- Mumbai

**Chairman & Managing Director**

**Whole Time Director**

**Chief Financial Officer**

**Company Secretary**

# Consolidated Statement of changes in equity for the year ended March 31, 2022

(All amounts are in lakhs, except share data and as stated)

## (a) EQUITY SHARE CAPITAL

	Amt.
<b>Balance as at April 01, 2020</b>	<b>3,386.31</b>
Changes in equity during F.Y 2020-21	-
<b>Balance as at April 01, 2021</b>	<b>3,386.31</b>
Changes in equity during F.Y 2021-22	-
<b>Balance as at March 31, 2022</b>	<b>3,386.31</b>

## (b) OTHER EQUITY

	Reserves & Surplus			Other Comprehensive Income	Total
	Securities Premium	General Reserves	Retained Earnings	Remeasurements of defined benefit plans	
<b>Balance as on March 31, 2020</b>	<b>10,309.89</b>	<b>366.46</b>	<b>(1,797.23)</b>	<b>30.86</b>	<b>8,909.98</b>
Addition during the year	-				-
Profit / (Loss) for the year			(4,719.26)		(4,719.26)
Other comprehensive income				(24.08)	(24.08)
<b>Balance as on March 31, 2021</b>	<b>10,309.89</b>	<b>366.46</b>	<b>(6,516.49)</b>	<b>6.78</b>	<b>4,166.64</b>
Addition during the year	-				-
Profit / (Loss) for the year			(8,508.64)		(8,508.64)
Other comprehensive income				23.54	23.54
<b>Balance as on March 31, 2022</b>	<b>10,309.9</b>	<b>366.46</b>	<b>(15,025.14)</b>	<b>30.32</b>	<b>(4,318.47)</b>

As per our attached report of even date  
**For S. Guha and Associates**  
 Chartered Accountants  
 Firm Registration No. 322493E

**CA Saurabh Mitra**  
 Partner  
 Membership No. 308743

Date:- May 30, 2022  
 Place:- Kolkatta

**For and on behalf of the Board of Directors of,  
 Kisan Mouldings Limited.**

**Sanjeev A. Aggarwal**  
 DIN: 00064076

**Chairman & Managing Director**

**Rishav S. Aggarwal**  
 DIN: 05155607

**Whole Time Director**

**Suresh Purohit**

**Chief Financial Officer**

**Vijay Joshi**  
 M.No. A7298

**Company Secretary**

Date:- May 30, 2022  
 Place:- Mumbai

# Consolidated Statement of Cash Flows for the year ended March 31, 2022

(All amounts are in lakhs, except share data and as stated)

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
<b>A. CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES:</b>		
Profit before tax	<b>(8,485.11)</b>	<b>(4,820.77)</b>
<b>Adjustments for :</b>		
Depreciation and amortisation	883.04	1,057.12
Interest expenses	4,737.96	3,014.81
(Profit)/Loss on sale of property, plant and equipments	(20.01)	20.86
Provision For Doubtful debts	100.00	150.00
Dividend income	(0.60)	-
Liability written back	(210.55)	(0.00)
<b>Cash Generated from operations before working capital changes</b>	<b>(2,995.27)</b>	<b>(577.98)</b>
(Increase) / Decrease in inventories	6,756.25	854.10
(Increase) / Decrease in trade receivables	81.80	1,868.55
(Increase) / Decrease in other non-current financial assets	1.16	(0.21)
(Increase) / Decrease in other non-current assets	36.04	142.76
(Increase) / Decrease in other current financial assets	240.92	276.45
(Increase) / Decrease in other current assets	476.20	555.31
Increase / (Decrease) in non-current provisions	(1.79)	85.81
Increase / (Decrease) in current provisions	1,228.23	621.12
Increase / (Decrease) in other non-current financial liabilities	(25.11)	(46.47)
Increase / (Decrease) in other current financial liabilities	339.37	(3,895.06)
Increase / (Decrease) in other current liabilities	(1,099.93)	582.57
(Increase) / Decrease in non current tax [net]	(27.09)	153.58
Increase / (Decrease) in other assets held for sales	-	(72.70)
<b>Cash generated from operations</b>	<b>5,010.78</b>	<b>547.84</b>
Income taxes paid	-	-
<b>Net cash generated from / (used in) operating activities (A)</b>	<b>5,010.78</b>	<b>547.84</b>
<b>B. CASH FLOWS FROM / (USED IN) INVESTING ACTIVITIES:</b>		
Purchase of property, plant and equipment and additions to capital work in progress	(188.91)	(116.49)
Proceeds from sale of property, plant and equipment	108.06	148.60
Dividend received	0.60	-
Movement in bank balances other than cash and cash equivalents	(13.92)	541.40
<b>Net cash from / (used in) investing activities (B)</b>	<b>(94.17)</b>	<b>573.50</b>

# Consolidated Statement of Cash Flows for the year ended March 31, 2022

(All amounts are in lakhs, except share data and as stated)

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
<b>C. CASH FLOWS FROM / (USED IN) FINANCING ACTIVITIES :-</b>		
Proceeds from issuance of share capital		
Premium on issue of shares		
Proceeds from Working Capital		
Repayment of non-current borrowings	(1,307.05)	(1,919.12)
Repayment of deposits		
Proceeds from current borrowings	618.45	4,379.00
Interest paid	(4,737.96)	(3,014.81)
<b>Net cash from/(used in) financing activities (C)</b>	<b>(5,426.55)</b>	<b>(554.92)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>(509.94)</b>	<b>566.42</b>
<b>CASH AND CASH EQUIVALENTS, beginning of year</b>	<b>666.11</b>	<b>99.69</b>
Unrealised gain / (loss) on foreign currency cash and cash equivalents	-	-
<b>CASH AND CASH EQUIVALENTS, end of year</b>	<b>156.17</b>	<b>666.11</b>
<b>Components of cash and cash equivalents, as at March 31,2022</b>		
Cash on hand	156.17	20.14
Cash in current account	-	645.96
	<b>156.17</b>	<b>666.11</b>

## Notes:

- A. The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows.'
- B. All figures in bracket are outflow.

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

## Note 1

### Significant accounting policies and Key accounting estimates and judgements

#### GROUP INFORMATION

Kisan Mouldings Limited (the 'Company') is a public limited Company domiciled in India with its registered office located at 26 'A', 3<sup>rd</sup> Floor, K-wing, "Tex Centre", Chandivali, Off Saki Vihar Road, Andheri (East), Mumbai - 400 072. The Company is listed on the Bombay Stock Exchange (BSE). The Company is a well-known brand in the PVC Pipes, Fittings and Allied Products. Its pipes and fittings are widely used for water management, irrigation, water distribution, cable ducting, drinking water, tube wells and sewage disposal systems. The Company has also engaged itself in the manufacturing of Custom Moulded Articles and Moulded Furniture. The Company has manufacturing facilities across the country and sells primarily in India through independent distributors.

The Company and its subsidiary (jointly referred to as the 'Group' herein under) considered in these consolidated financial statements are:

#### Subsidiary:

Name of the Subsidiary	Country of Incorporation	Principle activities	Proportion (%) of equity interest	
			As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
KML Trade links Private Limited	India	Trading in PVC and granual Products.	100%	100%

#### BASIS OF PREPARATION AND MEASUREMENT

##### A. A. Basis of preparation and consolidation

These financial statements are the consolidated financial statements of the Group (also called consolidated financial statements) prepared in compliance with Indian Accounting Standards (hereinafter referred to as the 'Ind AS') notified under Section 133 of the Companies Act, 2013 (the Act), read together with the Companies (Indian Accounting Standards) Rules, 2015, (as amended).

These consolidated financial statements have been prepared on accrual and going concern

basis. The accounting policies are applied consistently to all the periods presented in the financial statements. All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

Subsidiary is an entity where the group exercise control or hold more than one-half of its total share capital. The net assets and results of acquired businesses are included in the consolidated financial statements from their respective dates of acquisition, being the date on which the Group obtains control. The results of disposed businesses are included in the consolidated financial statements up to their date of disposal, being the date control ceases.

The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances. The accounting policies adopted in the preparation of consolidated financial statements are consistent with those of previous year. The consolidated financial statements of the Company and its subsidiary 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, intra-group transactions and the unrealised profits/losses, unless cost/revenue cannot be recovered.

The excess of cost to the Group of its investment in subsidiary, on the acquisition dates over and above the Group's share of equity in the subsidiary, is recognised as 'Goodwill on Consolidation' in the consolidated financial statements. The said Goodwill is not amortised, however, it is tested for impairment at each Balance Sheet date and the impairment loss, if any, is provided for. On the other hand, where the share of equity in subsidiary as on the date of investment is in excess of cost of investments

of the Group, it is recognised as 'Capital Reserve' and shown under the head 'Other Equity' in the consolidated financial statements.

The financial statements of the Group for the year ended March 31<sup>st</sup>, 2022 were approved for issue in accordance with the resolution of the Board of Directors on May 30<sup>th</sup>, 2022.

#### **B. Basis of measurement**

These Consolidated Financial statements are prepared under the historical cost convention unless otherwise indicated.

#### **C. Application of New Accounting Pronouncements**

The Group has applied the Ind AS pronouncements pursuant to issuance of the Companies (Indian Accounting Standards) Amendment Rules, 2019 and the Companies (Indian Accounting Standards) Second Amendment Rules, 2019.

#### **D. Functional and presentation currency**

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

#### **E. Key estimates and assumptions**

The preparation of the Group's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets, liabilities and the accompanying disclosures along with contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require material adjustments to the carrying amount of assets or liabilities affected in future periods. The Group continually evaluates these estimates and assumptions based on the most recently available information. The Management believes that the estimates used in preparation of the Financial Statements are prudent and reasonable.

In particular, information about significant areas of estimates and judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are included in the following notes:

- Financial instruments (Refer note 39 & 40);
- Valuation of inventories (Refer note 9);
- Measurement of Defined Benefit Obligation, key actuarial assumptions (Refer note 39);
- Provisions and Contingencies (Refer note 21,26 and 43)

- Recognition and Evaluation of recoverability of deferred tax assets (Refer note 7)
- Determining the lease term for the purpose of Ind AS 116 (Refer note 38)

Revisions to accounting estimates are recognized prospectively in the Statement of Profit and Loss in the period in which the estimates are revised and in any future periods affected.

#### **F. Recent accounting developments**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2021.

### **1. SIGNIFICANT ACCOUNTING POLICIES**

#### **1. Property, Plant and Equipment (PPE)**

##### **i. Recognition and measurement**

An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of property, plant and equipment are carried at its cost less accumulated depreciation and accumulated impairment losses.

The cost of an item of PPE comprises::

- a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Pre-operative expenses, including interest on borrowings up to the date of commercial operations, are treated as part of project cost and capitalised.

Items such as spare parts, stand-by equipment and servicing equipment that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Costs in nature of repairs and maintenance are recognized in the Statement of Profit and Loss as and when incurred.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labor,

any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Income and expenses related to the incidental operations, not necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by management, are recognized in profit or loss.

Advance paid towards the acquisition of Property, Plant and Equipment outstanding at each balance sheet date is classified as capital advance under "Other Non-Current Assets".

The Group had elected to consider the carrying value of all its property, plant and equipment appearing in the financial statements prepared in accordance with Accounting Standards notified under the section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 and used the same as deemed cost in the opening Ind AS Balance sheet prepared on 1<sup>st</sup> April, 2016.

**i. Subsequent expenditure**

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

**ii. Depreciation**

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on PPE (other than leasehold land) has been provided based on useful life of the assets as estimated by the management on Straight Line Method. The useful lives used, are in agreement with those specified in Schedule II of the Companies Act, 2013.

Leasehold land are amortized over the lease period. Buildings constructed on leasehold land are depreciated based on

the management estimate of useful life, where the lease period is beyond the life of the building. In other cases, buildings constructed on leasehold land is amortized over the primary lease period of the land.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Profit and loss on disposals are determined by comparing proceeds with carrying amount. These are included in statement of profit and loss.

**iii. De-recognition:**

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the Derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognized.

**2. Intangible assets**

**i. Recognition and measurement**

Intangible assets are carried at cost less accumulated amortization and impairment losses, if any. The cost of an intangible asset comprises of its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use.

**ii. Subsequent expenditure**

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates.

**iii. Amortization**

Intangible asset comprises computer software purchased, which are not an integral part of the related hardware and are amortized on a straight line basis over a period of 8 years, which in Management's estimate represents the period during which the economic benefits will be derived from their use.

#### iv. De-recognition

The carrying amount of an intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the Derecognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and is recognized in the Statement of Profit and Loss when the asset is derecognized.

#### v. Research and development cost:

##### a. Research cost:

Revenue expenditure on research is charged to statement of profit and loss under the respective heads of accounts in the period in which it is incurred.

##### b. Development cost:

Development expenditure on new product is capitalized as intangible asset, if all of the following can be demonstrated.

- (i) the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- (ii) the Group has intention to complete the development of intangible asset and use or sell it;
- (iii) the Group has ability to use or sell the intangible asset;
- (iv) the manner in which the probable future economic benefit will be generated including the existence of a market for output of the intangible asset or the intangible asset itself or if it is to be used internally, the usefulness of the intangible asset;
- (v) the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- (vi) the Group has ability to measure the expenditure attributable to the intangible asset during the development reliably.

Development costs on the intangible assets, fulfilling the criteria are amortized over a period of five years, otherwise are expensed in the period in which they are incurred.

#### 3. Inventories

**Inventories are valued after providing for obsolescence, if any, as under:**

- (a) Raw materials, components, stores and spare parts and packing materials : At lower of cost computed, on FIFO basis and net realizable value
- (b) Work -in-progress – Manufacturing : At lower of cost of materials, plus appropriate production overheads and net realizable value.
- (c) Finished goods – Manufacturing : At lower of cost of materials plus appropriate production overheads/ payable on such goods and net realizable value.
- (d) Finished goods – Trading (others) : At lower of cost computed, on FIFO basis and net realizable value
- (e) Scrap (Reusable) : At cost computed on FIFO basis

The cost of inventories have been computed to include all cost of purchases, cost of conversion and other related costs incurred in bringing the inventories to their present location and condition. Materials and supplies held for use in the production of inventories are not written down, if the finished goods in which they will be used are expected to be sold at or above cost.

#### 4. Cash and cash equivalents

Cash and cash equivalents includes cash on hand, call deposits and 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.

#### 5. Assets Held for Sale:

Non-current assets comprising of land and buildings are classified as 'held for sale' when all of the following criteria's are met:

- (i) decision has been made to sell;
- (ii) the assets are available for immediate sale in its present condition;
- (iii) the assets are being actively marketed and
- (iv) sale has been agreed or is expected to be concluded within 12 months of the Balance Sheet date..

Subsequently, such non-current assets classified as held for sale are measured at the lower of its carrying value and fair value less costs to sell. Non-current assets held for sale are not depreciated or amortised.

## 6. Financial instruments

### i. Financial assets

Financial assets are recognised when the Group become a party to the contractual provisions of the instrument. On initial recognition, a financial asset is recognised at fair value. In case of Financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction cost is recognised in the statement of profit and loss. In other cases, the transaction cost is attributed to the acquisition value of the financial asset.

Financial assets are subsequently classified and measured at

- amortised cost
- fair value through profit and loss (FVTPL)
- fair value through other comprehensive income (FVOCI).

Financial assets are not reclassified subsequent to their recognition, except during the period the Group changes its business model for managing financial assets.

#### Trade Receivables and Loans

Trade receivables are initially recognised at fair value. Subsequently, these assets are held at amortised cost, using the effective interest rate (EIR) method net of any expected credit losses. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

#### Debt instruments

Debt instruments are initially measured at amortised cost, fair value through other

comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') till derecognition on the basis of (i) the Group's business model for managing the financial assets and (ii) the contractual cash flow characteristics of the financial asset.

#### (a) Measured at amortised cost:

Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the 'EIR' method less impairment, if any. The amortisation of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss.

#### (b) Measured at fair value through other comprehensive income (FVOCI):

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognised in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss.

#### (c) Measured at fair value through profit or loss (FVTPL):

A financial asset not classified as either amortised cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'other income' in the Statement of Profit and Loss.

#### Equity instruments

All investments in equity instruments classified under financial assets are initially measured at fair value, the Group may,

on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL.

The Group makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument is recognised as 'other income' in the Statement of Profit and Loss unless the Group has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognised in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss.

#### **De-recognition**

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

#### **Impairment of financial assets**

In accordance with Ind AS 109, the Group applies Expected Credit Loss (ECL) model for recognition and measurement of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortized cost e.g. deposits and bank balance;
- b) Trade receivables - The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECL's at each reporting date, right from its initial recognition.

## **ii. Financial liabilities**

#### **Initial recognition and measurement**

Financial liabilities are recognized when the Group becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss. In case of trade payables, they are initially recognised at fair value and subsequently, these liabilities are

held at amortised cost, using the effective interest rate method.

The Group's financial liabilities include trade and other payables and loans and borrowings including bank overdrafts.

#### **Subsequent measurement**

Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

#### **Loans and borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit and loss when the liabilities are derecognized.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or transaction costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

This category generally applies to interest-bearing loans and borrowings.

#### **De-recognition**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

#### **Offsetting of financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the

normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

## 7. Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

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

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

## 8. Revenue recognition

### Sale of goods

Revenue from sale of goods is recognised when control of the goods being sold is transferred to our customer and when there are no longer any unfulfilled obligations. The Performance Obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms.

Revenue is measured on the basis of contracted price, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the Government such as goods and services tax, etc. Accumulated experience is used to estimate the provision for such discounts and rebates. Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur.

Our customers have the contractual right to return goods only when authorised by the Group. An estimate is made of goods that will

be returned and a liability is recognised for this amount using a best estimate based on accumulated experience.

### Sale of services

Income from services rendered is recognised based on agreements/arrangements with the customers as the service is performed and there are no unfulfilled obligations.

### Dividend income

Dividend income on investments is recognised when the right to receive dividend is established.

### Interest income

Interest income is recognised using the effective interest rate (EIR) method.

## 9. Employee benefits

### i. Short term employee benefits

Short term employee benefits consisting of salaries, wages, short-term compensated absences, performance incentives, etc., and the expected cost of bonus, ex-gratia are benefits payable and recognized in 12 months. Short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized undiscounted during the year as the related service are rendered by the employee.

### ii. Defined contribution plans

The Group's contribution towards provident fund, superannuation fund and employee state insurance scheme, employee pension scheme and labour welfare fund for certain eligible employees are considered to be defined contribution plan for which the Group made contribution on monthly basis.

Company's contribution for the year paid/payable to defined contribution retirement benefit schemes are charged to Statement of Profit and Loss.

### iii. Defined benefit plans

Company's liabilities towards defined benefit plans viz. gratuity which is expected to occur after twelve months, is determined using the Projected Unit Credit Method. Actuarial valuations under the Projected Unit Credit Method are carried out at the balance sheet date. Actuarial gains and losses are recognized in the Statement of other comprehensive income in the period of occurrence of such gains and losses for

gratuity. The retirement benefit obligation recognized in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost, and as reduced by the fair value of scheme assets, if any.

Other long term employee benefits such as compensated absences payable to the employees is provided for in the books of accounts on accrual basis.

#### iv. Termination benefits

Termination benefits are recognised as an expense in the period in which they are incurred, if any.

### 10. Impairment of non-financial assets

The carrying amount of the assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal / external factors. An asset is impaired when the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is higher of the asset's fair value less costs of disposal and value in use, which means the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. For the purposes of assessing impairment, assets are grouped at their 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). Impairment loss is charged to the profit and loss account in the year in which the asset is identified as impaired.

An impairment loss for an asset is reversed if, and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognized or relates to a change in the estimate of the recoverable amount in the previous periods. The carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

### 11. Income Tax

Income tax expense comprises current and deferred tax. It is recognized in profit and loss except to the extent that it relates to items recognized directly in equity or in OCI.

#### i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income

or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted as at the reporting date.

Current tax assets and liabilities are offset only if:

- a) there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority; and
- b) there is intention either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

#### ii. Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred income tax is also 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 are generally recognized for deductible temporary differences (if any) to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore in case of history of recent losses, the Group recognizes a deferred tax asset only to the extent that it has sufficient taxable temporary difference or there is convincing other evidence that sufficient taxable profits will be available against which such deferred tax asset can be realized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax

rates enacted or substantively enacted at the reporting date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets and liabilities are offset only if they relate to income taxes levied by the same taxation authority on the same taxable entity.

## 12. Leases

The Group has adopted Ind AS 116-Leases effective 1<sup>st</sup> April, 2019. The Group has evaluated the impact of Ind AS 116 on its existing leases as on the transition date (1 April 2019) and as on the reporting date (31 March 2020) and have concluded that there are no leases which fall within the purview of Ind AS 116.

The Group assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- a. the contract involves the use of an identified asset
- b. the Group has substantially all of the economic benefits from use of the asset through the period of the lease and
- c. the Group has the right to direct the use of the asset.

The Group has leases with a term of twelve months or less (short-term leases) and leases of low value assets. For these short-term and leases of low value assets, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

## 13. Foreign currency

- (i) Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of company at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction. Foreign exchange gains and losses from settlement of these transactions are recognised in the Statement of Profit and Loss.

- (ii) Transactions and balances

Monetary assets and liabilities denominated in foreign currencies are translated into the

functional currency at the exchange rate at the reporting date, the gain or loss arising from such translations are recognised in the statement of profit and loss.

## 14. Earnings per share (EPS)

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Group by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

## 15. Borrowing cost

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs, if any, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized, if any. All other borrowing costs are expensed in the period in which they occur..

## 16. Operating Segments

The Operating Segment is the level at which discrete financial information is available. Business segments are identified considering:

- a) the nature of products and services
- b) the differing risks and returns
- c) the internal organisation and management structure, and
- d) the internal financial reporting systems.

Revenue and expenses directly attributable to segments are reported under each reportable segment.

Exceptional items and other expenses which are not attributable or allocable to segments are

separately disclosed. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable assets and liabilities.

#### 17. Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the consolidated financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

#### 18. Current vs non-current classification

Any asset or liability is classified as current if it satisfies any of the following conditions:

- i. the asset/liability is expected to be realized/settled in the Group's normal operating cycle;
- ii. the asset is intended for sale or consumption;

- iii. the asset/liability is held primarily for the purpose of trading;
- iv. the asset/liability is expected to be realized/settled within twelve months after the reporting period;
- v. the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;
- vi. in the case of a liability, the Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-current.

For the purpose of current/non-current classification of assets and liabilities, the Group has ascertained its normal operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of assets or inventories for processing and their realization in cash and cash equivalents.

(All amounts are in lakhs, except share data and as stated)

**Note 2****Property, Plant & Equipment**

Particulars	Gross Block				Accumulated Depreciation				Net Block		
	As at April 01, 2021	Additions	Disposal	Assets held for Sale	As at March 31, 2022	As at April 01, 2021	Depreciation charge for the year	Deduction / Transfer	As at March 31, 2022	As at March 31, 2022	As at March 31, 2021
Freehold Land	4,442.65	-	-	-	4,442.65	-	-	-	-	4,442.65	4,442.65
Leasehold land	161.81	-	-	-	161.81	14.25	2.82	-	17.07	144.74	147.56
Residential & Office Premises	5.00	-	-	-	5.00	0.46	0.09	-	0.55	4.45	4.54
Office & Godowns	578.94	-	-	-	578.94	69.73	2.88	-	72.62	506.32	509.20
Factory Buildings	2,835.93	12.04	-	-	2,847.97	255.60	54.26	-	309.86	2,538.11	2,580.33
Plant & Machinery	5,075.79	152.57	77.02	-	5,151.33	2,729.63	511.53	8.06	3,233.10	1,918.23	2,346.15
Dies & Moulds	1,871.70	16.58	4.00	-	1,884.27	851.15	186.83	-	1,037.98	846.30	1,020.55
Lab Equipments & Instruments	34.83	0.76	-	-	35.59	13.79	2.98	-	16.77	18.83	21.05
Office Equipments & Devices	58.87	0.31	-	-	59.18	39.33	6.63	-	45.97	13.21	19.54
Factory Equipments & Devices	236.05	0.51	10.34	-	226.22	154.94	13.15	8.54	159.55	66.68	81.11
Computers & Peripherals	70.34	2.60	-	-	72.94	50.33	4.91	-	55.24	17.70	20.00
Furniture & Fixtures	157.31	0.35	-	-	157.66	95.42	11.17	-	106.59	51.07	61.88
Electrical Fittings & Installations	364.36	1.87	(0.00)	-	366.23	228.55	27.62	-	256.17	110.06	135.81
Air condition	9.90	-	-	-	9.90	7.66	0.64	-	8.30	1.60	2.24
Transformer	67.58	0.90	-	-	68.48	28.42	5.93	-	34.35	34.13	39.16
Vehicles	545.25	6.86	34.10	-	518.01	316.00	49.43	20.82	344.61	173.39	229.25
Eot crane	23.00	-	-	-	23.00	16.99	1.19	-	18.19	4.82	6.01
Generator	12.99	-	-	-	12.99	10.68	0.12	-	10.80	2.19	2.31
<b>Total</b>	<b>16,552.30</b>	<b>195.35</b>	<b>125.47</b>	<b>-</b>	<b>16,622.18</b>	<b>4,882.95</b>	<b>882.19</b>	<b>37.42</b>	<b>5,727.72</b>	<b>10,894.47</b>	<b>11,669.35</b>
Capital Work In Progress	9.85	1.88	8.31	-	3.42	-	-	-	-	3.42	9.85

**Note 3****Intangible assets**

Particulars	Gross Block				Accumulated Amortization				Net Block		
	As at April 01, 2021	Additions	Disposal	Assets held for sales	As at March 31, 2022	As at April 01, 2021	Amortization charge for the year	Deduction / Transfer	As at March 31, 2022	As at March 31, 2022	As at March 31, 2021
Computer software	7.10	-	-	-	7.10	5.09	0.86	-	5.94	1.16	2.01
<b>Total</b>	<b>7.10</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7.10</b>	<b>5.09</b>	<b>0.86</b>	<b>-</b>	<b>5.94</b>	<b>1.16</b>	<b>2.01</b>

(All amounts are in lakhs, except share data and as stated)

#### Note 4

##### Non-current financial assets - Investments

Particulars	As at March 31, 2022	As at March 31, 2021
<b>A. Investment in equity shares at cost</b>		
<b>Unquoted, fully paid up</b>		
22,453 shares (March 31, 2021: 22,453 and March, 2021: 22,453) of The Shamrao Vithal Co-op Bank Ltd of ₹ 25/- each *	5.61	5.61
<b>B. Investments in Unquoted Government securities measured at amortised cost</b>		
In Government or Trust Securities National Savings Certificate (NSC)	0.95	0.95
<b>TOTAL [ A+B]</b>	<b>6.56</b>	<b>6.56</b>

\* Out of the 22,453 number of shares, 2,453 shares are held in the erstwhile name of company Bhagirath Agro Plast Ltd. and Kisan Irrigations Ltd. which had merged with Kisan Mouldings Ltd.

#### Note 5

##### Non - current financial assets - others

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Other financial assets carried at amortised cost</b>		
Security Deposits	88.24	89.39
<b>TOTAL</b>	<b>88.24</b>	<b>89.39</b>

#### Note 6

##### Non - current tax assets

Particulars	As at March 31, 2022	As at March 31, 2021
Advance for Income Tax (Net of Provision Tax Paid)	213.74	186.65
<b>TOTAL</b>	<b>213.74</b>	<b>186.65</b>

#### Note 7

##### Income taxes

###### (a) Tax recognised in profit and loss

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Current tax charge/(credit)</b>		
<b>Deferred tax charge/(credit), net</b>		
Origination and reversal of temporary differences.	-	(66.30)
<b>Deferred tax charge/(credit)</b>	<b>-</b>	<b>(66.30)</b>
<b>Tax charge/(credit) for the year</b>	<b>-</b>	<b>(66.30)</b>

(All amounts are in lakhs, except share data and as stated)

**(b) Tax recognised in other comprehensive income**

Particulars	For the year ended March 31, 2022			For the year ended March 31, 2021		
	Before tax (charge) / credit	Tax (charge) / credit	Net of tax (charge) / Credit	Before tax (charge) / credit	Tax (charge) / credit	Net of tax (charge) / credit
<b>Items that will not be reclassified to profit or loss</b>						
Remeasurements of the defined benefit plans	23.54	-	23.54	(35.20)	11.12	(24.08)
<b>TOTAL</b>	<b>23.54</b>	<b>-</b>	<b>23.54</b>	<b>(35.20)</b>	<b>11.12</b>	<b>(24.08)</b>

**(c) Movement in deferred tax assets and liabilities**

Particulars	Net deferred tax assets/ (liabilities) as on April 01, 2020	Recognised in profit or loss	Recognised in other comprehensive income	Net deferred tax assets/ (liabilities) as on April 01, 2021	Recognised in Profit or loss	Recognised in other comprehensive income	Net deferred tax assets/ (Liabilities) as on March 31, 2022
Deferred tax assets/(liabilities)	3,741.16	(66.33)	(11.12)	3,818.61	-	-	3,818.61

**Note 7.1**

The company has not currently recognised deferred tax assets in respect of deductible temporary difference arising during the quarter and year ended 31<sup>st</sup> march,2022, however the company may reassess the unrecognised deferred tax assets at the end of the each reporting period and recognise previously unrecognised deferred tax assets to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

**Note 8**

**Other non - current assets**

Particulars	As at March 31, 2022	As at March 31, 2021
Prepaid Expense	-	57.81
Balance with Vat Authority	174.89	153.12
<b>Total</b>	<b>174.89</b>	<b>210.93</b>

**Note 9**

**Inventories**

Particulars	As at March 31, 2022	As at March 31, 2021
a) Raw Materials and components	394	705
b) Work-in-progress	5,372	7,305
c) Finished goods	2,585	6,771
d) Stock-in-trade	342	450
e) Stores and spares	234	453
<b>Total</b>	<b>8,927.37</b>	<b>15,683.62</b>

**Note:**

1. Inventories are valued at cost or net realizable value, whichever is lower.

(All amounts are in lakhs, except share data and as stated)

#### Note 10

##### Trade receivables

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good	6,155.18	8,351.53
Less:- Allowance for expected credit loss	-	(1,166.78)
	<b>6,155.18</b>	<b>7,184.75</b>
Unsecured, considered doubtful	1,347.03	1,156.82
Less:- Allowance for expected credit loss	(499.29)	(1,156.82)
	<b>847.74</b>	<b>-</b>
<b>Total</b>	<b>7,002.94</b>	<b>7,184.74</b>

#### Note 11

##### Cash and cash equivalents

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Cash and cash equivalents</b>		
<b>Balances with banks</b>		
In current account	145.41	645.96
	<b>145.41</b>	<b>645.96</b>
Cash on hand	10.75	20.14
<b>Total</b>	<b>156.16</b>	<b>666.10</b>

#### Note 12

##### Bank balances other than cash and cash equivalents

Particulars	As at March 31, 2022	As at March 31, 2021
Deposits with banks (earmarked for electricity/Sales tax/Margin money)	300.17	284.89
Unclaimed dividend	-	1.35
<b>Total</b>	<b>300.17</b>	<b>286.25</b>

#### Note 13

##### Loans

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Other financial assets carried at amortised cost</b>		
Loan to employees	71.14	191.91
<b>Total</b>	<b>71.14</b>	<b>191.91</b>

#### Note 14

##### Other current financial assets

Particulars	As at March 31, 2022	As at March 31, 2021
Insurance receivable	15.34	10.23
<b>Recoverable in cash from :</b>		
- Other than related party	231.21	191.75
Security Deposits	355.83	520.55
<b>Total</b>	<b>602.38</b>	<b>722.53</b>

(All amounts are in lakhs, except share data and as stated)

**Note 15****Other current assets**

Particulars	As at March 31, 2022	As at March 31, 2021
Raw Material Advance	124.46	391.87
Capital advances	99.87	252.78
Advance/claim recoverable for expenses	63.06	105.75
Prepaid expenses	12.94	80.58
Balance with Excise authority	93.68	93.68
Balance with VAT authority	86.49	32.06
<b>Total</b>	<b>480.51</b>	<b>956.71</b>

**Note 16****Assets held for sale**

Particulars	As at March 31, 2022	As at March 31, 2021
Land	1,165.12	1,165.12
Building	116.74	116.74
<b>Total</b>	<b>1,281.86</b>	<b>1,281.86</b>

**Note 17****Equity share capital**

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	Amount	No. of Shares	Amount
<b>Authorised</b>				
Equity shares of ₹ 10/- each	<b>35,000,000</b>	<b>3,500.00</b>	<b>35,000,000</b>	<b>3,500.00</b>
<b>Issued, Subscribed &amp; Paid up</b>				
<b>Equity shares of ₹ 10/- each fully paid up</b>				
Shares Outstanding as at the beginning of the Year	33,863,065	3,386.31	33,863,065	3,386.31
Add: Shares issued during the year	-	-	-	-
Shares outstanding as at the end of the year	<b>33,863,065</b>	<b>3,386.31</b>	<b>33,863,065</b>	<b>3,386.31</b>

a) The Company has only one class of equity shares having at par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.

b) **Details of equity shares held by each shareholders holding more than 5% of total equity shares :-**

Particular	As at March 31, 2022		As at March 31, 2021	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Polsons Traders LLP [Earlier known as Polsons Investment and Finance Pvt Ltd]	3,640,046	10.75%	3,640,046	10.75%

(All amounts are in lakhs, except share data and as stated)

## Note 18

### Other Equity

#### a) Summary of other equity balances

Particular	As at March 31, 2022	As at March 31, 2021
Securities premium	10,309.89	10,309.89
General reserve	366.46	366.46
Retained earnings	(15,025.14)	(6,516.49)
<b>Other Comprehensive Income</b>		
Remeasurements of net defined benefit plan	30.32	6.78
	<b>(4,318.47)</b>	<b>4,166.64</b>

Refer Statement of Changes in Equity for detailed movement in equity balance.

#### b) Nature and purpose of the reserve

##### Securities Premium

Securities premium is used to record the premium received on issue of shares. It shall be utilised in accordance with the provisions of the Companies Act, 2013.

##### General Reserve

General reserve forms part of the retained earnings and is permitted to be distributed to shareholders as part of dividend.

##### Retained Earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

##### Other Comprehensive Income - Remeasurements of defined benefit plans

It represents Remeasurements of defined benefit plan i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit and loss.

## Note 19

### Non -Current financial liabilities -Borrowings

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Secured</b>		
Term loans from banks [Refer Note No. 22.1]	-	1,259.52
Vehicle loans	-	32.68
	-	<b>1,292.20</b>
<b>Unsecured</b>		
Loans from others	257.72	272.57
	<b>257.72</b>	<b>272.57</b>
<b>Total</b>	<b>257.72</b>	<b>1,564.77</b>

#### Additional Information to Secured Long Term Borrowings

The long term portion of term loans are shown under long term borrowings and the current maturities of the long term borrowings are shown under other Current Liabilities as per disclosure requirements of the Schedule III of the companies Act, 2013.

(All amounts are in lakhs, except share data and as stated)

### Details Relating to Term Loans

#### Secured by way of :-

1. First charge on pari-passu basis on entire fixed assets both present and future of the Company.
2. Second charge on pari-passu basis on current assets of the Company.
3. Personal Guarantee of Mr. Sanjeev A. Aggarwal - Chairman & Managing Director, Mr. Ashok J. Aggarwal, Mr. Satish J. Aggarwal and Mr. Vijay J. Aggarwal.
4. Pledge of 1,39,76,265 Lakhs equity shares held by the following directors/Promoter & Promoter group/their relative of the Company on pari-passu basis with working capital bankers.

Name of the holders	Relation	No. of the Equity Shares	Name of the holders	Relation	No. of the Equity Shares
Polsons Traders LLP	Promoter Group Body Corporate	3,629,246	Gaurav A. Aggarwal	Promoter	577,974
Jaisal Venture LLP	Promoter Group Body Corporate	1,552,211	Rishav S. Aggarwal	WTD & Promoter	885,953
Shruti S. Aggarwal	Promoter Group	148,449	Amit V. Aggarwal	Promoter	549,171
Shweta S. Aggarwal	Promoter Group	156,709	Rekha S. Aggarwal	Promoter Group	594,842
Sanjeev A. Aggarwal	CMD & Promoter	1,284,045	Ashok J. Aggarwal	Promoter	732,597
Nishi S. Aggarwal	Promoter & Director Relative	784,260	Vijay J. Aggarwal [HUF]	Promoter	58,873
Vijay J. Aggarwal	Promoter	1,217,336	Neerav Aggarwal	Promoter & Director Relative	708,184
Zitura Investment & Finance Pvt Ltd	Promoter Group Body Corporate	93,200	Spread Fintrade Ltd.	Promoter Group Body Corporate	250,524
Classic Creation Impex Pvt Ltd	Promoter Group Body Corporate	40,000	Sanjeev A. Aggarwal [HUF]	Promoter	17,190
Polsons Investment & Finance Pvt Ltd	Promoter Group Body Corporate	10,800	Radhika Aggarwal	Promoter	508,400
Ashok J. Aggarwal - HUF	Promoter	176,301			
<b>Total - A</b>		<b>9,092,557</b>	<b>Total - B</b>		<b>4,883,708</b>
<b>Grand Total [A+B]</b>					<b>13,976,265</b>

#### Terms of repayment

Bank Name	Sanction Amount (₹ In lakhs)	Revised Sanction Loan as per Master restructuring Agreement	Rate of Interest	No. of Installment/Term	First Installment Date
The SVC Bank Limited	500.00	486.79	PLR - 5.50%	83 [Monthly]	31-Jan-17

#### Details Terms of repayment of Working Capital Term Loan.

Bank Name	Sanction Amount (₹ In lakhs)	Rate of Interest	No. of Installment	First Installment Date
The SVC Bank Limited	900	PLR - 5.50%	60 [Monthly]	31-Jan-17
Punjab National Bank	1,200	BR + 1.25% + TP 0.5%	60 [Monthly]	31-Jan-17
Union Bank of India	1,000	12% Fixed	60 [Monthly]	1-Jan-17
IDBI Bank Ltd	800	BBR + 1.75%	60 [Monthly]	1-Jan-17

(All amounts are in lakhs, except share data and as stated)

**Details Terms of repayment of Funded Interest on Term Loan & Working Capital Term Loan.**

Bank Name	Sanction Amount (₹ In lakhs)	Rate of Interest	No. of Installment	First Installment Date
The SVC Bank Limited	135.00	PLR - 6.50%	48 [Monthly]	31-Jan-17
The SVC Bank Limited	50.81	PLR - 6.50%	48 [Monthly]	31-Jan-17
The SVC Bank Limited	72.98	PLR - 6.50%	48 [Monthly]	31-Jan-17
Union Bank of India	40.00	11.00%	48 [Monthly]	1-Jan-17
IDBI Bank Ltd	270.00	BBR + 0.75%	48 [Monthly]	1-Jan-17
Union Bank of India	150.00	11.00%	48 [Monthly]	1-Jan-17

**Note 20****Non - current financial liabilities - others**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Other financial liabilities carried at amortised cost</b>		
Sundry Deposits	162.27	187.38
<b>Total</b>	<b>162.27</b>	<b>187.38</b>

**Note 21****Non - current provisions**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Provision for employee benefits (Refer note 38)</b>		
Gratuity	317.28	319.07
<b>Total</b>	<b>317.28</b>	<b>319.07</b>

**Note 22****Current financial liabilities - borrowings**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Secured</b>		
<b>Working Capital Loans :</b>		
From Banks (Cash credit accounts)	17,866.16	17,247.70
<b>Total</b>	<b>17,866.16</b>	<b>17,247.70</b>

**Note:-**

**Note 22.1** The Company has defaulted in repayment of loans and interest in respect of Term Loan and Cash Credit of Punjab National

Union Bank of India, IDBI Bank and Shamroa Vitthal Cooperative Bank.

**Note 22.2** In Light of the overdues to Financial Creditors, the Company has submitted a Comprehensive Debt Resolution Plan to the banks, and the same is under consideration.

**Note 23****Current financial liabilities - Trade payables**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Trade payables</b>		
Total outstanding dues of micro enterprises and small enterprises [Refer Note No. 26.1]	1977.38	1,238.69
Total outstanding dues of creditors other than micro enterprises and small enterprises	3,618.65	5,192.54
<b>Total</b>	<b>5,596.04</b>	<b>6,431.23</b>

(All amounts are in lakhs, except share data and as stated)

#### Note 24

##### Current - Other financial liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Other financial liabilities carried at amortised cost</b>		
<b>Current maturities of long-term debt :-</b>		
Term Loans [refer Note No. 22.1]	4,367.23	3,373.16
Vehicle Loans	18.32	30.98
Other payable for Expenses	942.25	892.89
Payable towards Property, Plant & Equipment	58.80	154.56
Unclaimed dividends	-	1.35
<b>Unsecured</b>		
Loans from others - ICD	487.17	456.82
<b>Total</b>	<b>5,873.77</b>	<b>4,909.76</b>

#### Note 25

##### Other current liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Advance from customers	747.40	1,044.66
Statutory dues	912.64	1,715.31
<b>Total</b>	<b>1,660.04</b>	<b>2,759.97</b>

#### Note 25.1

The Company is in default w.r.t payment of statutory dues to the government authorities and filling of periodic returns thereof ; which may entail penalty which is not ascertainable and hence not provided for. The company is in the process of analyzing and paying off the dues.

#### Note 26

##### Current Provisions

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Provision for employee benefits</b>		
Salary & Reimbursement	396.79	406.67
Gratuity	33.80	35.58
	<b>430.60</b>	<b>442.25</b>
<b>Other provisions</b>		
Provision for Expenses	2,791.90	1,552.02
	<b>2,791.90</b>	<b>1,552.02</b>
<b>Total</b>	<b>3,222.50</b>	<b>1,994.27</b>

**Note 26.1 :-** Provision for Expenses included interest on **MSME Creditors 3.36 Cr** including the P.Y Intt on MSME 1.11 Cr]

**Note 26.2 :-** Provision for Expenses included interest provided on banks loans [Incl. Term Loans and Working Capital Loans on which Banks are not charging intt in their books of accounts **20.33 Cr** including the P.Y intt on banks loan amt of ₹ **1.66 Cr.**]

(All amounts are in lakhs, except share data and as stated)

**Note 27****Revenue from operations**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Sale of products</b>		
a) Manufactured goods	29,525.54	20,563.19
b) Traded goods	1,147.74	391.61
<b>Other operating revenues</b>		
Sales-Scrap	30.72	12.67
Sales -Other than empty bags	12.86	20.21
<b>Total</b>	<b>30,716.88</b>	<b>20,987.68</b>

**Note 28****Other income**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Liability no longer required written back	210.55	0.00
Royalties Income	25.45	23.21
Rent including lease income	102.60	62.45
Profit on sale of assets	22.02	16.09
Recovery on sales & service	5.70	3.82
Job work income	-	85.52
Other miscellaneous income	-	0.56
Dividend income	0.60	-
Interest income - Other	3.73	24.10
<b>Total</b>	<b>370.65</b>	<b>215.76</b>

**Note 29****Cost of material consumed**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening stock of raw materials	704.89	2,556.01
Add: Purchases of raw materials		
Resins & chemical	21,879.48	14,367.81
Carriage inwards	160.38	425.45
Less: Closing stock of raw materials	394.28	704.89
<b>Total</b>	<b>22,350.47</b>	<b>16,644.38</b>

**Note 30****Purchase of stock-in-trade**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Purchase of stock-in-trade	1,184.68	294.78
<b>Total</b>	<b>1,184.68</b>	<b>294.78</b>

(All amounts are in lakhs, except share data and as stated)

**Note 31**

**Changes in inventories of finished goods, work-in-progress and stock-in-trade**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Opening Inventories</b>		
Finished goods	6,770.73	7,559.95
Stock in trade	450.01	463.36
Work-in-progress	7,305.41	5,451.01
	<b>14,526.15</b>	<b>13,474.31</b>
<b>Closing Inventories</b>		
Finished goods	2,584.90	6,770.73
Stock in trade	341.70	450.01
Work-in-progress	5,372.10	7,305.41
	<b>8,298.69</b>	<b>14,526.15</b>
<b>Total</b>	<b>6,227.47</b>	<b>(1,051.84)</b>

**Note 32**

**Employee benefit expenses**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries and wages	1,021.25	773.42
Staff welfare expenses	89.05	67.62
Contribution to provident and other funds	48.64	43.19
Gratuity fund contributions	72.79	75.02
<b>Total</b>	<b>1,231.73</b>	<b>959.25</b>

**Note 33**

**Finance cost**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest expense		
On Borrowing	467.18	538.06
On working capital facility	2,240.22	2,042.17
On purchase	244.75	367.23
On vehicle loan	4.14	7.83
Bank charges & processing fees	25.10	61.39
Foreign Currency gain	(0.56)	(1.87)
<b>Total</b>	<b>2,980.83</b>	<b>3,014.81</b>

(All amounts are in lakhs, except share data and as stated)

### Note 34

#### Other expenses

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>MANUFACTURING EXPENSES</b>		
Labour cost	1,304.00	1,383.84
Power and fuel	1,067.57	1,074.40
Consumption of packing material	344.78	254.86
Consumption of stores and spare parts	297.70	172.57
<b>Repair &amp; Maintenance</b>		
- Plant & Machinery	87.43	75.69
- Buildings	27.44	48.34
Security expenses	46.17	51.95
Laboratory expenses	34.87	15.52
Insurance - Plant & Machinery	18.21	22.14
License & Renewal charges	15.33	12.50
Factory expenses	14.55	10.36
<b>Total - A</b>	<b>3,258.06</b>	<b>3,122.17</b>
<b>ADMINISTRATIVE, SELLING &amp; DISTRIBUTION EXPENSES</b>		
Cartage outwards	553.27	415.09
Travelling & Conveyance expenses	148.85	113.29
Sales promotion expenses	23.32	30.66
Advertisement expenses	35.89	71.07
Legal and Professional	93.98	90.16
Commission & Brokerage	47.31	345.04
Rates and Taxes	134.34	353.49
Loading & Unloading	72.03	97.03
General expenses	60.58	45.01
Rent	90.13	92.96
Telephone & Postage	14.54	20.31
Printing & Stationery	8.79	0.50
<b>Repair &amp; Maintenance</b>		
- Office	4.60	7.50
- Motor car	9.47	9.22
Electricity charges	18.61	20.55
Insurance - Other	37.28	25.61
Security expenses other than plant	9.82	9.66
<b>Auditor's Remuneration</b>		
- Audit fees	10.50	10.50
- Tax Audit fees	2.00	2.00
Other Expenses	-	0.05
Postage & Courier expenses	2.03	0.15
Charity & Donation	0.02	0.64
Membership & Subscription	0.13	0.21
Books & Periodical	0.03	0.00
Sundry balance written off	0.37	0.71
Provision for doubtful debts	100.00	150.00
Loss on sale of fixed assets	2.01	36.95
<b>Total - B</b>	<b>1,479.90</b>	<b>1,948.33</b>
<b>Total (A+B)</b>	<b>4,737.96</b>	<b>5,070.50</b>

(All amounts are in lakhs, except share data and as stated)

### Note 35

#### Earnings per share

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit / (loss) attributable to equity share holders of the Company	(8,508.64)	(4,719.26)
<b>Reconciliation of number of shares</b>	<b>No. of Shares</b>	<b>No. of Shares</b>
Weighted average number of equity shares outstanding considered for calculating Basic & Diluted EPS	33,863,065	33,863,065
<b>Earnings per share (face value ₹ 10/- each)</b>		
Earnings per share - Basic in ₹	<b>(25.13)</b>	<b>(13.94)</b>
Earnings per share - Diluted in ₹	<b>(25.13)</b>	<b>(13.94)</b>

### Note 36

#### Leases

##### As Lessee:

##### a) Operating Lease:-

The Company has taken office premises on lease which are cancellable by either parties and there is no lock in period. These lease and license agreements for the office premises are generally for a period not exceeding one year and are in most cases renewable by mutual consent, on mutually agreeable terms. There are no restrictions imposed by lease arrangements or any contingent rents payable. There are no subleases. Therefore for the purposes of Ind AS 116 - Leases, there are no leases which required specific disclosures.

##### b) Finance lease:

The company has entered into long-term leasing arrangements for land with government authorities which are in the nature of long term leases. These arrangements do not involve any material recurring payments, hence other disclosures are not given. These long term land leases are accounted as per Ind AS 16 - Property, Plant & Equipments.

### Note 37

#### Related Party Disclosure

As per Indian Accounting Standard 24, the disclosures of transactions with the related parties are given below:-

##### a) Subsidiary Company

KML Tradelinks Pvt. Ltd

##### b) Entities in where control/significant influence by Director, KMPs and their relative and with whom transaction has taken place

Reliance Industrial Product	Polsons Traders LLP
Zitura Investment & Finance Pvt Ltd	Jaisal Venture LLP
Ladderup Finance Ltd [Up to 4 <sup>th</sup> Sept, 2019]	

##### c) Key Managerial Personnel

Sanjeev A. Aggarwal - Chairman & Managing Director  
Rishav S. Aggarwal - Whole time Director

##### d) Relatives of Key managerial personnel

Nishi Sanjeev Aggarwal  
[Spouse of CMD - sanjeev Aggarwal and director of the Subsidiary Company]  
**Neerav Sanjeev Aggarwal**  
[Son of CMD - Sanjeev Aggarwal]

##### e) Non Executive Directors

Urvashi Dharadhar	Prashant Deshmukh *
Dinesh Modi *	J.M. Bhalghat *
	Ravikant Jagethia *

**(All amounts are in lakhs, except share data and as stated)**

**\*Note: 1.** Mr. Prashant Desmukh, Additional Director (Independent Director) of the the company appointed w.e.f 21<sup>st</sup> October, 2019 and resigned from the directorship w.e.f. 11<sup>th</sup> August, 2020.

**\*Note: 2.** Mr. Jhumarlal Bhalghat, Additional Director (Independent Director) of the the company appointed w.e.f 14<sup>th</sup> February, 2020.

**\*Note: 3.** Mr. Dinesh Modi, Additional Director (Independent Director) of the the company appointed w.e.f 23<sup>rd</sup> June, 2020.

**\*Note: 4.** Mr. Ravi Kant Jagetiya, Additional Director (Independent Director) of the the company appointed w.e.f 13<sup>th</sup> July, 2020 and resigned on 18<sup>th</sup> November, 2020.

**\*Note: 5.** Mr. Narendra Kumar Poddar, additional director (Independent Director) of the the company appointed w.e.f 12<sup>th</sup> Feb, 2021 and resigned on 7<sup>th</sup> March, 2022.

<b>f)</b>	<b>Transactions with related parties during the year</b>	<b>For the year ended March 31, 2022</b>	<b>For the year ended March 31, 2021</b>
<b>i)</b>	<b>Sitting fees</b>		
	Non Executive Director	3.05	3.05
<b>ii)</b>	<b>Salary</b>		
	Relatives of Key Managerial Personnel	15.24	15.24
<b>iii)</b>	<b>Other expenses</b>		
	Professional service rendered during the period	-	3.07
	Entites where control/significant influence by Director. [Rent]	42.00	42.00

<b>g)</b>	<b>Related party balances</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
<b>i)</b>	<b>Salary payable</b>		
	Relatives of key managerial personnel	2.82	2.82
<b>ii)</b>	<b>Trade/Deposit / Loan Receivables</b>		
	Entites where control/significant influence by Director- Rent Deposit	200.00	350.00
<b>iii)</b>	<b>Trade/Expenses/Loan payables</b>		
	Payable towards professional service rendered by ( Kava & Associates w.e.f. 12.02.21)	-	3.07
	Key Managerial Personnel	-	5.92

\*As the liabilities for defined benefit plans are provided on actuarial basis for the Company as a whole, the amounts pertaining to Key Management Personnel are not included.

**Note 38**

**Employee benefits**

**(A) Defined benefit plans**

Gratuity liability is provided in accordance with the provisions of the Payment of Gratuity Act, 1972 based on actuarial valuation. The plan provides a lump sum gratuity payment to eligible employee at retirement or termination of their employment. The amounts are based on the respective employee's last drawn salary and the years of employment with the Company.

The most recent actuarial valuation of the defined benefit obligation was carried out at the balance sheet date. The present value of the defined benefit obligations and the related current service cost and past service cost were measured using the Projected Unit Credit Method.

(All amounts are in lakhs, except share data and as stated)

Based on the actuarial valuation obtained in this respect, the following table sets out the details of the employee benefit obligation as at balance sheet date:-

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
	Gratuity (Funded)	
<b>I Expenses recognised in profit or loss :-</b>		
1 Current Service Cost	35.58	34.89
2 Interest cost	22.06	16.42
3 Past Service Cost	-	-
<b>Total Expenses</b>	<b>57.63</b>	<b>51.31</b>
<b>II Expenses recognised in Other Comprehensive Income</b>		
1 Actuarial changes arising from changes in demographic assumptions	-	-
2 Actuarial changes arising from changes in financial assumptions	-7.76	-
3 Actuarial changes arising from changes in experience adjustments	-15.39	35.09
4 Return on plan assets excluding amounts included in interest income	-0.39	0.11
<b>Total Expenses</b>	<b>(23.53)</b>	<b>35.20</b>
<b>III Reconciliation of defined benefit obligation</b>		
Defined Obligations at the beginning of the year	381.90	293.72
Current Service Cost	35.58	34.89
Interest cost	23.68	18.21
Actuarial changes arising from changes in financial assumptions	-7.76	-
Actuarial changes arising from changes in experience adjustments	-	-
Actuarial changes arising from changes in experience adjustments	-15.39	35.09
Benefit paid	-37.67	-
<b>Net asset / (liability) at the end of the year</b>	<b>380.33</b>	<b>381.91</b>
<b>IV Reconciliation of plan assets</b>		
Opening value of plan assets	27.25	25.58
Interest Income	1.61	1.79
Return on plan assets excluding amounts included in interest income	0.39	(0.11)
Contributions by employer	-	-
Benefits paid	-	-
<b>Closing value of plan assets</b>	<b>29.15</b>	<b>27.25</b>

(Plan assets comprise partially of insurance policies)

(All amounts are in lakhs, except share data and as stated)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>V Quantitative sensitivity analysis for significant assumptions is as below:</b>		
<b>1 Increase/(decrease) on present value of defined benefit obligation at the end of the year</b>		
(i) 0.5 percent point increase in discount rate	369.87	370.81
(ii) 0.5 percent point decrease in discount rate	391.53	(393.79)
(iii) 0.5 percent point increase in rate of salary increase	391.57	393.77
(iv) 0.5 percent point decrease in rate of salary increase	369.73	(370.71)
(v) 10 percent point increase in withdrawal rate	381.09	382.24
(vi) 10 percent point decrease in withdrawal rate	379.48	(381.49)
<b>2 Sensitivity analysis method</b>		
Sensitivity analysis is determined based on the expected movement in liability if the assumptions were not proved to be true on different count.		
<b>VI The expected future cash flows were as follows:</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
1 <sup>st</sup> following year	54.15	40.86
2 <sup>nd</sup> following year	22.46	24.27
3 <sup>rd</sup> following year	31.83	26.40
4 <sup>th</sup> following year	24.99	31.85
5 <sup>th</sup> following year	24.82	24.13
Years 6 to 10	133.98	118.03
<b>VII Net Asset / (Liability) recognised as at balance sheet date:</b>		
1 Present value of defined benefit obligation	380.33	381.90
2 Fair value of plan assets	29.15	27.25
3 Net Asset /(Liability)	(351.19)	(354.64)
<b>VIII Actuarial Assumptions:</b>		
1 Discount rate	7.45%	6.55%
2 Expected rate of salary increase	6.00%	6.00%
3 Withdrawal rate	7.00%	7.00%
4 Mortality	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate

**Notes:-**

- a) Amount recognised as an expense in the Statement of Profit and Loss and included in Note- 32 under "Employee benefit expenses" : Gratuity ₹ 72.29 lakhs (Previous year - ₹ 75.02 lakhs).
- b) The estimates of future salary increases considered in the actuarial valuation take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.
- c) The plan above is typically exposed to actuarial risk such as interest risk, mortality risk and salary risk
  - a) Interest risk: The decrease in the bond interest rate will increase the liability.
  - b) Mortality risk: The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
  - c) Salary risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

(All amounts are in lakhs, except share data and as stated)

**(B) Defined contribution plan -**

The Company makes contributions towards provident fund and other funds which are in the nature of defined contribution post employment benefit plans. Under the plan, the Company is required to contribute a specified percentage of payroll cost to fund the benefits.

Amount recognised as an expense in the Statement of Profit and Loss - included in Note 32 - "Contribution to provident and other funds" ₹ 48.64 lakhs (Previous year - ₹ 43.19 lakhs).

The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

**Note 39**

**Financial Instruments - Fair Value**

- Carrying value of financial assets and financial liabilities, are presented below.

- It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

As at March 31, 2022	Carrying Value	
	Amortised Cost	Total
<b>Financial Assets</b>		
Other Non Current Investments	6.56	6.56
Security deposits	444.07	444.07
Loans to employees	71.14	71.14
Trade receivables	7,002.94	7,002.94
Cash and cash equivalents	156.16	156.16
Bank balance (other than Cash and cash equivalents)	300.17	300.17
Other Current Financial Asset	246.55	246.55
<b>Total</b>	<b>8,227.58</b>	<b>8,227.58</b>
<b>Particulars</b>		
Borrowings	18,123.88	18,123.88
Deposits	162.27	162.27
Trade payables	5,596.04	5,596.04
Other financial liabilities	5,873.77	5,873.77
<b>Total</b>	<b>29,755.96</b>	<b>29,755.96</b>
<b>As at March 31, 2021</b>		
<b>Financial Assets</b>		
Other Non Current Investments	6.56	6.56
Security deposits	609.95	609.95
Loans to Employees	191.91	191.91
Trade receivables	7,184.74	7,184.74
Cash and cash equivalents	666.10	666.10
Bank balance (other than Cash and cash equivalents)	286.25	286.25
Other Current Financial Asset	201.97	201.97
<b>Total</b>	<b>9,147.48</b>	<b>9,147.48</b>
Borrowings	18,812.47	18,812.47
Deposits	187.38	187.38
Trade payables	6,431.23	6,431.23
Other financial liabilities	4,909.76	4,909.76
<b>Total</b>	<b>30,340.84</b>	<b>30,340.84</b>

(All amounts are in lakhs, except share data and as stated)

#### Note 40

#### Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- i Credit risk
- ii Liquidity risk
- iii. Interest rate risk
- iv Market risk and
- v Currency risk

#### Risk management framework

The Company's Risk Management Framework encompasses practices relating to the identification, analysis, evaluation, treatment, mitigation and monitoring of the strategic, external and operational controls risks in achieving key business objectives.

The Company has laid down the procedure for risk assessment and their mitigation through audit Committee. Key risks and their mitigation arising out of periodic reviews by the Committee are assessed and reported to the Board of Directors of the company, on a periodic basis.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to policies and procedures.

The Company has an independent Internal Audit and assurance team. There is a practice of reviewing various key select risks and report to Audit Committee from time to time. The Company, has also, during the year, has adopted a co-sourced model for internal audit. The internal audit team carry out internal audit reviews in accordance with the approved internal audit plan. Internal audit team reviews the status of implementation of internal audit recommendations. Summary of Critical observations if any and recommendations under implementation are reported to the Audit Committee.

#### i. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, deposits and cash and cash equivalents. The Company makes provision on trade receivables based on Expected Credit loss (ECL) method based on provision matrix.

#### Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company has a detailed review mechanism of overdue trade receivables at various levels in the organisation to ensure proper attention and focus on realisation.

Summary of the Company's exposure to credit risk by age of the outstanding from various customers is as follows :-

Particulars	As at March 31, 2022	As at March 31, 2021
Normal - Before Provision	6,155.18	8,351.53
Legal - Before Provsion	1,347.03	1,156.82
Provision for doubt full debts	(499.29)	(2,323.60)
<b>Total</b>	<b>7,002.92</b>	<b>7,184.75</b>

(All amounts are in lakhs, except share data and as stated)

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Management believes that the unimpaired amounts that are past due are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk.

The movement in the allowance for impairment in respect of trade receivables during the year was as follows : -

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Balance	2,323.60	2,346.51
Changes during the year	100.00	150.00
written off against the Provision	(1,924.31)	(172.91)
<b>Closing Bal</b>	<b>499.29</b>	<b>2,323.60</b>

#### Cash and cash equivalents

The Company held cash and cash equivalents and bank deposits with banks. The credit worthiness of such banks are evaluated by the management on an on-going basis and is considered to be good.

#### Others

Other than trade receivables reported above, the Company has no other financial assets that is past due but not impaired.

#### ii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure that it will have sufficient liquidity to meet its liabilities. The Company monitors the net liquidity position through forecasts on the basis of expected cash flows.

The Company has obtained fund and non-fund based working capital lines from various banks.

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

As at March 31, 2022	Carrying amt.	Total	Contractual cash flows		
			0-12 months	1- 5 years	More than 5 years
<b>Non-derivative financial liabilities</b>					
Term loans from banks/Financial Institutions (including interest)	4,367.23	4,367.23	4,367.23	-	-
Vehicle loan	18.32	18.32	18.32	-	-
Working capital loans from banks	17,866.16	17,866.16	17,866.16	-	-
Trade payables and Other Current Financial Liabilities	7,084.25	7,084.25	7,084.25	-	-
<b>Total</b>	<b>29,335.96</b>	<b>29,335.96</b>	<b>29,335.96</b>	<b>-</b>	<b>-</b>

(All amounts are in lakhs, except share data and as stated)

As at March 31, 2021	Carrying amt.	Total	0-12 months	1- 5 years	More than 5 years
<b>Non-derivative financial liabilities</b>					
Term loans from banks/Financial Institutions (including interest)	4,632.68	4,632.68	3,373.16	1,259.52	-
Vehicle loan	63.66	63.66	30.98	68.58	-
Working capital loans from banks	17,247.70	17,247.70	17,247.70	-	-
Trade payables and Other Current Financial Liabilities	7,936.85	7,936.85	7,936.85	-	-
<b>Total</b>	<b>29,880.88</b>	<b>29,880.89</b>	<b>28,588.69</b>	<b>1,328.10</b>	<b>-</b>

### iii. Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing instruments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing instruments will fluctuate because of fluctuations in the interest rates.

#### Exposure to interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows

Particulars	Nominal amount	
	As at March 31, 2022	As at March 31, 2021
<b>Variable-rate instruments</b>		
Financial liabilities	16,965.93	21,741.67
	<b>16,965.93</b>	<b>21,741.67</b>
<b>Fixed-rate instruments</b>		
Financial liabilities	1,062.50	1,119.14
Financial asset	444.07	609.96
	<b>1,506.57</b>	<b>1,729.10</b>

#### Interest rate sensitivity - fixed rate instruments.

The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss for any of these fixed interest bearing financial instruments.

#### Interest rate sensitivity - variable rate instruments.

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased / (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

Variable-rate instruments	Impact on Profit/ (loss)- Increase / (Decrease) in Profit	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Particulars		
100 bp increase	(169.66)	(217.42)
100 bp decrease	169.66	217.42

(All amounts are in lakhs, except share data and as stated)

**iv. Market risk :-**

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and other prices such as equity price. These will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. Financial instruments affected by market risk include loans, borrowings and deposits. The Market risk which the Company is exposed can be classified as Currency risk and Interest rate risk.

**v. Currency risk :-**

The Company is exposed to currency risk on account of its operations in other countries. The functional currency of the Company is Indian Rupee. The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies.

Particulars	Currency	As at March 31, 2022			As at March 31, 2021		
		Amount in Foreign Currency	Exchange Rate	₹ in lakhs	Amount in Foreign Currency	Exchange Rate	₹ in lakhs
Trade Payables	USD	NIL			NIL		

**Note 41**

**Capital Management**

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long-term and short-term goals of the Company.

The Company determines the amount of capital required on the basis of annual and long-term strategic plans. The Company's policy is aimed at combination of short-term and long-term borrowings.

The Company monitors the capital structure on the basis of 'adjusted net debt' to 'adjusted equity'. For this purpose adjusted net debt is defined as total liabilities comprising interest bearing loans and borrowings and obligations under finance lease, less cash and cash equivalents, Bank balance and current investments. Adjusted equity comprises Equity attributable to the shareholders of the Company (other than amounts accumulated in the hedging reserve, if any.)

The following table summarizes the capital of the Company :-

Particular	As at March 31, 2022	As at March 31, 2021
Total Borrowings (including accrued interest)	22,509.44	22,216.61
Less : Cash and cash equivalents, Bank balance and Current investment	462.89	958.91
<b>Adjusted net debt</b>	<b>22,046.55</b>	<b>21,257.70</b>
<b>Adjusted equity</b>	-932.16	7,552.95
Adjusted net debt to adjusted equity ratio	-23.65	2.81

**Note 42**

**Contingent Liabilities and Commitments (to the extent not provided for)**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Contingent Liabilities</b>		
Sales tax liabilities	1,512.42	1,322.32
Guarantees given by Banks and Financial Institutions	76.60	238.18
Liabilities - Income Tax act	97.53	-

(All amounts are in lakhs, except share data and as stated)

#### Note 43

- (i) To the best of its knowledge and behalf, No Fund have been advance and loaned or invested (either from borrowed fund or share premium or any other source or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entity (intermediaries), with the understanding, whether recorded in writing or otherwise, that the intermediary sell, whether, directly or indirectly land or invest in other persons or entities identified in any manner whatsoever by or on behalf of company (ultimate beneficiaries or provide any gurantee, security, or the like on behalf of ultimate beneficiaries.
- (ii) To the best of its knowledge and behalf, No fund have been received by the company from any person(s) or entity(ies), including foreign entities (“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 company (ultimate beneficiaries or provide any gurantee, security, or the like on behalf of ultimate beneficiaries.

#### Note 44

#### Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as subsidiary

Name of the Enterprise	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount ₹ in lakhs	As % of consolidated profit or loss	Amount ₹ in lakhs	As % of other comprehensive income	Amount ₹ in lakhs	As % of total comprehensive income	Amount ₹ in lakhs
<b>Parent</b>								
Kisan Mouldings Limited	(7.80)	(957.96)	201.90	(8,498.46)	23.54	(24.08)	203.96	(8,522.53)
<b>Subsidiaries</b>								
KML Tradelink Pvt Ltd	0.22	26.78	0.24	(10.19)	-	-	0.24	(10.19)
<b>Sub Total</b>	<b>(7.58)</b>	<b>(931.18)</b>	<b>202.14</b>	<b>(8,508.65)</b>	<b>23.54</b>	<b>(24.08)</b>	<b>204.20</b>	<b>(8,532.72)</b>
Add / (Less): Effect of Inter Company elimination / adjustment	-	1.20	-	-	-	-	-	1.20
<b>Total</b>	<b>(7.56)</b>	<b>(929.98)</b>	<b>100.00</b>	<b>(8,508.65)</b>	<b>(78.02)</b>	<b>(24.08)</b>	<b>204.18</b>	<b>(8,531.52)</b>

As per our attached report of even date

#### For S. Guha and Associates

Chartered Accountants  
Firm Registration No. 322493E

#### CA Saurabh Mitra

Partner  
Membership No. 308743

#### For and on behalf of the Board of Directors of, Kisan Mouldings Limited.

#### Sanjeev A. Aggarwal

DIN: 00064076

#### Chairman & Managing Director

#### Rishav S. Aggarwal

DIN: 05155607

#### Whole Time Director

#### Suresh Purohit

#### Chief Financial Officer

#### Vijay Joshi

M.No. A7298

#### Company Secretary

Date:- May 30, 2022

Place:- Kolkatta

Date:- May 30, 2022

Place:- Mumbai

## FORM AOC - 1

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

Statement containing salient features of financial statement of subsidiaries/associate companies/ joint ventures

(Information in respect of each subsidiary to be represented with amount in ₹ lakhs)

### Part A "Subsidiaries"

Sr. No.	Name of the Subsidiary	Reporting currency	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit/ (Loss) before taxation	Provision for taxation	Profit / (Loss) after taxation	Proposed dividend	% of shareholding
1	KML Tradelinks Pvt Ltd	INR	1.00	26.78	75.42	75.42	-	-	(10.19)	-	(10.19)	-	100.00

As per our attached report of even date

**For S. Guha and Associates**

Chartered Accountants

Firm Registration No. 322493E

**CA Saurabh Mitra**

Partner

Membership No. 308743

**For and on behalf of the Board of Directors of,  
Kisan Mouldings Limited.**

**Sanjeev A. Aggarwal**

DIN: 00064076

**Chairman & Managing Director**

**Rishav S. Aggarwal**

DIN: 05155607

**Whole Time Director**

**Suresh Purohit**

**Chief Financial Officer**

**Vijay Joshi**

M.No. A7298

**Company Secretary**

Date:- May 30, 2022

Place:- Kolkatta

Date:- May 30, 2022

Place:- Mumbai

# NOTICE



# NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT THE 33<sup>RD</sup> (THIRTY THIRD) ANNUAL GENERAL MEETING (“AGM”) OF THE MEMBERS OF KISAN MOULDINGS LIMITED WILL BE HELD ON FRIDAY, 30<sup>TH</sup> SEPTEMBER, 2022 AT 3:30 P.M. THROUGH VIDEO CONFERENCING/ OTHER AUDIO VISUAL MEANS (“VC/ OAVM”) FACILITY TO TRANSACT THE FOLLOWING BUSINESS. THE VENUE OF THE MEETING SHALL BE DEEMED TO BE THE REGISTERED OFFICE OF THE COMPANY AT TEX CENTRE, K-WING, 3<sup>RD</sup> FLOOR, 26-A, CHANDIVALI ROAD, OFF SAKI VIHAR ROAD, ANDHERI (EAST), MUMBAI 400 072.**

## ORDINARY BUSINESS:

### 1. ADOPTION OF ANNUAL AUDITED FINANCIAL STATEMENTS AND REPORT THEREON.

To receive, consider and adopt:

- a) The Audited Standalone Financial Statements of the Company for the Financial Year ended on March 31, 2022 together with the Reports of the Board of Directors and the Auditors thereon.
- b) The Audited Consolidated Financial Statements of the Company for the Financial Year ended on March 31, 2022 and the report of auditors thereon.

### 2. REAPPOINTMENT OF DIRECTOR IN PLACE OF THOSE RETIRING BY ROTATION

To appoint a Director in place of Mr. Sanjeev Aggarwal (DIN: 00064076), Chairman & Managing Director, who retires by rotation and being eligible, offers himself for re-appointment.

## SPECIAL BUSINESS:

### 3. APPOINTMENT OF M/S. SEN & RAY, CHARTERED ACCOUNTANTS (FIRM REG. NO. 0303047E) AS THE JOINT STATUTORY AUDITORS OF THE COMPANY FOR THE FIRST TERM OF FIVE YEARS.

To consider and, if thought fit, to pass the following Resolution, with or without modification(s), as an **Ordinary Resolution:-**

**“RESOLVED THAT** pursuant to the provisions of Section 139, 142 and any other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s),

amendment(s) and re-enactment(s) thereof for the time being in force and pursuant to recommendations of the Audit Committee and the Board of Directors of the Company, M/s. Sen & Ray, Chartered Accountants (FRN; 0303047E), be and are hereby appointed as Joint Statutory Auditors of the Company for a continuous period of five years and shall hold office from the conclusion of this 33<sup>rd</sup> Annual General Meeting till the conclusion of the Annual General Meeting to be held for the Financial Year 2026-2027 on such remuneration, (including applicable taxes and reimbursement of out-of-pocket expenses to be incurred by them in connection with the aforesaid audit), as may be mutually agreed between the Board of Directors or Committee thereof (including The Audit Committee) of the Company and the Joint Statutory Auditors from time to time.”

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above Resolution, the Board of Directors of the Company be and is hereby authorised for and on behalf of the Company to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose and to settle all questions, difficulties or doubts that may arise in regard to implementation of the aforesaid Resolution including but not limited to determination of roles and responsibilities/ scope of work of the Joint Statutory Auditors, negotiating, finalising, amending, signing, delivering, executing, the terms of appointment, including any contracts or documents in this regard, without being required to seek any further consent or approval of the Members of the Company

### 4. RATIFICATION OF REMUNERATION TO COST AUDITORS FOR THE FINANCIAL YEAR ENDING MARCH 31, 2023

To consider and, if thought fit, to pass the following Resolution, with or without modification(s), as an **Ordinary Resolution:-**

**“RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the

remuneration payable to M/s Bhanwarlal Gurjar & Co., Cost Accountants, (Firm Registration Number: 101540), appointed by the Board of Directors of the Company, on recommendation of Audit Committee, to conduct the Cost Audit of cost records of the Company for the Financial Year ending on March 31, 2023, amounting to ₹ 1,50,000/- (Rupees One Lakh Fifty Thousand only) plus applicable taxes and re-imbursalment of out of pocket expenses incurred by them in connection with the aforesaid audit be and is hereby ratified and confirmed.

**RESOLVED FURTHER THAT** the Board of Directors and/or the Company Secretary be and are hereby severally authorised to settle any question, difficulty or doubt, that may arise in giving the effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution.”

By order of the Board of Directors  
For **KISAN MOULDINGS LIMITED**

**Vijay Joshi**

Company Secretary  
ICSI Membership No. : ACS7298

**Kisan Mouldings Limited**  
**L17120MH1989PLC054305**

**Registered Office:**

26 'A', 3<sup>rd</sup> Floor, K-wing, “Tex Centre”,  
Chandivali, Off Saki Vihar Road,  
Andheri (East), Mumbai - 400 072  
CIN: L17120MH1989PLC054305  
Tel.: 022- 4200 9100/ 9200.  
Fax: 022- 28478508.  
E-mail: cs.kisan@kisangroup.com

**Place: Mumbai**

**Date: 12<sup>th</sup> August, 2022**

**NOTES:**

- The Ministry of Corporate Affairs (“MCA’) has vide its general circular no. 2/2022, file no. Policy-17/57/2021-CL-MCA dated May 05, 2022 and circular SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13,2022 issued by SEBI (hereinafter collectively referred to as “the circulars”) regarding clarification of holding of Annual General meeting (AGM) through Video Conference (VC) or Other Audio Visual Means (OAVM). With the above referred circular, the MCA has decided to allow the companies whose AGMs are due in the year 2022, to conduct their AGM on or before 2022 in accordance with requirements laid down in para 3 and para 4 of General Circular No. 20/2020 dated May 05,2020. In Compliance with the MCA & SEBI Circulars, the AGM of the Company is being held through VC/OAVM. The Registered Office of the Company deemed to be the venue of the 33<sup>rd</sup> AGM.
- The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, (“Act”), setting out material facts concerning the business under Item no. 3 & 4 of the Notice, is annexed hereto. Further, the relevant details with respect to Item no. 2 & 3 pursuant to regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as required under Secretarial Standards - 2 on General Meetings issued by the Institute of Company Secretaries of India, are also annexed as “Annexure A.”
- Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of Listing Regulations, as amended, and MCA Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting’s agency. The facility of casting votes by a member using remote e-voting, participation in the AGM through VC/OAVM and the e-voting system on the date of the AGM will be provided by CDSL.
- For convenience of the members and proper conduct of the AGM, Members can login and join the AGM in the VC/OAVM mode at least 15 (Fifteen) minutes before and after the time scheduled of the commencement of the Meeting by following the procedure mentioned below. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will 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 and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- As the AGM of the Company shall be conducted through VC/ OAVM pursuant to MCA Circular

circular no. 2/2022, file no. Policy-17/57/2021-CL-MCA dated May 05, 2022 and circular SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 issued by SEBI, the facility for appointment of proxy by the members to attend and cast vote for the members is not available for this AGM and hence the proxy form and attendance slip including Route map are not available. However, in pursuance of Section 113 of the Companies Act, 2013, the Body Corporates member/ institutional members are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate and cast their votes through e-voting. Accordingly, Institutional/ Corporate Members are requested to send a scanned copy (PDF/JPEG format) of the Board Resolution authorising its representatives to attend and vote at the AGM, pursuant to Section 113 of the Act, at cs.kisan@kisangroup.com .

- Members seeking any information with regard to the financial statements or any matter to be placed at the AGM, are requested to write to the Company at least Seven days before the date of the AGM, through email on investor.relations@kisangroup.com. The same will be replied by the Company suitably.

**ELECTRONIC DISPATCH OF ANNUAL REPORT AND PROCESS FOR REGISTRATION OF EMAIL ID FOR OBTAINING COPY OF ANNUAL REPORT:**

- Notice of the AGM along with the Integrated Annual Report 2021-22 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same in terms of SEBI Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022. Members may note that the Notice and Integrated Annual Report 2021-22 will also be available on the Company's website at www.kisangroup.com and websites of the Stock Exchange at www.bseindia.com and on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.
- Members attending the meeting through VC/OAVM shall be counted for the purpose of determining the quorum under Section 103 of the Act.
- The relevant details of director seeking appointment and re-appointment as required under Regulation 26(4) and Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and as required under Secretarial Standards -2 on General

Meetings issued by the Institute of Company Secretaries of India is annexed thereto.

- SEBI vide its notification dated January 24, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation. Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or RTA, for assistance in this regard.
- In terms of the SEBI Listing Regulations, securities of listed companies can only be transferred in dematerialized form with effect from 1<sup>st</sup> April 2019 except in case of request received for transmission or transposition of securities. In view of the above, Members are advised to dematerialize shares held by them in physical form.
- 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 Depository Participants (DPs)
  - For shares held in physical form:** to the Company/Registrar and Transfer Agent in prescribed Form ISR-1 and other forms pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated November 3, 2021.
- Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSDRTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing 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. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR - 4, the format of which is available on the Company's website at <http://www.kisangroup.com/investorrelations/investorinformation.php> and on the website of the Company's Registrar

- and Transfer Agents, Link Intime India Private Limited at <https://web.linkintime.co.in/client-downloads.html> . It may be noted that any service request can be processed only after the folio is KYC Compliant.
8. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote during the AGM.
  9. The Register of Members and Share Transfer Books of the Company will remain closed from September 24, 2022 to September 30, 2022 (both days inclusive) for the purpose of AGM.
  10. Members who wish to claim dividends, which have remained unclaimed, are requested to contact the Secretarial Department, at the Registered Office of the Company or office of the Registrar and Share Transfer Agent (RTA) of the Company i.e. M/s. Link Intime India Private Limited. Members are requested to note that dividends not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account have been transferred to the Investor Education Protection Fund (IEPF), as per provisions of Section 124 of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) for the time being in force). Shareholders are requested to ensure that they claim the dividend before transfer of the said amount to IEPF Authority. The Company has uploaded the information of unclaimed/ unpaid dividend in respect of the financial years on the website of IEPF viz. "[www.iepf.gov.in](http://www.iepf.gov.in)" and under "Investor Relations" Section on the website of the Company viz. "[www.kisangroup.com](http://www.kisangroup.com)".
  11. The Members/Claimants whose shares and unclaimed dividend amount have been transferred to IEPF may claim the shares or apply for refund by making an application to IEPF Authority in Form IEPF-5 (available on [www.iepf.gov.in](http://www.iepf.gov.in)).
  12. The Board of Directors has appointed M/s. AVS & Associates, Practicing Company Secretaries as the Scrutinizer to scrutinize the votes cast through the e-voting system at the meeting and remote e-voting process in a fair and transparent manner.
  13. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on September 23, 2022 ( Friday) ("Cut-off date"), are entitled to avail the facility of remote e-voting as well as e-voting system as on the date of the AGM. Any recipient of the Notice, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only.
  14. A person who has acquired the shares and has become a member of the Company after the dispatch of the Notice of the AGM and prior to the Cut-off date i.e. September 23, 2022 (Friday) shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or e-voting system on the date of the AGM.
  15. The remote e-voting period will commence at 9.00 a.m. on September 27, 2022 (Tuesday) and will end at 5.00 p.m. on September 29, 2022 (Thursday). In addition, the Members attending the AGM who have not cast their vote by remote e-voting shall be eligible for e-voting at the AGM. The Members desiring to vote through remote e-voting are requested to refer to the detailed procedure given hereinafter.
- 16. Instructions for members for Remote E-voting:**
- i) The voting period begins at 9.00 a.m. on September 27, 2022 (Tuesday) and ends at 5.00 p.m. on September 29, 2022 (Thursday). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 23, 2022 (Friday) may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
  - ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
  - iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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 December 9, 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 abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:**

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	<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 evoting is in progress as per the information provided by Company. On clicking the evoting option, the user will be able to see e-voting page of the CDSL e-voting service provider for casting your vote during the remote e-voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-voting Service Providers i.e. CDSL /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. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with <b>NSDL</b>	<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 &amp; 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 &amp; voting during the meeting</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants</b>	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 & voting during the meeting.

**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 <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 and 22-23058542-43.
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 <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

v) Login method for e-Voting and joining virtual meeting for shareholders other than individual **shareholders holding in Demat form & physical shareholders.**

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 Shareholders holding shares in Demat Form other than individual and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>● 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.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	<p>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.</p> <ul style="list-style-type: none"> <li>● 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 as mentioned in instruction (iii).</li> </ul>

- 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 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 **<KISAN MOULDINGS 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 & enter the details as prompted by the system.
- xvi) **Facility for Non - Individual Shareholders and Custodians - Remote Voting**
  - 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; [cs.kisan@kisangroup.com](mailto:cs.kisan@kisangroup.com), [vijay.yadav@avsassociates.co.in](mailto:vijay.yadav@avsassociates.co.in) (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

#### 17. PROCEDURE FOR INSPECTION OF DOCUMENTS

The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, Register of Contracts or Arrangements maintained under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection in electronic mode, basis the request being sent on [cs.kisan@kisangroup.com](mailto:cs.kisan@kisangroup.com).

#### 18. PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

- i) **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 Company/RTA at [cs.kisan@kisangroup.com/rnt.helpdesk@linkintime.co.in](mailto:cs.kisan@kisangroup.com/rnt.helpdesk@linkintime.co.in).

- ii) **For Demat shareholders** - Please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to Company/RTA at [cs.kisan@kisangroup.com/rnt.helpdesk@linkintime.co.in](mailto:cs.kisan@kisangroup.com/rnt.helpdesk@linkintime.co.in).
- iii) The Company/RTA shall co-ordinate with CDSL and provide the login credentials to the above mentioned shareholders.

#### 19. INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

- i) The procedure for attending meeting & e-voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
- ii) 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 Remote e-voting.
- iii) Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
- iv) Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
- v) Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- vi) 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.

- vii) 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 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [cs.kisan@kisangroup.com](mailto:cs.kisan@kisangroup.com). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [cs.kisan@kisangroup.com](mailto:cs.kisan@kisangroup.com). These queries will be replied to by the Company suitably by email.
- viii) Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
- ix) Only those shareholders, who are present in the 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 AGM.
- x) If any votes are cast by the shareholders through the e-voting available during the 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.

**20. FOR ASSISTANCE / QUERIES FOR E-VOTING ETC.**

If you have any queries or issues regarding attending AGM & 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, 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.

**OTHER INSTRUCTIONS**

- i) The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of September 23, 2022 ( Friday).
- ii) The scrutinizer shall after the conclusion of e-voting at the AGM, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days from the date of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same and the Chairman or the person authorized by him in writing shall declare the result of the voting forthwith.
- iii) The results declared along with the report of the scrutinizer shall be placed on the website of the Company <http://www.kisangroup.com/investorrelations/annualreport.php> and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorised by him in writing. The results shall also be immediately communicated to the BSE Limited, Mumbai.

## EXPLANATORY STATEMENT

**AS REQUIRED BY SECTION 102 OF THE COMPANIES ACT, 2013 (“THE ACT”), THE FOLLOWING STATEMENT SETS OUT ALL MATERIAL FACTS RELATING TO THE SPECIAL BUSINESS MENTIONED IN THE ACCOMPANYING NOTICE:**

### ITEM NO. 3

The Board of Directors of the Company at their meeting held on May 30, 2022, after due deliberation and after recommendation of the Audit Committee, has proposed the appointment of M/s. Sen & Ray, Chartered Accountants (FRN: 303047E), as Joint Statutory Auditors of the Company, for a term of five consecutive years from the conclusion of thirty third AGM till the conclusion of AGM of the Company to be held in the year 2026-27 at a remuneration as may be determined and recommended by the Audit Committee in consultation with the Joint Statutory Auditor & duly approved by the Board of Directors of the Company, from time to time.

M/s Sen & Ray, Chartered Accountants (FRN: 0303047E) have consented to their appointment as Statutory Auditors and have also confirmed that if appointed, their appointment will be in accordance with Section 139 read with Section 141 of the Companies Act, 2013.

The Board recommends the Ordinary Resolution set out at Item No. 3 of the Notice for approval by the Members. None of the Directors and Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested in the Resolution set out at Item No. 3 of the Notice.

### ITEM NO. 4

The Board of Directors at their meeting held on May 30, 2022, on the recommendation of the Audit Committee, had considered and approved the re-appointment and remuneration of M/s. Bhanwarlal Gurjar & Co., Cost Accountants (Firm Registration No. 101540), as the Cost Auditor for the audit of the cost accounting records of the Company for the Financial Year ending March 31, 2023, at a remuneration of ₹ 1.50 lakhs (Rupees One Lakh Fifty Thousand only) excluding taxes and reimbursement of out of pocket expenses at actuals, if any, in connection with audit.

M/s. Bhanwarlal Gurjar & Co., Cost Accountants (Firm Registration No. 101540) have confirmed that they hold a valid certificate of practice under sub section (1) of Section 6 of the Cost and Work Accountants Act, 1959 and is not disqualified under section 141 read with section 148 of the Companies Act, 2013 and rules made thereunder.

Pursuant to provisions of Section 148(3) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost records and Audit) Rules, 2014 (including any statutory modification(s) and/or re-enactment(s) for the time being in force), the remuneration payable to Cost Auditor has to be ratified by the members of the Company.

Accordingly, ratification by the members is sought to the remuneration payable to the Cost Auditors for conducting the audit of the cost records of the Company, if required, for the financial year ending March 31, 2023.

None of the Directors and Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed ordinary resolution set out at Item No. 4 of the Notice.

By order of the Board of Directors  
For **KISAN MOULDINGS LIMITED**

**Vijay Joshi**

Company Secretary

ICSI Membership No. : A 7298

**Kisan Mouldings Limited**  
**L17120MH1989PLC054305**

#### Registered Office:

26 'A', 3<sup>rd</sup> Floor, K-wing, “Tex Centre”,  
Chandivali, Off Saki Vihar Road,  
Andheri (East), Mumbai – 400 072  
CIN: L17120MH1989PLC054305  
Tel.: 022- 4200 9100/ 9200.  
Fax: 022-28478508.  
E-mail: [cs.kisan@kisangroup.com](mailto:cs.kisan@kisangroup.com)

Place: Mumbai

Date: 12<sup>th</sup> August, 2022

## ANNEXURE “A”

### TO ITEMS 2 AND 3 OF THE NOTICE

Details of Directors retiring seeking appointment/reappointment at 33<sup>rd</sup> Annual General Meeting (pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and applicable provision of Secretarial Standard -2):

#### ITEM NO. 2

Name of the Director	Mr. Sanjeev Aggarwal
DIN	00064076
Designation	Chairman & Managing Director
Date of Birth	08/05/1957
Date of Appointment on the Board	30/08/2005
Qualifications	Bachelor’s Degree in Commerce from Punjab University
Shareholding of Director in the Company as on March 31, 2022	13,15,045 Equity Shares of ₹ 10/- each
Expertise in Specific Functional Ares	Possesses immense experience of over three decades in the field of management, administration and manufacturing of PVC Pipes, Fittings and other allied products.
Directorship in other Companies / Chairmanship/ Membership of Committees of other Board.	Directorship in other Companies: NIL Chairmanship/ Membership of Committees of other Boards: NIL
Relationship with other Directors inter-se	Mr. Sanjeev Aggarwal is the father of Mr. Rishav Aggarwal, who is the executive director of the company.
Number of Board Meeting Attended (F.Y. 2021-22)	6
Terms and conditions of re-appointment	Mr. Sanjeev Aggarwal (DIN: 00064076) reappointed as Chairman & Managing Director for a period of 3 (three) years with effect from April 01, 2022.
Justification for appointment	Promoter of Company (Executive Director)

**For other details such as number of meetings of the Board attended during the year, remuneration drawn and relationship with other directors and key managerial personnel, in respect of above director, please refer to the corporate governance report which is a part of this report.**

#### ITEM NO. 3

Name of the Auditor	Mr. Rakesh Kumar Kogta
Name of the Firm	M/s Sen & Ray, Chartered Accountants
Firm Registration Number	0303047E
Term of Appointment	5 Consecutive Years
Nature of Appointment/ Re-appointment	Joint Statutory Auditor Appointment
Period of Appointment	2022 – 2027
Total Fee Payable	Overall audit fees would continue to remain at the ₹ 10 lakhs p.a, which would be shared by both the auditors inter-se. The said fees may be revised in accordance with and in terms of the authority and process as stated in the relevant resolution and explanatory statement.
Registered office Address	416, Dimple Arcade, Asha Nagar, Thakur Complex, Behind Sai Dham temple, Kandivali East, Mumbai – 400101.
Contact Details	+91 7666603760/022-49705241







# JAPANESE TECHNOLOGY

IS : 15778



CM / L No. - 4627569



KISAN MOULDINGS LTD. manufactures the following products:

- KML Classic CPVC Plumbing System as per IS:15778
- SWR Drainage Systems as per IS:13592 & IS:14735
- Rigid uPVC Pipes & Fittings as per IS:4985 & IS:7834
- Kisan Freeflow uPVC Plumbing System (ASTM)
- HDPE Pipes as per IS:4984 & IS:14333
- uPVC Submersible Rising Main Pipes
- Kisan Barish<sup>™</sup> Rainwater Harvesting System
- Sprinkler & Drip Irrigation Systems as per IS : 12786, IS : 13487, IS : 13488, IS : 12785 & IS : 14151
- Underground Drainage Pipes as per IS:15328
- Solvent Cement as per IS : 14182 & Rubber Lubricant

## **KISAN MOULDINGS LIMITED**

Tex Centre, 'K' Wing, 3<sup>rd</sup> Floor, 26 - A, Chandivli Road,  
Off Saki Vihar Road, Andheri (East), Mumbai - 400 072. India.

T : (91 - 22) 4200 9100 / 9200. | F: (91 - 22) 2847 8508 | E : [customercare@kisangroup.com](mailto:customercare@kisangroup.com)

[www.kisangroup.com](http://www.kisangroup.com)