

September 04, 2021

To,  
**BSE Limited,**  
Corporate Relationship Department,  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai - 400 001

**Scrip Code: 530145**

Dear Sir/Madam,

**Sub.: Intimation of 32<sup>nd</sup> Annual General Meeting and submission of Annual Report for the Financial Year 2020-21**

Pursuant to Regulation 30 and Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("SEBI Listing Regulations") (as amended), please find enclosed herewith Notice convening the 32<sup>nd</sup> Annual General Meeting ("32<sup>nd</sup> AGM") and the Annual Report of Kisan Mouldings Limited ("the Company") for the Financial Year 2020-21.

The 32<sup>nd</sup> AGM of the Company for the Financial Year 2020-21 has been scheduled to be held on Wednesday, September 29, 2021 at 11:30 a.m. through Video Conferencing/ Other Audio Visual Means ("VC/ OAVM") facility to transact the business as set out in the Notice of the 32<sup>nd</sup> AGM, in compliance with the applicable provisions of the Companies Act, 2013 ("Act"), the General Circular No. 14/2020 dated April 08, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 05, 2020 and General Circular No. 02/2021 dated January 13, 2021 issued by the Ministry of Corporate Affairs ("MCA Circulars"), Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 issued by the Securities and Exchange Board of India ("SEBI Circulars") and in compliance with SEBI Listing Regulations.

Pursuant to Regulation 42 of the SEBI Listing Regulations and Section 91 of the Companies Act, 2013, we hereby inform you that the Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, September 22, 2021 to Wednesday, September 29, 2021 (both days inclusive) for the purpose of 32<sup>nd</sup> AGM of the Company.

Further, pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing the facility to its Members whose names appear in the Register of Members / list of Beneficial Owners as on September 22, 2021 (Wednesday) ("Cut-off date") to exercise their right to vote by electronic means both through remote e-voting or e-voting at the 32<sup>nd</sup> AGM through Central



Depository Services (India) Limited ("CDSL") Platform. The remote e-voting will commence on Saturday, September 25, 2021 at 9.00 a.m. and end on Tuesday, September 28, 2021 at 5.00 p.m.

The instructions on the process of e-voting, including the manner in which the Members holding shares in physical form or who have not registered their e-mail addresses can cast their vote through e-voting, has been provided as part of the Notice of the 32<sup>nd</sup> AGM.

This information and Annual Report are also available on website of the Company at [www.kisangroup.com](http://www.kisangroup.com).

Kindly take the same on record.

Thanking you,  
Yours truly

FOR KISAN MOULDINGS LIMITED



.....  
SANJEEV AGGARWAL  
CHAIRMAN & MANAGING DIRECTOR  
(DIN: 00064076)

Encl.: As above

32<sup>nd</sup>  
ANNUAL REPORT  
2020 - 2021



**COMPLETE WATER MANAGEMENT SOLUTIONS**

**KISAN MOULDINGS LIMITED**



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

**Date : Wednesday, September 29, 2021**

**Time : 11.30 a.m.**

## E-VOTING SCHEDULE



CUT OFF DATE	START DATE	END DATE
Wednesday, September 22, 2021	Saturday, September 25, 2021 (9:00 a.m.)	Tuesday, September 28, 2021 (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

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

#### NON EXECUTIVE DIRECTORS

- Urvashi Dharadhar- Independent Director (DIN: 08279196)
- Jhumarlal Bhalgat - Independent Director (DIN: 08693670)
- Dinesh Modi - Independent Director (DIN: 00004556) - w.e.f June 23, 2020
- Narendra Kumar Poddar - Additional Director (Independent) (DIN: 07115618) - w.e.f February 12, 2021
- Ravi Kant Jagetiya - Independent Director (DIN: 08734797)- upto November 18, 2020
- Prashant Deshmukh - Additional Director (Independent) (DIN: 02410071) - upto August 11, 2020

#### 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
- Mrs. Khushboo Jalan- Company Secretary & Compliance Officer - w.e.f February 12, 2021
- Mr. Dharak Mehta - Company Secretary & Compliance Officer- upto August 18, 2020

#### STATUTORY AUDITOR

M/s. ADV & Associates, Chartered Accountants

#### SECRETARIAL AUDITOR

M/s. AVS & Associates, Company Secretaries

#### INTERNAL AUDITOR

M/s. JMRC & Co., 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 thereby 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,

Dear Members,

The Board of Directors ('Board') have great pleasure in presenting the Company's **Thirty-Second (32<sup>nd</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, 2021.

### 1. FINANCIAL SUMMARY/ HIGHLIGHTS:

The Company's financial performance, for the Financial Year ended March 31, 2021 is summarised below:

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	2020-21	2019-20	2020-21	2019-20
Revenue from operations	20,987.68	24,760.92	20,987.68	24,765.48
Add:- Other Income	216.96	708.50	215.76	708.50
<b>Total Income</b>	<b>21,204.64</b>	<b>25,469.42</b>	<b>21,203.44</b>	<b>25,473.98</b>
<b>Total Expenses</b>	<b>25,981.52</b>	<b>31,133.77</b>	<b>25,989.01</b>	<b>31,138.93</b>
<b>Profit/ (loss) before tax (PBT)</b>	<b>(4776.88)</b>	<b>(5664.35)</b>	<b>(4785.57)</b>	<b>(5664.96)</b>
Less:- Tax expenses	(66.34)	(1455.64)	(66.30)	(1455.67)
<b>Profit/ (loss) after tax (PAT)</b>	<b>(4710.54)</b>	<b>(4208.71)</b>	<b>(4719.26)</b>	<b>(4209.29)</b>
Other Comprehensive Income/ (Loss)	(24.08)	30.86	(24.08)	30.86
<b>Total Comprehensive income/ (loss)</b>	<b>(4734.62)</b>	<b>(4177.85)</b>	<b>(4743.34)</b>	<b>(4178.43)</b>

### 2. INDIAN ACCOUNTING STANDARDS:

Pursuant to notification issued by 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 consolidated basis, the total revenue for Financial Year 2020-21 at ₹ 21,203.44 lakhs was lower by 16.76% over the previous year ₹ 25,473.98 lakhs in Financial Year 2019-20. Total earning after tax for Financial Year 2020-21 is in loss of ₹ 4719.26 lakhs against the loss of previous year of ₹ 4209.29 lakhs in Financial Year 2019-20.

On standalone basis, the total revenue of the Company decreased to ₹ 21,204.64 lakhs for Financial Year 2020-21 against ₹ 25,469.42 lakhs in previous Financial Year 2019-20. Your Company reported total loss after tax of ₹ 4710.54 lakhs for Financial Year 2020-21 against the loss of ₹ 4208.71 lakhs in Financial Year 2019-20.

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:**

During the year under review, your directors have not recommended any dividend.

**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.

During the year under review, 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.

**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:****IMPACT OF COVID-19 PANDEMIC ON THE BUSINESS AND FINANCIAL POSITION OF THE COMPANY**

The outbreak of the COVID-19 pandemic globally and in India, followed by the lockdown in the country has adversely affected the business operations of the Company by way of interruption in production, delay and re-schedule of scheduled dispatches of finished goods, etc. After the guidelines issued by the authorities regarding exemption, from time to time, the Company resumed its manufacturing operations in a phased manner considering the order requirements with the available workforce. Further due to limited workforce and restrictions on deployment of employees in our manufacturing units and offices, the capacity utilization has not been at the desired level. This has affected performance, turnover/profitability and consequent liquidity position 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, 2021 and of the profit and loss 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. Rishav Aggarwal (DIN: 05155607), Whole-time Director of the Company, being longest in the office is liable to retire by rotation at ensuing 32<sup>nd</sup> Annual General Meeting of the Company and being eligible, has offered himself for re-appointment.

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

### Appointments:

- Mr. Dinesh Navnitlal Modi (DIN: 00004556) was, on recommendation of Nomination and Remuneration Committee, appointed as an Additional Director (Non-Executive-Independent Director) with effect from June 23, 2020 by the Board of Directors of the Company vide Circular by Resolution No. BOD/01/2020-21 dated June 22, 2020 to hold office upto the date of ensuing 31<sup>st</sup> Annual General Meeting of the Company. The members thereafter approved his candidature for the office of Independent Director of the Company for a term of 3 (Three) years i.e. from June 23, 2020 to June 22, 2023 at the 31<sup>st</sup> Annual General Meeting of the Company.
- Mr. Ravi Kant Jagetiya (DIN: 08734797) was, on recommendation of Nomination and Remuneration Committee, appointed as an Additional Director (Non-Executive-Independent Director) with effect from July 13, 2020 by the Board of Directors of the Company vide Circular by Resolution No. BOD/04/2020-21 dated July 10, 2020 to hold office upto the date of ensuing 31<sup>st</sup> Annual General Meeting of the Company. The members thereafter approved his candidature for the office of Independent Director of the Company for a term of 3 (Three) years i.e. from July 13, 2020 to July 12, 2023 at the 31<sup>st</sup> Annual General Meeting of the Company.
- Mr. Rishav Aggarwal (DIN: 05155607) was, on recommendation of Nomination and Remuneration Committee, re-appointed as the Whole-time Director of the Company for further period of 3 years with effect from August 22, 2020 by the Board of Directors of the Company at their meeting held on July 31, 2020 and the same was approved by the members at the 31<sup>st</sup> Annual General Meeting of the Company.

- Mr. Narendra Kumar Poddar (DIN: 07115618) was, on recommendation of Nomination and Remuneration Committee, appointed as an Additional Director (Non-Executive-Independent Director) with effect from February 12, 2021 by the Board of Directors of the Company at their meeting held on February 12, 2021 who shall hold office upto the date of ensuing 32<sup>nd</sup> Annual General Meeting of the Company. The Company has received a notice in writing from a member of the Company under Section 160 of the Companies Act, 2013, proposing his candidature for the office of Independent Director of the Company for a term of 3 (Three) years i.e. from February 12, 2021 to February 11, 2024.
- Mrs. Khushboo Jalan, on recommendation of Nomination and Remuneration Committee, appointed as the Company Secretary & Compliance Officer and Key Managerial Personnel of the Company with effect from February 12, 2021 by the Board of Directors at their meeting held on February 12, 2021.
- The tenure of Mr. Sanjeev Aggarwal (DIN: 00064076), Chairman & Managing Director of the Company, expiring on March 31, 2022. The Board of Directors at its meeting held on August 13, 2021, on recommendation of Nomination and Remuneration Committee and Audit Committee, has approved the re-appointment of Mr. Sanjeev Aggarwal for further period of 3 years with effect from April 01, 2022 and the Board further recommended the same to the Shareholders for their approval in ensuing 32<sup>nd</sup> Annual General Meeting of the Company. His re-appointment and remuneration is in terms of the Section 196, 197, 198, 200 and 203 read with Schedule V of the Companies Act, 2013. The detailed terms and conditions including remuneration have been mentioned in the notice convening 32<sup>nd</sup> Annual General Meeting of the Company.

### Cessation:

- Mr. Prashant Krishnaji Deshmukh (DIN: 02410071) ceased as an Additional Director (Independent Director) of the Company with effect from August 11, 2020.
- Mr. Dharak Mehta, Company Secretary & Compliance Officer of the Company has resigned from the service of the Company with effect from August 18, 2020. Consequently he has also ceased to act as the Key Managerial Personnel of the Company.



- Mr. Ravi Kant Jagetiya (DIN: 08734797) ceased as Independent Director of the Company with effect from November 18, 2020.

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 Mrs. Khushboo Jalan, Company Secretary & Compliance Officer of the Company are the Key Managerial Personnel of the Company as on the date of this report.

Brief profile of the Directors proposed to be appointed/ re-appointed as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - II on General meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI), are provided in the Notice of 32<sup>nd</sup> AGM of the Company.

### 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 12, 2021. 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:**

Five (5) meetings of the Board of Directors were held during the Financial Year 2020-2021. The details of Board Meetings and the attendance of Directors are provided in the Corporate Governance Report, which is part of this report.

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

Five (5) meetings of the Audit Committee were held during the Financial Year 2020-2021. 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.

**20. AUDITORS:**

**a) Statutory Auditors:**

M/s. ADV & Associates, Chartered Accountants, Mumbai (Firm Registration No. 128045W) were appointed as the

Statutory Auditors in 27<sup>th</sup> Annual General Meeting ('AGM') to hold office from the conclusion of 27<sup>th</sup> AGM for a term of consecutive five years till conclusion of 32<sup>nd</sup> AGM (subject to ratification of the appointment by the members at every AGM).

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, 2021 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 Limited. Further, the accounts are considered as Non-Performing Asset (NPA) by The Shamrao Vithal Co-op Bank Limited. Further as the borrowings is considered as NPA in March 2021, no interest has been charged by the bank since then, however the Company has provided for interest for the month of March 2021 on these borrowings. The principal outstanding is ₹ 392.34 Lakhs and interest default is of ₹ 300.77 Lakhs in case of seven accounts which are considered as NPA by The Shamrao Vithal Co-op Bank Limited. Further the accounts with three more banks are categorized as NPA after the end of the Financial Year 2020-21.	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 and approval. All banks have agreed to sign an ICA to consider the same and the Company expects a resolution shortly.
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 paying off the dues. The interest as applicable on these delays is already provided for.

As the first term of M/s. ADV & Associates expires at the ensuing 32<sup>nd</sup> Annual General Meeting, the Board of Directors on recommendation of Audit Committee at their meeting held on August 28, 2021 approved the appointment of M/s. S. Guha & Associates, Chartered Accountants (FRN: 322493E) as the Statutory Auditors of the

Company for the First term of five years who shall hold office from the conclusion of the ensuing 32<sup>nd</sup> Annual General Meeting till the conclusion of the 37<sup>th</sup> Annual General Meeting held for the Financial Year 2025-2026 subject to approval of members at the ensuing 32<sup>nd</sup> Annual General Meeting.

**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. Cost Audit Report for the financial year ended March 31, 2020 was filed with the Central Government, within the prescribed time limit. 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 2021-2022, at their meeting held on June 28, 2021.

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.

**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 June 28, 2021 had re-appointed M/s. AVS & Associates, Company Secretaries in practice, Navi Mumbai to conduct Secretarial Audit for the Financial Year 2021-2022.

The report on secretarial audit for the Financial Year 2020-2021, 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, 2021 are self-explanatory except the following:

Sr. No.	Observations	Reply to the observations
1.	Defaults has been made in the repayment of interest/installment of loans and/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 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 the Company to the Stock Exchange.	Due to pendency on reconciliation/confirmation on amounts of defaults on account of outbreak of COVID-19 pandemic, nationwide lockdown was imposed. Hence the Company was forced to close its Registered Office at Mumbai and temporarily shut down all plants and other offices of the Company and the Company has resumed the operations at the Registered Office and other branch offices with minimum number of permitted employees. Hence the Company could not submit disclosures on defaults on payment of interest/ repayment of principal amount on loans for the period April 2020, May 2020 & June 2020 pursuant to SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2019/140 dated November 21, 2019 on due date and there were delay in submission of the said disclosures.

Sr. No.	Observations	Reply to the observations
2.	The Company was required to submit Quarterly Financial Results for quarter ended June 30, 2020 till September 15, 2020 (vide SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2020/140 dated July 29, 2020) but the Company submitted the same to the stock exchange on October 31, 2020. Hence, the Company has made delay of 46 days in submission of its quarterly financial results for quarter ended June 30, 2020 to the stock exchange.	As the Registered Office of the Company at Mumbai and other branch offices were allowed to operate with minimum number of permitted employees due to outbreak of COVID-19 pandemic, the Company was not able to complete the finalization of the Unaudited Financial Results for the first quarter ended June 30, 2020 on due date and thus there was delay in submission of the said results with the stock exchange.  The Company had filed application vide letter dated October 21, 2020 for waiver of fine imposed by BSE limited for the said delay which was approved by BSE Limited vide its email dated December 09, 2020.
3.	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. However, the Company was in compliance with the said provision as on March 31, 2021.	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, 2021.

**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 June 28, 2021 have appointed M/s. KAVA & Associates, Chartered Accountants (FRN: 145721W) as Internal Auditors of the Company for the Financial Year 2021-2022 to conduct Internal Audit of the Company.

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.

**21. 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. JMRC & Co., Chartered Accountants (FRN: 143884W), Internal Auditors of the Company for inefficiency or inadequacy of such controls.

M/s. ADV & Associates, Chartered Accountants, Statutory Auditors of the Company have monitored & evaluated the efficacy of Internal

**22. 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, 2021, are set out in Notes to the Standalone Financial Statements of the Company provided in this Annual Report.

**23. 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>.

#### **24. 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. 39 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>.

#### **25. 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, 2021 is available on the website of the Company at <http://www.kisangroup.com/investorrelations/annualreport.php>.

#### **26. 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 ₹ 1,10,291/- for the Financial Year 2012-13 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 23,756 Equity shares on December 04, 2020 to the IEPF Authority for the Financial Year 2012-13.

#### **27. 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.

#### **28. 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.

### 29. 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>.

### 30. 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 2020-2021 pursuant to provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### 31. 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.

### 32. 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.

### 33. 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 employees of the Company 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.

### 34. 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.

### 35. 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.

### 36. 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.

### 37. 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 FY 2020-2021.

### 38. 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 in challenging time of COVID-19 pandemic. 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 in challenging time of COVID-19 pandemic. The Directors mourn the loss of life due to COVID-19 pandemic and are deeply grateful and have immense respect for every person who risked their life and safety to fight this pandemic. Our consistent growth was made possible by their hard work, solidarity, cooperation and support.

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

**Sd/-**

**Sanjeev A. Aggarwal**

Chairman & Managing Director  
(DIN: 00064076)

Date: August 28, 2021

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, 2021
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	₹35,99,625/-
Total Assets	₹1,18,99,198/-
Total Liabilities	₹1,18,99,198/-
Investments	-
Turnover	-
Profit/ (Loss) before taxation	₹(8,68,996)
Provision for taxation	₹3,376/-
Profit/ (Loss) after taxation	₹(8,72,372/-)
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**

- Names of associates or joint ventures which are yet to commence operations - Not Applicable
- Names of associates or joint ventures which have been liquidated or sold during the year - Not Applicable

**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**

Sd/-

**Sanjeev A Aggarwal**  
Chairman & Managing  
Director  
(DIN: 00064076)

Sd/-

**Rishav S Aggarwal**  
Whole-time Director  
(DIN: 05155607)

Sd/-

**Suresh Purohit**  
Chief Financial Officer

Sd/-

**Khushboo Jalan**  
Company Secretary &  
Compliance Officer

Sd/-

**Prakash Mandhaniya**  
Partner,  
ADV & Associates,  
Chartered Accountants  
Statutory Auditors

Date: June 28, 2021

Place: Mumbai



## 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 2020-21 v/s Salary of 2019-20).	MD: N.A. ED: N.A. CFO : 8.03 CS : (64.20)
3.	Percentage increase in the median remuneration of employees in the financial year (2020-21 v/s 2019-20)	31%
4.	Number of permanent employees as on 31 <sup>st</sup> March, 2021 on rolls of Company.	519
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: 19%  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 for Chief Financial Officer & Company Secretary only.

**II. Information as per Rule 5(2) of Chapter XIII, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**  
**Remuneration of top ten employees of the Company**

Sr. No.	Name of the employee	Designation	Gross Remuneration (in Rs.)	Nature of employment whether contractual or otherwise	Educational qualification	Experience (in years)	Date of commencement of employment	Age (in years)	Last Employment Held	% of Equity held by employee in the Company within the meaning of Clause (iii) of and if so, name Sub rule 2	Whether any such employee is a relative of any director or manager of the Company, Clause (iii) of and if so, name such director/ manager
1.	Ajit Dattaram Dandekar	Vice President (West & North)	31,66,042	Permanent	BE(Mechanical), MMS (Marketing)	45	20.08.2015	59	Prince Pipes & Fitting Limited	NIL	N.A.
2.	Suresh Kumar Purohit	Chief Finance Officer	25,65,000	Permanent	Chartered Accountant	32	01.01.2001	59	-	0.006	N.A.
3.	Vinayak Kulkarni	General Manager - Tumkur Plant	21,65,506	Permanent	BSC. B - Tech	18	28.10.2015	46	HIL Limited (Faridabad)	NIL	N.A.
4.	Shivaji Baburoo Sonar	Assistant Vice President - Micro Irrigation	21,04,207	Permanent	Diploma in Civil Engineering	31	01.03.2016	54	Polysil Irrigation System Private Limited	NIL	N.A.
5.	Ashwani Kumar Singh	Vice President - Business Development	20,52,011	Permanent	MBA -Marketing	26	18.05.2017	53	Apollo Piping System	NIL	N.A.
6.	Biresh Singhal	General Manager	19,96,013	Permanent	MBA -Marketing	23	01.04.2009	50	Time Techno Limited	NIL	N.A.
7.	Rakesh Shreegopal Biyani	Deputy General Manager - Sales (Maharashtra)	18,50,083	Permanent	B Com	22	02.05.2010	47	Pyramis Marketing India Private Limited	NIL	N.A.
8.	D.S. Srrekantha	Assistant General Manager - State Head (Karnataka)	14,56,827	Permanent	BSC Agriculture	28	25.09.2017	53	Astral Limited	NIL	N.A.
9.	T Govindaraju	General Manager - Sales & Marketing (Tamil Nadu)	14,39,069	Permanent	MBA Marketing	25	02.12.2019	58	Spectra Pipes	NIL	N.A.
10.	Sanjay N Agarwal	General Manager - Operations & Finance	14,25,600	Permanent	Chartered Accountant	15	01.10.2020	41	Nav Bharat Metallic Oxide Industries Private Limited	NIL	N.A.

1. No employees who were employed throughout the financial year were in receipt of remuneration for not less than ₹ 1.02 Crore p.a.

2. No employees who were employed for a part of the financial year were in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than ₹ 8.50 lakhs per month.

3. No other employees who were employed throughout the financial year or part thereof were in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.

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

**Sd/-**

**Sanjeev A. Aggarwal**

Chairman & Managing Director  
(DIN: 00064076)

Date: August 28, 2021

Place: Mumbai

## ANNEXURE- C

# MANAGEMENT DISCUSSION AND ANALYSIS

## ECONOMIC OVERVIEW:

The year 2020 was an exceptional one for the world economy, as it grappled with the COVID-19 outbreak and the resultant challenges to public health, lockdowns and a near closure of International borders for an extended period. Trade was massively disrupted, affecting global supply chains and Governments across the globe focused on health infrastructure and ancillary priorities.

Large-scale stimulus measures were announced by major economies to minimise the economic fallout, support organisations and individuals, save jobs and provide some succour from the drastic implications of an extended period of economic downturn. Multilateral bodies such as the International Monetary Fund (IMF) and the World Bank called for concerted efforts to support the vulnerable economies.

The International Monetary Fund (IMF) in its April 2021 World Economic Outlook (WEO) publication reported de-growth of 3.3% in 2020 compared to a growth of 2.9% in 2019. This steep decline in global economic growth was largely due to the outbreak of the novel coronavirus and the consequent suspension of economic activities across the world. This led to global supply chain disruptions, resulting in de-growth in some of the largest global economies. Moreover, as per the IMF's WEO of April 2021, the global economy is projected to grow at 6 % in 2021 moderating to 4.4 % in 2022, The contraction for 2020 is 1.1 percentage points smaller than projected in the October 2020 World Economic Outlook (WEO), reflecting the higher-than-expected growth outturns in the second half of the year for most regions after lockdowns were eased and as economies adapted to new ways of working. The projections for 2021 and 2022 are 0.8 percentage point and 0.2 percentage point stronger than in the October 2020 WEO, reflecting additional fiscal support in a few large economies and the anticipated vaccine-powered recovery in the second half of the year. Global growth is expected to moderate to 3.3 percent over the medium term—reflecting projected damage to supply potential and forces that predate the pandemic, including aging-related slower labor force growth in advanced economies and some emerging market economies. Thanks to unprecedented policy response, the COVID-19 recession is likely to leave smaller scars than the 2008 global financial crisis. However, emerging market economies and low-income developing countries have been hit harder and

are expected to suffer more significant medium-term losses.

Back at Home in India, in terms of GDP, the Indian economy contracted by 7.3% during FY 2020-21 as against 4.2% growth recorded in FY 2019-20, marking a mild recession since 1980. Overall economic slowdown, led by COVID-19 onstage, followed by stringent lockdowns severely impacted economic activity, bringing manufacturing and trading activities to a screeching halt. Prolonged lowdown exacerbated existing vulnerabilities of the country including the weakened financial sector, private investments and consumption demand.

The Government of India announced a special comprehensive package of ₹ 20 Lakh Crore, equivalent to 10% of India's GDP under 'Self-Reliant India' movement to revive the country's languishing economic activity. The package focused on providing benefits in the form of financial aid, provision of food, and ensuring security to enable the country to tackle the economic fallout.

The Reserve Bank of India (RBI) continued with the accommodative monetary stance by bringing the key repo rate and reverse repo rate to 4% and 3.35% respectively to provide monetary stimulus and trigger economic growth back to the earlier trajectory.

The fiscal and monetary stimulus provided by the Government and RBI would assist greatly in the recovery of the economy. Despite the challenges posed by the second wave of COVID-19, the International Monetary Fund (IMF) in the World Economic Outlook of April 2021, projected India's growth at 12.5% in 2021 and 6.9% in 2022 which seems promising largely due to relaxations in lockdowns, mass vaccination drive, normalisation of economic activities, thrust on reviving manufacturing and infrastructure sector, and the country's increasing prominence in the global supply chain.

## 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

CORPORATE OVERVIEW	<b>STATUTORY REPORTS</b>	FINANCIAL STATEMENTS	NOTICE
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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.
- **Investments:** Investments made for automation of the Tarapur PVC plant and Roto Moulded tank plant helped to improve productivity, quality and reduce dependence on labour. We are confident that these investments will continue to give benefits over a long period of time.

### OPPORTUNITIES AND THREATS:

In FY 2020-21, on a consolidated basis, the pipes and fittings segment contributed the revenue from operations of ₹ 20,987.68 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) by 2024 to all households in rural India. The Government of India in the Union Budget 2021-22 had announced that the Jal Jeevan Mission (Urban), will be launched 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.
- **Housing for all by 2022:** The Gol has initiated Pradhan Mantri Awas Yojna-Urban (PMAY-Urban) wherein affordable housing will be providing to the urban poor people with a target of building 2 crore affordable houses by 31<sup>st</sup> March 2022. Total 1.48 crore houses under Pradhan Mantri Awas Yojana - Gramin (PMAY-G) scheme are constructed in the last 6 years. Government of India (Gol) aims to provide in the second phase of PMAY-Gramin 1.95 crore houses to the eligible beneficiaries till the end of Financial Year 2021-22. New technologies are being implemented and explored to ensure faster completion of construction of these houses. Around 50.00 lakh houses have so far been constructed using these new technologies.

- Smart Cities Mission:** The purpose of the Smart Cities Mission is to drive economic growth and improve the quality of life of people by enabling local area development and harnessing technology, especially technology that leads to Smart outcomes. It is an urban renewal and retrofitting program by the GoI with the mission to develop 100 cities across the country making them citizen friendly and sustainable. A total investment of ₹ 48,000 crore till 2022 has been approved by the Indian Cabinet for the same. The proposal to develop five New Smart Cities in collaboration with States in Public-private partnership (PPP) mode has allocated ₹ 6,450 crore for the said mission for the year 2021-22 as against ₹ 3,400 crore in the 2020-21 revised estimates. GoI has also focused on some of the following smart solutions to achieve development of smart cities mission which includes Water Management, Waste Management, E-Governance and Citizen Services, Urban Mobility, Energy Management etc.
- 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. The GoI has allocated ₹ 7,300 crore for the said mission for the year 2021-22 as against ₹ 6,450 crore in the 2020-21 revised estimates. Around 3626 projects have been completed with the expenditure of ₹ 19,563/- crore. 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 in 2014 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 by 2022. 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.
- Department of Agriculture, Cooperation and Farmer's Welfare has been allocated with ₹ 1.23 lakh crore in 2021-22, which is 14% annual increase over 2019-20.
- The GoI in the Union Budget 2021 has announced that the Micro Irrigation Fund, with a corpus of ₹ 5,000 crores has been created under NABARD, and it is proposed to double it by augmenting it by another ₹ 5,000 crores.
- 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. PMKSY has been approved for implementation across the country with an outlay for the five-year period at ₹ 50,000 crore. Around ₹ 5585 crore of outlay has been allocated to Prime Minister Krishi Sinchayee Yojna- Per Drop More Crop for F.Y 2021-22.



## 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 2021-22. We are geared up 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 2020-21 are as follows:

### Summarised Profit and Loss Accounts

(Amount in lakhs)

Particulars	Standalone		Consolidated	
	FY 2020-21	FY 2019-20	FY 2020-21	FY 2019-20
Revenue from Operation	20,987.68	24,760.92	20,987.68	24,765.48
Other Income	216.96	708.50	215.76	708.50
Operating cost	21,915.74	26,815.71	21,917.08	26,811.29
EBDIT	-711.10	-1,346.29	-713.64	-1,337.31
Depreciation	1,057.12	1,152.50	1,057.12	1,152.50
EBIT	-1,768.22	-2,498.79	-1,770.76	-2,489.81
Finance Cost	3,008.65	3,165.56	3,014.81	3,175.14
EBT	-4,776.88	-5,664.35	-4,785.57	-5,664.95
Taxation	-66.34	-1,455.64	-66.30	-1,455.67
Profit/ Loss for the year	-4,710.54	-4,208.71	-4,719.27	-4,209.28
Other Comprehensive Income	-24.08	30.86	-24.08	30.86
Total Comprehensive Income/Loss	-4,734.62	-4,177.85	-4,743.34	-4,178.42
Basic EPS (in ₹)	-13.98	-12.43	-13.94	-12.43

### KEY FINANCIAL RATIO:

Particulars	Standalone			Consolidated		
	FY 2020-21	FY 2019-20	YOY (Change in %)	FY 2020-21	FY 2019-20	YOY (Change in %)
Ratios:						
Debtors turnover (in days)	106.62	122.58	-13.02%	107.62	123.44	-12.82%
Inventory turnover (in days)	272.76	243.78	11.89%	272.76	243.74	11.90%
Interest Coverage Ratio	-0.24	-0.43	-44.43%	-0.24	-0.42	-43.80%
Current Ratio	0.81	0.97	-16.36%	0.81	0.97	-16.34%
Debt Equity Ratio	2.52	1.33	88.85%	2.51	1.33	88.60%
Operating Profit Margin (in %)	-3.4%	-5.4%	-37.68%	-3.4%	-5.4%	-37.03%
Net Profit Margin (in %)	-22.4%	-17.00%	32.05%	-22.5%	-17.00%	32.30%
Return on Net worth (in %)	-62.67%	-34.35%	82.42%	-62.48%	-34.23%	82.53%

- Interest service coverage downfall due to low sales in the current year.
- Change in Debt Equity Ratio due to Loss in the current year.
- Change in Operating Margin ratio and Net Profit Margin ratio on account of reduction of sale in the current year.
- Change in Return on Net Worth ratio on account of reduction of sale in the current year.

## 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. Further due to the global outbreak of COVID-19 pandemic and consequently second wave of the same during the year under review, we are also exposed to the business risk which has resulted in an unprecedented global health crisis, economic crisis, logistics and supply chain disruptions, governmental restrictions, lock-downs and new compliance requirements and international geo-political and trade tensions. With no specific clarity on the extent of impact and the timelines of making the vaccines available to all, there is significant amount of uncertainty on the extent of economic slowdown, the time for economic recovery and businesses, including ours, will be exposed to such uncertainties. 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. Serious efforts are put to bring it down.

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 supply 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. JMRC & Co., Chartered Accountants, Mumbai, FRN: 143884W have been entrusted the job to conduct regular internal audits and report to the management the lapses, if any for the Financial Year 2020-21. 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, 2021 was 519.

#### **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 28, 2021

Place: Mumbai

## ANNEXURE-D

## FORM NO. MR.3

 SECRETARIAL AUDIT REPORT  
 For the Financial Year Ended 31<sup>st</sup> March, 2021

[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, 2021 (‘**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, 2021 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; (**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; (**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; (**Not applicable to the Company during the audit period**) and
  - (h) The Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018; (**Not applicable to the Company during the audit period**);
- (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:

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- 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:

- Secretarial Standards issued by the Institute of Company Secretaries of India.
- 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:

1. Defaults has been made in the repayment of interest/installment of loans and/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 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 the company to the stock exchange;
2. The Company was required to submit Quarterly Financial Results for quarter ended June 30, 2020 till September 15, 2020 (vide SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2020/140 dated July 29, 2020) but the Company submitted the same to the stock exchange on October 31, 2020. Hence, the Company has made delay of 46 days in submission of its quarterly financial results for quarter ended June 30, 2020 to the stock exchange;
3. 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. However the Company was in

compliance with the said provision as on March 31, 2021.

**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 and 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 except mentioned above.

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.

For **AVS & Associates**  
Company Secretaries

**Sd/-**

**Vijay Yadav**  
Partner  
Membership No. A39251  
C.P. No: 16806  
UDIN: A039251C000776372

Place: Mumbai  
Date: 12/08/2021

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, 3<sup>rd</sup> Floor, 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. Due to lockdown in the state because of second wave of COVID-19, we were not able to personally visit at the office of the company for verification of documents physically and hence obtained most of the documents, details, information in electronic mode and taken necessary explanations, clarifications and representations either telephonically or electronically whenever required.
7. 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

**Sd/-**

**Vijay Yadav**

Partner

Membership No. A39251

C.P. No: 16806

UDIN: A039251C000776372

Place: Mumbai

Date: 12/08/2021

## ANNEXURE- E

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

#### 1) CONSERVATION OF ENERGY:

The Company has always been conscious of the need for conservation of energy and natural resources and considers it as a focus area. It aims to integrate energy efficiency into overall operations of the Company. The Company is trying to improve the efficiency of energy production and consumption pattern wherever required. Following are the steps undertaken by the Company to cut down the consumption of energy:

- 1) Creating awareness of energy saving within the organization to avoid wastage of energy.
- 2) Efficient utilization of energy purchase from the electricity board by continuously monitoring the energy parameters such as maximum demand, power factor, load factor, TOD tariff utilization on regular basis.
- 3) Achieving the power factor near to unity in all plants by the effective reactive energy management.

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

Electricity	Unit	2020-21	2019-20
Purchased	KWH	1,18,94,005	1,40,28,485
Total Amount	₹ In lakhs	1071.51	1239.91
Average Rate per unit	₹	9.01	8.83

#### 2) TECHNOLOGY ABSORPTION AND RESEARCH & DEVELOPMENT (R & D)

##### i. Efforts made towards technology absorption:

The Company aims to improve its productivity and quality of its services and products by continuously monitoring the production patterns. Innovation is a constant process and the Company has engaged in improving the product design, material cost, productivity, etc. as part of this process. 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 - 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 = INR 21.40 Lakhs
- 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 organisation 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, 2021, the Board consisted of Six 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 Four Independent Directors. Out of the Six Directors, Two (i.e. 33.33%) are Executive/ Whole-time Directors and Four (i.e. 66.67%) are Non-Executive Independent Directors including a Woman Director. The profiles of the Directors can be found at <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, 2021 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, 2021 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 31<sup>st</sup> Annual General Meeting of the Company, the shareholders approved the re-appointment of Mr. Rishav Aggarwal (DIN: 05155607) as Whole-Time Director of the Company for further period of 3 years with effect from August 22, 2020.
- At the 31<sup>st</sup> Annual General Meeting of the Company, the shareholders approved the appointment of Mr Jhumarlal Motilal Bhargat (DIN: 08693670) as an Independent Director of the Company for the first tenure of three (3) years with effect from February 14, 2020.
- Mr. Dinesh Navnitlal Modi (DIN: 00004556) was appointed as an Additional Director under the category of Non-Executive Director (Independent Director) with effect from June 23, 2020 by the Board of Directors of the Company vide Circular by Resolution No. BOD/01/2020-21 dated June 22, 2020 to hold office upto the date of ensuing 31<sup>st</sup> Annual General Meeting of the Company. At the 31<sup>st</sup> Annual General Meeting of the Company, the shareholders approved his appointment as an Independent Director of the Company for the first tenure of three (3) years with effect from June 23, 2020.

CORPORATE OVERVIEW	<b>STATUTORY REPORTS</b>	FINANCIAL STATEMENTS	NOTICE
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- Mr. Ravi Kant Jagetiya (DIN: 08734797) was appointed as an Additional Director under the category of Non-Executive Director (Independent Director) with effect from July 13, 2020 by the Board of Directors of the Company vide Circular by Resolution No. BOD/04/2020-21 dated July 10, 2020 to hold office upto the date of ensuing 31<sup>st</sup> Annual General Meeting of the Company. At the 31<sup>st</sup> Annual General Meeting of the Company, the shareholders approved his appointment as an Independent Director of the Company for the first tenure of three (3) years with effect from July 13, 2020.
- Mr. Narendra Kumar Poddar (DIN: 07115618) was appointed as an Additional Director under the category of Non-Executive Director (Independent Director) with effect from February 12, 2021 by the Board of Directors of the Company at their meeting held on February 12, 2021 who shall hold office upto the date of ensuing 32<sup>nd</sup> Annual General Meeting of the Company.

#### Cessations:

- Mr. Prashant Krishnaji Deshmukh (DIN: 02410071), Additional Director (Independent Director) resigned from the Directorship of the Company on August 11, 2020 due to his personal reasons and apart from this there are no other material reasons for his resignation. A confirmation in this regard has also been received by the Company from the said director and the same has also been intimated to the Stock Exchange i.e. BSE Limited.
- Mr. Ravi Kant Jagetiya (DIN: 08734797), Independent Director resigned from the Directorship of the Company on November 18, 2020 due to his other professional commitments and apart from this there are no other material reasons for his resignation. A confirmation in this regard has also been received by the Company from the said director and the same has also been intimated to the Stock Exchange i.e. BSE Limited.

As on March 31, 2021 the Company has complied with the requirement pursuant to Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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, 2021 are given herein below:**

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	-	-	-	Not Applicable
2	Mr. Rishav Aggarwal	Whole-time Director	Promoter	-	-	-	Not Applicable
<b>Non-Executive Directors</b>							
3	Mr. Jhumarlal Motilal Bhalgat	Independent Director	Non Promoter	-	-	-	Not Applicable
4	Mrs. Urvashi Dharadhar	Woman Director (Independent Director)	Non Promoter	-	-	-	Not Applicable
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	Additional Director (Independent Director)	Non Promoter	-	-	-	Not Applicable

- 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.

2. 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.
3. As on March 31, 2021, none of the directors were related to each other except Mr. Rishav Aggarwal being 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, 2021 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, 2021 i.e. on February 12, 2021 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 which are 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 2020-21, total Five (5) Meetings of the Board of Directors were held. The 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 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.

Sr. No.	Date of Board Meeting	Board Strength	Number of directors present
1	July 31, 2020	7	6
2	August 17, 2020	6	4
3	October 31, 2020	6	5
4	November 12, 2020	6	6
5	February 12, 2021	5	5

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

Sr. No.	Item Passed
1.	Appointment of Mr. Dinesh Navnitlal Modi (DIN: 00004556) as an Additional Director (Non-Executive Independent Director) on the Board of the Company on June 22, 2020.
2.	Re-constitution of Audit Committee with effect from June 25, 2020 on June 23, 2020.
3.	Re-constitution of Nomination & Remuneration Committee with effect from June 25, 2020 on June 23, 2020.
4.	Appointment of Mr. Ravi Kant Jagetiya (DIN: 08734797) as an Additional Director (Non-Executive Independent Director) on the Board of the Company on July 10, 2020.

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

The 31<sup>st</sup> Annual General Meeting (AGM) of Members of the Company was held on 26<sup>th</sup> September, 2020 through Video Conference / Other Audio Visual Means (“VC/ OAVM”) without the physical presence of the Members at a common venue, 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 2020-2021 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 26.09.2020 through VC/ OAVM
1.	Mr. Sanjeev Aggarwal	Chairman & Managing Director	5	5	Yes
2.	Mr. Rishav Aggarwal (Re-appointed w.e.f 22.08.2020)	Whole-time Director	5	4	Yes
3.	Mrs. Urvashi Dharadhar	Independent Director	5	5	Yes
4.	Mr. Prashant Deshmukh (Cessation w.e.f 11.08.2020)	Additional Director (Independent Director)	1	0	NA
5.	Mr. Jhumarlal Bhalgat	Independent Director	5	4	Yes
6.	Mr. Dinesh Modi (Appointed w.e.f 23.06.2020)	Independent Director	5	5	Yes
7.	Mr. Ravi Kant Jagetiya (Appointed w.e.f 13.07.2020 and Cessation w.e.f 18.11.2020)	Independent Director	4	3	Yes
8.	Mr. Narendra Kumar Poddar (Appointed w.e.f 12.02.2021)	Additional Director (Independent Director)	0	0	NA

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

Details of shares and convertible instruments held by Non-Executive Directors during the Financial Year under review are as under:

Sr. No.	Name of Director	No. of Equity Shares	Convertible Instruments
1	Mrs. Urvashi Dharadhar	0	Not Applicable
2	Mr. Prashant Deshmukh (Resigned w.e.f 11.08.2020)	0	Not Applicable
3	Mr. Jhumarlal Bhalgat	0	Not Applicable
4	Mr. Dinesh Modi (Appointed w.e.f 23.06.2020)	0	Not Applicable
5	Mr. Ravi Kant Jagetiya (Appointed w.e.f 13.07.2020 and Resigned w.e.f 18.11.2020)	0	Not Applicable
6	Mr. Narendra Kumar Poddar (Appointed w.e.f 12.02.2021)	0	Not Applicable

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 (Appointed w.e.f 23.06.2020)	✓	✓	✓	✓
Mr. Narendra Kumar Poddar (Appointed w.e.f 12.02.2021)	✓	✓	✓	✓

## 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, 2021, which comprises 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, 2021, the Audit Committee comprised of Three Non- Executive Directors and One Executive Director, majority of members of the Committee are Independent Directors. Mrs. Urvashi 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. Dinesh Modi, Independent Director was appointed as a Member of the Audit Committee of the Company with effect from June 25, 2020 by the Board of Directors vide circular resolution no. BOD/02/2020-21 dated June 23, 2020.
- Mr. Ravi Kant Jagetiya, Independent Director was appointed as a Member of the Audit Committee of the Company with effect from August 17, 2020 by the Board of Directors at their meeting held on August 17, 2020 and ceased to be Member of the Audit Committee of the Company with effect from November 18, 2020.



- Mr. Prashant Deshmukh, Additional Director (Independent Director) ceased to be Member of the Audit Committee with effect from August 11, 2020.

### (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 2020-21, the Audit Committee met five times i.e. on July 31, 2020, August 17, 2020, October 31, 2020, November 12, 2020 and February 12, 2021. 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 2020-21, are given below:**

Sr. No.	Name of Director	Position	No. of Meetings entitled to attend	No. of Meetings attended
1	Mrs. Urvashi Dharadhar	Chairperson	5	5
2	Mr. Prashant Deshmukh (Ceased w.e.f 11.08.2020)	Member	1	0
3	Mr. Jhumarlal Bhalgat	Member	5	4
4	Mr. Rishav Aggarwal	Member	5	4
5	Mr. Dinesh Modi (Appointed w.e.f. 25.06.2020)	Member	5	5
6	Mr. Ravi Kant Jagetiya (Appointed w.e.f. 17.08.2020 and Ceased w.e.f. 18.11.2020 )	Member	2	2

During the year under review, the Audit Committee has not passed any resolution by way of circulation.

The Chairperson of the Audit Committee Mrs. Urvashi Dharadhar, Independent Director had attended the 31<sup>st</sup> Annual General Meeting of the Company held on September 26, 2020 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, 2021, 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 Two times i.e. on July 31, 2020 & February 12, 2021.

**The details of meetings attended by the Members during FY 2020-21 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	2	2
2	Mr. Sanjeev Aggarwal	Member	2	2
3	Mr. Rishav Aggarwal	Member	2	2

The Chairperson of the Stakeholders Relationship Committee, Mrs. Urvashi Dharadhar, Independent Director had attended the 31<sup>st</sup> Annual General Meeting of the Company held on September 26, 2020 through Video Conference/ Other Audio Visual Means ("VC/ OAVM") to answer Shareholder's queries.

**(iv) Complaints/ request received from shareholders during the Financial Year 2020-21:**

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

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

Name : Mrs. Khushboo Vivek Jalan  
 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, 2021, 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:

- Mr. Dinesh Modi, Independent Director was appointed as Member of the Committee with effect from June 25, 2020 by the Board of Directors vide circular resolution no. BOD/03/2020-21 dated June 23, 2020 and he was re-designated as Chairman of the Committee with effect from August 17, 2020 by the Board of Directors at their meeting held on August 17, 2020.
- Mr. Prashant Deshmukh, Additional Director (Independent Director) ceased to be a Member and Chairman of the Committee with effect from August 11, 2020.
- Mr. Ravi Kant Jagetiya, Independent Director was appointed as a Member of the Committee with effect from August 17, 2020 by the Board of Directors at their meeting held on August 17, 2020 and ceased to be Member of the Committee with effect from November 18, 2020.

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

During the Financial Year ended March 31, 2021, the Committee met Two times i.e. on July 31, 2020 and February 12, 2021.

The details of meetings attended by the Members during FY 2020-21, are given below:

Name of the Director	Position	No. of Meetings entitled to attend	No. of Meetings attended
Mr. Prashant Deshmukh (Ceased w.e.f. 11.08.2020)	Chairman	1	0
Mr. Jhumarlal Bhalgat	Member	2	2
Mrs. Urvashi Dharadhar	Member	2	2
Mr. Dinesh Modi (Appointed as Member w.e.f 25.06.2020 and Re-designated as Chairman w.e.f 17.08.2020)	Chairman	2	2

During the year under review, the Nomination & Remuneration Committee has also passed two resolutions by way of circulation as under:

Sr. No.	Item Passed
1	To recommend appointment of Mr. Dinesh Navnitlal Modi (DIN: 00004556) as an Additional Director (Non-Executive Independent Director) on the Board of the Company on June 22, 2020.
2	To recommend appointment of Mr. Ravi Kant Jagetiya (DIN: 08734797) as an Additional Director (Non-Executive Independent Director) on the Board of the Company on July 09, 2020.

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

### (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 payments 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. April 01, 2019 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, 2021, 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 Nine times during the Financial Year ended March 31, 2021 i.e. on May 19, 2020, June 22, 2020, June 30, 2020, August 20, 2020, September 29, 2020, October 05, 2020, October 27, 2020, February 01, 2021 and March 01, 2021.

## 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, 2021, 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, there was no meetings conducted of the Committee.

## 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, 2021, 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 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:

- Mr. Dharak Mehta, Company Secretary & Compliance Officer of the Company ceased as a Member of the Committee with effect from August 18, 2020.
- Mrs. Khushboo Vivek Jalan, Company Secretary & Compliance Officer of the Company appointed as a Member of the Committee with effect from February 12, 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
29 <sup>th</sup>	March 31, 2018	September 22, 2018 at 4.30 p.m.	• Re-classification of the promoters of the Company.
30 <sup>th</sup>	March 31, 2019	September 21, 2019 at 4.30 p.m.	• Re-appointment of Mr. Sanjeev A. Aggarwal as Chairman & Managing Director of the Company.
31 <sup>st</sup>	March 31, 2020	September 26, 2020 at 12:00 Noon	• Re-appointment of Mr. Rishav Aggarwal (DIN: 05155607) as Whole-time Director of the Company.

The above-mentioned 29<sup>th</sup> & 30<sup>th</sup> AGMs were held at Mirage Hotel, International Airport Approach Road, Marol, Andheri (East), Mumbai: 400059 and 31<sup>st</sup> AGM was held through Video Conferencing/ Other Audio Visual Means (“VC/ OAVM”) Facility. The deemed venue for the 31<sup>st</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. 2020-2021.

##### 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. 39, 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:

1. Defaults has been made in the repayment of interest/installment of loans and/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 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 the Company to the Stock Exchange.
2. The Company was required to submit Quarterly Financial Results for quarter ended June 30, 2020 till September 15, 2020 (vide SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2020/140 dated July 29, 2020) but the Company submitted the same to the stock exchange on October 31, 2020. Hence, the Company has made delay of 46 days in submission of its quarterly financial results for quarter ended June 30, 2020 to the stock exchange. The BSE Limited vide its email dated October 16, 2020 had imposed fine of ₹ 1,55,000/- (excluding GST) as on October 16, 2020 which will continue at the applicable rates till the date of compliance for the said non-compliance. However, the Company filed an application vide letter dated October 21, 2020 for waiver of fine imposed by BSE Limited which was approved by BSE Limited vide its e-mail dated December 09, 2020.
3. 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. However, the Company was in compliance with the said provision as on March 31, 2021. 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.

Further no penalties and strictures imposed on the Company by the Stock Exchange except above or SEBI or any Statutory Authorities or any matter related to capital market during the Financial Year 2020-2021. However the Company had been penalized for ₹ 400,000/- vide SEBI Order dated August 28, 2018 vide no. EAD/KS/MKG/AO/175/2018-19 during the Financial Year 2018-19 for failure to make disclosure under Regulation 7(2)(b) of the SEBI (Prohibition of Insider Trading) Regulations, 2015, in the matter of allotment of 11,17,000 equity shares to Polsons Traders LLP, Promoter Group of the Company on April 16, 2016 and the said penalty amount has been paid by the Company to SEBI within the prescribed time. Apart from the said penalties there were no other non-compliances for which penalties and strictures imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority on any matter related to the capital market during the last three years. The Company has been impleaded in certain legal cases, however, none of these cases are material in nature, which may lead to material loss or expenditure to the Company.

**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, 2021, 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:**

During the year under review, the Company has complied with all the mandatory requirements as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 except:

1. Defaults has been made in the repayment of interest/installment of loans and/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 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 the Company to the Stock Exchange.
2. The Company was required to submit Quarterly Financial Results for quarter ended June 30, 2020 till September 15, 2020 (vide SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2020/140 dated July 29, 2020) but the Company submitted the same to the stock exchange on October 31, 2020. Hence, the Company has made delay of 46 days in submission of its quarterly financial results for quarter ended June 30, 2020 to the stock exchange. The BSE Limited vide its email dated October 16, 2020 had imposed fine of ₹ 1,55,000/- (excluding GST) as on October 16, 2020 which will continue at the applicable rates till the date of compliance for the said non-compliance. However, the Company filed an application vide letter dated October 21, 2020 for waiver of fine imposed by BSE Limited which was approved by BSE Limited vide its e-mail dated December 09, 2020.
3. 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. However, the Company was in compliance with the said provision as on March 31, 2021. 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.

As regards the Non-Mandatory requirements 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:**

ADV & Associates, Chartered Accountants (Firm Registration No. 128045W) 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	2,00,000/-
Services for tax matters	Nil
Other matters	Nil
Re-imbursement of out-of-pocket expenses	Nil
<b>Total</b>	<b>12,00,000/-</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 31.03.2021 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, 2021.

## 9. SHAREHOLDERS' INFORMATION:

### a) Particulars of ensuing Annual General Meeting for the Financial Year 2020-21:

<b>Date</b>	September 29, 2021
<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 January 13, 2021 and May 5, 2020 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>	11:30 A.M
<b>Day</b>	Wednesday
<b>Financial Year</b>	March 31, 2021
<b>Dividend payment date</b>	Not Applicable

### b) Tentative Calendar for financial year ending March 31, 2022

The tentative dates of meeting of Board of Directors for consideration of quarterly financial results for the financial year ending March 31, 2022 are as follows:

Financial Results for the quarter ending 30.06.2021	On or before 14.08.2021
Financial Results for the quarter ending 30.09.2021	On or before 14.11.2021
Financial Results for the quarter ending 31.12.2021	On or before 14.02.2022
Annual Audited Financial Results for the Financial Year ended 31.03.2022	On or before 30.05.2022

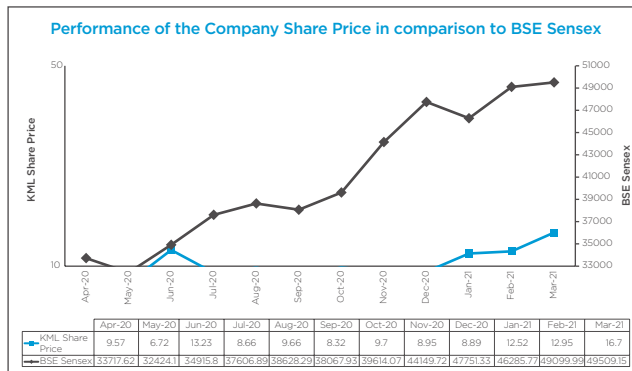
### c) Listing in Stock Exchanges and Stock Codes:

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, 2021 are as follows:

MONTH	HIGH	LOW
April 2020	12.00	7.00
May 2020	10.03	6.51
June 2020	13.85	6.72
July 2020	12.97	8.42
August 2020	11.75	8.51
September 2020	10.64	8.25
October 2020	11.69	7.53
November 2020	10.40	8.65
December 2020	10.90	8.26
January 2021	14.03	8.81
February 2021	16.18	12.10
March 2021	19.96	12.28



**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 / 6270, 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, 2021:**

HOLDINGS	SHAREHOLDERS		SHARES	
	NUMBER	%	NUMBER	%
Up to 5000	5615	75.198	805555	2.379
5001 to 10000	669	8.959	561852	1.659
10001 to 20000	441	5.906	673685	1.989
20001 to 30000	188	2.518	484622	1.431
30001 to 40000	91	1.219	330169	0.975
40001 to 50000	78	1.045	369535	1.091
50001 to 100000	151	2.022	1103144	3.258
100001 to above	234	3.133	29534503	87.218
<b>Total</b>	<b>7467</b>	<b>100.00</b>	<b>33863065</b>	<b>100.00</b>

**h) Shareholding Pattern as on March 31, 2021:**

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) (A)</b>	<b>148,08,502</b>	<b>43.73</b>
<b>B. PUBLIC SHAREHOLDING:</b>			
<b>Institutions</b>	Foreign Portfolio Investor	135,000	0.40
	Financial Institutions/ Banks	50	0.00
	<b>Total (Institutions)</b>	<b>135,050</b>	<b>0.40</b>

Category	Category of Shareholder	Total number of shares	Total Shareholding as a % of Total No. of Shares
<b>Non-institutions</b>	Individuals	137,81,859	40.70
	NBFCs registered with RBI	3000	0.01
	IEPF	97,773	0.29
	Clearing Members	144,974	0.43
	Non-Resident Indian (NRI)	423,036	1.25
	HUF	946,306	2.79
	Bodies Corporate	35,22,565	10.40
	<b>Total (Non-Institutions)</b>	<b>189,19,513</b>	<b>55.87</b>
	<b>Total Public Shareholding (B)</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	128,38,216	37.91
NSDL	208,54,349	61.58
Physical	1,70,500	0.51
<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. 2020-2021 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, 2021, 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.).
- 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 / 6270,

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:**

Details of credit ratings obtained by the Company during the Financial Year 2020-2021 are furnished herein below:

Sr. No.	Type	Instrument/ Bank Facility	Amount (₹ in Crore)	Rating during FY 2020-2021
1.		Fund based- LT- Cash Credit	108.75	CARE D; ISSUER NOT COOPERATING (Single D)
2.	Long Term Bank Facilities	Fund based- LT- Funded Interest Term Loan	12.50	CARE D; ISSUER NOT COOPERATING (Single D)
3.		Fund based- LT- Term Loan	48.51	CARE D; ISSUER NOT COOPERATING (Single D)
4.		Fund based- LT- Working Capital Term Loan	38.99	CARE D; ISSUER NOT COOPERATING (Single D)
5.	Short Term Bank Facilities	Non-fund based- ST- Bank Guarantee	11.25	CARE D; ISSUER NOT COOPERATING (Single D)
6.		Non-fund based- ST- ILC/FLC	80.00	CARE D; ISSUER NOT COOPERATING (Single D)
<b>TOTAL</b>			<b>300.00</b>	

**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 2020-2021 was placed before the Board at its meeting held on June 28, 2021. 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 &amp; Managing Director

Date: August 28, 2021

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 and 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, 2021.

No.	Name of the Directors	DIN	Date of Appointment in Company
1.	Mr. Sanjeev Amarnath Aggarwal	00064076	30/08/2005
2.	Mr. Rishav Sanjeev Aggarwal	05155607	22/08/2017
3.	Mrs. Urvasi Anand Dharadhar	08279196	14/11/2018
4.	Mr. Jhumarlal Motilal Bhalgat	08693670	14/02/2020
5.	Mr. Prashant Krishnaji Deshmukh*	02410071	21/10/2019
6.	Mr. Ravi Kant Jagetiya**	08734797	13/07/2020
7.	Mr. Dinesh Navnitlal Modi***	00004556	23/06/2020
8.	Mr. Narendra Kumar Poddar****	07115618	12/02/2021

\* Mr. Prashant Krishnaji Deshmukh has resigned from Directorship of the Company w.e.f 11/08/2020.

\*\* Mr. Ravi Kant Jagetiya has been appointed as Director of the Company w.e.f 13/07/2020 and Resigned w.e.f 18/11/2020

\*\*\* Mr. Dinesh Navnitlal Modi has been appointed as Director of the Company w.e.f. 23/06/2020

\*\*\*\* Mr. Narendra Kumar Poddar has been appointed as Director of the Company w.e.f 12/02/2021

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: Kalyan, Thane

Date: 28/07/2021

**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 **KISAN MOULDINGS LIMITED** (“the Company”) for the year ended on March 31, 2021 as stipulated in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the 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 representations made by the management, we certify that the Company to the extent applicable, has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of 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 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.39251

C.P. No: 16806

UDIN: A039251C000702012

Place: Kalyan, Thane

Date: 28/07/2021

**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, 2021 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: June 28, 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 2020-21 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/-

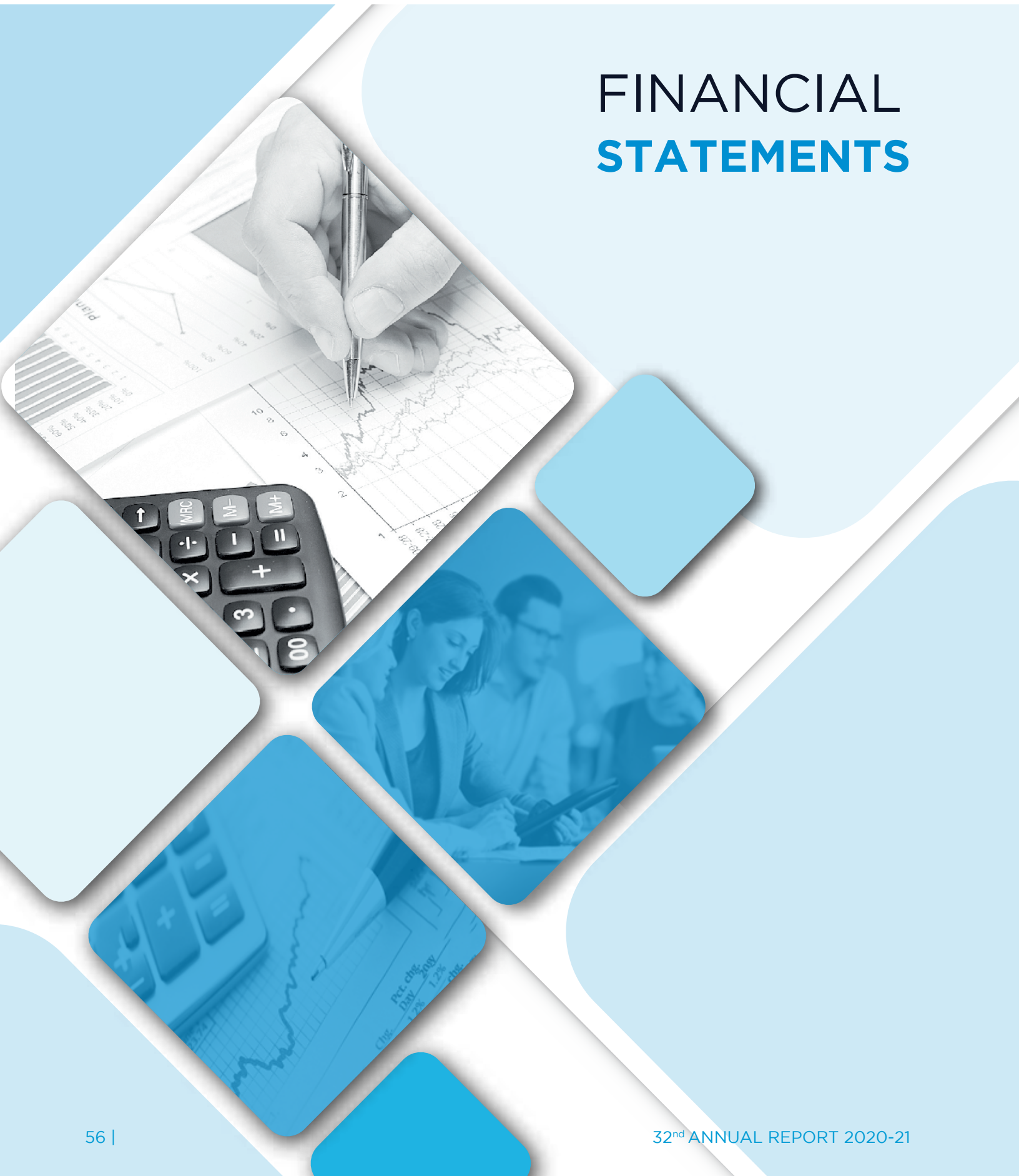
**Sanjeev A Aggarwal**

Chairman & Managing Director  
(DIN: 00064076)

Date: June 11, 2021

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, 2021, 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 March 31, 2021, 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 20.1 to the standalone financial Statement, which states that 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 Limited. Further, the accounts are considered as Non-Performing Asset (NPA) by The Shamrao Vithal Co-Op Bank Limited.

Further as the borrowings is considered as NPA in March 2021 no interest has been charged by the bank since then, however the Company has provided for interest for the month of March 2021 on these borrowings. The principal outstanding is ₹ 392.34 Lakhs and interest default is of ₹ 300.77 Lakhs in case of seven accounts which are considered as NPA by The Shamrao Vithal Co-Op Bank Limited.

Further the accounts with three more banks are categorized as NPA after the end of the financial year 2020-21. The management has approached all banks for considering the proposal of restructuring.

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 a total deferred tax asset of ₹ 3,818.61 Lakhs as at March 31, 2021. As per the requirements of Ind AS 12, based on financial projections prepared by the Company and approved by the Board of Directors, the Company has assessed that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. The Company expects to have a taxable profit for the future years. Our conclusion is not modified in respect of this matter.
2. We draw your attention to Note 45 of the standalone financial statement, which describe the Management's assessment of the impact of COVID-19 pandemic and the resultant lockdowns

on the significant uncertainties involved in developing some of the estimates involved in preparation of the financial statements including but not limited to its assessment of liquidity and going concern, recoverable value of its property, plant and equipment and the net realisable value of other assets. Based on information available as of the date, Management believes that no further adjustments are required to the financial statements. However, in view of the highly uncertain economic impacting the industry, a definitive assessment of the impact is highly dependent upon circumstances as they evolve in future and the actual result may differ from those estimated as at the date of approval of

these financial statements. Our opinion is not modified in respect of this matter.

### 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
1	<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.
2	<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 2021. 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.
- 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

- 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.
- (A) As required by Section 143(3) of the Act we report that:
  - 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.

- 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.
- 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.
- 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.
- 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.
- On the basis of the written representations received from the directors as on March 31 2021 taken on record by the Board of Directors none of the directors is disqualified as on March 31 2021 from being appointed as a director in terms of Section 164(2) of the Act.
- The qualification relating to maintenance of accounts and other matters connected there with are as stated in the "Basis for Qualified Opinion" paragraph above.
- 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 2021 on its financial position in its standalone financial statements - Refer Note 44 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 has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;
- iv. The disclosures in the standalone financial statements regarding holdings as well as dealings in specified bank notes during the period from November 8 2016 to December 30 2016 have not been made in these standalone financial statements since they do not pertain to the financial year ended March 31 2021.
- (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 **A D V & Associates**  
Chartered Accountants  
Firm Registration No. 128045W

**Sd/-**  
**Prakash Mandhaniya**  
Partner  
Membership No. 421679  
UDIN: 21421679AAAABV9725

Mumbai  
June 28, 2021



## Annexure 'A' to the Independent Auditor's Report on the Standalone Financial Statements of Kisan Mouldings Limited for the year ended March 31, 2021

(Referred to in paragraph 1 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)

- i) In respect of the Company's fixed assets :
- a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b) The Company has a program of verification to cover all the items of fixed 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 fixed assets 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, the records examined by us and based on the examination of the conveyance deeds / registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. Except two immovable properties acquired under the scheme of merger.
- 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) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- v) The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2021 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- 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, 2021 for a period of more than six months from the date they became payable except Indirect Tax of ₹ 1207.28 Lakh, TDS of ₹ 26.68 Lakh and PF of ₹ 47.02 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	Amount in Lakh	Period related	Authority
1	The Central Sales Tax/ VAT/Entry Tax	VAT, CST, ENTRY TAX	1322.31	2000-2014	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	1900.40	2006-2015	COMMISSIONER CENTRAL EXCISE, RAIGAD, DY. COMMISSIONER OF ALIBAUG DIVISION, ADDL. COMMISSIONER THANE-II, ASSISTANT & DEPUTY COMMISSIONER

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

**Amount in Lakhs**

Name of the Lender	Principal	Interest	Remarks
<b>Punjab National Bank</b>			
Term Loan	86.46	34.69	
Cash Credit	182.20	118.99	
<b>Union Bank of India</b>			
Term Loan	33.60	15.93	
<b>IDBI Bank</b>			
Term Loan	33.87	17.56	
Cash Credit	-	42.85	
<b>SVC</b>			
Term Loan	235.50	88.73	Considered as NPA
Cash Credit	156.84	212.04	
<b>Total</b>	<b>728.47</b>	<b>530.79</b>	

**Note:-**

Except for the account considered as Non-Performing Assets (NPA) all other dues as mentioned above for repayment are delayed for days range of 0 day to 90 days.

CORPORATE OVERVIEW	STATUTORY REPORTS	<b>FINANCIAL STATEMENTS</b>	NOTICE
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- ix) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term loans. Accordingly, the provisions of clause 3 (ix) of the order are not applicable to the company and hence not commented upon.
- x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii) The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all 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) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **A D V & Associates**  
Chartered Accountants  
Firm Registration No. 128045W

**Sd/-**  
**Prakash Mandhaniya**  
Partner  
Membership No. 421679  
UDIN: 21421679AAAABV9725  
Mumbai  
June 28, 2021

# Annexure 'B' to the Independent Auditor's Report on the Standalone Financial Statements of Kisan Mouldings Limited for the year ended March 31, 2021

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, 2021 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, 2021 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 **A D V & Associates**

Chartered Accountants

Firm Registration No. 128045W

Sd/-

**Prakash Mandhaniya**

Partner

Membership No. 421679

UDIN: 21421679AAAABV9725

Mumbai

June 28, 2021

## 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, 2021 (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	21204.64	21204.64
	2	Total Expenditure	25981.52	25981.52
	3	Net Profit/(LOSS)	(4734.62)	(4734.62)
	4	Earnings per share	(13.91)	(13.91)
	5	Total Assets	42873.16	42873.16
	6	Total Liabilities	42873.16	42873.16
	7	Net Worth	7516.96	7516.96
	8	Any other Financial item(s) (as felt appropriate by the Management)	-	-

#### II. Audit Qualification (each audit qualification separately):

- a. Details of Audit Qualification: Credit Facilities availed from four consortium banks turned NPA
- b. Type of Audit Qualification: Qualified opinion
- c. Frequency of qualification: First 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.

#### III. Signatories:

For and on Behalf of  
**A D V & Associates**  
 Chartered Accountants  
 (FRN. 128045W)

**Sd/-**  
**Prakash Mandhaniya**  
 Partner  
 Membership No. 421679

**Sd/-**  
**Urvashi Dharadhar**

**Chairperson of Audit Committee**

**Sd/-**  
**Sanjeev Aggarwal**  
 (DIN: 00064076)

**Chairman & Managing Director**

Date:- June 28, 2021  
 Place:- Mumbai

**Sd/-**  
**Suresh Purohit**

**Chief Financial Officer**

# Standalone Balance sheet as at March 31, 2021

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

Particulars	Notes	As at March 31, 2021	As at March 31, 2020
<b>ASSETS</b>			
<b>Non - Current Assets</b>			
Property, plant and equipment	2	11,669.35	12,624.05
Capital work-in-progress	2	9.85	9.78
Intangible assets	3	2.01	2.87
Investment in subsidiary	4	1.00	1.00
Financial assets			
Investments	5	6.56	6.56
Other financial assets	6	89.39	89.19
Non-current tax assets (net)	7	178.71	330.56
Deferred tax assets (net)	8	3,818.61	3,741.15
Other non-current assets	9	209.94	353.69
		<b>15,985.44</b>	<b>17,158.85</b>
<b>Current assets</b>			
Inventories	10	15,683.62	16,537.73
Financial assets			
Trade receivables	11	7,175.30	9,190.76
Cash and cash equivalents	12	660.51	94.78
Bank balances other than cash and cash equivalents mentioned above	13	286.25	827.65
Loans	14	191.91	236.36
Other financial assets	15	643.71	872.16
Other current assets	16	964.55	1,519.86
Assets classified as held for sale	17	1,281.86	1,436.47
		<b>26,887.72</b>	<b>30,715.77</b>
<b>TOTAL</b>		<b>42,873.16</b>	<b>47,874.62</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity share capital	18	3,386.31	3,386.31
Other equity	19	4,130.65	8,865.27
<b>Total Equity</b>		<b>7,516.96</b>	<b>12,251.58</b>
<b>LIABILITIES</b>			
<b>Non - Current Liabilities</b>			
Financial liabilities			
Borrowings	20	1,563.77	3,482.89
Other financial liabilities	21	187.38	233.85
Provisions	22	319.07	233.26
		<b>2,070.22</b>	<b>3,949.99</b>
<b>Current liabilities</b>			
Financial liabilities			
Borrowings	23	17,247.70	12,868.70
Trade payables	24	6,392.24	12,142.76
Other financial liabilities	25	4,891.80	3,038.67
Other current liabilities	26	2,759.97	2,177.07
Provisions	27	1,994.27	1,373.15
Liabilities directly associated with assets classified as held for sale	28	-	72.70
		<b>33,285.98</b>	<b>31,673.05</b>
<b>TOTAL</b>		<b>42,873.16</b>	<b>47,874.62</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 A D V & Associates**  
Chartered Accountants  
Firm Registration No. 128045W

**Prakash Mandhaniya**  
Partner  
Membership No. 421679

Date:- June 28, 2021  
Place:- Mumbai

**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**

**Khushboo V. Jalan**  
ICSI Membership No.40853

**Chairman & Managing Director**

**Whole Time Director**

**Chief Financial Officer**

**Company Secretary**



# Standalone Statement of Profit and Loss for the year ended March 31, 2021

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

Particulars	Notes	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Income</b>			
Revenue from operations	29	20,987.68	24,760.92
Other income	30	216.96	708.50
<b>Total Income</b>		<b>21,204.64</b>	<b>25,469.42</b>
<b>Expenses</b>			
Cost of Materials consumed	31	16,644.38	14,843.49
Purchases of stock-in-trade	32	294.78	2,496.94
Changes in inventories of finished goods, work-in-progress and stock-in-trade	33	(1,051.84)	2,041.52
Employee benefits expense	34	959.25	1,290.40
Finance costs	35	3,008.65	3,165.56
Depreciation and amortisation expense	2 & 3	1,057.12	1,152.50
Other expenses	36	5,069.16	6,143.37
<b>Total Expenses</b>		<b>25,981.52</b>	<b>31,133.77</b>
<b>Profit / (Loss) for the year before tax</b>		<b>(4,776.88)</b>	<b>(5,664.35)</b>
Exceptional Items -(Loss)/Income		-	-
Prior period (income) / Expenses		-	-
<b>Profit / (Loss) for the year before tax</b>		<b>(4,776.88)</b>	<b>(5,664.35)</b>
<b>Tax expense :-</b>			
Current tax		-	-
Deferred tax charge / (Credit)	8	(66.34)	(1,455.64)
<b>Profit / (Loss) for the year (A)</b>		<b>(4,710.54)</b>	<b>(4,208.71)</b>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified to profit or loss			
Remeasurements gains/(losses) on defined benefit plan		(35.20)	45.11
Income tax effect on above		11.12	(14.26)
<b>Total other comprehensive income / (loss) for the year (B)</b>		<b>(24.08)</b>	<b>30.86</b>
<b>Total comprehensive income / (loss) for the year (A+B)</b>		<b>(4,734.62)</b>	<b>(4,177.85)</b>
Earnings per equity share of face value of ₹ 10 each fully paid up			
Basic ₹	37	(13.91)	(12.43)
Diluted ₹	37	(13.91)	(12.43)
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 A D V & Associates**  
Chartered Accountants  
Firm Registration No. 128045W

**Prakash Mandhaniya**  
Partner  
Membership No. 421679

Date:- June 28, 2021  
Place:- Mumbai

**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**

**Khushboo V. Jalan**  
ICSI Membership No.40853

**Chairman & Managing Director**

**Whole Time Director**

**Chief Financial Officer**

**Company Secretary**

# Standalone Statement of changes in equity for the year ended March 31, 2021

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

## (a) EQUITY SHARE CAPITAL

	Amt.
<b>Balance as at April 01, 2019</b>	<b>3,386.31</b>
Changes in equity during F.Y 2019-20	-
<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 March 31, 2021</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, 2019</b>	<b>10,309.89</b>	<b>366.46</b>	<b>2,366.78</b>	-	<b>13,043.12</b>
Addition during the year	-	-	-	-	-
Profit / (Loss) for the year	-	-	(4,208.71)	-	(4,208.71)
Other comprehensive income	-	-	-	30.86	30.86
<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>8,865.27</b>
Addition during the year	-	-	-	-	-
Profit / (Loss) for the year	-	-	(4,710.54)	-	(4,710.54)
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>(6,552.48)</b>	<b>6.78</b>	<b>4,130.65</b>

As per our attached report of even date  
**For A D V & Associates**  
 Chartered Accountants  
 Firm Registration No. 128045W

**Prakash Mandhaniya**  
 Partner  
 Membership No. 421679

Date:- June 28, 2021  
 Place:- Mumbai

**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**

**Khushboo V. Jalan**  
 ICSI Membership No.40853

**Company Secretary**

# Standalone Statement of Cash Flows for the year ended March 31, 2021

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

Particulars	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
<b>A. CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES:</b>		
Profit before tax	(4,812.08)	(5,619.23)
<b>Adjustments for :</b>		
Depreciation and amortisation	1,057.12	1,152.50
Interest expenses	3,008.65	3,165.56
(Profit)/Loss on sale of property, plant and equipments	20.86	(622.96)
Provision For Doubtful debts	150.00	134.68
Dividend income	-	(0.60)
Liability written back	(0.00)	0.06
<b>Cash Generated from operations before working capital changes</b>	<b>(575.44)</b>	<b>(1,790.01)</b>
(Increase) / Decrease in inventories	854.10	1,537.37
(Increase) / Decrease in trade receivables	1,865.46	5,225.06
(Increase) / Decrease in other non-current financial assets	(0.21)	(5.56)
(Increase) / Decrease in other non-current assets	143.75	(198.31)
(Increase) / Decrease in other current financial assets	272.90	13.97
(Increase) / Decrease in other current assets	555.31	(269.65)
Increase / (Decrease) in non-current provisions	85.81	6.54
Increase / (Decrease) in current provisions	621.12	391.32
Increase / (Decrease) in other non-current financial liabilities	(46.47)	(113.47)
Increase / (Decrease) in other current financial liabilities	(3,897.39)	(1,904.42)
Increase / (Decrease) in other current liabilities	582.90	(120.90)
(Increase) / Decrease in non current tax [net ]	151.85	(45.46)
Increase / (Decrease) in other assets held for sales	(72.70)	(214.83)
<b>Cash generated from operations</b>	<b>541.00</b>	<b>2,511.65</b>
Income taxes paid	-	-
<b>Net cash generated from / (used in) operating activities (A)</b>	<b>541.00</b>	<b>2,511.65</b>
<b>B. CASH FLOWS FROM / (USED IN) INVESTING ACTIVITIES:</b>		
Purchase of property, plant and equipment and additions to capital work in progress	(116.49)	(296.02)
Proceeds from sale of property, plant and equipment	148.60	2,540.76
Dividend received	-	0.60
Movement in bank balances other than cash and cash equivalents	541.40	274.77
<b>Net cash from / (used in) investing activities (B)</b>	<b>573.50</b>	<b>2,520.11</b>

# Standalone Statement of Cash Flows for the year ended March 31, 2021

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

Particulars	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
<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	(1,919.12)	(2,932.69)
Repayment of deposits	-	-
Proceeds from current borrowings	4,379.00	762.82
Interest paid	(3,008.65)	(3,165.56)
<b>Net cash from/(used in) financing activities (C)</b>	<b>(548.77)</b>	<b>(5,335.43)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>565.73</b>	<b>(303.66)</b>
<b>CASH AND CASH EQUIVALENTS, beginning of year</b>	<b>94.79</b>	<b>398.45</b>
Unrealised gain / (loss) on foreign currency cash and cash equivalents	-	-
<b>CASH AND CASH EQUIVALENTS, end of year</b>	<b>660.50</b>	<b>94.79</b>
<b>Components of cash and cash equivalents, as at March 31,2021</b>		
Cash on hand	15.29	14.03
Cash in current account	645.23	80.76
	<b>660.50</b>	<b>94.79</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.

As per our attached report of even date  
**For A D V & Associates**  
 Chartered Accountants  
 Firm Registration No. 128045W

**Prakash Mandhaniya**  
 Partner  
 Membership No. 421679

Date:- June 28, 2021  
 Place:- Mumbai

**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**

**Khushboo V. Jalan**  
 ICSI Membership No.40853

**Company Secretary**

# Notes to the Standalone Financial Statements for the year ended March 31, 2021

## 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>, 2021 were approved for issue in accordance with the resolution of the Board of Directors on June 28<sup>th</sup>, 2021.

### 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. Accordingly, the Company has adopted Ind AS 116, Leases with effect from 1<sup>st</sup> April, 2019 and it is detailed in note 1.14

### 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 41 & 42);
- Valuation of inventories (Refer note 10);

- Measurement of Defined Benefit Obligation, key actuarial assumptions (Refer note 40);
- Provisions and Contingencies (Refer note 22, 27 and 44) 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 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:

- 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 Amortization				Net Block		
	As at April 01, 2020	Additions	Disposal	Assets held for Sale	As at March 31, 2021	As at April 01, 2020	Depreciation charge for the year	Deduction / Transfer	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
Freehold Land	4,440.65	2.00	-	-	4,442.65	-	-	-	-	4,442.65	4,440.65
Leasehold land	161.81	-	-	-	161.81	11.43	2.82	-	14.25	147.56	150.38
Residential & Office Premises	5.00	-	-	-	5.00	0.37	0.09	-	0.46	4.54	4.63
Office & Godowns	578.94	-	-	-	578.94	58.38	11.35	-	69.73	509.20	520.56
Factory Buildings	2,825.66	10.27	-	-	2,835.93	201.46	54.14	-	255.60	2,580.33	2,624.20
Plant & Machinery	5,015.67	67.43	7.31	-	5,075.79	2,158.37	572.91	1.65	2,729.63	2,346.15	2,857.30
Dies & Moulds	1,858.04	17.17	3.51	-	1,871.70	659.63	194.41	2.89	851.15	1,020.55	1,198.40
Lab Equipments & Instruments	34.83	-	-	-	34.83	9.23	4.56	-	13.79	21.05	25.61
Office Equipments & Devices	58.87	-	-	-	58.87	30.33	9.00	-	39.33	19.54	28.54
Factory Equipments & Devices	235.42	0.64	-	-	236.05	109.74	45.20	-	154.94	81.11	125.68
Computers & Peripherals	64.15	6.18	-	-	70.34	41.38	8.95	-	50.33	20.00	22.77
Furniture & Fixtures	150.66	6.65	-	-	157.31	77.01	18.42	-	95.42	61.88	73.65
Electrical Fittings & Installations	358.88	5.48	0.00	-	364.36	176.02	52.52	-	228.55	135.81	182.86
Air condition	9.90	-	-	-	9.90	6.71	0.95	-	7.66	2.24	3.19
Transformer	66.98	0.60	-	-	67.58	22.51	5.91	-	28.42	39.16	44.47
Vehicles	563.82	-	18.57	-	545.25	267.71	58.30	10.01	316.00	229.25	296.12
Eot crane	23.00	-	-	-	23.00	6.80	10.19	-	16.99	6.01	16.20
Generator	12.99	-	-	-	12.99	4.14	6.54	-	10.68	2.31	8.85
<b>Total</b>	<b>16,465.28</b>	<b>116.42</b>	<b>29.39</b>	<b>-</b>	<b>16,552.30</b>	<b>3,841.23</b>	<b>1,056.27</b>	<b>14.55</b>	<b>4,882.95</b>	<b>11,669.35</b>	<b>12,624.04</b>
Capital Work In Progress	9.78	2.62	2.55	-	9.85	-	-	-	-	9.85	9.78

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

Particulars	Gross Block				Accumulated Amortization				Net Block		
	As at April 01, 2020	Additions	Disposal	Assets held for sales	As at March 31, 2021	As at April 01, 2020	Amortization charge for the year	Deduction / Transfer	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
Computer software	7.10	-	-	-	7.10	4.23	0.86	-	5.09	2.01	2.87
<b>Total</b>	<b>7.10</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7.10</b>	<b>4.23</b>	<b>0.86</b>	<b>-</b>	<b>5.09</b>	<b>2.01</b>	<b>2.87</b>

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

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Investment in subsidiary carried at cost</b>		
10,000 shares (March 31, 2020: 10,000) of KML Trade links 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, 2021	As at March 31, 2020
<b>A. Investment in equity shares at cost</b>		
<b>Unquoted, fully paid up</b>		
22,453 shares (March 31, 2020: 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, 2021	As at March 31, 2020
<b>Other financial assets carried at amortised cost</b>		
Security Deposits	89.39	89.19
<b>TOTAL</b>	<b>89.39</b>	<b>89.19</b>

#### Note 7

##### Non - current tax assets

Particulars	As at March 31, 2021	As at March 31, 2020
Advance for Income Tax (Net of Provision Tax Paid)	178.71	330.56
<b>TOTAL</b>	<b>178.71</b>	<b>330.56</b>

#### Note 8

##### Income taxes

##### (a) Tax recognised in profit and loss

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Current tax charge/(credit)</b>		
<b>Deferred tax charge/(credit), net</b>		
Origination and reversal of temporary differences.	(66.34)	(1,455.64)
<b>Deferred tax charge/(credit)</b>	<b>(66.34)</b>	<b>(1,455.64)</b>
<b>Tax charge/(credit) for the year</b>	<b>(66.34)</b>	<b>(1,455.64)</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, 2021			For the year ended March 31, 2020		
	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	(35.20)	11.12	(24.08)	15.40	(4.87)	10.53
<b>TOTAL</b>	<b>(35.20)</b>	<b>11.12</b>	<b>(24.08)</b>	<b>15.40</b>	<b>(4.87)</b>	<b>10.53</b>

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

Particulars	Net deferred tax assets/(Liabilities) as on March 31, 2021	Net deferred tax assets/(Liabilities) as on March 31, 2020
<b>Deferred tax asset/(liabilities)</b>		
Property, plant and equipment	(1,054.52)	(1,140.22)
Non current asset held for sale	-	-
Provision for doubtful debts	767.18	767.18
Expenses allowable for tax purposes when paid and Other item	87.56	135.72
Brought forward losses	3,907.74	3,894.82
Employee benefits	110.65	83.66
<b>Deferred tax assets/(liabilities)</b>	<b>3,818.61</b>	<b>3,741.15</b>

**Note 8.1**

The Company has currently recognised deferred tax assets in respect of deductible temporary differences arising during the quarter and year ended 31<sup>st</sup> March 2021 only except deferred tax assets on loss of current year, however the company may reassess the unrecognised deferred tax assets at the end of each reporting period and recognise a previously unrecognised deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

**Note 9**

**Other non - current assets**

Particulars	As at March 31, 2021	As at March 31, 2020
Prepaid Expense	57.81	102.01
Balance with Vat Authority	152.13	251.68
<b>Total</b>	<b>209.94</b>	<b>353.69</b>

**Note 10**

**Inventories**

Particulars	As at March 31, 2021	As at March 31, 2020
a) Raw Materials and components (Including Goods in transit)	704.89	2,556.01
b) Work-in-progress	7,305.41	5,451.01
c) Finished goods (Including Goods in transit)	6,770.73	7,559.95
d) Stock-in-trade	450.01	463.36
e) Stores and spares	452.58	507.40
<b>Total</b>	<b>15,683.62</b>	<b>16,537.73</b>

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

**Note 11****Trade receivables**

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good	8,342.08	10,830.88
Less:- Allowance for expected credit loss	(1,166.78)	(1,640.12)
	<b>7,175.30</b>	<b>9,190.76</b>
Unsecured, considered doubtful	1,156.82	706.39
Less:- Allowance for expected credit loss	(1,156.82)	-706.39
<b>Total</b>	<b>7,175.30</b>	<b>9,190.76</b>

**Note 12****Cash and cash equivalents**

Particulars	As at March 31, 2021	As at March 31, 2020
Cash and cash equivalents		
Balances with banks		
In current account	645.23	80.76
	645.23	80.76
Cash on hand	15.29	14.03
<b>Total</b>	<b>660.51</b>	<b>94.78</b>

**Note 13****Bank balances other than cash and cash equivalents**

Particulars	As at March 31, 2021	As at March 31, 2020
Deposits with banks (earmarked for electricity/Sales tax/Margin money)	284.89	825.19
Unclaimed dividend	1.35	2.46
<b>Total</b>	<b>286.25</b>	<b>827.65</b>

**Note 14****Loans**

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Other financial assets carried at amortised cost</b>		
Loan to employees	191.91	236.36
<b>Total</b>	<b>191.91</b>	<b>236.36</b>

**Note 15****Other current financial assets**

Particulars	As at March 31, 2021	As at March 31, 2020
Interest accrued and due on fixed deposits	-	0.13
Insurance receivable [ Including Key men]	39.45	72.72
<b>Recoverable in cash from :</b>		
- Other than related party	83.96	263.21
Security Deposits	520.30	536.09
<b>Total</b>	<b>643.71</b>	<b>872.16</b>



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

**Note 16****Other current assets**

Particulars	As at March 31, 2021	As at March 31, 2020
Raw material advance	391.87	704.49
Capital advances	252.78	312.06
Advance/claim recoverable for expenses	105.75	130.18
Prepaid expenses	80.58	140.59
Balance with Excise authority	93.68	143.35
Balance with VAT authority	39.90	89.19
<b>Total</b>	<b>964.55</b>	<b>1,519.86</b>

**Note 17****Assets held for sale**

Particulars	As at March 31, 2021	As at March 31, 2020
Land	1,165.12	1,165.12
Building	116.74	271.35
<b>Total</b>	<b>1,281.86</b>	<b>1,436.47</b>

**Note 18****Equity share capital**

Particulars	As at March 31, 2021		As at March 31, 2020	
	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, 2021		As at March 31, 2020	
	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 2021	As at March 31 2020
Securities premium	10,309.89	10,309.89
General reserve	366.46	366.46
Retained earnings	(6,552.48)	(1,841.94)
<b>Other Comprehensive Income</b>		
Remeasurements of net defined benefit plan	6.78	30.86
	<b>4,130.65</b>	<b>8,865.27</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, 2021	As at March 31, 2020
<b>Secured</b>		
Term loans from banks	1,259.52	3,128.51
Vehicle loans	32.68	68.58
	<b>1,292.20</b>	<b>3,197.09</b>
<b>Unsecured</b>		
Loans from others	271.57	285.80
	<b>271.57</b>	<b>285.80</b>
<b>Total</b>	<b>1,563.77</b>	<b>3,482.89</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 Creations 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]	01-Jan-17
IDBI Bank Ltd	800	BBR + 1.75%	60 [Monthly]	01-Jan-17
ICICI Bank Ltd	100	PNB BASE RATE + .75%	12 [Monthly]	31-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]	01-Jan-17
IDBI Bank Ltd	270.00	BBR + 0.75%	48 [Monthly]	01-Jan-17
Union Bank of India	150.00	11.00%	48 [Monthly]	01-Jan-17
ICICI Bank Ltd	15.00	PNB BASE RATE + 0.75%	48 [Monthly]	31-Jan-17

**Note 20.1**

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 Vithal Co-Op Bank Limited.

Further, the term loan and Cash Credit account of The Shamrao Vithal Co-Op Bank Limited are considered as Non-Performing Asset (NPA). The interest on the NPA accounts are not charged by the bank, however the Company has provided for the interest for the month of March, 2021. The principal outstanding is ₹ 392.34 Lakhs and interest default is ₹ 300.77 Lakhs in case of seven accounts which are considered as NPA by The Shamrao Vithal Co-Op Bank Limited. Further the accounts with three more banks are considered as NPA after the end of the financial year 2020-21.

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 for approval.

**Note 21**

**Non - current financial liabilities - others**

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Other financial liabilities carried at amortised cost</b>		
Sundry Deposits	187.38	233.85
<b>Total</b>	<b>187.38</b>	<b>233.85</b>

**Note 22**

**Non - current provisions**

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Provision for employee benefits (Refer note 40)</b>		
Gratuity	319.07	233.26
<b>Total</b>	<b>319.07</b>	<b>233.26</b>

**Note 23**

**Current financial liabilities - borrowings**

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Secured</b>		
<b>Working Capital Loans :</b>		
From Banks (Cash credit accounts) [Refer Note No. 20.1]	17,247.70	12,868.70
<b>Total</b>	<b>17,247.70</b>	<b>12,868.70</b>

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

#### Note 24

##### Current financial liabilities - Trade payables

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Trade payables</b>		
Total outstanding dues of micro enterprises and small enterprises	1,238.69	906.09
Total outstanding dues of creditors other than micro enterprises and small enterprises	5,153.55	11,236.67
<b>Total</b>	<b>6,392.24</b>	<b>12,142.76</b>

Trade payables include dues to private companies in which any director is a partner, director or a member is ₹ 24.04 lakhs (31 March 2020: ₹ 26.80 Lakhs)

#### Note 25

##### Current - Other financial liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Other financial liabilities carried at amortised cost</b>		
<b>Current maturities of long-term debt : -</b>		
Term Loans	3,373.16	1,015.56
Vehicle Loans	30.98	46.39
Other payable for Expenses	910.60	1,300.12
Payable towards Property, Plant & Equipment	154.56	259.97
Unclaimed dividends	1.35	2.46
<b>Unsecured</b>		
Loans from others - ICD	421.15	414.17
<b>Total</b>	<b>4,891.80</b>	<b>3,038.67</b>

#### Note 26

##### Other current liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
Advance from customers	1,044.66	759.44
Statutory dues	1,715.31	1,417.63
<b>Total</b>	<b>2,759.97</b>	<b>2,177.07</b>

#### Note 26.1

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 paying off the dues.

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

**Note 27****Current Provisions**

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Provision for employee benefits</b>		
Salary & Reimbursement	406.67	367.23
Gratuity	35.58	34.89
	<b>442.25</b>	<b>402.11</b>
<b>Other provisions</b>		
Provision for Expenses	1,552.02	971.04
	1,552.02	971.04
<b>Total</b>	<b>1,994.27</b>	<b>1,373.15</b>

**Note 28****Liabilities directly associated with assets classified as held for sale**

Particulars	As at March 31, 2021	As at March 31, 2020
Liabilities directly associated with assets classified as held for sale	-	72.70
<b>Total</b>	<b>-</b>	<b>72.70</b>

**Note 29****Revenue from operations**

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Sale of products</b>		
a) Manufactured goods	20,563.19	21,933.79
b) Traded goods	391.61	2,745.42
<b>Other operating revenues</b>		
Sales-Scrap	12.67	45.62
Sales -Other than empty bags	20.21	36.08
<b>Total</b>	<b>20,987.68</b>	<b>24,760.92</b>

**Note 30****Other income**

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Liability no longer required written back	0.00	(0.06)
Royalties Income	23.21	23.71
Rent including lease income	63.65	33.62
Profit on sale of assets	16.09	638.51
Recovery on sales & service	3.82	3.76
Job work income	85.52	-
Other miscellaneous income	0.56	3.09
Dividend income	-	0.60
Interest income - Other	24.10	5.27
<b>Total</b>	<b>216.96</b>	<b>708.50</b>



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

**Note 31****Cost of material consumed**

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Opening stock of raw materials	2,556.01	2,034.19
Add: Purchases of raw materials		
Resins & chemical	14,688.57	15,221.39
Carriage inwards	104.69	143.92
Less: Closing stock of raw materials	704.89	2,556.01
<b>Total</b>	<b>16,644.38</b>	<b>14,843.49</b>

**Note 32****Purchase of stock-in-trade**

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Purchase of stock-in-trade	294.78	2,496.94
<b>Total</b>	<b>294.78</b>	<b>2,496.94</b>

**Note 33****Changes in inventories of finished goods, work-in-progress and stock-in-trade**

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Opening Inventories		
Finished goods	7,559.95	12,734.29
Stock in trade	463.36	362.93
Work-in-progress	5,451.01	2,418.62
	<b>13,474.31</b>	<b>15,515.83</b>
Closing Inventories		
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>Total</b>	<b>(1,051.84)</b>	<b>2,041.52</b>

**Note 34****Employee benefit expenses**

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Salaries and wages	773.42	1,083.70
Staff welfare expenses	67.62	96.73
Contribution to provident and other funds	43.19	51.32
Gratuity fund contributions	75.02	58.65
<b>Total</b>	<b>959.25</b>	<b>1,290.40</b>

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

**Note 35****Finance cost**

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest expense		
On Borrowing	538.06	751.42
On working capital facility	2,036.23	1,510.75
On purchase	367.23	812.84
On vehicle loan	7.83	15.73
Bank charges & processing fees	61.18	74.82
Foreign Currency gain	(1.87)	-
<b>Total</b>	<b>3,008.65</b>	<b>3,165.56</b>

**Note 36****Other expenses**

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>MANUFACTURING EXPENSES</b>		
Labour cost	1,383.84	1,424.26
Power and fuel	1,074.40	1,253.00
Consumption of packing material	254.86	326.07
Consumption of stores and spare parts	172.57	185.73
<b>Repair &amp; Maintenance</b>		
- Plant & Machinery	75.69	103.72
- Buildings	48.34	36.54
Security expenses	51.95	70.23
Laboratory expenses	15.52	34.38
Insurance- Plant & Machinery	22.14	21.64
License & Renewal charges	12.50	10.50
Factory expenses	10.36	11.59
<b>Total - A</b>	<b>3,122.17</b>	<b>3,477.67</b>
<b>ADMINISTRATIVE, SELLING &amp; DISTRIBUTION EXPENSES</b>		
Cartage outwards	414.92	732.24
Travelling & Conveyance expenses	113.29	265.51
Sales promotion expenses	30.66	59.86
Advertisement expenses	71.07	163.64
Legal and Professional	90.13	144.69
Commission & Brokerage	345.04	505.91
Rates and Taxes	352.80	267.91
Loading & Unloading	97.03	103.09
General expenses	45.01	44.60
Rent	92.91	96.27
Telephone & Postage	20.31	29.36
Printing & Stationery	0.50	19.85
<b>Repair &amp; Maintenance</b>		
- Office	7.50	3.86
- Motor car	9.22	8.32
Electricity charges	20.55	19.93

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

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Insurance - Other	25.61	26.16
Security expenses other than plant	9.66	7.29
<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	0.15	3.39
Charity & Donation	0.64	1.36
Membership & Subscription	0.21	1.20
Books & Periodical	0.00	0.09
Sundry balance written off	0.80	(1.04)
Provision for doubtful debts	150.00	134.68
Loss on sale of fixed assets	36.95	15.54
<b>Total - B</b>	<b>1,946.99</b>	<b>2,665.71</b>
<b>Total (A+B)</b>	<b>5,069.16</b>	<b>6,143.38</b>

**Note 37****Earnings per share**

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit / (loss) attributable to equity share holders of the Company	(4,710.54)	(4,208.71)
<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>(13.91)</b>	<b>(12.43)</b>
Earnings per share - Diluted in Rupees	<b>(13.91)</b>	<b>(12.43)</b>

**Note 38****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 116 - Property, Plant & Equipments.

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

### Note 39

#### 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

Zitura Investment & Finance Pvt Ltd

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

Polsons Traders LLP

Jaisal Venture LLP

**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**

Sunil Goyal \*

Praveen Kumar Tripathi \*

H. S. Upendra Kamath \*

Urvashi Dharadhar

Dinesh Modi \*

Prashant Deshmukh \*

Jhumarlal Bhalgat \*

Ravi Kant Jagetiya \*

Narendra Kumar Poddar\*

**\*Note: 1.** Ms. Sunil Goyal Independent Director of the Company has resigned from the directorship w.e.f. 4<sup>th</sup> September, 2019

**\*Note: 2.** Mr. Upendra Kamath Independent Director of the Company has resigned from the directorship w.e.f. 17<sup>th</sup> October, 2019

**\*Note: 3.** Mr. Praveen Kumar Tripathi Independent Director of the Company has resigned from the directorship w.e.f. 17<sup>th</sup> february, 2020

**\*Note: 4.** 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: 5.** Mr. Jhumarlal Bhalgat, Independent Director of the company appointed w.e.f 14<sup>th</sup> February, 2020.

**\*Note: 6.** Mr. Dinesh Modi, Independent Director of the company appointed w.e.f 23<sup>rd</sup> June, 2020.

**\*Note: 7.** Mr. Ravi Kant Jagetiya, Independent Director of the company appointed w.e.f 13<sup>th</sup> July, 2020 and resigned from the directorship w.e.f. 18<sup>th</sup> November, 2020.

**\*Note: 8.** Mr. Narendra Kumar Poddar, Additional Director (Independent Director) of the company appointed w.e.f 12<sup>th</sup> February, 2021.

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

f)	Transactions with related parties during the year	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>i)</b>	<b>Sitting fees</b>		
	Non Executive Director	3.05	3.30
<b>ii)</b>	<b>Salary</b>		
	Relatives of key managerial personnel	15.24	16.94
<b>iii)</b>	<b>Rent Received</b>		
	Subsidiary	1.20	1.20
<b>iv)</b>	<b>Investment</b>		
	Subsidiary	1.00	1.00
<b>v)</b>	<b>Other expenses</b>		
	Professional service rendered during the period	3.07	-
	Re-imbursement of expenses to Non -Executive Director	-	0.03
	Entities where control/significant influence by Director [Rent]	42.00	42.00
<b>vi)</b>	<b>Income</b>		
	Subsidiary	-	11.63
<b>vii)</b>	<b>Purchase Transaction</b>		
	Subsidiary	-	10.18
<b>g)</b>	<b>Related party balances</b>	<b>As at March 31, 2021</b>	<b>As at March 31, 2020</b>
<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	24.04	26.80
	Entites where control/significant influence by Director	47.66	8.53
	Entites where control/significant influence by Director- Rent Deposit	350.00	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	-
	Entites where control/significant influence by Director	-	252.29
	Key Managerial Personnel	5.92	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 40

### 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, 2021	For the year ended March 31, 2020
	Gratuity (Funded)	
<b>I Expenses recognised in profit or loss :-</b>		
1 Current Service Cost	34.89	34.59
2 Interest cost	16.42	18.62
3 Past Service Cost	-	-
<b>Total Expenses</b>	<b>51.30</b>	<b>53.20</b>
<b>II Expenses recognised in Other Comprehensive Income</b>		
1 Actuarial changes arising from changes in demographic assumptions	-	16.03
2 Actuarial changes arising from changes in financial assumptions	-	(0.05)
3 Actuarial changes arising from changes in experience adjustments	35.09	(61.50)
4 Return on plan assets excluding amounts included in interest income	0.11	0.40
<b>Total Expenses</b>	<b>35.20</b>	<b>(45.11)</b>
<b>III Reconciliation of defined benefit obligation</b>		
Defined Obligations at the beginning of the year	293.72	302.22
Current Service Cost	34.89	34.59
Interest cost	18.21	20.81
Actuarial changes arising from changes in financial assumptions	-	16.03
Actuarial changes arising from changes in experience adjustments	-	(0.05)
Actuarial changes arising from changes in experience adjustments	35.09	(61.50)
Benefit paid	-	(18.39)
<b>Net asset / (liability) at the end of the year</b>	<b>381.90</b>	<b>293.72</b>
<b>IV Reconciliation of plan assets</b>		
Opening value of plan assets	25.58	29.20
Interest Income	1.79	2.20
Return on plan assets excluding amounts included in interest income	(0.11)	(0.40)
Contributions by employer	-	-
Benefits paid	-	(5.42)
<b>Closing value of plan assets</b>	<b>27.25</b>	<b>25.58</b>

(Plan assets comprise 100% of insurance policies)



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

Particulars	As at March 31, 2021	As at March 31, 2020
<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	370.81	284.57
(ii) 0.5 percent point decrease in discount rate	(393.79)	(303.53)
(iii) 0.5 percent point increase in rate of salary increase	393.77	303.52
(iv) 0.5 percent point decrease in rate of salary increase	(370.71)	(284.49)
(v) 10 percent point increase in withdrawal rate	382.24	293.85
(vi) 10 percent point decrease in withdrawal rate	(381.49)	(293.53)
<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	40.86	31.48
2 <sup>nd</sup> following year	24.27	18.74
3 <sup>rd</sup> following year	26.40	19.25
4 <sup>th</sup> following year	31.85	21.47
5 <sup>th</sup> following year	24.13	26.47
Years 6 to 10	118.03	96.41
<b>VII Net Asset / (Liability) recognised as at balance sheet date:</b>		
1 Present value of defined benefit obligation	381.90	293.72
2 Fair value of plan assets	27.25	25.58
3 Net Asset /(Liability)	(354.64)	(268.14)
<b>VIII Actuarial Assumptions:</b>		
1 Discount rate	6.55%	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- 34 under "Employee benefit expenses" : Gratuity ₹ 75.02 lakhs (Previous year - ₹ 58.65 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 34 - "Contribution to provident and other funds" ₹ 43.19 lakhs (Previous year - ₹ 51.32 lakhs).

### Note 41

#### 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, 2021	Carrying Value	
	Amortised Cost	Total
<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>
<b>Particulars</b>		
Borrowings	18,811.47	18,811.47
Deposits	187.38	187.38
Trade payables	6,392.24	6,392.24
Other financial liabilities	4,891.80	4,891.80
<b>Total</b>	<b>30,282.89</b>	<b>30,282.89</b>
As at March 31, 2020	Carrying Value	
	Amortised Cost	Total
<b>Financial Assets</b>		
Other Non Current Investments	6.56	6.56
Security deposits	625.28	625.28
Loans to Employees	236.36	236.36
Trade receivables	9,190.76	9,190.76
Cash and cash equivalents	94.78	94.78
Bank balance (other than Cash and cash equivalents)	827.65	827.65
Other Current Financial Asset	336.07	336.07
<b>Total</b>	<b>11,317.46</b>	<b>11,317.46</b>
Borrowings	16,351.59	16,351.59
Deposits	233.85	233.85
Trade payables	12,142.76	12,142.76
Other financial liabilities	3,038.67	3,038.67
<b>Total</b>	<b>31,766.87</b>	<b>31,766.87</b>

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

## Note 42

### Financial risk management

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

- Credit risk ;
- Liquidity risk ; and
- Market 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, 2021	As at March 31, 2020
Normal	6,018.48	8,484.38
Legal	1,156.82	706.39
Provsion For Doubtfull Debts	2,323.60	2,346.51
<b>Total</b>	<b>9,498.90</b>	<b>11,537.27</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 are past due are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk.

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

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

Particulars	As at March 31, 2021	As at March 31, 2020
Opening Balance	2,346.51	2,211.82
Changes during the year	150.00	134.69
written off against the Provision	172.91	-
<b>Closing Bal</b>	<b>2,323.60</b>	<b>2,346.51</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, 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>29,823.95</b>	<b>29,823.95</b>	<b>28,531.75</b>	<b>1,292.20</b>	<b>-</b>
<b>As at March 31, 2020</b>					
<b>Non-derivative financial liabilities</b>					
Term loans from banks/Financial Institutions (including interest)	4,144.07	4,144.07	1,015.56	3,128.51	-
Vehicle loan	114.97	114.97	46.39	68.58	-
Working capital loans from banks	12,868.70	12,868.70	12,868.70	-	-
Trade payables and Other Current Financial Liabilities	14,192.19	14,192.19	14,192.19	-	-
<b>Total</b>	<b>31,319.91</b>	<b>31,319.92</b>	<b>28,122.83</b>	<b>3,197.09</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	Impact on Profit/(loss)- Increase/(Decrease) in Profit	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Particulars		
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.

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

#### 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, 2021			As at March 31, 2020		
		Amount in Foreign Currency	Exchange Rate	₹ in lakhs	Amount in Foreign Currency	Exchange Rate	₹ in lakhs
Trade Payables	USD		NIL			NIL	

#### Note 43

##### 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, 2021	As at March 31, 2020
Total Borrowings (including accrued interest)	22,215.61	17,413.54
Less : Cash and cash equivalents, Bank balance and Current investment	953.33	928.99
<b>Adjusted net debt</b>	<b>21,262.29</b>	<b>16,484.54</b>
<b>Adjusted equity</b>	<b>7,516.96</b>	<b>12,251.58</b>
Adjusted net debt to adjusted equity ratio	2.83	1.35

#### Note 44

##### Contingent Liabilities and Commitments (to the extent not provided for)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Contingent Liabilities</b>		
Sales tax liabilities	1,322.32	3,237.19
Guarantees given by Banks and Financial Institutions	238.18	628.18

#### Note 45

Impact of COVID - 19 and Future Outlook:- The World Health Organization (WHO) declared the novel Coronavirus disease (COVID-19) outbreak a global pandemic on March 11<sup>th</sup>, 2020. COVID-19 pandemic has been rapidly spreading throughout the world, including India. Government in India has taken significant measures to curb the spread of the virus including imposing mandatory lockdowns and restriction in activities. As a result of lockdown, the company manufacturing remained on halt from March 22, 2020 and the company commence its partial resumption of operations w.e.f. June 08, 2020.

COVID-19 has impacted the normal business operations of the Company by way of interruption in production, delay and re-schedule of scheduled Dispatches of finished goods, closure of production facilities etc. during the lock-down period. However, production has commenced on June 08, 2020 at our manufacturing facility located at Boisar and Silvassa - Khadoli with limited capacity and man power after allowing restricted / limited



permissions by the appropriate government authorities. We have also taken necessary precautions to ensure the health, hygiene, safety, and wellbeing of all our employees as well as put in place SOPs and guidelines as per state government directives to prevent the spread of COVID-19.

The Company is closely monitoring the emerging situation arising out of COVID-19 and the disruption is unforeseen and beyond the control of the company & resultant restrictions imposed by the regulatory authorities. It is possible neither to foresee the duration for which this pandemic will last, nor predict its course. Nevertheless, the Company is making every effort to ensure that the aftereffects are dealt with. In view of the prevailing uncertainty, no precise estimation can be made about overall impact of this pandemic.

Management believes that it has taken into account all the possible impacts of known events arising from COVID-19 pandemic and the resultant lockdowns in the preparation of the financial statement including but not limited to its assessment of group liquidity and going concern, recoverable values of its property, plant and equipment, intangible assets and the net realisable values of other assets. However, given the effect of these lockdown on the overall economic activity and in particular on the automotive industry, the impact assessment of COVID-19 on the above mentioned financial statement captions is subject to significant estimation uncertainties given its nature and duration and, accordingly, the actual impact in future may be different from those estimated as at the date of approval of these financial statements. The company will continue to monitor any material changes to future economic conditions and consequential impact on its financial result.

There has been no material impact on the internal financial reporting and controls of the company with all controls applied digitally. As operations of the company is coming to normal gradually, company do not foresee any material impact in terms of profitability of its products. However, it is difficult at this stage to assess the impact of COVID-19 on the revenue and profitability for the quarter and year ended of F.Y. 2021-2022. Enough caution is applied toward minimizing the costs so as to bring in cost discipline. The situation is changing rapidly giving rise to inherent uncertainty around the extent and timing of the potential future impact of the COVID-19 which may be different from that estimated as at the date of approval of these financial results. The Company will continue to closely monitor any material changes arising of future economic conditions and impact on its business.

#### Note 46

Figures of the previous periods have been regrouped and reclassified to confirm to the classification of current period, wherever considered necessary.

As per our attached report of even date

**For A D V & Associates**

Chartered Accountants

Firm Registration No. 128045W

**Prakash Mandhaniya**

Partner

Membership No. 421679

**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**

**Khushboo V. Jalan**

ICSI Membership No.40853

**Company Secretary**

Date:- June 28, 2021

Place:- Mumbai

# 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, 2021, 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, 2021, 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

1. We draw attention to note 19.1 to the consolidated financial Statement, which states that 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 Limited. Further, the accounts are considered as Non-Performing Asset (NPA) by The Shamrao Vithal Co-Op Bank Limited.

Further as the borrowings is considered as NPA in March 2021 no interest has been charged by the bank since then, however the Company has provided for interest for the month of March 2021 on these borrowings. The principal outstanding

is ₹ 392.34 Lakhs and interest default is of ₹ 300.77 Lakhs in case of seven accounts which are considered as NPA by The Shamrao Vithal Co-Op Bank Limited.

Further the accounts with three more banks are categorized as NPA after the end of the financial year 2020-21. The management has approached all banks for considering the proposal of restructuring.

2. 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

1. We draw attention to note 7.1 of the consolidated financial statement, which states that the Company has a total deferred tax asset of ₹ 3818.58 Lakhs as at March 31, 2021. As per the requirements of Ind AS 12, based on financial projections prepared by the Company and approved by the Board of Directors, the Company has assessed that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. The Company expects to have a taxable profit for the future years. Our conclusion is not modified in respect of this matter.

CORPORATE OVERVIEW	STATUTORY REPORTS	<b>FINANCIAL STATEMENTS</b>	NOTICE
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2. We draw your attention to Note 44 of the consolidated financial statement, which describe the Management's assessment of the impact of COVID-19 pandemic and the resultant lockdowns on the significant uncertainties involved in developing some of the estimates involved in preparation of the financial statements including but not limited to its assessment of liquidity and going concern, recoverable value of its property, plant and equipment and the net realisable value of other assets. Based on information available as of the date, Management believes that no further adjustments are required to the financial statements. However, in view of the highly uncertain economic impacting the industry, a definitive assessment of the impact is highly dependent upon circumstances as they evolve

in future and the actual result may differ from those estimated as at the date of approval of these financial statements. Our opinion is not modified in respect of this matter.

### 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

1. 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 Consolidated 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 2021. 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, based on our audit 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 2021 taken on record by the Board of Directors none of the directors is disqualified as on March 31 2021 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 2021 on its financial position in its consolidated financial statements - Refer Note 43 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 has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;
- iv. The disclosures in the consolidated financial statements regarding holdings as well as dealings in specified bank notes during the period from November 8 2016 to December 30 2016 have not been made in these consolidated financial statements since they do not pertain to the financial year ended March 31 2021.

(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 **A D V & Associates**  
Chartered Accountants  
Firm Registration No. 128045W

**Sd/-**  
**Prakash Mandhaniya**  
Partner  
Membership No. 421679  
UDIN: 21421679AAAABW1330

Mumbai  
June 28, 2021



# Annexure “A” to the Independent Auditor’s Report on the Consolidated Financial Statements of Kisan Mouldings Limited for the year ended March 31, 2021

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, 2021, 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, 2021, 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 A D V & Associates**

Chartered Accountants

Firm Registration No. 128045W

**Sd/-**

**Prakash Mandhaniya**

Partner

Membership No. 421679

UDIN: 21421679AAAABW1330

Mumbai

June 28, 2021

## 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, 2021 (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	21203.44	21203.44
	2	Total Expenditure	25989.01	25989.01
	3	Net Profit/(LOSS)	(4743.34)	(4743.34)
	4	Earnings per share	(13.94)	(13.94)
	5	Total Assets	43015.18	43015.18
	6	Total Liabilities	43015.18	43015.18
	7	Net Worth	7552.95	7552.95
	8	Any other Financial item(s) (as felt appropriate by the Management)	-	-
<b>II. Audit Qualification (each audit qualification separately):</b>				
	a.	Details of Audit Qualification: Credit Facilities availed from four consortium banks turned NPA		
	b.	Type of Audit Qualification: Qualified opinion		
	c.	Frequency of qualification: First 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		

### III. Signatories:

For and on Behalf of  
**A D V & Associates**  
 Chartered Accountants  
 (FRN. 128045W)

**Sd/-**  
**Prakash Mandhaniya**  
 Partner  
 Membership No. 421679

**Sd/-**  
**Urvashi Dharadhar**

**Chairperson of Audit Committee**

**Sd/-**  
**Sanjeev Aggarwal**  
 (DIN: 00064076)

**Chairman & Managing Director**

Date:- June 28, 2021  
 Place:- Mumbai

**Sd/-**  
**Suresh Purohit**

**Chief Financial Officer**

# Consolidated Balance sheet as at March 31, 2021

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

Particulars	Notes	As at March 31, 2021	As at March 31, 2020
<b>ASSETS</b>			
<b>Non - Current Assets</b>			
Property, plant and equipment	2	11,669.37	12,624.04
Capital work-in-progress	2	9.85	9.78
Intangible assets	3	2.01	2.87
Financial assets			
Investments	4	6.56	6.56
Other financial assets	5	89.39	89.19
Non-current tax assets (net)	6	178.81	332.40
Deferred tax assets (net)	7	3,818.58	3,741.19
Other non-current assets	8	210.93	353.69
		<b>15,985.52</b>	<b>17,159.71</b>
<b>Current assets</b>			
Inventories	9	15,683.62	16,537.73
Financial assets			
Trade receivables	10	7,232.84	9,251.39
Cash and cash equivalents	11	666.10	99.68
Bank balances other than cash and cash equivalents mentioned above	12	286.25	827.65
Loans	13	191.91	236.36
Other financial assets	14	722.53	954.52
Other current assets	15	964.55	1,519.86
Assets classified as held for sale	16	1,281.86	1,436.47
		<b>27,029.66</b>	<b>30,863.65</b>
<b>TOTAL</b>		<b>43,015.18</b>	<b>48,023.37</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity share capital	17	3,386.31	3,386.31
Other equity	18	4,166.64	8,909.98
<b>Total Equity</b>		<b>7,552.95</b>	<b>12,296.29</b>
<b>LIABILITIES</b>			
<b>Non - Current Liabilities</b>			
Financial liabilities			
Borrowings	19	1,564.77	3,483.89
Other financial liabilities	20	187.38	233.85
Provisions	21	319.07	233.26
		<b>2,071.22</b>	<b>3,950.99</b>
<b>Current liabilities</b>			
Financial liabilities			
Borrowings	22	17,247.70	12,868.70
Trade payables	23	6,461.61	12,197.69
Other financial liabilities	24	4,927.47	3,086.44
Other current liabilities	25	2,759.97	2,177.40
Provisions	26	1,994.27	1,373.15
Liabilities directly associated with assets classified as held for sale	27	-	72.70
		<b>33,391.02</b>	<b>31,776.08</b>
<b>TOTAL</b>		<b>43,015.18</b>	<b>48,023.36</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 A D V & Associates**  
Chartered Accountants  
Firm Registration No. 128045W

**Prakash Mandhaniya**  
Partner  
Membership No. 421679

Date:- June 28, 2021  
Place:- Mumbai

**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**

**Khushboo V. Jalan**  
ICSI Membership No.40853

**Chairman & Managing Director**

**Whole Time Director**

**Chief Financial Officer**

**Company Secretary**

# Consolidated Statement of Profit and Loss for the year ended March 31, 2021

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

Particulars	Notes	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Income</b>			
Revenue from operations	28	20,987.68	24,765.48
Other income	29	215.76	708.50
<b>Total Income</b>		<b>21,203.44</b>	<b>25,473.98</b>
<b>Expenses</b>			
Cost of Materials consumed	30	16,644.38	14,843.49
Purchases of stock-in-trade	31	294.78	2,501.45
Changes in inventories of finished goods, work-in-progress and stock-in-trade	32	(1,051.84)	2,041.52
Employee benefits expense	33	959.25	1,290.40
Finance costs	34	3,014.81	3,175.14
Depreciation and amortisation expense	2 & 3	1,057.12	1,152.50
Other expenses	35	5,070.50	6,134.44
<b>Total Expenses</b>		<b>25,989.01</b>	<b>31,138.93</b>
<b>Profit / (Loss) for the year before tax</b>		<b>(4,785.57)</b>	<b>(5,664.96)</b>
Exceptional Items -(Loss)/Income		-	-
Prior period (income) / Expenses		-	-
<b>Profit / (Loss) for the year before tax</b>		<b>(4,785.57)</b>	<b>(5,664.96)</b>
<b>Tax expense :-</b>			
Current tax		-	-
Deferred tax charge / (Credit)	7	(66.30)	(1,455.67)
<b>Profit / (Loss) for the year (A)</b>		<b>(4,719.26)</b>	<b>(4,209.29)</b>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified to profit or loss			
Remeasurements gains/(losses) on defined benefit plan		(35.20)	45.11
Income tax effect on above		11.12	(14.26)
<b>Total other comprehensive income / (loss) for the year (B)</b>		<b>(24.08)</b>	<b>30.86</b>
<b>Total comprehensive income / (loss) for the year (A+B)</b>		<b>(4,743.34)</b>	<b>(4,178.43)</b>
Earnings per equity share of face value of ₹ 10 each fully paid up			
Basic ₹	36	(13.94)	(12.43)
Diluted ₹	36	(13.94)	(12.43)
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 A D V & Associates**  
Chartered Accountants  
Firm Registration No. 128045W

**Prakash Mandhaniya**  
Partner  
Membership No. 421679

Date:- June 28, 2021  
Place:- Mumbai

**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**

**Khushboo V. Jalan**  
ICSI Membership No.40853

**Chairman & Managing Director**

**Whole Time Director**

**Chief Financial Officer**

**Company Secretary**

# Consolidated Statement of changes in equity for the year ended March 31, 2021

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

## (a) EQUITY SHARE CAPITAL

	Amt.
<b>Balance as at April 01, 2019</b>	<b>3,386.31</b>
Changes in equity during F.Y 2019-20	-
<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 March 31, 2021</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 31,2019</b>	<b>10,309.89</b>	<b>366.46</b>	<b>2,390.98</b>	<b>21.08</b>	<b>13,088.41</b>
Addition during the year	-	-	-	-	-
Profit / (Loss) for the year	-	-	(4,209.29)	-	(4,209.29)
Other comprehensive income	-	-	-	30.86	30.86
<b>Balance as on March 31,2020</b>	<b>10,309.89</b>	<b>366.46</b>	<b>(1,818.31)</b>	<b>51.94</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>(6,537.57)</b>	<b>27.86</b>	<b>4,166.64</b>

As per our attached report of even date  
**For A D V & Associates**  
 Chartered Accountants  
 Firm Registration No. 128045W

**Prakash Mandhaniya**  
 Partner  
 Membership No. 421679

Date:- June 28, 2021  
 Place:- Mumbai

**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**

**Khushboo V. Jalan**  
 ICSI Membership No.40853

**Company Secretary**



# Consolidated Statement of Cash Flows for the year ended March 31, 2021

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

Particulars	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
<b>A. CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES:</b>		
Profit before tax	<b>(4,820.77)</b>	<b>(5,619.84)</b>
<b>Adjustments for :</b>		
Depreciation and amortisation	1,057.12	1,152.50
Interest expenses	3,014.81	3,175.14
(Profit)/Loss on sale of property, plant and equipments	20.86	(622.96)
Provision For Doubtful debts	150.00	134.68
Dividend income	-	(0.60)
Liability written back	(0.00)	0.06
<b>Cash Generated from operations before working capital changes</b>	<b>(577.98)</b>	<b>(1,781.03)</b>
(Increase) / Decrease in inventories	854.10	1,537.37
(Increase) / Decrease in trade receivables	1,868.55	5,278.40
(Increase) / Decrease in other non-current financial assets	(0.21)	(5.56)
(Increase) / Decrease in other non-current assets	142.76	(198.31)
(Increase) / Decrease in other current financial assets	276.45	(68.39)
(Increase) / Decrease in other current assets	555.31	(269.40)
Increase / (Decrease) in non-current provisions	85.81	6.54
Increase / (Decrease) in current provisions	621.12	391.32
Increase / (Decrease) in other non-current financial liabilities	(46.47)	(113.47)
Increase / (Decrease) in other current financial liabilities	(3,895.06)	(1,888.21)
Increase / (Decrease) in other current liabilities	582.57	(119.91)
(Increase) / Decrease in non current tax [net]	153.58	(48.34)
Increase / (Decrease) in other assets held for sales	(72.70)	(214.83)
<b>Cash generated from operations</b>	<b>547.84</b>	<b>2,506.18</b>
Income taxes paid	-	-
<b>Net cash generated from / (used in) operating activities (A)</b>	<b>547.84</b>	<b>2,506.18</b>
<b>B. CASH FLOWS FROM / (USED IN) INVESTING ACTIVITIES:</b>		
Purchase of property, plant and equipment and additions to capital work in progress	(116.49)	(296.02)
Proceeds from sale of property, plant and equipment	148.60	2,540.76
Dividend received	-	0.60
Movement in bank balances other than cash and cash equivalents	541.40	274.77
<b>Net cash from / (used in) investing activities (B)</b>	<b>573.50</b>	<b>2,520.11</b>

# Consolidated Statement of Cash Flows for the year ended March 31, 2021

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

Particulars	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
<b>C. CASH FLOWS FROM / (USED IN) FINANCING ACTIVITIES:</b>		
Repayment of non-current borrowings	(1,919.12)	(2,931.69)
Proceeds from current borrowings	4,379.00	762.82
Interest paid	(3,014.81)	(3,175.14)
<b>Net cash from/(used in) financing activities (C)</b>	<b>(554.92)</b>	<b>(5,344.01)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>566.42</b>	<b>(317.71)</b>
<b>CASH AND CASH EQUIVALENTS, beginning of year</b>	<b>99.69</b>	<b>417.40</b>
Unrealised gain / (loss) on foreign currency cash and cash equivalents	-	-
<b>CASH AND CASH EQUIVALENTS, end of year</b>	<b>666.09</b>	<b>99.68</b>
<b>Components of cash and cash equivalents, as at March 31,2021</b>		
Cash on hand	20.14	18.88
Cash in current account	645.96	80.80
	<b>666.09</b>	<b>99.69</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.

As per our attached report of even date  
**For A D V & Associates**  
 Chartered Accountants  
 Firm Registration No. 128045W

**Prakash Mandhaniya**  
 Partner  
 Membership No. 421679

Date:- June 28, 2021  
 Place:- Mumbai

**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**

**Khushboo V. Jalan**  
 ICSI Membership No.40853

**Company Secretary**

# Notes to the Consolidated Financial Statements for the year ended March 31, 2021

## 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 2021	As at 31 <sup>st</sup> March 2020
KML Trade links Private Limited	India	Trading in PVC and granual Products.	100%	100%

## BASIS OF PREPARATION AND MEASUREMENT

### A. Basis of preparation

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>, 2021 were approved for issue in accordance with the resolution of the Board of Directors on June 28<sup>th</sup>, 2021.

**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. Accordingly, the Group has adopted Ind AS 116, Leases with effect from 1<sup>st</sup> April, 2019 and it is detailed in note 1.13

**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 40 & 41);
- 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) and

- 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 recognised 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 Amortization				Net Block		
	As at April 01, 2020	Additions	Disposal	Assets held for Sale	As at March 31, 2021	As at April 01, 2020	Depreciation charge for the year	Deduction / Transfer	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
Freehold Land	4,440.65	2.00	-	-	4,442.65	-	-	-	-	4,442.65	4,440.65
Leasehold land	161.81	-	-	-	161.81	11.43	2.82	-	14.25	147.56	150.38
Residential & Office Premises	5.00	-	-	-	5.00	0.37	0.09	-	0.46	4.54	4.63
Office & Godowns	578.94	-	-	-	578.94	58.38	11.35	-	69.73	509.20	520.56
Factory Buildings	2,825.66	10.27	-	-	2,835.93	201.46	54.14	-	255.60	2,580.33	2,624.20
Plant & Machinery	5,015.67	67.43	7.31	-	5,075.79	2,158.37	572.91	1.65	2,729.63	2,346.15	2,857.30
Dies & Moulds	1,858.04	17.17	3.51	-	1,871.70	659.63	194.41	2.89	851.15	1,020.55	1,198.40
Lab Equipments & Instruments	34.83	-	-	-	34.83	9.23	4.56	-	13.79	21.05	25.61
Office Equipments & Devices	58.87	-	-	-	58.87	30.33	9.00	-	39.33	19.54	28.54
Factory Equipments & Devices	235.42	0.64	-	-	236.05	109.74	45.20	-	154.94	81.11	125.68
Computers & Peripherals	64.15	6.18	-	-	70.34	41.38	8.95	-	50.33	20.00	22.77
Furniture & Fixtures	150.66	6.65	-	-	157.31	77.01	18.42	-	95.42	61.88	73.65
Electrical Fittings & Installations	358.88	5.48	0.00	-	364.36	176.02	52.52	-	228.55	135.81	182.86
Air condition	9.90	-	-	-	9.90	6.71	0.95	-	7.66	2.24	3.19
Transformer	66.98	0.60	-	-	67.58	22.51	5.91	-	28.42	39.16	44.47
Vehicles	563.82	-	18.57	-	545.25	267.71	58.30	10.01	316.00	229.25	296.12
Eot crane	23.00	-	-	-	23.00	6.80	10.19	-	16.99	6.01	16.20
Generator	12.99	-	-	-	12.99	4.14	6.54	-	10.68	2.31	8.85
<b>Total</b>	<b>16,465.28</b>	<b>116.42</b>	<b>29.39</b>	<b>-</b>	<b>16,552.30</b>	<b>3,841.23</b>	<b>1,056.27</b>	<b>14.55</b>	<b>4,882.95</b>	<b>11,669.37</b>	<b>12,624.04</b>
Capital Work In Progress	9.78	2.62	2.55	-	9.85	-	-	-	-	9.85	9.78

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

Particulars	Gross Block				Accumulated Amortization				Net Block		
	As at April 01, 2020	Additions	Disposal	Assets held for sales	As at March 31, 2021	As at April 01, 2020	Amortization charge for the year	Deduction / Transfer	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
Computer software	7.10	-	-	-	7.10	4.23	0.86	-	5.09	2.01	2.87
<b>Total</b>	<b>7.10</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7.10</b>	<b>4.23</b>	<b>0.86</b>	<b>-</b>	<b>5.09</b>	<b>2.01</b>	<b>2.87</b>

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

#### Note 4

##### Non-current financial assets - Investments

Particulars	As at March 31, 2021	As at March 31, 2020
<b>A. Investment in equity shares at cost</b>		
<b>Unquoted, fully paid up</b>		
22,453 shares (March 31, 2020: 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, 2021	As at March 31, 2020
<b>Other financial assets carried at amortised cost</b>		
Security Deposits	89.39	89.19
<b>TOTAL</b>	<b>89.39</b>	<b>89.19</b>

#### Note 6

##### Non - current tax assets

Particulars	As at March 31, 2021	As at March 31, 2020
Advance for Income Tax (Net of Provision Tax Paid)	178.71	332.40
<b>TOTAL</b>	<b>178.71</b>	<b>332.40</b>

#### Note 7

##### Income taxes

###### (a) Tax recognised in profit and loss

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Current tax charge/(credit)</b>		
<b>Deferred tax charge/(credit), net</b>		
Origination and reversal of temporary differences.	(66.30)	(1,455.67)
<b>Deferred tax charge/(credit)</b>	<b>(66.30)</b>	<b>(1,455.67)</b>
<b>Tax charge/(credit) for the year</b>	<b>(66.30)</b>	<b>(1,455.67)</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, 2021			For the year ended March 31, 2020		
	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	(35.20)	11.12	(24.08)	15.40	(4.87)	10.53
<b>TOTAL</b>	<b>(35.20)</b>	<b>11.12</b>	<b>(24.08)</b>	<b>15.40</b>	<b>(4.87)</b>	<b>10.53</b>

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

Particulars	Net deferred tax assets/(Liabilities) as on March 31, 2021	Net deferred tax assets/(Liabilities) as on March 31, 2020
<b>Deferred tax asset/(liabilities)</b>		
Property, plant and equipment	(1,054.52)	(1,140.22)
Non current asset held for sale	-	-
Provision for doubtful debts	767.18	767.18
Expenses allowable for tax purposes when paid and Other item	87.56	135.72
Brought forward losses	3,907.74	3,894.82
Employee benefits	110.65	83.66
reversal of Deferred tax Assets	(0.03)	0.03
<b>Deferred tax assets/(liabilities)</b>	<b>3,818.58</b>	<b>3,741.19</b>

**Note 7.1**

The Company has currently recognised deferred tax assets in respect of deductible temporary differences arising during the quarter and year ended 31<sup>st</sup> March 2021 except deferred tax assets on the loss of the current year [20-21], however the Company may reassess the unrecognised deferred tax assets at the end of each reporting period and recognise a previously unrecognised deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

**Note 8**

**Other non - current assets**

Particulars	As at March 31, 2021	As at March 31, 2020
Prepaid Expense	57.81	102.01
Balance with Vat Authority	153.12	251.68
<b>Total</b>	<b>210.93</b>	<b>353.69</b>

**Note 9**

**Inventories**

Particulars	As at March 31, 2021	As at March 31, 2020
a) Raw Materials and components (Including Goods in transit)	704.89	2,556.01
b) Work-in-progress	7,305.41	5,451.01
c) Finished goods (Including Goods in transit)	6,770.73	7,559.95
d) Stock-in-trade	450.01	463.36
e) Stores and spares	452.58	507.40
<b>Total</b>	<b>15,683.62</b>	<b>16,537.73</b>

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

#### Note 10

##### Trade receivables

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good	8,399.62	10,891.51
Less:- Allowance for expected credit loss	(1,166.78)	(1,640.12)
	<b>7,232.84</b>	<b>9,251.39</b>
Unsecured, considered doubtful	1,156.82	706.39
Less:- Allowance for expected credit loss	(1,156.82)	(706.39)
<b>Total</b>	<b>7,232.84</b>	<b>9,251.39</b>

#### Note 11

##### Cash and cash equivalents

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Cash and cash equivalents</b>		
<b>Balances with banks</b>		
In current account	645.96	80.80
	<b>645.96</b>	<b>80.80</b>
Cash on hand	20.14	18.88
<b>Total</b>	<b>666.10</b>	<b>99.68</b>

#### Note 12

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

Particulars	As at March 31, 2021	As at March 31, 2020
Deposits with banks (earmarked for electricity/Sales tax/Margin money)	284.89	825.19
Unclaimed dividend	1.35	2.46
<b>Total</b>	<b>286.25</b>	<b>827.65</b>

#### Note 13

##### Loans

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Other financial assets carried at amortised cost</b>		
Loan to employees	191.91	236.36
<b>Total</b>	<b>191.91</b>	<b>236.36</b>

#### Note 14

##### Other current financial assets

Particulars	As at March 31, 2021	As at March 31, 2020
Interest accrued and due on fixed deposits	-	0.13
Insurance receivable [ Including Key men]	39.45	72.72
<b>Recoverable in cash from :</b>		
- Other than related party	162.52	345.32
Security Deposits	520.55	536.34
<b>Total</b>	<b>722.53</b>	<b>954.52</b>

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

**Note 15****Other current assets**

Particulars	As at March 31, 2021	As at March 31, 2020
Raw material advance	391.87	704.49
Capital advances	252.78	312.06
Advance/claim recoverable for expenses	105.75	130.18
Prepaid expenses	80.58	140.59
Balance with Excise authority	93.68	143.35
Balance with VAT authority	39.90	89.19
<b>Total</b>	<b>964.55</b>	<b>1,519.86</b>

**Note 16****Assets held for sale**

Particulars	As at March 31, 2021	As at March 31, 2020
Land	1,165.12	1,165.12
Building	116.74	271.35
<b>Total</b>	<b>1,281.86</b>	<b>1,436.47</b>

**Note 17****Equity share capital**

Particulars	As at March 31, 2021		As at March 31, 2020	
	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, 2021		As at March 31, 2020	
	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 2021	As at March 31 2020
Securities premium	10,309.89	10,309.89
General reserve	366.46	366.46
Retained earnings	(6,537.57)	(1,818.31)
<b>Other Comprehensive Income</b>		
Remeasurements of net defined benefit plan	27.86	51.94
	<b>4,166.64</b>	<b>8,909.98</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, 2021	As at March 31, 2020
<b>Secured</b>		
Term loans from banks	1,259.52	3,128.51
Vehicle loans	32.68	68.58
	<b>1,292.20</b>	<b>3,197.09</b>
<b>Unsecured</b>		
Loans from others	272.57	286.80
	<b>272.57</b>	<b>286.80</b>
<b>Total</b>	<b>1,564.77</b>	<b>3,483.89</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 Aggrwal	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
The SVC Bank Limited	500.00	486.79	PLR - 5.50%	83 [Monthly]

#### 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]	01-Jan-17
IDBI Bank Ltd	800	BBR + 1.75%	60 [Monthly]	01-Jan-17
ICICI Bank Ltd	100	PNB BASE RATE + .75%	12 [Monthly]	31-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]	01-Jan-17
IDBI Bank Ltd	270.00	BBR + 0.75%	48 [Monthly]	01-Jan-17
Union Bank of India	150.00	11.00%	48 [Monthly]	01-Jan-17
ICICI Bank Ltd	15.00	PNB BASE RATE + 0.75%	48 [Monthly]	31-Jan-17

**Note 19.1**

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 Vithal Co-Op Bank Limited.

Further, the term loan and Cash Credit account of The Shamrao Vithal Co-Op Bank Limited are considered as Non-Performing Asset (NPA). The interest on the NPA accounts are not charged by the bank, however the Company has provided for the interest for the month of March, 2021. The principal outstanding is ₹ 392.34 Lakhs and interest default is ₹ 300.77 Lakhs in case of seven accounts which are considered as NPA by The Shamrao Vithal Co-Op Bank Limited. Further the accounts with three more banks are considered as NPA after the end of the financial year 2020-21.

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 for approval.

**Note 20**

**Non - current financial liabilities - others**

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Other financial liabilities carried at amortised cost</b>		
Sundry Deposits	187.38	233.85
<b>Total</b>	<b>187.38</b>	<b>233.85</b>

**Note 21**

**Non - current provisions**

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Provision for employee benefits (Refer note 39)</b>		
Gratuity	319.07	233.26
<b>Total</b>	<b>319.07</b>	<b>233.26</b>

**Note 22**

**Current financial liabilities - borrowings**

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Secured</b>		
<b>Working Capital Loans :</b>		
From Banks (Cash credit accounts) (Refer note no. 19.1)	17,247.70	12,868.70
<b>Total</b>	<b>17,247.70</b>	<b>12,868.70</b>

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

**Note 23****Current financial liabilities - Trade payables**

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Trade payables</b>		
Total outstanding dues of micro enterprises and small enterprises	1238.69	906.09
Total outstanding dues of creditors other than micro enterprises and small enterprises	5222.92	11291.60
<b>Total</b>	<b>6,461.61</b>	<b>12,197.69</b>

**Note 24****Current - Other financial liabilities**

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Other financial liabilities carried at amortised cost</b>		
<b>Current maturities of long-term debt :-</b>		
Term Loans	3,373.16	1,015.56
Vehicle Loans	30.98	46.39
Other payable for Expenses	910.60	1,314.38
Payable towards Property, Plant & Equipment	154.56	259.97
Unclaimed dividends	1.35	2.46
<b>Unsecured</b>		
Loans from others - ICD	456.82	447.69
<b>Total</b>	<b>4,927.47</b>	<b>3,086.44</b>

**Note 25****Other current liabilities**

Particulars	As at March 31, 2021	As at March 31, 2020
Advance from customers	1,044.66	759.44
Statutory dues	1,715.31	1,417.96
<b>Total</b>	<b>2,759.97</b>	<b>2,177.40</b>

**Note 25.1**

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 paying off the dues.

**Note 26****Current Provisions**

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Provision for employee benefits</b>		
Salary & Reimbursement	406.67	367.23
Gratuity	35.58	34.89
	<b>442.25</b>	<b>402.11</b>
<b>Other provisions</b>		
Provision for Expenses	1,552.02	971.04
	<b>1,552.02</b>	<b>971.04</b>
<b>Total</b>	<b>1,994.27</b>	<b>1,373.15</b>

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

### Note 27

#### Liabilities directly associated with assets classified as held for sale

Particulars	As at March 31, 2021	As at March 31, 2020
Liabilities directly associated with assets classified as held for sale	-	72.70
<b>Total</b>	<b>-</b>	<b>72.70</b>

### Note 28

#### Revenue from operations

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Sale of products</b>		
a) Manufactured goods	19,800.50	22,860.92
b) Traded goods	1,154.30	1,822.85
<b>Other operating revenues</b>		
Sales-Scrap	12.67	45.62
Sales -Other than empty bags	20.21	36.08
<b>Total</b>	<b>20,987.68</b>	<b>24,765.48</b>

### Note 29

#### Other income

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Liability no longer required written back	0.00	(0.06)
Royalties Income	23.21	-
Rent including lease income	62.45	33.62
Profit on sale of assets	16.09	638.51
Recovery on sales & service	3.82	3.76
Job work income	85.52	-
Other miscellaneous income	0.56	26.80
Dividend income	-	0.60
Interest income - Other	24.10	5.27
<b>Total</b>	<b>215.76</b>	<b>708.50</b>

### Note 30

#### Cost of material consumed

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Opening stock of raw materials	2,556.01	2,034.19
Add: Purchases of raw materials		
Resins & chemical	14,688.57	15,221.39
Carriage inwards	104.69	143.92
Less: Closing stock of raw materials	704.89	2,556.01
<b>Total</b>	<b>16,644.38</b>	<b>14,843.49</b>

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

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

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Purchase of stock-in-trade	294.78	2,501.45
<b>Total</b>	<b>294.78</b>	<b>2,501.45</b>

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

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Opening Inventories		
Finished goods	7,559.95	12,734.29
Stock in trade	463.36	362.93
Work-in-progress	5,451.01	2,418.62
	<b>13,474.31</b>	<b>15,515.83</b>
Closing Inventories		
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>Total</b>	<b>(1,051.84)</b>	<b>2,041.52</b>

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

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Salaries and wages	773.42	1,083.70
Staff welfare expenses	67.62	96.73
Contribution to provident and other funds	43.19	51.32
Gratuity fund contributions	75.02	58.65
<b>Total</b>	<b>959.25</b>	<b>1,290.40</b>

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

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest expense		
On Borrowing	538.06	759.94
On working capital facility	2,042.17	1,510.75
On purchase	367.23	812.84
On vehicle loan	7.83	15.73
Bank charges & processing fees	61.39	75.88
Foreign Currency gain	(1.87)	-
<b>Total</b>	<b>3,014.81</b>	<b>3,175.14</b>

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

### Note 35

#### Other expenses

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>MANUFACTURING EXPENSES</b>		
Labour cost	1,383.84	1,424.26
Power and fuel	1,074.40	1,253.00
Consumption of packing material	254.86	326.07
Consumption of stores and spare parts	172.57	185.73
<b>Repair &amp; Maintenance</b>		
- Plant & Machinery	75.69	103.72
- Buildings	48.34	36.54
Security expenses	51.95	70.23
Laboratory expenses	15.52	34.38
Insurance- Plant & Machinery	22.14	21.64
License & Renewal charges	12.50	10.50
Factory expenses	10.36	11.59
<b>Total - A</b>	<b>3,122.17</b>	<b>3,477.67</b>
<b>ADMINISTRATIVE, SELLING &amp; DISTRIBUTION EXPENSES</b>		
Cartage outwards	415.09	732.24
Travelling & Conveyance expenses	113.29	265.51
Sales promotion expenses	30.66	59.86
Advertisement expenses	71.07	163.64
Legal and Professional	90.16	144.72
Commission & Brokerage	345.04	494.28
Rates and Taxes	353.49	268.39
Loading & Unloading	97.03	103.09
General expenses	45.01	44.60
Rent	92.96	97.47
Telephone & Postage	20.31	29.36
Printing & Stationery	0.50	19.85
<b>Repair &amp; Maintenance</b>		
- Office	7.50	3.86
- Motor car	9.22	8.32
Electricity charges	20.55	19.93
Insurance - Other	25.61	26.16
Security expenses other than plant	9.66	7.29
<b>Auditor's Remuneration</b>		
- Audit fees	10.50	10.50
- Tax Audit fees	2.00	2.50
Other Expenses	0.05	-
Postage & Courier expenses	0.15	3.39
Charity & Donation	0.64	1.36
Membership & Subscription	0.21	1.20
Books & Periodical	0.00	0.09
Sundry balance written off	0.71	(1.04)
Provision for doubtful debts	150.00	134.68
Loss on sale of fixed assets	36.95	15.54
<b>Total - B</b>	<b>1,948.33</b>	<b>2,656.78</b>
<b>Total (A+B)</b>	<b>5,070.50</b>	<b>6,134.45</b>



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

### Note 36

#### Earnings per share

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit / (loss) attributable to equity share holders of the Company	(4,719.26)	(4,209.29)
<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>(13.94)</b>	<b>(12.43)</b>
Earnings per share - Diluted in Rupees	<b>(13.94)</b>	<b>(12.43)</b>

### 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**

Sunil Goyal *	Prashant Deshmukh *
Praveen Kumar Tripathi *	Jhumarlal Bhalgat *
H. S. Upendra Kamath *	Ravi Kant Jagetiya *
Urvashi Dharadhar	Narendra Kumar Poddar*
Dinesh Modi *	

**\*Note: 1.** Ms. Sunil Goyal Independent Director of the Company has resigned from the directorship w.e.f. 4<sup>th</sup> September, 2019

**\*Note: 2.** Mr. Upendra Kamath Independent Director of the Company has resigned from the directorship w.e.f. 17<sup>th</sup> October, 2019

**\*Note: 3.** Mr. Praveen Kumar Tripathi Independent Director of the Company has resigned from the directorship w.e.f. 17<sup>th</sup> February, 2020

**\*Note: 4.** Mr. Prashant Desmukh, Additional Director (Independent Director) of 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: 5.** Mr. Jhumarlal Bhalgat, Independent Director of the Company appointed w.e.f 14<sup>th</sup> February, 2020.

**\*Note: 6.** Mr. Dinesh Modi, Independent Director of the Company appointed w.e.f 23<sup>rd</sup> June, 2020.

**\*Note: 7.** Mr. Ravi Kant Jagetiya, Independent Director of the company appointed w.e.f 13<sup>th</sup> July, 2020 and resigned from the directorship w.e.f. 18<sup>th</sup> November, 2020

**\*Note: 8.** Mr. Narendra Kumar Poddar, Additional Director (Independent Director) of the Company appointed w.e.f 12<sup>th</sup> February, 2021

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

<b>f)</b>	<b>Transactions with related parties during the year</b>	<b>For the year ended March 31, 2021</b>	<b>For the year ended March 31, 2020</b>
<b>i)</b>	<b>Sitting fees</b>		
	Non Executive Director	3.05	3.30
<b>ii)</b>	<b>Salary</b>		
	Relatives of Key Managerial Personnel	15.24	16.94
<b>iii)</b>	<b>Other expenses</b>		
	Professional service rendered during the period	3.07	-
	Re-imbursement of expenses to Non -Executive Director	-	0.03
	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, 2021</b>	<b>As at March 31, 2020</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	47.66	8.53
	Entites where control/significant influence by Director- Rent Deposit	350.00	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	-
	Entites where control/significant influence by Director	-	252.29
	Key Managerial Personnel	5.92	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

#### 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 116 - Property, Plant & Equipments.

(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, 2021	For the year ended March 31, 2020
	Gratuity (Funded)	
<b>I Expenses recognised in profit or loss :-</b>		
1 Current Service Cost	34.89	34.59
2 Interest cost	16.42	18.62
3 Past Service Cost	-	-
<b>Total Expenses</b>	<b>51.30</b>	<b>53.20</b>
<b>II Expenses recognised in Other Comprehensive Income</b>		
1 Actuarial changes arising from changes in demographic assumptions	-	16.03
2 Actuarial changes arising from changes in financial assumptions	-	(0.05)
3 Actuarial changes arising from changes in experience adjustments	35.09	(61.50)
4 Return on plan assets excluding amounts included in interest income	0.11	0.40
<b>Total Expenses</b>	<b>35.20</b>	<b>(45.11)</b>
<b>III Reconciliation of defined benefit obligation</b>		
Defined Obligations at the beginning of the year	293.72	302.22
Current Service Cost	34.89	34.59
Interest cost	18.21	20.81
Actuarial changes arising from changes in financial assumptions	-	16.03
Actuarial changes arising from changes in experience adjustments	-	(0.05)
Actuarial changes arising from changes in experience adjustments	35.09	(61.50)
Benefit paid	-	(18.39)
<b>Net asset / (liability) at the end of the year</b>	<b>381.90</b>	<b>293.72</b>
<b>IV Reconciliation of plan assets</b>		
Opening value of plan assets	25.58	29.20
Interest Income	1.79	2.20
Return on plan assets excluding amounts included in interest income	(0.11)	(0.40)
Contributions by employer	-	-
Benefits paid	-	(5.42)
<b>Closing value of plan assets</b>	<b>27.25</b>	<b>25.58</b>

(Plan assets comprise 100% of insurance policies)

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

Particulars	As at March 31, 2021	As at March 31, 2020
<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	370.81	284.57
(ii) 0.5 percent point decrease in discount rate	(393.79)	(303.53)
(iii) 0.5 percent point increase in rate of salary increase	393.77	303.52
(iv) 0.5 percent point decrease in rate of salary increase	(370.71)	(284.49)
(v) 10 percent point increase in withdrawal rate	382.24	293.85
(vi) 10 percent point decrease in withdrawal rate	(381.49)	(293.53)
<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	40.86	31.48
2 <sup>nd</sup> following year	24.27	18.74
3 <sup>rd</sup> following year	26.40	19.25
4 <sup>th</sup> following year	31.85	21.47
5 <sup>th</sup> following year	24.13	26.47
Years 6 to 10	118.03	96.41
<b>VII Net Asset / (Liability) recognised as at balance sheet date:</b>		
1 Present value of defined benefit obligation	381.90	293.72
2 Fair value of plan assets	27.25	25.58
3 Net Asset / (Liability)	(354.64)	(268.14)
<b>VIII Actuarial Assumptions:</b>		
1 Discount rate	6.55%	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 ₹ 75.02 lakhs (Previous year - ₹ 58.65 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" ₹ 43.19 lakhs (Previous year - ₹ 51.32 lakhs).

**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, 2021	Carrying Value	
	Amortised Cost	Total
<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	7,232.84	7,232.84
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>9,195.58</b>	<b>9,195.58</b>
<b>Particulars</b>		
Borrowings	18,812.47	18,812.47
Deposits	187.38	187.38
Trade payables	6,461.61	6,461.61
Other financial liabilities	4,927.47	4,927.47
<b>Total</b>	<b>30,388.93</b>	<b>30,388.93</b>
<b>As at March 31, 2020</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	625.53	625.53
Loans to Employees	236.36	236.36
Trade receivables	9,251.39	9,251.39
Cash and cash equivalents	99.68	99.68
Bank balance (other than Cash and cash equivalents)	827.65	827.65
Other Current Financial Asset	418.18	418.18
<b>Total</b>	<b>11,465.35</b>	<b>11,465.35</b>
Borrowings	16,352.59	16,352.59
Deposits	233.85	233.85
Trade payables	12,197.69	12,197.69
Other financial liabilities	3,086.44	3,086.44
<b>Total</b>	<b>31,870.57</b>	<b>31,870.57</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:

- Credit risk;
- Liquidity risk; and
- Market 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, 2021	As at March 31, 2020
Normal	6,076.02	8,545.01
Legal	1,156.82	706.39
Provsion For Doubtfull Debts	2,323.60	2,346.51
<b>Total</b>	<b>9,556.44</b>	<b>11,597.90</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 are past due are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk.



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

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

Particulars	As at March 31, 2021	As at March 31, 2020
Opening Balance	2,346.51	2,211.82
Changes during the year	150.00	134.69
written off against the Provision	172.91	-
<b>Closing Bal</b>	<b>2,323.60</b>	<b>2,346.51</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, 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	7,984.93	7,984.93	7,984.93	-	-
<b>Total</b>	<b>29,928.98</b>	<b>29,928.98</b>	<b>28,636.78</b>	<b>1,292.20</b>	<b>-</b>
As at March 31, 2020	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)	4,144.07	4,144.07	1,015.56	3,128.51	-
Vehicle loan	114.97	114.97	46.39	68.58	-
Working capital loans from banks	12,868.70	12,868.70	12,868.70	-	-
Trade payables and Other Current Financial Liabilities	14,294.89	14,294.89	14,294.89	-	-
<b>Total</b>	<b>31,422.61</b>	<b>31,422.62</b>	<b>28,225.54</b>	<b>3,197.09</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	16,976.93
	<b>16,372.58</b>	<b>16,976.93</b>
<b>Fixed-rate instruments</b>		
Financial liabilities	1,062.50	1,119.14
Financial asset	609.95	625.54
	<b>1,672.45</b>	<b>1,744.68</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)	(169.77)
100 bp decrease	163.73	169.77

### 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.

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

**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, 2021			As at March 31, 2020		
		Amount in Foreign Currency	Exchange Rate	₹ in lakhs	Amount in Foreign Currency	Exchange Rate	₹ in lakhs
Trade Payables	USD		NIL			NIL	

**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, 2021	As at March 31, 2020
Total Borrowings (including accrued interest)	22,216.61	17,414.54
Less : Cash and cash equivalents, Bank balance and Current investment	958.91	933.89
<b>Adjusted net debt</b>	<b>21,257.70</b>	<b>16,480.65</b>
<b>Adjusted equity</b>	<b>7,552.95</b>	<b>12,296.29</b>
Adjusted net debt to adjusted equity ratio	2.81	1.34

**Note 43**

**Contingent Liabilities and Commitments (to the extent not provided for)**

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Contingent Liabilities</b>		
Sales tax liabilities	1,322.32	3,237.19
Guarantees given by Banks and Financial Institutions	238.18	628.18

**Note 44**

Impact of COVID - 19 and Future Outlook:- The World Health Organization (WHO) declared the novel Coronavirus disease (COVID-19) outbreak a global pandemic on March 11<sup>th</sup>, 2020. COVID-19 pandemic has been rapidly spreading throughout the world, including India. Government in India has taken significant measures to curb the spread of the virus including imposing mandatory lockdowns and restriction in activities. As a result of lockdown, the company manufacturing remained on halt from March 22, 2020 and the company commence its partial resumption of operations w.e.f. June 08, 2020.

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

COVID-19 has impacted the normal business operations of the Company by way of interruption in production, delay and re-schedule of scheduled Dispatches of finished goods, closure of production facilities etc. during the lock-down period. However, production has commenced on June 08, 2020 at our manufacturing facility located at Boisar and Silvassa - Khadoli with limited capacity and man power after allowing restricted / limited permissions by the appropriate government authorities. We have also taken necessary precautions to ensure the health, hygiene, safety, and wellbeing of all our employees as well as put in place SOPs and guidelines as per state government directives to prevent the spread of COVID-19.

The Company is closely monitoring the emerging situation arising out of COVID-19 and the disruption is unforeseen and beyond the control of the company & resultant restrictions imposed by the regulatory authorities. It is possible neither to foresee the duration for which this pandemic will last, nor predict its course. Nevertheless, the Company is making every effort to ensure that the aftereffects are dealt with. In view of the prevailing uncertainty, no precise estimation can be made about overall impact of this pandemic.

Management believes that it has taken into account all the possible impacts of known events arising from COVID-19 pandemic and the resultant lockdowns in the preparation of the financial statement including but not limited to its assessment of group liquidity and going concern, recoverable values of its property, plant and equipment, intangible assets and the net realisable values of other assets. However, given the effect of these lockdown on the overall economic activity and in particular on the automotive industry, the impact assessment of COVID-19 on the above mentioned financial statement captions is subject to significant estimation uncertainties given its nature and duration and, accordingly, the actual impact in future may be different from those estimated as at the date of approval of these financial statements. The company will continue to monitor any material changes to future economic conditions and consequential impact on its financial result.

There has been no material impact on the internal financial reporting and controls of the company with all controls applied digitally. As operations of the company is coming to normal gradually, company do not foresee any material impact in terms of profitability of its products. However, it is difficult at this stage to assess the impact of COVID-19 on the revenue and profitability for the quarter and year ended of F.Y. 2021-2022. Enough caution is applied toward minimizing the costs so as to bring in cost discipline. The situation is changing rapidly giving rise to inherent uncertainty around the extent and timing of the potential future impact of the COVID-19 which may be different from that estimated as at the date of approval of these financial results. The Company will continue to closely monitor any material changes arising of future economic conditions and impact on its business.

#### Note 45

Figures of the previous periods have been regrouped and reclassified to confirm to the classification of current period, wherever considered necessary.

#### Note 46

#### 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 consolidated other comprehensive income	Amount ₹ in lakhs	As % of total comprehensive income	Amount ₹ in lakhs
<b>Parent</b>								
Kisan Mouldings Limited	61.12	7,516.96	111.91	(4,710.54)	(78.02)	(24.08)	113.31	(4,734.62)
<b>Subsidiaries</b>								
KML Tradelinks Pvt Ltd	0.30	37.00	0.21	(8.72)	-		0.21	(8.72)
<b>Sub Total</b>	<b>61.42</b>	<b>7,553.96</b>	<b>112.12</b>	<b>(4,719.26)</b>	<b>(78.02)</b>	<b>(24.08)</b>	<b>113.52</b>	<b>(4,743.34)</b>
Add / (Less): Effect of Inter Company elimination / adjustment	-	2.02						
<b>Total</b>	<b>100.00</b>	<b>7,555.98</b>	<b>100.00</b>	<b>(4,719.26)</b>	<b>100.00</b>	<b>(24.08)</b>	<b>100.00</b>	<b>(4,743.34)</b>

## 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	36.00	118.99	118.99	-	-	(8.69)	0.03	(8.72)	-	100.00

As per our attached report of even date

**For A D V & Associates**

Chartered Accountants

Firm Registration No. 128045W

**Prakash Mandhaniya**

Partner

Membership No. 421679

**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**

**Khushboo V. Jalan**

ICSI Membership No.40853

**Company Secretary**

Date:- June 28, 2021

Place:- Mumbai

# NOTICE





# NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT THE 32ND (THIRTY SECOND) ANNUAL GENERAL MEETING (“AGM”) OF THE MEMBERS OF KISAN MOULDINGS LIMITED WILL BE HELD ON WEDNESDAY, 29<sup>TH</sup> DAY OF SEPTEMBER, 2021 AT 11:30 A.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, 3RD 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, 2021 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, 2021 and the report of auditors thereon.

### **2. APPOINTMENT OF DIRECTOR IN PLACE OF THOSE RETIRING BY ROTATION**

To appoint a Director in place of Mr. Rishav Aggarwal (DIN: 05155607), Whole-time Director, who retires by rotation and being eligible, offers himself for re-appointment.

### **3. APPOINTMENT OF M/S. S. GUHA & ASSOCIATES, CHARTERED ACCOUNTANTS (FRN: 322493E) AS THE STATUTORY AUDITORS OF THE COMPANY FOR THE FIRST TERM OF FIVE YEARS AND TO FIX THEIR REMUNERATION**

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) and pursuant to recommendations of the Audit Committee and the Board of Directors of the Company, M/s. S. Guha & Associates, Chartered Accountants (FRN: 322493E), be and are hereby appointed as Statutory Auditors of the Company for First term of five years and shall hold office from the conclusion of the ensuing 32<sup>nd</sup> Annual General Meeting till the conclusion of the Annual General Meeting to be held for the Financial Year 2025-2026 at such remuneration, including applicable taxes and reimbursement of out-of-pocket expenses incurred by them in connection with the aforesaid audit, as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors from time to time.”

## **SPECIAL BUSINESS:**

### **4. RATIFICATION OF REMUNERATION TO COST AUDITORS FOR THE FINANCIAL YEAR ENDING MARCH 31, 2022**

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) Surat, 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 March 31, 2022, amounting to ₹ 1,50,000/- (Rupees One Lakh Fifty Thousand only) plus applicable taxes and re-imbusement 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.”

**5. APPOINTMENT OF MR. NARENDRA KUMAR PODDAR (DIN: 07115618) AS AN INDEPENDENT DIRECTOR**

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 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’) and Rules made thereunder read with Schedule IV of the Act and applicable provisions of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 (‘Listing Regulations’), as amended from time to time, Mr. Narendra Kumar Poddar (DIN: 07115618), who was appointed as an Additional Director, by the Board of Directors of the Company with effect from February 12, 2021, to hold office upto the date of this Annual General Meeting and who has submitted a declaration that he meets the criteria of Independence as provided under Section 149(6) of the Act and Listing Regulations and is eligible for appointment and in respect of whom the Company has received a notice in writing as required under Section 160 of the Act proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, for the first tenure of three (3) consecutive years with effect from February 12, 2021 to February 11, 2024 AND THAT Mr. Narendra Kumar Poddar shall not be liable to retire by rotation during the said period.”

**6. RE-APPOINTMENT OF MR. SANJEEV A AGGARWAL (DIN: 00064076) AS CHAIRMAN & MANAGING DIRECTOR OF THE COMPANY**

To consider and, if thought fit, to pass the following Resolution, with or without modification(s), as a **Special Resolution**:-

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (hereinafter referred to as “the said Act”) and applicable provisions of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and upon recommendation of the Nomination and

Remuneration Committee and Audit Committee of the Board of Directors, consent letter to act as Director of the Company and confirmation on not debarred from holding the office of Director pursuant to any SEBI order or any other such authority, pursuant to Circular No. LIST/COMP/14/2018-19 Dated June 20, 2018 w.r.t. Enforcement of SEBI Orders Regarding Appointment of Directors By Listed Companies, the consent of the members of the Company be and is hereby accorded for the re-appointment of Mr. Sanjeev A Aggarwal (DIN: 00064076) as Chairman & Managing Director of the Company, for a period of 3 (three) years with effect from April 01, 2022, inter alia on the following terms and conditions:

**REMUNERATION PAYABLE TO MR. SANJEEV A AGGARWAL**

**A. Salary:**

The Basic Salary of ₹ 10,00,000/- (Rupees Ten Lakhs Only) per month.

**B. Perquisites:**

Mr. Sanjeev Aggarwal shall also be entitled to perquisites like:

- i. Rent-free furnished accommodation or house rent allowance in lieu thereof, not exceeding 50% of the basic salary plus actual electricity charges, gas bill, society maintenance, property tax, water charges, home servant salary for accommodation or his house.
- ii. Leave Travel Allowance/ Concession for self and family once in year as per actual amount spent towards air ticket, hotel and other incidental expenses like car/taxi charges, porter charges etc.
- iii. Mr. Sanjeev Aggarwal shall be covered under Key Managerial Personnel insurance policy or equivalent other insurance policy taken by the Company and personal accident insurance policy as per the rules of the Company.
- iv. Reimbursement of all medical expenses for self and family including hospitalization in India or abroad.
- v. The Company's contribution towards Provident Fund, if applicable. Such contribution shall not be included in the computation of the ceiling on remuneration to the extent these, either singly or put together, are not taxable under the Income Tax Act, 1961.

CORPORATE OVERVIEW	STATUTORY REPORTS	FINANCIAL STATEMENTS	NOTICE
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- vi. Gratuity as per applicable laws which shall not be included in the computation of the ceiling on minimum remuneration.
- vii. Leave encashment in accordance with the rules of the Company.
- viii. Use of chauffeur driven Company's maintained cars for private and official purposes.
- ix. Use of Company's telephone at residence for official and personal purposes and Company paid mobile phone for official and personal use.
- x. Other/ Special allowances applicable as per Company's policy.

"Family" for the purpose of this agreement shall mean the self, spouse, the children and the parents of Mr. Sanjeev Aggarwal.

The perquisites and allowances, wherever applicable, shall be valued as per the Income Tax Rules, 1962.

**RESOLVED FURTHER THAT** notwithstanding anything hereinabove stated, where in any financial year during the currency of the term of Mr. Sanjeev Aggarwal as the Chairman & Managing Director, the Company incurs loss or its profit is inadequate, the Company shall pay to Mr. Sanjeev Aggarwal minimum remuneration by way of salary, allowances and perquisites within the limit specified in Part II of Schedule V of the said Act.

**RESOLVED FURTHER THAT** the Board (including its Committee thereof) be and is hereby authorised to alter, vary and modify the said remuneration including salary, allowances and perquisites in such manner as may be agreed upon between the Board and Mr. Sanjeev Aggarwal, Chairman & Managing Director within and in accordance with and subject to the limits prescribed in Schedule V of the said Act or any amendment(s) and/or any statutory modification(s) thereto, and if necessary, as may be stipulated by the Central Government and as may be agreed to accordingly between the Board and Mr. Sanjeev Aggarwal.

**RESOLVED FURTHER THAT** any of the Directors or the Company Secretary of the Company be and are hereby severally authorized to sign and submit necessary papers, documents, forms, etc. with the Registrar of Companies (ROC) and/or any other authority and to do all such acts, deeds, matters and things as may be necessary, expedient and desirable, for and on behalf of the Company, to give effect to the aforesaid resolution."

## **7. ADOPTION OF MEMORANDUM OF ASSOCIATION (MOA) OF THE COMPANY AS PER THE PROVISIONS OF THE COMPANIES ACT, 2013**

To consider and, if thought fit, to pass the following Resolution, with or without modification(s), as a **Special Resolution:-**

**"RESOLVED THAT** pursuant to the provisions of Section 4, 13 and all other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) and subject to the approval of requisite approval(s), if any, from any appropriate authorities and term(s), condition(s), amendment(s), modification(s), as may be required or suggested by any such appropriate authorities, the consent of the members of the Company be and is hereby accorded to alter the existing Memorandum of Association of the Company, by replacing, it with the new set of Memorandum of Association in accordance with the Companies Act, 2013 and that the new set of Memorandum of Association be and is hereby approved and adopted as the Memorandum of Association of the Company in exclusion and in substitution of the existing Memorandum of Association of the Company with no change in existing Clause III A containing the Main Objects sub-clause no. 1 & 2.

**RESOLVED FURTHER THAT** the existing Clause III B containing the "Objects Incidental or Ancillary to the attainment of Main Objects" sub-clause no. 3 to 67 be and is hereby stands deleted and replaced by New Clause III (B) "Matters which are necessary for furtherance of the Objects specified in Clause III(A) containing the sub-clause no. 3 to 84.

**RESOLVED FURTHER THAT** the existing Clause III C containing the "Other Objects" sub clause no. 68 to 99 and paragraph thereunder be and is hereby also stands deleted in full.

**RESOLVED FURTHER THAT** Mr. Sanjeev Aggarwal, Chairman & Managing Director or Mr. Rishav Aggarwal, Whole-time Director of the Company be and is hereby authorized jointly/severally, on behalf of the Company, to do all acts, deeds, matters and things as deem necessary, proper or desirable and to sign and execute all necessary documents, applications and returns for the purpose of giving effect to the aforesaid resolution and to settle and finalise all issues that

may arise in this regard at any stage without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution and to delegate all or any of the powers conferred herein as they may deem fit in the best interest of the Company and its members.”.

By order of the Board of Directors  
For **KISAN MOULDINGS LIMITED**

**Sd/-  
Khushboo Jalan**

Company Secretary & Compliance Officer  
ICSI Membership No. : ACS40853

**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: August 28, 2021

**NOTES:**

**1.** In view of the massive outbreak of the COVID-19 pandemic, social distancing norm to be followed and the continuing restriction on movement of people at several places in the country and pursuant to General Circular No.14/2020 dated April 08, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 05, 2020 and General Circular No. 02/2021 dated January 13, 2021 respectively, issued by the Ministry of Corporate Affairs (collectively referred to as “MCA Circulars”), Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12<sup>th</sup> May 2020 and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15<sup>th</sup> January 2021 issued by the Securities and Exchange Board of India (collectively referred to as “SEBI Circulars”) and in compliance with the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), the 32<sup>nd</sup> AGM of the Company is being conducted through VC/OAVM Facility, which does not require physical presence of members at a common venue. The deemed venue for the 32<sup>nd</sup> AGM shall be the Registered Office of the Company.

- 2.** 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 may be 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.
- 3.** 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.
- 4.** The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
- 5.** As the AGM of the Company shall be conducted through VC/ OAVM pursuant to MCA Circular No. 02/2021 dated January 13, 2021 read with Circular No. 20/2020 dated May 05, 2020 and Circular No. 14/2020 dated April 08, 2020, 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](mailto:cs.kisan@kisangroup.com).

## ELECTRONIC DISPATCH OF ANNUAL REPORT AND PROCESS FOR REGISTRATION OF EMAIL ID FOR OBTAINING COPY OF ANNUAL REPORT:

6. In line with the MCA General circulars No. 02/2021 dated 13<sup>th</sup> January, 2021 & Circular No. 20/2020 dated 5<sup>th</sup> May, 2020 issued by MCA and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15<sup>th</sup> January 2021 & Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12<sup>th</sup> May, 2020 issued by SEBI, owing to the difficulties involved in dispatching of physical copies of the Annual Report for the Financial Year 2020-21 and the Notice of AGM, it has been sent in electronic mode to Members whose names appear on the Register of Members/ List of Beneficial owners as received from M/s. Link Intime India Private Limited (RTA) and whose email address are available with the RTA, the Company or the Depository Participant(s) as on August 27, 2021. Member may note that Notice and Annual Report 2020-21 can also be accessed from the website of the Company and BSE Limited at [www.kisangroup.com](http://www.kisangroup.com) and [www.bseindia.com](http://www.bseindia.com). The AGM Notice is also disseminated 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](http://www.evotingindia.com).
7. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Annual General Meeting ('AGM') and 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.
8. 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.
9. Members holding the shares in physical form are requested to notify immediately any update/change of address and/or details of PAN and Bank account to M/s. Link Intime India Private Limited, the Registrar and Share Transfer Agent of the Company. In case shares held in dematerialised form, the information regarding change/update of address, details of bank and PAN should be given to their respective Depository Participant.
10. In case of joint holders attending the meeting, the members whose name appears as the first holder in the order of names as per Register of Members of the Company will be entitled to vote.
11. The Register of Members and Share Transfer Books of the Company will remain closed from September 22, 2021 to September 29, 2021 (both days inclusive) for the purpose of AGM.
12. 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 will be 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). Dividend for the Financial Year 2013-14 is due for transfer to IEPF in the month of December, 2021. 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)".
13. 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)).
14. 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.
15. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on September 22, 2021 (Wednesday) ("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.

**16.** 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 22, 2021 (Wednesday) 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.

**17.** The remote e-voting period will commence at 9.00 a.m. on September 25, 2021 (Saturday) and will end at 5.00 p.m. on September 28, 2021 (Tuesday). 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.

**18. Instructions for members for Remote E-voting:**

(i) The voting period begins at 9.00 a.m. on September 25, 2021 (Saturday) and ends at 5.00 p.m. on September 28, 2021 (Tuesday). 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 22, 2021 (Wednesday) 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>	<p>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.</p> <p>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/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</p>

Type of shareholders	Login Method
	<p>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></p> <p>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.</p>
Individual Shareholders holding securities in demat mode with <b>NSDL</b>	<p>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.nsd.com">https://eservices.nsd.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.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select “Register Online for IDeAS” Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>3) Visit the e-voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.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.</p>
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants</b>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-voting facility. After Successful login, you will be able to see e-voting option. Once you click on e-voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting &amp; voting during the meeting.</p>

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 and 022-23058542-43.
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	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <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)	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. <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 (3).</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.



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- (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.

**19. 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).

**20. 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:**

- 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).
- 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).
- The Company/RTA shall co-ordinate with CDSL and provide the login credentials to the above mentioned shareholders.

**21. INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

- The procedure for attending meeting & e-voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
- 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.
- 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.

## 22. 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 22, 2021 (Wednesday).
- 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. 4

The Board of Directors at its meeting held on June 28, 2021, on the recommendation of the Audit Committee, had considered and approved the re-appointment and remuneration of M/s. Bhanwarlal Gurjar & Co., Surat, 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, 2022, 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, 2022.

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.

### ITEM NO. 5

In line with the recommendation of the Nomination and Remuneration Committee (NRC) of the Company, the Board of Directors of the Company at their meeting held on February 12, 2021 has approved the appointment of Mr. Narendra Kumar Poddar (DIN: 07115618) as an Additional Director under the category of Non-Executive Director (Independent

Director) of the Company with effect from February 12, 2021 to hold the office upto the date of ensuing 32<sup>nd</sup> Annual General Meeting of the Company and thereby designated/ appointed him as an Independent Director of the Company for the first tenure of three (3) consecutive years, with effect from February 12, 2021 to February 11, 2024 whose office shall not be liable to retire by rotation being an Independent Director subject to approval by the members of the Company in its ensuing 32<sup>nd</sup> Annual General Meeting.

Under Section 161 of the Companies Act, 2013, read with Article 85 of the Articles of Association of the Company, he continues to hold office as an Additional Director (Non-Executive Independent Director) of the Company, until the conclusion of the ensuing 32<sup>nd</sup> Annual General Meeting.

Notice under Section 160 of the Companies Act, 2013 has been received from Member indicating his intention to propose Mr. Narendra Kumar Poddar for the office of Director at the ensuing 32<sup>nd</sup> AGM.

The NRC and the Board at its meeting held on February 12, 2021 had determined that Mr. Narendra Kumar Poddar is a fit and proper person to be appointed as a Director of the Company, and that he has provided to the Company his consent to act as Director of the Company, confirmation on not debarred from holding the office of Director pursuant to any SEBI order or any other such authority pursuant to Circular No. LIST/COMP/14/2018-19 dated June 20, 2018 w.r.t. Enforcement of SEBI Orders Regarding Appointment of Directors by Listed Companies and has also given declaration to the Board that he meets the criteria of Independent Director as provided under Section 149 of the Companies Act, 2013 and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations 2015”) and inclusion of name in the databank of Independent Director along with its certificate.

The brief profile of Mr. Narendra Kumar Poddar (DIN:07115618) in terms of the Regulation 36(3) of the SEBI Listing Regulations, 2015 and the Secretarial Standard on General Meeting (SS-2) issued by the Institute of Company Secretaries of India, have been annexed to this Notice.

Pursuant to Section 149 and Schedule IV of the Companies Act, 2013 and rules made thereunder

(including any statutory modification(s) and/or re-enactment(s) for the time being in force), Mr. Narendra Kumar Poddar (DIN: 07115618), if appointed, shall not be liable to retire by rotation during the said period. He will be paid sitting fees and reimbursement of out of pocket expenses at actual.

Except for Mr. Narendra Kumar Poddar and his relatives, none of the other Directors and the Key Managerial Personnel of the Company and their relatives are in any way financially or otherwise concerned or interested in the passing of the resolution as set out in item no. 5 of this notice.

The Board recommends the passing of the Ordinary resolution, as set out in item no. 5 of this notice.

#### ITEM NO. 6

Mr. Sanjeev A. Aggarwal (DIN: 00064076) had been appointed as Chairman & Managing Director of the Company for the term of 3 years with effect from April 01, 2019 till March 31, 2022. Hence there exist need to re-appoint Mr. Sanjeev A. Aggarwal for further period of 3 years as Chairman & Managing Director of the Company. In view of the same and pursuant to recommendation of Nomination and Remuneration Committee (NRC) and Audit Committee (AC) of the Board of Directors of the Company, the Board of Directors at their meeting held on August 13, 2021 approved the re-appointment of Mr. Sanjeev A. Aggarwal (DIN: 00064076) as Chairman & Managing Director of the Company for further period of three years with effect from April 01, 2022 subject to approval of the Members at ensuing 32<sup>nd</sup> Annual General Meeting.

Mr. Sanjeev A. Aggarwal (DIN: 00064076) has also conveyed his consent to the Company to act as Chairman & Managing Director of the Company and declaration confirming that he is not debarred from holding the office of Director pursuant to any SEBI order or any other such authority, pursuant to Circular No. LIST/COMP/14/2018-19 Dated June 20, 2018 w.r.t. Enforcement of SEBI Orders Regarding Appointment of Directors By Listed Companies has also been received from Mr. Sanjeev A. Aggarwal.

The information as required under Section II of Part II of Schedule V of the Companies Act, 2013 for Item No. 6 of the Notice is given below:

#### I. GENERAL INFORMATION:

- 1) Nature of Industry:  
The Company is primarily engaged in the manufacture of PVC pipes, Fittings, UV Resistant multi-layer water tank and allied products. The Company is one of the largest

manufacturers of multiple applications of pipes for water supply, sanitation, sewerage, construction, cable ducting, drinking water, tube wells, submersible pumps and other polymer products for various purposes.

- 2) Date or expected date of commencement of commercial production: 20/11/1989
- 3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: NOT APPLICABLE
- 4) Financial performance based on given indicators:

(₹ In Lakhs)

Particulars	2018-19	2019-20	2020-21
Total Income	49,153.64	25,469.42	21,204.64
Profit Before Tax	(1574.90)	(5664.35)	(4776.88)
Profit after Tax	(971.86)	(4208.71)	(4710.54)
Dividend on Equity	NIL	NIL	NIL

- 5) Foreign investments or collaborations, if any: There was no Foreign Investments or Collaboration during the year.

#### II. INFORMATION ABOUT THE APPOINTEE:

##### a) Background details:

Mr. Sanjeev A Aggarwal holds qualification of Bachelor's Degree in Commerce from Punjab University. He also possessed immense experience in the field of manufacturing of PVC Pipes, Fittings and allied products which brings a combination of business and technical skills to the task of establishing and running the organisation. He is highly skilled in identifying multiple alternatives for problem solving.

##### b) Past remuneration:

Mr. Sanjeev Aggarwal was not paid any remuneration for the financial year 2019-20 and 2020-21.

##### c) Recognition or award:

The Company has received various awards and recognition during his tenure as a Managing Director of the Company.

##### d) Job profile and his suitability:

Mr. Sanjeev Aggarwal possesses immense experience in the field of manufacturing of

PVC Pipes, Fittings and allied products. He was appointed as a Joint Managing Director in the year 2005. He has been serving in the Company since then. He is a man with a vision to create a vulnerable business in excellence, he is inspiration to all as he spearheads Company's management and operations, strategizing and directing it through its next phase of growth. Thus, he is ideally suitable for the job.

**e) Remuneration proposed:**

As resolution set out above in item no. 6 of this Notice, the remuneration of Mr. Sanjeev Aggarwal have the approval of the Board, Audit Committee and Nomination and Remuneration Committee.

**f) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person:**

The proposed remuneration to Mr. Sanjeev Aggarwal is reasonably in line with the remuneration in the industry of similar size companies in the same segment of business for similarly placed position and person.

**g) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any:**

Except Mr. Rishav Aggarwal and his relatives, none of the other Directors/ Key Managerial Personnel/ their relatives hold any pecuniary relationship with the Company.

### III. OTHER INFORMATION

**1. Reasons for loss or inadequate profits:**

Due to economic slowdown, high volatility in main raw material price and worldwide outbreak of novel coronavirus (COVID-19) pandemic consequently nationwide lockdown and second surge of the deadliest pandemic in the country, short supply of several imported material essential for production in India which impacted China based manufacturing leading to some production disruptions to the Company, delayed working capital cycle, increased competition coupled with adverse market conditions are also resulted into lower profitability for the Company. Thus, the Company incurred a net loss for the Financial Year 2020-21.

**2. Steps taken or proposed to be taken for improvement:**

All these steps are taken by the Company for improving the performance and reducing the debt burden.

- a) To reduce operational and other costs so as to reduce the burden on working capital requirements.
- b) Improve product mix and efficiency for expansion of market for its products so as to boost its revenue from operations.
- c) Exploring better resources to borrow monies at cheaper rate of interest to avoid burden of additional finance cost of the Company.
- d) Though, the prices of raw materials and products are influenced by external factors, the Company is making all possible efforts to improve the margins.
- e) Developing new sources for procurement of raw materials which are contributing by way of better yields and lower prices.
- f) The Company is planning to restrict the production based on the market demand and also reduce the overhead cost proportionately.
- g) The Company has taken several cost cutting measures to sustain the operations and to optimize the use of its financial resources.

**3. Expected increase in productivity and profits in measurement terms:**

The Company has taken all out measures to reduce costs as well as improve operational efficiency/ productivity and the Company undertakes constant measures to improve it. However, it is extremely difficult in the present scenario to predict profits in measurable terms.

**4. Disclosures:**

- i. The remuneration package proposed to be given to Mr. Sanjeev Aggarwal is as per the details given in the resolution. The Report on Corporate Governance in the Annual Report indicates the remuneration paid to the Managerial Personnel as well as to all other Directors. There is no



severance fee or stock option in the case of the aforesaid managerial personnel. The respective tenure of the aforesaid managerial personnel shall be governed by the resolutions passed by the Shareholders in General Meetings with a notice period of three months by either side.

- ii. Mr. Sanjeev Aggarwal is holding 13,15,045 Equity Shares of the Company of Face Value of ₹ 10/- each.

The brief profile of Mr. Sanjeev A. Aggarwal (DIN: 00064076), in terms of the Regulation 36(3) of the SEBI Listing Regulations, 2015 and the Secretarial Standard on General Meeting (SS-2) issued by the Institute of Company Secretaries of India, have been provided to this Notice.

Except Mr. Rishav Aggarwal and his relatives none of the Directors, Key Managerial Person or their relatives is concerned or interested in this resolution.

The Board recommends the passing of said Special Resolution as set out in item no. 6 for your approval.

#### ITEM NO.7

The Memorandum of Association (“MOA”) of the Company presently in force is based on the erstwhile Companies Act, 1956. The Companies Act, 2013, has prescribed a new format of Memorandum of Association (“MOA”) for public companies limited by shares. Accordingly, with a view to align the existing MOA of the Company with Table A of the Schedule I of the Act and in accordance with Section 4 and 13 of the Act, it is proposed to alter the MOA of the Company by merging and retaining the Objects under Clause III (C) - “The Other Objects are” with Clause III (B) - “The Objects Incidental or Ancillary to the attainment of the Main Objects are” to the extent possible and also to rename and renumber the Clause III (A) and III (B) of the Object Clause.

The Board of Directors at their meeting held on August 13, 2021 has approved alteration of the MOA of the Company and recommends the Special Resolution set forth in Item No. 7 of the Notice for approval of the Members. The proposed draft MOA is being uploaded on the Company’s website for perusal by the Members. Further, a copy of the proposed MOA of the Company would be available for inspection for the Members at the Registered Office/Corporate Office of the Company during the normal business hours on any working day (Monday to Friday) between 11.00 a.m. to 5.00 p.m. till the date of AGM.

None of the Directors and/or Key Managerial Personnel of the Company or their relatives are in any way concerned or interested in the passing of the resolution as set out in item no. 7 of this notice.

By order of the Board of Directors  
For **KISAN MOULDINGS LIMITED**

**Sd/-  
Khushboo Jalan**

Company Secretary & Compliance Officer  
ICSI Membership No. : ACS40853

**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: August 28, 2021



## ANNEXURE “A”

### TO ITEMS 2, 5 and 6 OF THE NOTICE

**Details of Directors retiring seeking appointment/re-appointment at the 32<sup>nd</sup> Annual General Meeting (pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and applicable provisions of Secretarial Standard - 2):**

Name of the Directors	Rishav Aggarwal (Item No. 2)	Narendra Kumar Poddar (Item No. 5)	Sanjeev Aggarwal (Item No. 6)
Director Identification Number	05155607	07115618	00064076
Designation	Whole-time Director	Additional Director (Independent Director)	Chairman & Managing Director
Date of Birth	07/12/1988	13/01/1960	08/05/1957
Date of Appointment on the Board	22/08/2017	12/02/2021	30/08/2005
Expertise in Specific Functional Areas	Possesses rich experience in the field of manufacturing of Pipes, Fittings and Allied Products, Specializes in Finance, Possesses protective and personalized approach to business and competitive spirit.	Possesses rich experience of over 30 years in the Corporate sector in the field of Finance, Taxation, Accounts and Audits. He is currently a Proprietor of M/s. Narendra Poddar & Company, Chartered Accountants from January 1988 till date.	Possesses immense experience in the field of manufacturing of PVC Pipes, Fittings and other allied products.
Qualifications	Bachelor of Business Administration, Post-Graduate from Reading University, UK & Master's Degree in Renewable Energy.	Bachelor's degree in Commerce, Fellow Membership (FCA) of the Institute of Chartered Accountants of India and Honorary Doctorate degree from Lewes, State of Delaware.	Bachelor's Degree in Commerce, from Punjab University
Directorship in other Companies / Chairmanship/ Membership of Committees of other Board	<b>Directorship in other Companies:</b> KML Tradelinks Private Limited <b>Chairmanship/Membership of Committees of other Boards:</b> NIL	<b>Directorship in other Companies:</b> NIL <b>Chairmanship/Membership of Committees of other Boards:</b> NIL	<b>Directorship in other Companies:</b> NIL <b>Chairmanship/Membership of Committees of other Boards:</b> NIL
Shareholding of Director in the Company as on March 31, 2021.	885,953 Equity Shares	NIL	13,15,045 Equity Shares
Relationship Between Directors	Mr. Rishav Aggarwal is the son of Mr. Sanjeev Aggarwal	NIL	Mr. Sanjeev Aggarwal is the father of Mr. Rishav Aggarwal

Name of the Directors	Rishav Aggarwal (Item No. 2)	Narendra Kumar Poddar (Item No. 5)	Sanjeev Aggarwal (Item No. 6)
Board Meeting Attended (F.Y. 2020-21)	4 (Four)	NA	5 (Five)
Terms and conditions of appointment	Whole-time Director, liable to retire by rotation	Non-Executive Independent Director not liable to retire by rotation	Re-appointment as Chairman & Managing Director for further period of 3 years with effect from April 01, 2022.
Justification for appointment	Director retiring by rotation.	Mr. Narendra Kumar Poddar has rich experience of over 30 years in the Corporate sector in the field of Finance, Taxation, Accounts and Audits. Considering his huge experience & criteria of Independent Director, the Board proposed his appointment as Independent Director.	Due to cessation of existing term on March 31, 2022, it was proposed to re-appoint Mr. Sanjeev Aggarwal as the Chairman & Managing Director of the Company for further period of 3 years commencing from April 01, 2022.

**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
- uPVC Casing Pipes as per IS:12818
- uPVC Submersible Rising Main Pipes
- HDPE Pipes as per IS:4984 & IS:14333
- Kisan Freeflow uPVC Plumbing System (ASTM)
- Kisan Barish™ 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
- Water Tanks as per IS : 12701

## **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.

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