



Date: 03.09.2022.

To,  
The Manager,  
Listing Department,  
Bombay Stock Exchange Limited  
P.J. Towers, Dalal Street,  
Mumbai – 400 001

**Scrip: 543547**

**Sub: Submission of Annual Report-2021-22 pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

Dear Sir,

Please find enclosed herewith the Annual Report 2021-22 being submitted to you pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Further in terms of BSE Circular no. LIST/COMP/40/2018-19 dated 8th February, 2019 and subsequent clarification vide circular no. LIST/COMP/13/2019-20 dated 16th May, 2019 with regards to filing of Annual Report in XBRL mode under Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the same will be filed in XBRL format in due course.

Kindly take the same on record and oblige.

Thanking You,

Yours faithfully,

For Ddev Plastiks Industries Limited

*Tanvi Goenka*

**Tanvi Goenka (ACS 31176)**  
Company Secretary



**Ddev Plastiks Industries Limited**

Regd. Office : 2B, Pretoria Street, Kolkata - 700 071

Tel : +91-33-2282 3744/45/3671/99, E-mail : [kolkata@ddevgroup.in](mailto:kolkata@ddevgroup.in), [www.ddevgroup.in](http://www.ddevgroup.in)

Mumbai Office : 106, Laxmi Plaza, Laxmi Industrial Estate, New Link Road, Andheri (West), Mumbai - 400 053, India

Tel : +91-22-67021470/71/72, E-mail : [mumbai@ddevgroup.in](mailto:mumbai@ddevgroup.in)

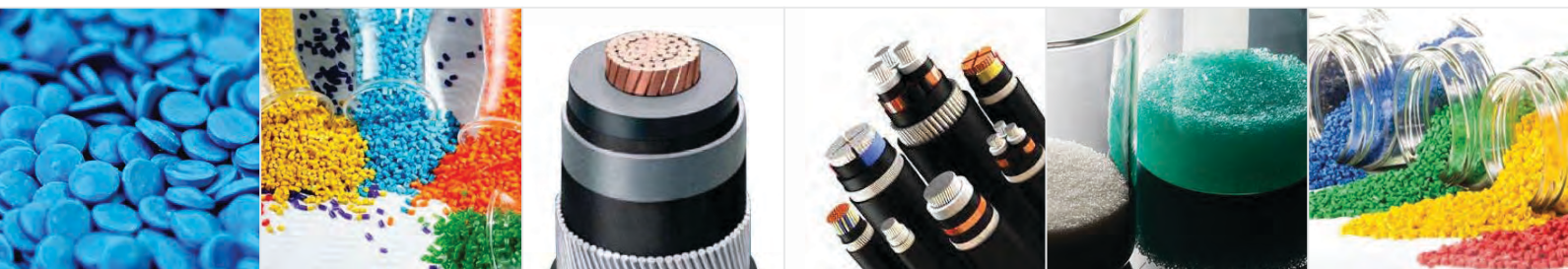
CIN : U24290WB2020PLC241791



**Ddev Plastiks Industries Limited**  
**LEADING MANUFACTURER OF COMPOUNDS**

# Annual Report

## 2021-2022





# P Product Range

## PE Compounds

Silane Grafted XLPE Compound upto 1. 1KV.  
(LT / LT ABC / FR / AMBIENT CURE)  
Silane Grafted XLPE Compound for MV upto 36KV.  
XLPE Compound for CCV Line upto 66KV.  
PE Sheathing and Insulation  
Semi-Conductive Compounds  
HFFR Compounds



## PVC Compounds

Insulation Sheathing Speciality Grades : FRLS Anti Termite Anti Rodent Oil  
Resistant Grades Auto Harness Cable Grades Data and Communication  
Cable Grades ROHS & REACH Compliant Grades

## Filled Compounds

Calcium Carbonate and Talc filled in PE, PP and HDPE

## Master Batches

Colour Master Batches - 1000 shades to choose from  
Speciality Master Batches - UV Antioxidant Processing Aid Optical  
Brightner etc.

## Footwear Compounds

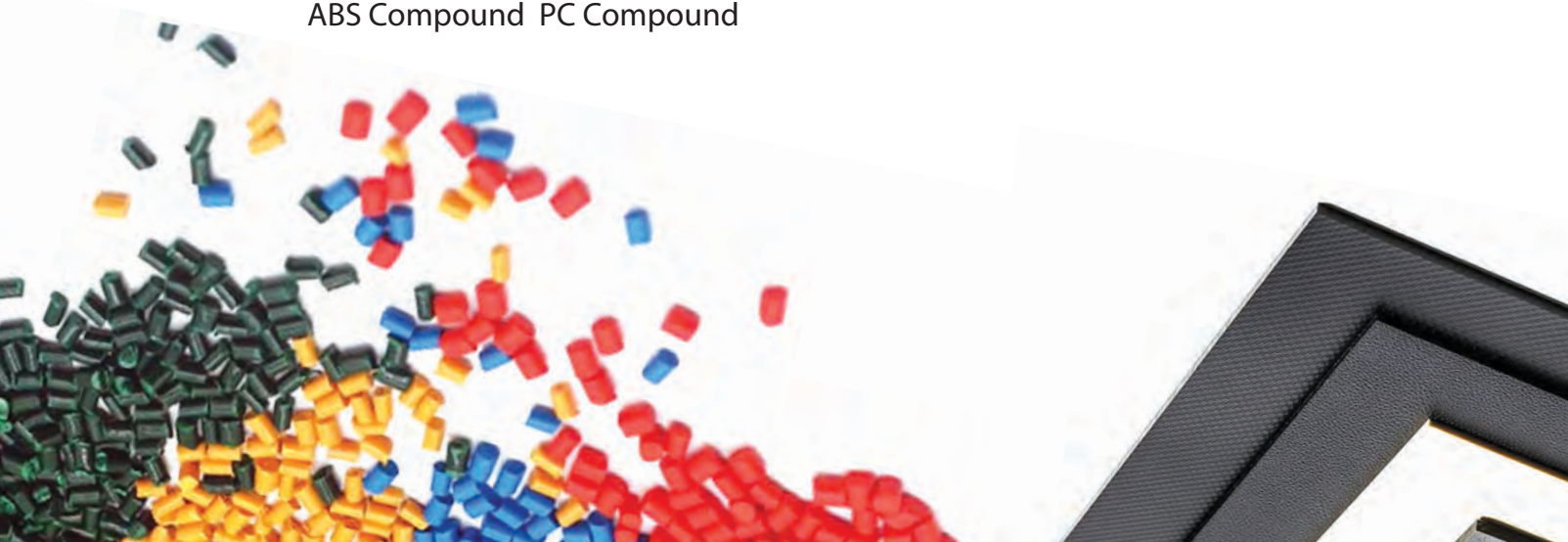
PVC TPR NBR

## Pipe Compounds

PE PEX

## Engineering Plastics

Nylon - Glass & Mineral Filled PP - Glass & Mineral Filled  
ABS Compound PC Compound





## Board of Directors (As on 28<sup>th</sup> May, 2022)

*Chairman and Managing Director*  
**Mr. Narrindra Suranna**

**C**orporate Information

*Whole-Time-Directors*  
**Mr. Rajesh Kothari**  
**Mr. Ddev Surana**

*Non- Executive Independent Directors*  
**Mrs. Mamta Binani**  
**Mr. Samir Kumar Dutta**  
**Mrs. Ramya Hariharan**

*Chief Financial officer*  
**Mr. Arihant Bothra**

*Company Secretary*  
**Mrs. Tanvi Goenka**

## Committee Details

Audit Committee	Nomination and Remuneration Committee	Stakeholder Relationship Committee	Corporate Social Responsibility Committee
Mr. Samir Kumar Dutta	Mr. Samir Kumar Dutta	Mr. Samir Kumar Dutta	Mr. Rajesh Kothari
Mrs. Ramya Hariharan	Mrs. Ramya Hariharan	Mr. Ddev Surana	Mr. Narrindra Suranna
Mr. Rajesh Kothari	Mrs. Mamta Binani	Mr. Rajesh Kothari	Mr. Ddev Surana
			Mr. Samir Kumar Dutta

### *Auditors*

*Statutory Auditor*  
M/s B.Mukherjee & Co.  
Chartered Accountants

### *Internal Auditor*

M/s D K D & Associates  
Chartered Accountants

### *Cost Auditor*

M/s. D. Sabyasachi & Co  
Practicing Cost Accountant

### *Secretarial Auditor*

Mr. Ashok Kumar Daga  
Practicing Company Secretary

### *Bankers*

State Bank of India  
HDFC Bank  
Axis Bank  
The RBL Bank  
The Federal Bank  
Union Bank of India

### *Plant Location*

Daman (Daman & Diu, Union Territory)  
Dadra I, II & III (Dadra & Nagar Haveli, Union Territory)  
Surangi (Dadra & Nagar Haveli, Union Territory)  
Dhulagarh (West Bengal)

### *Registered Office*

2B, Pretoria Street,  
Kolkata – 700 071  
Tel: 91 – 33- 2282 3744 / 3745  
Fax: 91 – 33 – 2282 3739  
E mail : kolkata@ddevgroup.in  
www.ddevgroup.in

### *Registrar & Share Transfer Agent*

M/s. C B Management Services (P) Ltd.  
(Unit Ddev Plastiks Industries Limited),  
P-22, Bondel Road, Kolkata – 700 019  
Tel: 91 – 33 – 4011 6700/ 4011 6728  
Fax : 033 4011 6739  
E Mail : rta@cbmsl.com

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## Annual General Meeting

Date

**29<sup>th</sup> September, 2022**

Time

**11.30A.M. (IST)**

Venue

**Gyan Manch Auditorium, 11, Pretoria Street, Kolkata - 700071**

### **Book Closure Dates**

23<sup>rd</sup> September, 2022 to 29<sup>th</sup> September, 2022 (both days inclusive)

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# Chairman's Statement



*Dear Shareholders,*

It gives me immense pleasure to write to you with the conclusion of an eventful year FY2022. During the year, numerous important decisions and initiatives were taken with the objective of building a sustainable and future ready business. Your company, Ddev Plastiks Industries Limited ("Ddev Plastiks" or "the Company"), has now successfully completed the demerger process which started in December 2020 and was listed on the stock exchange on 26th July 2022, an important milestone in the history of the company. The Company will have Compounding business at the core of its business and Ddev Plastiks will now embark upon its independent journey, focusing on objectives outlined by management, such as strengthening business operations, expanding manufacturing capabilities and increasing customer base. I would like to thank our shareholders for their confidence and trust in achieving this milestone.

Ddev Plastiks, is now a leading manufacturer of polymer compounds in India with a capacity of 2,61,500 MTPA. The company is part of the group built over the years and carrying a legacy of over 4 decades in its history. Company's product portfolio consists of PE compounds, PVC compounds, Filler compounds, Master Batches, Footwear compounds, Pipe compounds, Peroxide compounds and has recently been expanded to Engineering Plastic Compounds for White Goods, Automotive and Electrical Appliances. Ddev Plastiks' operations boasts of seven modern and state of art manufacturing plants situated in the state of West Bengal, Daman & Diu and Dadra & Nagar Haveli. The facilities are strategically located at East & West coast of India resulting in not only cost optimization but also providing access to a large customer pool across the country.

## **Macro-economic and Industry Overview**

We, as a society, have been through two years of challenging times due to the global health pandemic and though the worst impact is behind us now but still its ramification continue to be felt with supply chain disruptions and sharp increase in energy, logistics and other input costs. The collective efforts by the medical fraternity, various organisations and governments have enabled the return to normalcy even as we remain cautious.

In the post pandemic scenario, FY 2022 witnessed faster than expected demand recovery during this period Global and Indian economies are expected to recover with the growth of 6.1% and 8.2% respectively.

However there are few emerging challenges which have affected the economic recovery rate. The geo-political tensions arising due to war in Ukraine has triggered a costly humanitarian crisis and at the same time, the economic damage from conflict will contribute to a significant slowdown in both regional and global growth in 2022. We are also seeing the inflationary pressures across geographies with fuel and food prices increasing rapidly, hitting vulnerable populations in low-income countries hardest.

As per IMF April, 2022 Data, the Global growth is projected to slow from an estimated 6.1 percent in 2021 to 3.6 percent in 2022 and 2023. This is 0.8 and 0.2 percentage points lower for 2022 and 2023 than projected in January.

Beyond 2023, global growth is forecast to decline to about 3.3 percent over the medium term.

The current situation demands cautious and peaceful resolutions from central banks and governments, respectively. Multilateral efforts to respond to the humanitarian crisis, prevent further economic fragmentation, maintain global liquidity, manage debt distress, tackle climate change, and end the pandemic are essential and need of hour.



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## Indian Economy

India continues to maintain positive outlook and withstand these challenges due to its strong fundamentals of the economy. Our country is still the fastest-growing major economy even as the Ukraine conflict impacts the global gross domestic product (GDP). For the fiscal year 2023, India's growth is forecast to be 6 per cent and growth for 2022 is 6.4 per cent, a downward adjustment of 0.3 per cent from January. The Indian economy recovery is expected to remain strong in the near term, in the next year and two, but the downside risk that would come from external channels cannot be completely discounted.

## Business Performance Update

The Hon'ble National Company Law Tribunal, Kolkata Bench (NCLT), had vide its Order dated 04.03.2022, approved the Scheme of Arrangement between Kkalpana Industries (India) Limited ("KIL") and Ddev Plastiks Industries Limited ("the Company" or "DPIL") and their respective shareholders and creditors under Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 with respect to Demerger of Compounding Business of KIL and vesting the same to the Company, with an appointed date of 01.04.2021.

For the year ended 31st March, 2022, Ddev Plastiks has delivered Net Revenue of Rs. 2226.90 Crores. Since the Company was incorporated on 07.12.2020, and FY21, being the first year of its incorporation, the Company did not have operations during such period. Profit after tax, for FY 2021-22 stood at Rs. 54.78 Crores, as against loss of Rs. 0.35 lacs in the previous financial year. The Company's EPS stood at Rs. 5.82 as against Rs. -(minus) 0.35 in the previous financial year.

I am pleased to announce that Board of Directors have recommended dividend of 24% per equity share of Re. 1/- each for FY 2022 consequently the total outgo will be Rs. 225.77 lacs for fiscal year.

Further, considering the NCLT order approving the Demerger with an appointed date of 01.04.2021, the financials of your company have accordingly been classified and presented.

## Business Outlook

Ddev Plastiks has the largest compounding capacity in wire & cables in India with a diverse range of PE & PVC based compounds and we look forward to further strengthening our leadership position in the industry. The simplification of business structure will result in exploring and tapping multiple growth opportunities, consequently enhancing operational efficiency and optimizing profitability. Our large and expanding R&D based product portfolio, strong partnerships with customers, multi-location operations, customer centric and innovation-based growth strategy will support in strengthening our business.

## Acknowledgements

On behalf of the Board of Directors, I would like to thank all our stakeholders who have been part of our journey. I extend my heartfelt gratitude to the employees who have been relentlessly working to ensure smooth and uninterrupted operations and serve the customers with utmost efficiency. I would like to thank our customers, vendors, suppliers, bankers and shareholders for their continued support. As we continue to embark on our transformation journey, I look forward to sharing many successful milestones in the coming years. I want to thank you for your confidence and trust.

# Board of Directors



## **Narrindra Suranna**

Mr. Narrindra Suranna, aged 60 years, is an Indian businessman, Philanthropist and a Humanitarian. He graduated from Calcutta University in 1984. He has done his L.L.B from Calcutta University and MBA from Harvard University (correspondence course). Currently, he is holding the position of Chairman & Managing Director of the Company. He is one of the promoters of the Company and he has got wide experience in plastic industry. His vision and business acumen has led the Group to immense success. His venture into the Compounding sector, has today emerged as one of India's leading Polymer compound manufacturers with global acclamation.



## **Rajesh Kothari**

Mr. Kothari, aged 57 years, a Graduate (B.Com) from Rajasthan University, Ajmer, has more than 30 years of experience in the areas of marketing, after sales service and market research. He started his career in 1985 at Kanoria Chemicals & Industries Limited and has also served as Whole Time Director of Kkalpana Industries (India) Limited and has wide experience in dealing in compounding business.



## **Ddev Surana**

Mr. Ddev Surana, aged 29 years, is a dynamic business leader and key driving force of Ddev Plastiks Industries Limited. He has completed B.Com (Hons.), MSC-Management for Business Excellence from UK and MBA (CAM) from USA. He is one of the promoters of the Company having key skills in projects management, human resource, administration and information technology. Under his guidance, the implementation of SAP in the group was completed in a record time. He has also managed major export clients for wire and cable products. He has also been associated with Kkalpana Industries (India) Limited in various projects and was taken on the Board of Directors therein in February 2019. He had also served as Whole Time Director in Kkalpana Industries (India) Limited and continues to be on Board of Kkalpana Industries (India) Limited as Non Executive Director.





# Board of Directors



## **Mamta Binani**

Mrs. Binani, aged around 49 years, is a practicing Company Secretary since 1997. She is a Fellow member of the Institute of Company Secretaries of India (ICSI), having over 20 years of experience in corporate consultation and advisory, covering due diligence, secretarial and legal functions. She has held the position of an All-India President of the ICSI in the year 2016. She has also been the First Lady Chairperson for the Eastern India of ICSI in the year 2010. She was conferred with a certificate of doctor of excellence in the field of management at the 3rd Intelligentsia Summit in 2017 and the Bharat Nirman Award in 2010. She is the Vice President of the National Company Law Tribunal Kolkata Bar Association, and the Chairperson of the Standing Committee on Corporate Law and Governance, Merchant Chamber of Commerce & Industry, Kolkata and the Co-Chairperson of the Stress Resolution Committee of the Indian Chamber of Commerce. Besides she is also associated in various capacities with several organizations like All India Federation of Tax practitioners, Direct Tax Practitioners Association, Association of Corporate Advisors & Executives, Kolkata



## **Samir Kumar Dutta**

Mr. Dutta, aged about 78 years, is a Science graduate from Calcutta University and Fellow Cost Accountant. He has served a lot of industries in different professional capacities during his service tenure of 4 decades and had started his practice as a Cost Accountant since 2007. He has over 32 years of experience in finance and additionally 13 years of experience in corporate consultation and advisory, covering Cost Audit and Tax matters.



## **Ramya Hariharan**

Mrs. Ramya Hariharan, aged around 43 years, is a qualified Company Secretary and LLB. She has more than 19 years of experience in dealing with general corporate matters, mergers and acquisitions, projects, banking and finance and insolvency matters. She is the partner in charge of the eastern region of a reputed national law firm. She has advised on several joint ventures, mergers and acquisitions, transactions involving listed as well as unlisted companies including cross-border transactions. She also has experience in all forms of restructuring including by way of scheme of arrangement, slump sale, capital restructuring etc. She also has significant experience in handling insolvency and restructuring transactions under the recent insolvency regime and has advised large corporate houses in various insolvency and restructuring transactions. She has also been involved in various financing transactions and has closed project finance transactions over approximately Rs. 7,000 crores.

# Our Plants & Units





# Listing Ceremony



# Green Initiatives and Social Service Activities



Planted over 500 trees at manufacturing units and schools



Distributed 2000 Ration Kits among under privileged people and workers during the pandemic



Provided 2000 masks to villagers and medical staffs



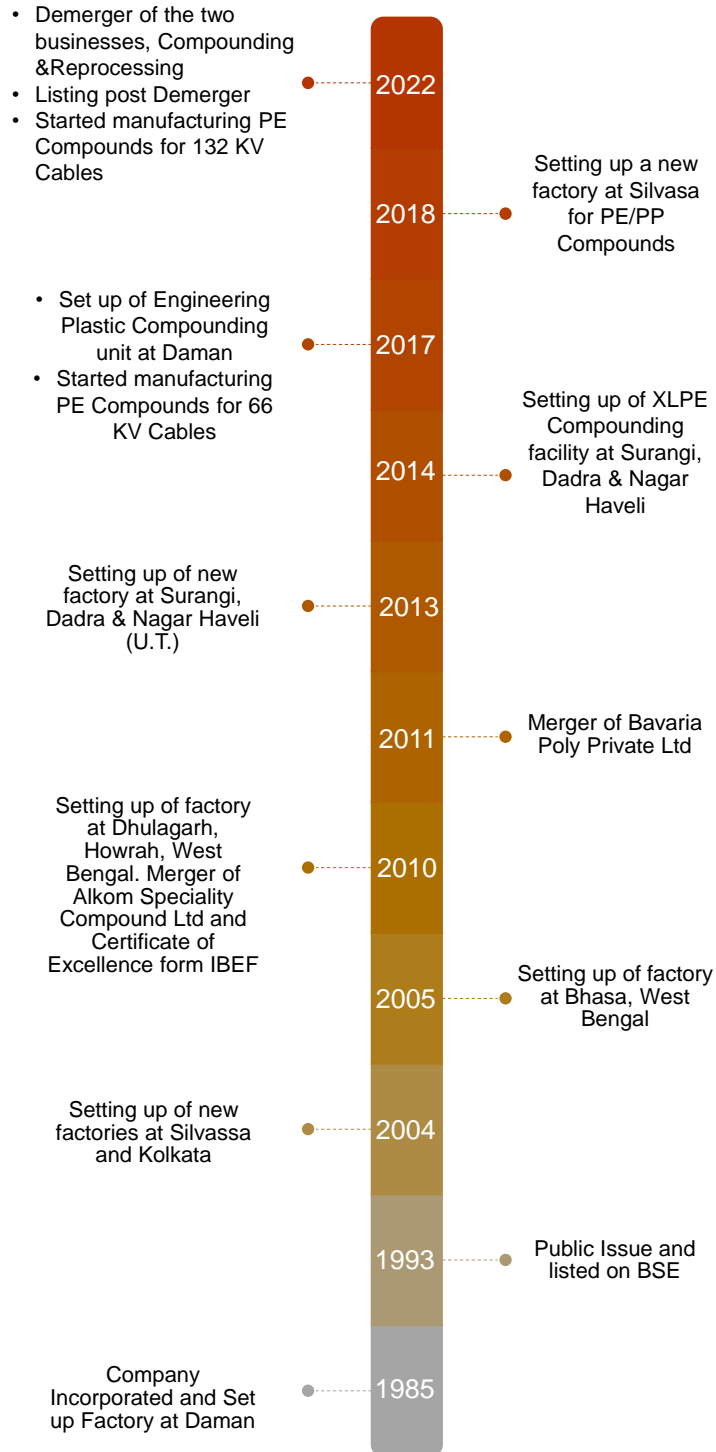
Installed Solar Panels at Surangi Unit to reduce Carbon Emissions per month



Harvesting facilities at units

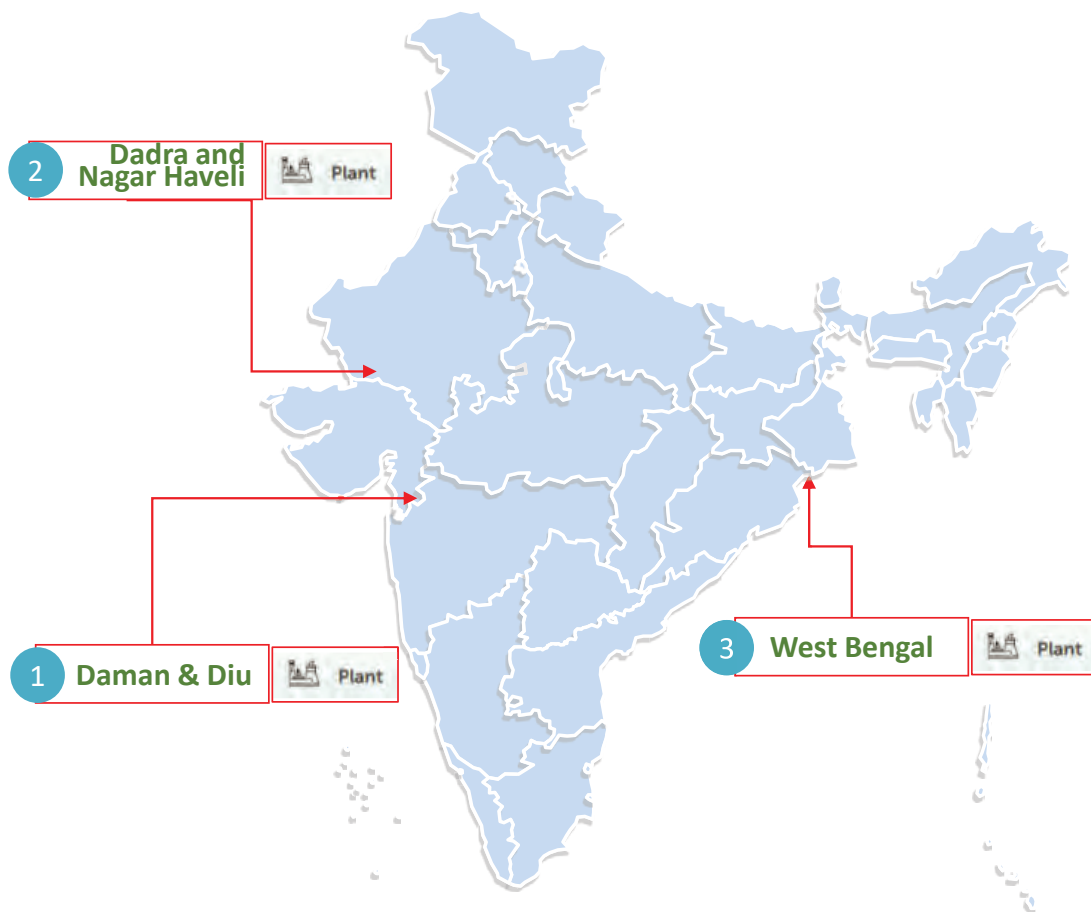


# Major Milestones Achieved



# M

## anufacturing Capabilities



- **Largest manufacture of polymer compounds in India with Installed capacity of 2,61,500 MT**
- **Seven modern state of art manufacturing plants** situated in the state of West Bengal, Daman & Diu and Dadra & Nagar Haveli
- Strategically located at both East & West coast of India results in lower freight costs
- **World class R&D** set up under the supervision of highly competent professionals
- **Science & technology collaboration with leading institutes** like IIT Kharagpur, University Institute of Chemical Technology (Mumbai) etc.
- Judicious choice of equipment from Germany, Switzerland, Italy, Taiwan etc.



## NOTICE OF 2<sup>ND</sup> ANNUAL GENERAL MEETING.

NOTICE IS HEREBY GIVEN that the 2<sup>nd</sup> (Second) Annual General Meeting of the Members of DDEV PLASTIKS INDUSTRIES LIMITED will be held at Gyan Manch, 11, Pretoria Street, Kolkata – 700 071 on Thursday, the 29th day of September, 2022, at 11.30 A.M. to transact the following Businesses:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheets as at 31<sup>st</sup> March, 2022 and the Statements of Profit & Loss Accounts and Cash Flow Statements for the year ended as on that date and the Reports of the Directors and Auditors thereon.
2. To declare dividend of Rs. 0.24p per Equity Share of face value Re. 1/- each ( i.e @ 24%) for the Financial Year ended 31st March, 2022
3. To appoint a Director in place of Mr. Rajesh Kothari (DIN 02168932), who retires by rotation and being eligible, offers himself for re-appointment.

### SPECIAL BUSINESS:

4. **Approval of the Remuneration payable to the Cost Auditors of the Company for the Financial Year ended 31<sup>st</sup> March, 2023**

**To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:**

**“RESOLVED THAT** pursuant to Section 148 and 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(s) thereof, for the time being in force), the Company hereby approves the remuneration of Rs.30000/- plus taxes, as applicable, and out-of-pocket expenses payable to M/s. D.Sabyasachi & Co., Practicing Cost Accountant, who are appointed as Cost Auditors of the Company, as recommended by the Audit Committee of the Board and also approved by the Board of Directors of the Company, at their respective meetings held on 28<sup>th</sup> May, 2022 to conduct Audit of the cost accounting records pertaining to plastic compounds and other related manufacturing items of the Company for the year ending 31<sup>st</sup> March, 2023.

**RESOLVED FURTHER THAT** the Board of Directors of the Company, be and is hereby authorized to do all such acts, things, deeds and matters which are connected therewith or incidental thereto and take all necessary steps, as may be necessary, proper or expedient, to give effect to this resolution.”

5. **Determination of fees to be Charged for Service of documents to members through any particular mode.**

**To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Section 20 of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 and the relevant Rules of Companies (Incorporation) Rules, 2014 and any other relevant rules prescribed thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, whereby a document may be served on any shareholder by the Company by sending it to him/her by post or by registered post or by speed post or by courier or by electronic or other mode as may be prescribed, the consent of the members of the Company be and is hereby accorded to charge such fees in advance equivalent to the estimated actual expenses of delivery of the documents or as are set out in the statement annexed hereto, for service of documents through a particular mode, pursuant to any request made by the shareholder for delivery of such documents to him/her, through a particular mode of services mentioned above

provided such request along with requisite fee has been duly received by the Company, atleast 7 days in advance of dispatch of documents by the Company to the shareholder and that no such request shall be entertained by the Company post the dispatch of such document to the shareholder. .

**RESOLVED FURTHER THAT** the Board of Directors of the Company, be and is hereby authorized to do all such acts, things, deeds and matters which are connected therewith or incidental thereto and take all necessary steps, as may be necessary, proper or expedient, to give effect to this resolution.”

**6. Appointment of Mrs. Ramya Hariharan (DIN 06928511) as Director and also as Independent Director of the Company**

**To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:**

“**RESOLVED THAT** Mrs. Ramya Hariharan (DIN 06928511), who was appointed by the Board of Directors as an Additional Director under the category of Independent Director of the Company with effect from 28th March, 2022, under provisions of Section 161(1) of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Article 106 and Article 107 of the Articles of Association of the Company, who holds office upto the date of this Annual General Meeting but who is eligible for appointment as Director and in respect of whom the Company has received a notice, in writing, from a Member under Section 160(1) of the Act, signifying his intention to propose the candidature of Mrs. Ramya Hariharan (DIN 06928511) for the office of Director, be and is hereby appointed as a Director of the Company.

**RESOLVED FURTHER THAT** pursuant to the provisions of Section 149, 150 and 152 and all other applicable provisions, if any, of the Companies Act, 2013 read with Schedule IV to the Act (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time and relevant Articles of the Articles of Association, Mrs. Ramya Hariharan (DIN 06928511), who has submitted a declaration pursuant to Section 149 (7) of the Act that she meets the criteria of independence under Section 149(6) of the Act, and who is eligible for appointment as an Independent Director, be and is hereby appointed as an Independent Director of the Company for a period of five (5) consecutive years with effect from 28.03.2022, whose period of office shall not be liable to determination by retirement of directors by rotation.”

**7. Appointment of Mrs. Mamta Binani (DIN 00462925) as Director and also as Independent Director of the Company**

**To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:**

“**RESOLVED THAT** Mrs. Mamta Binani (DIN 00462925), who was appointed by the Board of Directors as an Additional Director under the category of Independent Director of the Company with effect from 28th March, 2022, under provisions of Section 161(1) of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Article 106 and Article 107 of the Articles of Association of the Company, who holds office upto the date of this Annual General Meeting but who is eligible for appointment as Director and in respect of whom the Company has received a notice, in writing, from a Member under Section 160(1) of the Act, signifying his intention to propose the candidature of Mrs. Mamta Binani (DIN 00462925) for the office of Director, be and is hereby appointed as a Director of the Company.

**RESOLVED FURTHER THAT** pursuant to the provisions of Section 149, 150 and 152 and all other applicable provisions, if any, of the Companies Act, 2013 read with Schedule IV to the Act (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time and relevant Articles of the Articles of Association, Mrs.





Mamta Binani (DIN 00462925), who has submitted a declaration pursuant to Section 149 (7) of the Act that she meets the criteria of independence under Section 149(6) of the Act, and who is eligible for appointment as an Independent Director, be and is hereby appointed as an Independent Director of the Company for a period of five (5) consecutive years with effect from 28.03.2022, whose period of office shall not be liable to determination by retirement of directors by rotation.”

**8. Appointment of Mr. Samir Kumar Dutta (DIN 07824452) as Director and also as Independent Director of the Company**

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

“**RESOLVED THAT** Mr. Samir Kumar Dutta (DIN 07824452), who was appointed by the Board of Directors as an Additional Director under the category of Independent Director of the Company with effect from 28th March, 2022, under provisions of Section 161(1) of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Article 106 and Article 107 of the Articles of Association of the Company, who holds office upto the date of this Annual General Meeting but who is eligible for appointment as Director and in respect of whom the Company has received a notice, in writing, from a Member under Section 160(1) of the Act, signifying his intention to propose the candidature of Mr. Samir Kumar Dutta (DIN 07824452) for the office of Director, be and is hereby appointed as a Director of the Company.

**RESOLVED FURTHER THAT** pursuant to the provisions of Section 149, 150 and 152 and all other applicable provisions, if any, of the Companies Act, 2013 read with Schedule IV to the Act (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time and relevant Articles of the Articles of Association, Mr. Samir Kumar Dutta (DIN 07824452), who has submitted a declaration pursuant to Section 149 (7) of the Act that he meets the criteria of independence under Section 149(6) of the Act, and who is eligible for appointment as an Independent Director, be and is hereby appointed as an Independent Director of the Company for a period of five (5) consecutive years with effect from 28.03.2022, whose period of office shall not be liable to determination by retirement of directors by rotation and further approval is accorded to his continuation as Non Executive Independent Director of the Company from said date.”

**9. Appointment of Mr. Ddev Surana (DIN: 08357094) as Whole Time Director of the Company**

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

“**RESOLVED THAT** in accordance with the provisions of Section 196, 197, 198 and 203 and other applicable provisions if any, of the Companies Act, 2013 (the Act), read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, including any statutory modification(s) or re-enactment thereof, for the time being in force, and all other applicable guidelines relating to managerial remuneration, issued by the Ministry of Corporate Affairs, from time to time, and subject to such other approvals, as may be necessary, and as per relevant Articles of the Articles of Association, consent of the members of the Company be and is hereby accorded to the appointment of Mr. Ddev Surana (DIN – 08357094) as Whole-Time-Director of the Company, for a period of 5 (Five) years with effect from 28th March, 2022, upon the terms and conditions as are set out in the Statement annexed hereto.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall be deemed to include any Committee thereof and any person authorized by the Board in this behalf) shall, in accordance with the statutory limits/ approvals, as may be applicable for the time being in force, be at full liberty to revise/alter/modify/amend/change the terms and conditions of the appointment and remuneration, from time to time, as may be agreed to by the Board and Mr. Ddev Surana (DIN – 08357094), subject to the approval

of Nomination and Remuneration Committee of the Board of Directors of the Company, provided, however, that the remuneration payable to Mr. Ddev Surana (DIN – 08357094) shall be within the limits set out in section 197 of the Companies Act, 2013 read with Schedule V to the said Act, or any amendments thereto or any modification(s) or statutory re-enactment(s) thereof and /or any rules or regulations framed there under.

**RESOLVED FURTHER THAT** the Board of Directors of the Company, be and is hereby authorized to do all such acts, things, deeds and matters which are connected therewith or incidental thereto and take all necessary steps, as may be necessary, proper or expedient, to give effect to this special resolution.”

#### **10. Appointment of Mr. Rajesh Kothari (DIN: 02168932) as Whole Time Director of the Company**

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

“**RESOLVED THAT** in accordance with the provisions of Section 196,197,198 and 203 and other applicable provisions if any, of the Companies Act, 2013 (the Act), read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, including any statutory modification(s) or re-enactment thereof, for the time being in force, and all other applicable guidelines relating to managerial remuneration, issued by the Ministry of Corporate Affairs, from time to time, and subject to such other approvals, as may be necessary, and as per relevant Articles of the Articles of Association, consent of the members of the Company be and is hereby accorded to the appointment of Mr. Rajesh Kothari (DIN – 02168932) as Whole-Time-Director of the Company, for a period of 5 (Five) years with effect from 28th March, 2022, upon the terms and conditions as are set out in the Statement annexed hereto.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall be deemed to include any Committee thereof and any person authorized by the Board in this behalf) shall, in accordance with the statutory limits/ approvals, as may be applicable for the time being in force, be at full liberty to revise/alter/modify/amend/change the terms and conditions of the appointment and remuneration, from time to time, as may be agreed to by the Board and Mr. Rajesh Kothari (DIN – 02168932), subject to the approval of Nomination and Remuneration Committee of the Board of Directors of the Company, provided, however, that the remuneration payable to Mr. Rajesh Kothari (DIN – 02168932) shall be within the limits set out in section 197 of the Companies Act, 2013 read with Schedule V to the said Act, or any amendments thereto or any modification(s) or statutory re-enactment(s) thereof and /or any rules or regulations framed there under.

**RESOLVED FURTHER THAT** the Board of Directors of the Company, be and is hereby authorized to do all such acts, things, deeds and matters which are connected therewith or incidental thereto and take all necessary steps, as may be necessary, proper or expedient, to give effect to this special resolution.”

#### **11. Appointment of Mr. Narrindra Suranna (DIN: 00060127) as Director and also as Chairman and Managing Director of the Company**

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

“**RESOLVED THAT** Mr. Narrindra Suranna (DIN 00060127), who was appointed by the Board of Directors as an Additional Director of the Company with effect from 28<sup>th</sup> March, 2022, at its meeting held on 28<sup>th</sup> March, 2022 and under provisions of Section 161(1) of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Article 106 and Article 107 of the Articles of Association of the Company, who holds office upto the date of this Annual General Meeting and is eligible for appointment as Director and in respect of whom the Company has received a notice, in writing, from a Member under Section 160 of the Act, signifying his intention to propose the candidature of Mr. Narrindra Suranna (DIN 00060127) for the office of Director, be and is hereby appointed as a Director of the Company.



**RESOLVED FURTHER THAT** in accordance with the provisions of Section 196,197, 198 and 203 and other applicable provisions, if any, of the Companies Act, 2013 (the Act), read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, including any statutory modification(s) or re-enactment thereof, for the time being in force, and all other applicable guidelines relating to managerial remuneration, issued by the Ministry of Corporate Affairs, from time to time, and subject to such other approvals, as may be necessary, and as per relevant Articles of the Articles of Association, consent of the members of the company be and is hereby accorded to the appointment of Narrindra Suranna (DIN 00060127) as Chairman and Managing Director of the Company, for a period of 5 (Five) years with effect from 28th March, 2022, upon the terms and conditions as are set out in the Statement annexed hereto.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall be deemed to include any Committee thereof and any person authorized by the Board in this behalf) shall, in accordance with the statutory limits/ approvals, as may be applicable for the time being in force, be at full liberty to revise/alter/modify/amend/change the terms and conditions of the appointment and remuneration, from time to time, as may be agreed to by the Board and Narrindra Suranna (DIN 00060127), subject to the approval of Nomination and Remuneration Committee of the Board of Directors of the Company, provided, however, that the remuneration payable to Narrindra Suranna (DIN 00060127)) shall be within the limits set out in section 197 of the Companies Act, 2013 read with Schedule V to the said Act, or any amendments thereto or any modification(s) or statutory re-enactment(s) thereof and /or any rules or regulations framed there under.”

**RESOLVED FURTHER THAT** the Board of Directors of the Company, be and is hereby authorized to do all such acts, things, deeds and matters which are connected therewith or incidental thereto and take all necessary steps, as may be necessary, proper or expedient, to give effect to this special resolution.”

## **12. Place of keeping and inspection of Registers, Returns etc..**

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

“**RESOLVED THAT** pursuant to the provisions of Section 94, other applicable provisions, if any, of the Companies Act, 2013 read with Rule 5(2) of the Companies (Management and Administration) Rules, 2014 and other relevant rules made thereunder (including any amendment thereto or enactment thereof for the time being in force), consent of the members of the Company be and is hereby accorded to keep, maintain and preserve the Register of Members, Index of Members, Registers required to be maintained under Section 88 of the Companies Act, 2013 and rules made thereunder, copies of all Annual Returns under Section 92 of the Companies Act, 2013 together with the copies of certificates and documents required to be annexed thereto or any other register/ documents as may be required and permitted, at the office of the Registrar and Share Transfer Agent of the Company viz. C B Management Services Private Limited situated at P-22, Bondel Road, Kolkata - 700019 or any other its office within the local limits of the Registered Office of the Company, as may be decided by the Board of Directors, instead of the keeping, maintaining and preserving the same at Registered Office of the Company.

**FURTHER RESOLVED THAT** the Board of Directors or any Committee thereof of the Company be and are hereby authorized to do all such things and take all such actions as may be required from time to time for giving effect to the above resolution and matters related thereto including to sign and submit such documents or forms or intimation, etc. and to do all such acts, deeds, matters and things as it may, in its sole discretion deem necessary, proper, desirable to give effect to this resolution.

Registered Office:  
2B, Pretoria Street,  
Kolkata-700071

By Order of the Board of Directors  
For **Ddev Plastiks Industries Limited**

Date: 28<sup>th</sup> Day of May, 2022  
Place: Kolkata

**Tanvi Goenka** (ACS- 31176)  
Company Secretary

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE "MEETING" or "AGM") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT TO BE A MEMBER OF THE COMPANY. MEMBERS ARE REQUESTED TO NOTE THAT PURSUANT TO SECTION 105 OF THE COMPANIES ACT, 2013, A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING 50 AND HOLDING IN THE AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. IN CASE, A PROXY IS PROPOSED TO BE APPOINTED BY A MEMBER HOLDING MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS, THEN SUCH PROXY SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER. IF A PROXY IS APPOINTED FOR MORE THAN 50 MEMBERS, THE PROXY SHALL CHOOSE ANY FIFTY MEMBERS AND CONFIRM THE SAME TO COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. IN CASE, THE PROXY FAILS TO DO SO, THE FIRST 50 PROXIES RECEIVED BY THE COMPANY SHALL BE CONSIDERED AS VALID.

THE INSTRUMENT APPOINTING PROXY, DULY COMPLETED, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED, AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME OF HOLDING THE ANNUAL GENERAL MEETING (i.e. ON OR BEFORE 27TH SEPTEMBER, 2022, 11:30A.M. IST). A PROXY FORM FOR THE AGM IS ENCLOSED.

2. Institutional/Corporate Members (i.e. other than Individuals/HUF/NRI etc.) intending to authorize its representatives to attend the meeting and vote thereat and/or on proposed business as per notice of meeting are required to send a certified copy of the Board/ its Governing Body's Resolution/ Authorization (physical or scanned copy in.pdf/.jpg mode permissible only), pursuant to Section 113 of the Companies Act, 2013, or upload it on the e-voting portal (for e-voting), authorizing their representative to attend and/or vote, on their behalf, at the AGM. The said Resolution/ Authorisation may be sent by E-mail through the registered email address to the Scrutinizer, Mr. Ashok Kumar Daga at daga.ashok@gmail.com or to the Company's email id at kolkata@ddevgroup.in or to the Company Secretary's email id at tanvi.goenka@ddevgroup.in.
3. For convenience of the members and proper conduct of the meeting, entry to the meeting venue will be regulated by Attendance Slip. The members/proxies/authorized representatives are requested to bring duly filled attendance slip (as enclosed herewith) along with their copy of Annual Report at the AGM and hand it over at the counter at the venue.
4. The Statement, pursuant to Section 102 of the Companies Act, 2013, setting out material facts concerning the special business under Item Numbers 4 to 12 of the Notice of 02<sup>nd</sup> AGM is annexed hereto. The relevant details, pursuant to Secretarial Standards on General Meetings, issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment / re appointment at this AGM, is also annexed. Requisite declarations have been received from Directors seeking appointment/re-appointment
5. Register of Directors and Key Managerial Personnel of the Company and their respective shareholding maintained under Section 170 of the Companies Act, 2013 ('the Act') will be available for inspection by the members at the AGM.
6. The Register of Contracts and Arrangements in which the Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
7. All documents referred to in the Notice convening the 02<sup>nd</sup> AGM and related Statement pursuant to Section 102 of the Companies Act, 2013 and annexures thereto (Collectively referred to as "Notice") will also be available for inspection, only by the members from the date of circulation of the Notice upto the date of AGM i.e. 29.09.2022. Members seeking to inspect such documents may send an e-mail to the Company Secretary, Ms. Tanvi Goenka at tanvi.goenka@ddevgroup.in.



8. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide to its members, facility to exercise their right to vote on all resolutions set forth in the Notice convening the 02<sup>nd</sup> AGM, electronically, through electronic voting (e-voting) services facilitated by the National Securities Depository Limited (NSDL) and all items of the business may be transacted through remote e- voting (facility to cast vote from a place other than the venue of the AGM) services provided by National Securities Depositories Limited (“NSDL”). Instructions and other information relating to remote e-voting are given in the notice under note no.23.

The Company shall also arrange for the physical voting by use of ballot or polling paper at the AGM for the members who have not cast their vote through remote e-voting. Members, who cast their votes by remote e-voting prior to the AGM, may attend the meeting but will not be entitled to cast their votes once again. In case votes are cast by such members at the meeting, then votes cast through e-voting will only be considered. The Board of Directors of the Company has appointed Mr. Ashok Kumar Daga, Practicing Company Secretary (Membership No. FCS-2699, C.O.P No 2948) as the Scrutinizer for this purpose.

9. Voting rights will be reckoned on the paid-up value of shares registered in the name of the Members as on Thursday, 22<sup>nd</sup> September, 2022 (cut-off date). Only those Members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date will be entitled to cast their votes by remote e-voting or ballot voting at the AGM.
10. In case of joint holders attending the meeting, only such joint holder who is higher in order of names, will be entitled to vote at the meeting.
11. In accordance with the provisions of section 91 of the Companies Act, 2013, the Register of Members and the Share Transfer Books of the Company will remain closed from Friday, 23<sup>rd</sup> September, 2022 to Thursday, 29<sup>th</sup> September, 2022 (both days inclusive).
12. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made thereunder, companies can serve Notice and Annual Report and other communication through electronic mode to those members who have registered their e-mail addresses either with the Company or with Depository Participant(s). Members who have not registered their e-mail addresses may now register the same. Members holding shares in demat form are requested to register their e-mail address with their Depository Participant(s) only. Members holding physical shares may register their e-mail address with the Registrar and Share Transfer Agents of the Company. Members of the Company who have registered their e-mail address are also entitled to receive such communication in physical form, upon sufficient prior written request.
13. Notice of the 02<sup>nd</sup> AGM, details and instructions for remote e-voting and the Annual Report of the Company for the year ended 31<sup>st</sup> March, 2022 along with attendance slip and proxy form are uploaded on the Company's website [www.ddevgroup.in](http://www.ddevgroup.in) and may be accessed by the members. The physical copies of the aforesaid documents will also be available at the Company's registered office for inspection between 10:00am (IST) to 1:00pm (IST) on all working days except Saturday upto the date of meeting and also at the venue during the meeting.

Copies of the above documents are being sent by electronic mode to the members whose email addresses are registered with the Company/ Depository Participant(s) for communication purposes unless any member has requested for a physical copy of the same, in writing, in advance. For the members who have not registered their email addresses, physical copies of the aforesaid documents are being sent by the permitted mode.

14. Members, holding shares in physical mode are requested to notify the change in their name/address / mandate/ bank account/ nominations/e-mail address/ contact details/ power of attorney etc to M/s. CB Management Services (P) Limited, P-22, Bondel Road, Kolkata – 700 019, the Registrar & Share Transfer Agent of the Company (“RTA”). Members holding shares in demat form, are requested to intimate any change in their address and/or

bank mandate to their Depository Participant(s). The Company cannot act on any request received directly from members holding shares in demat for, for any change in their particulars.

15. Members are requested to address all correspondences, including those on dividends, to the Registrar and Share Transfer Agents, as mentioned above.
16. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN details to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company's Registrar and Share Transfer Agents, M/s. CB Management Services Pvt. Limited.
17. Attention of members of the Company is also drawn to SEBI Circular No. SEBI /HO /MIRSD /MIRSD\_RTAMB /P/ CIR /2021/655 dated November 03, 2021 read with SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/687 dated December 14, 2021 and SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022 on 'Common and Simplified Norms for processing investor's service request by RTA's and norms for furnishing PAN, KYC details and Nomination' and it is requested that the members furnish their respective PAN, KYC details and Nomination with the RTA/Company in accordance with said Circulars for updating their related records maintained in the Company.
18. As per the provisions of Section 72 of the Companies Act, 2013, facility for making nomination is available for the Members in respect of the shares held by them. Nomination forms can be obtained from the Company's Registrars and Share Transfer Agents, by Members holding shares in physical form. Members holding shares in electronic form, may obtain Nomination forms from their respective Depository Participant.
19. As per the amendment made to Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 by SEBI Circular No. SEBI/LAD-NRO/GN/2018/24 dated 8th June, 2018, read with press release (2018 PR No. 49/2018) dated 03.12.2018, it is now mandated, w.e.f. 1st April, 2019, that except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository. Further, as per SEBI Circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018, the Shareholders, who are still holding shares in physical form are requested to take immediate action to demat their shares to avail easy liquidity and to update their Bank details with the Company to enable direct credit of dividends, if any declared, as per SEBI Regulations. Further, SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022 has now decided that, with immediate effect, listed companies shall issue the securities in dematerialized form only, while processing investor service request pertaining to issuance of duplicate share certificate, claim from Unclaimed Suspense Account, renewal/exchange of securities certificates, endorsement, sub-division/splitting/consolidation of share certificates, transmission and transposition. The securities holder/claimant are, accordingly, required to submit duly filled-up Form ISR-4, the format of which along with the said SEBI Circular dated January 25, 2022, can be downloaded from the Company's website, i.e. [www.ddevgroup.in](http://www.ddevgroup.in).
20. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the RTA/Company, the details of such folios together with the share certificates for consolidating their holding in one folio. Consolidated shares will be issued to such member after making requisite changes.
21. The Dividend, as recommended by the Board of Directors, if declared at the Annual General Meeting will be credited/ dispatched between 30th September, 2022 to 29th October, 2022 to those members or to those mandates :-
  - a. Whose name appear as Beneficial Owners as at the end of 22nd September, 2022 in the statements of beneficial owner furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), in respect of shares held in electronic form and
  - b. Whose names appear as Members in Register of Members of the Company, after giving effect to all valid share



transfers/transmissions in physical form lodged with the Company/ RTA on or before the 22nd September, 2022

It may be noted that in view of the changes made under the Income Tax Act, 1961, by the Finance Act, 2020, dividends paid or distributed by the Company shall be taxable in the hands of the shareholders. Your company shall accordingly make the payments of Dividend after deducting Tax at Source.

22. SEBI vide its Circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20th April, 2018 has mandated that for making dividend payments, companies whose securities are listed on the stock exchanges shall use electronic clearing services (local, regional or national), direct credit, real time gross settlement, national electronic funds transfer etc. The Company has filed its Listing Application as on date of the Notice and is expected to be listed by date of meeting. Therefore, its Registrar and Share Transfer Agent are required to seek relevant bank details of members from depositories/ investors for making payment of dividends in electronic mode. Further, pursuant to MCA General Circular 20/2020 dated 5th May, 2020, companies are directed to credit the dividend of the members directly to the bank accounts of the members using Electronic Clearing Service. Accordingly, members are requested to provide or update (as the case may be) their bank details with the respective depository participants for the shares held in dematerialized form and with the Registrar & Share Transfer Agent in respect of shares held in physical form. In case of non availability or non-updation of bank account details of the shareholders, the Company shall ensure payment of dividend to such member, vide dispatch of dividend warrant/ cheque, as the case may be.

**23. Process and manner for members opting for remote e-voting are as under:**

- I. The remote e-voting period commences on 26th September, 2022 (9:00 a.m) and ends on 28th September, 2022 (5:00 pm). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 22nd September, 2022, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently. The rights of members shall be proportionate to their share of the paid-up equity share capital of the company as on the cut-off date. E-voting rights cannot be exercised by a proxy, though corporate and institutional shareholders shall be entitled to vote through their authorized representatives with proof of their authorization.
- II. Mr. Ashok Kumar Daga, Practicing Company Secretary (Membership No. FCS-2699, C.O.P No. 2948) has been appointed as the Scrutinizer for providing facility to the members of the Company and to scrutinize the ballot voting and remote e-voting process in a fair and transparent manner.
- III. *The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:*

**Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>**


**Step 2 : Cast your vote electronically on NSDL e-Voting system.**

**Step 1: Access to NSDL e-Voting system**

**A) Login method for e-Voting**

In terms of SEBI circular 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.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
<p>Individual Shareholders holding securities in demat mode with NSDL.</p>	<ol style="list-style-type: none"> <li>1. If you are already registered for <b>NSDL IDeAS facility</b>, 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 <b>“Beneficial Owner”</b> icon under <b>“Login”</b> which is available under <b>“IDeAS”</b> 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 <b>“Access to e-Voting”</b> under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or <b>e-Voting service provider - NSDL</b> and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period.</li> <li>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 <b>“Register Online for IDeAS”</b> Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a>.</li> <li>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.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 <b>“Login”</b> which is available under <b>‘Shareholder/Member’</b> section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held 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 options available against company name or <b>e-Voting service provider - NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</li> <li>4. Shareholders/Members can also download NSDL Mobile App <b>“NSDL Speede”</b> facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <div data-bbox="767 1426 1276 1733" style="text-align: center;"> <p><b>NSDL Mobile App is available on</b></p>  <p>The image shows a promotional banner for the NSDL Mobile App. At the top, it says "NSDL Mobile App is available on". Below this, there are two logos: the Apple App Store logo and the Google Play logo. Underneath each logo is a QR code for scanning to download the app.</p> </div>





Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, they can login through their 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 <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <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 provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once 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 options available against company name or <b>e-Voting service provider-NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.

**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. NSDL and CDSL.**

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	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
Individual Shareholders holding securities in demat mode with CDSL	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 or 022-23058542-43

**B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID  For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID  For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company  For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**



6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
  - a) Click on “**Forgot User Details/Password?**” (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) **Physical User Reset Password?**” (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

### **Step 2: Cast your vote electronically on NSDL e-Voting system.**

#### **How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**General Guidelines for shareholders**

- 1 Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to daga.ashok@gmail.com or to the Company at kolkata@ddevgroup.in or to the Company Secretary at tanvi.goenka@ddevgroup.in with a copy marked to evoting@nsdl.co.in. They may also upload the same in the e-voting module in their login. The scanned image of the above mentioned documents should be in the naming format "Corporate Name EVEN NO."
- 2 Any person holding shares in physical form and non-individual shareholders, who acquire shares of the Company and becomes member of the Company after the notice is send through e-mail and holding shares as of cut-off date i.e. 22nd September, 2022, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA at rta@cbmsl.com. However, if you are already registered with NSDL for remote E-voting then you can use your existing User ID and Password for casting your vote. If you forgot your password you can reset your password by using "Forgot User Details/ Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on toll free number 1800-1020-990 and 1800-22-44-30. Incase of Individual shareholder holding securities in demat mode who acquire shares of the company and becomes a member after sending of the notice and holding shares as of cut off date i.e. 22nd September, 2022, may follow steps mentioned in the notice of the AGM under Step 1: "Access to NSDL e-voting system" (above).
- 3 It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
- 4 In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or 1800 22 44 30 or send a request at evoting@nsdl.co.in
- 5 Incase of any grievances connected to the facility for e-voting please contact Mr. Amit Vishal, Senior Manager / Ms. Pallavi Mhatre, Manager, NSDL, Trade World, "A" Wing, 4th Floor, Kamala Mills Compound, Lower Parel, Mumbai 400 013 at telephone no. 022 – 24994360 / 022 – 24994545 or toll free no. 11800 1020 990 / 1800 22 44 30 or at E-mail ID : evoting@nsdl.co.in. Incase of grievances connected to members data please contact Mr. Sujit Sengupta, M/s C.B. Management Services Pvt. Ltd. (Unit- Ddev Plastiks Industries Limited), P-22, Bondel Road, Kolkata – 700019, West Bengal; Email: rta@cbmsl.com/senguptask@cbmsl.com; Tel: 033 2280 6692 / 93/94/2486.
- 6 You can also update your mobile no. and e-mail id in the user profile details of the folio which may be used for sending future communication(s)

**IV. Process for those shareholders whose email ids are not registered with the Depositories for procuring user id and password and registration of e mail ids for e-voting on the resolutions set out in this notice :**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to the RTA at rta@cbmsl.com or to the Company at kolkata@ddevgroup.in or to the Company Secretary at tanvi.goenka@ddevgroup.in
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), 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 the RTA at rta@cbmsl.com or to the



Company at [kolkata@ddevgroup.in](mailto:kolkata@ddevgroup.in) or to the Company Secretary at [tanvi.goenka@ddevgroup.in](mailto:tanvi.goenka@ddevgroup.in). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting.**

3. Alternatively shareholder/member may send an e-mail request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring User ID and Password for e-voting by proving the details mentioned in Point (1) or (2) as the case may be.
4. In terms of SEBI circular 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 required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility

#### Other Instructions

- 1 The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" or "Polling Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- 2 The Scrutinizer shall after the conclusion of voting at the general meeting, 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 who are not in the employment of the Company and shall make, within two working days of the conclusion 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 authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- 3 The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company [www.kkalpanagroup.com](http://www.kkalpanagroup.com) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to concerned stock exchanges where the company's shares are listed.

24. The Resolutions shall be deemed to be passed on the date of Annual General Meeting, subject to receipt of sufficient votes.
25. A route map along with prominent landmark for easy location to reach the venue of AGM is annexed to the Notice.
26. We urge members to support our commitment to environment protection by choosing to receive their shareholding communication through email. You can do this by updating your email address with your depository participants (in case of demat holdings) or with the RTA (in case of physical holdings)
27. 25. Members desiring any information/clarification relating to the accounts and operations of the company or intending to raise any query are requested to write to the Company atleast 10 days in advance of the meeting, to the Company Secretary at the registered office address, so as to enable the management to keep the information ready.

DETAILS OF DIRECTORS SEEKING APPOINTMENT / REAPPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING

<b>Name of Director</b>	<b>Mrs. Ramya Hariharan (DIN: 06928511)</b>	<b>Mrs. Mamta Binani (DIN 00462925)</b>	<b>Mr. Samir Kumar Dutta (DIN: 07824452)</b>
<b>Date of Birth</b>	27.08.1978	10.10.1972	04.12.1943
<b>Date of Appointment on the Board</b>	28.03.2022	28.03.2022	28.03.2022
<b>Qualification</b>	LLB, Company Secretary	B.Com (Hons.) from Calcutta University. She is also a Fellow member of the Institute of Company Secretaries of India (ICSI)	B.Sc from Calcutta University. He is a Fellow member at Institute of Cost Accountants of India
<b>Expertise</b>	Mrs. Ramya Hariharan has more than 19 years of experience in dealing with general corporate matters, mergers and acquisitions, projects, banking and finance and insolvency matters. She is the partner in charge of the eastern region of a reputed national law firm. She is experienced in all forms of restructuring and in handling insolvency and restructuring transactions under the recent insolvency regime.	Mrs. Binani has over 20 years of experience in corporate consultation & advisory, covering Due Diligence, Secretarial & Legal functions. She has been the first lady Chairperson (eastern region) of (ICSI) and has held the post of President of ICSI.	He has over 32 years of experience in finance and additionally 13 years of experience in corporate consultation and advisory, covering Cost Audit and Tax matters
<b>Directorships held in other public companies including private companies which are subsidiaries of public companies #</b>	Kkalpana Industries (India) Limited Rohit Ferro Tech Limited Texmaco Infrastructure & Holdings Limited TRF Limited Amalgam Steel & Power Limited The Indian Steel & Wire Products Limited	Balrampur Chini Mills Ltd. GPT Infraprojects Ltd. Emami Paper Mills Ltd. Skipper Ltd. Emami Ltd. Anmol Industries Ltd. Uttam Value Steels Ltd. Uttam Galva Metallics Ltd.	Kkalpana Industries Ltd.



Name of Director	<b>Mrs. Ramya Hariharan</b> (DIN: 06928511)	<b>Mrs. Mamta Binani</b> (DIN 00462925)	<b>Mr. Samir Kumar Dutta</b> (DIN: 07824452)
<b>Memberships / Chairmanships of Committees across other companies in which he/she is a Director</b>	<p>Member of Audit Committee in The Indian Steel &amp; Wire Products Limited, Kkalpana Industries (India) Limited and Texmaco Infrastructure &amp; Holdings Limited. Chairperson of Audit Committee in Rohit Ferro Tech Limited</p> <p>Member of Stakeholder Relationship Committee in TRF Ltd., Chairperson of Stakeholder Relationship Committee in Kkalpana Industries (India) Limited.</p> <p>Member of Nomination and Remuneration Committee in Kkalpana Industries (India) Limited, Chairperson of Nomination and Remuneration Committee in Rohit Ferro Tech Limited and The Indian Steel &amp; Wire Products Limited</p> <p>Member of Corporate Social Responsibility Committee in The Indian Steel &amp; Wire Products Limited</p>	<p>Member of Audit Committee in Balrampur Chini Mills Ltd., GPT Infraprojects Ltd., Uttam Galva Metallics Ltd, and Uttam Value Steels Ltd. Chairperson of Audit Committee in Anmol Industries Ltd.</p> <p>Chairperson of Nomination and Remuneration Committee in Skipper Ltd. and Anmol Industries Ltd. Member of Nomination and Remuneration Committee in Uttam Galva Metallics Ltd, Uttam Value Steels Ltd.</p> <p>Chairperson in Corporate Social Responsibility Committee in Anmol Industries Ltd. Member in Corporate Social Responsibility Committee in GPT Infraprojects Ltd.</p>	<p>Member of Corporate Social Responsibility Committee and Chairperson of Audit Committee and Nomination and Remuneration Committee in Kkalpana Industries (India) Limited</p>
<b>Memberships / Chairmanships of Committees in the company</b>	<p>Member of Nomination and Remuneration Committee and Audit Committee.</p>	<p>Member of Nomination and Remuneration Committee</p>	<p>Chairperson of Audit Committee, Stakeholder Relationship Committee and Nomination and Remuneration Committee. Member of Corporate Social Responsibility Committee</p>
<b>Shareholding in the Company</b>	NIL	NIL	NIL
<b>Relationship with other Directors</b>	NIL	NIL	NIL

# Excludes Directorships in Private Limited Companies, Foreign Companies and Government Companies

Name of Director	Mr. Ddev Surana (DIN: 08357094)	Mr. Rajesh Kothari (DIN: 02168932)	Mr. Narrindra Suranna (DIN: 00060127)
<b>Date of Birth</b>	31.12.1992	05.06.1964	16.08.1961
<b>Date of Appointment on the Board</b>	07.12.2020	07.12.2020	28.03.2022
<b>Qualification</b>	B. Com(Hons), MSc-Management for Buisness Excellence (UK), MBA (CAM)-(USA)	Graduate (B.Com)	Graduated from Calcutta University in 1984. He has done his L.L.B from Calcutta University and MBA from Harvard University (correspondence course)
<b>Expertise</b>	He has wide exposure in project management, particularly in Information Technology, marketing, Human Resource & administration and operations	Mr. Kothari has more than 30 years of experience in the areas of marketing, after sales service and market research and has wide experience in dealing in compounding business.	One of the promoters of the Company, he has got wide experience in plastic industry. His vision and business acumen has led the Group to immense success. His venture into the Compounding sector, has today emerged as one of India's leading Polymer compound manufacturers with global acclamation
<b>Directorships held in other public companies including private companies which are subsidiaries of public companies #</b>	Kkalpana Industries (India) Limited Ddev Plastic Limited	Ddev Plastic Limited	Kkalpan Industries (India) Limited
<b>Memberships / Chairmanships of Committees across other companies in which he/ she is a Director</b>	Member in Corporate Social Responsibility Committee and Stakeholder Relationship Committee in Kkalpana Industries (India) Limited	None	Member in Corporate Social Responsibility Committee in Kkalpana Industries (India) Limited
<b>Memberships / Chairmanships of Committees in the company</b>	Member in Corporate Social Responsibility Committee and Stakeholder Relationship Committee	Chairperson of Corporate Social Responsibility Committee, Member of Audit Committee and Stakeholders Relationship Committee	Member in Corporate Social Responsibility Committee
<b>Shareholding in the Company</b>	683850 (0.73%)- Promoter	NIL	500 (0.00%)-Promoter
<b>Relationship with other Directors</b>	Son of Mr. Narrindra Suranna, Chairman and Managing Director.	NIL	Father of Mr. Ddev Surana, Whole Time Director
<b>Last drawn Remuneration</b>	-	-	-

# Excludes Directorships in Private Limited Companies, Foreign Companies and Government Companies

Registered Office:  
2B Pretoria Street  
Kolkata-700 071

By Order of the Board of Directors  
For Ddev Plastiks Industries Limited

28<sup>th</sup> May, 2022  
Place: Kolkata

Tanvi Goenka (ACS 31176)  
Company Secretary





## **Statement pursuant to Section 102 of The Companies Act, 2013**

### **Item No.4**

The company is required, under provisions of Section 148 of the Companies Act, 2013 (“the Act”) read with the Companies (Cost Records and Audit) Rules, 2014 (“the Rules”), as amended from time to time, to have the audit of its Cost Records conducted by a Practicing Cost Accountant or a firm of Cost Accountants. Further, in accordance with the provisions of Section 148 of the Act read with the Rules, the remuneration payable to the Cost Auditor has to be ratified by the members of the Company.

The Board of Directors of the Company, on the recommendation of the Audit Committee, at their respective meeting held on 28th May, 2022, has approved the appointment of M/s D. Sabyasachi & Co (Firm Registration No. 000369), Cost Accountants, as the Cost Auditor to conduct the audit of the cost records of the Company for the financial year 2022-23, at a remuneration of Rs. 30,000/- plus taxes, as applicable, and out of pocket expenses incurred in connection with the Cost Audit.

Accordingly, the consent of the members is sought by way of an Ordinary Resolution as set out at Special Business under Item No. 4 of the accompanying Notice convening the Annual General Meeting, for ratification of remuneration amounting to Rs. 30,000/- plus taxes, as applicable, and out of pocket expenses, incurred in connection with the Cost Audit, payable to the Cost Auditors for the financial year ending 31st March, 2023.

The Board of Directors accordingly, commends the ordinary resolution set out at Item No. 4 of the accompanying Notice convening the Annual General Meeting for ratification by the members.

None of the Directors or Key Managerial Personnels of the Company and their respective relatives are, in any way, concerned or interested, financially or otherwise in the resolution.

### **Item No.5**

In accordance with the provisions of Section 20 of the Companies Act, 2013 read with the Rule 35 of the Companies (Incorporation) Rules, 2014, a document may be served on any member by sending it to him/her by registered post, speed post, electronic means or any other mode as may be prescribed. A member may request for delivery of any documents, notices and other correspondences through a particular mode, in consideration of such fees as may be determined by the shareholders in the Annual General Meeting.

Since the cost of providing the document may vary according to the mode of service , weight and destination etc therefore it is proposed that actual expenses that may be borne by the Company for such dispatch will be paid in advance by the shareholder to the company subject to minimum charges as below. Accordingly, Board has recommended charging the following minimum fees for delivery of any documents, notices and other correspondences through a particular mode, subject to the approval of the Shareholders;

Sl.No.	Name of Documents	Fees to be paid (Amt in Rs.)
1.	Memorandum of Association	200/-
2.	Annual Report	200/-
3.	Notice of AG/EGM	100/-
4.	Other Correspondences	50/-

As such, consent of the members is sought for passing an Ordinary Resolution as set out at Special Business under Item No. 5 of the Notice for fees to be paid by the members of the Company for delivery of notices, documents and other correspondences through a particular mode.

The Board recommends the resolution for approval of the members.

None of the Directors or Key Managerial Personnels of the Company and their respective relatives are, in any way, concerned or interested, financially or otherwise in the resolution except to the extent of their shareholdings in the Company.

**Item No.6**

The Board of Directors appointed Mrs. Ramya Hariharan (DIN 06928511) as Additional Director of the Company, in the recommended category “Independent Director”, with effect from 28<sup>th</sup> March, 2022, pursuant to the provisions of Section 161(1) of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Article 106 and 107 of the Articles of Association of the Company.

As an additional director, Mrs. Ramya Hariharan (DIN 06928511) will hold office only upto the date of this Annual General Meeting and is eligible to be appointed as Director. The Company has, in terms of Section 160(1) of the Companies Act, 2013 and relevant provisions of Articles of Association of the Company, received, in writing, a notice from member, proposing her candidature for the office of Director.

Mrs. Ramya Hariharan (DIN 06928511) has also given declaration to the Board, pursuant to Section 149(7) of the Companies Act, 2013, that she meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013, and has also given her consent to act as Director.

Mrs. Ramya Hariharan (DIN 06928511), aged around 43 years, is a qualified Company Secretary and LLB. She has more than 19 years of experience in dealing with general corporate matters, mergers and acquisitions, projects, banking and finance and insolvency matters. She is the partner in charge of the eastern region of a reputed national law firm. She has advised on several joint ventures, mergers and acquisitions transactions involving listed as well as unlisted companies including cross-border transactions. She also has experience in all forms of restructuring including by way of scheme of arrangement, slump sale, capital restructuring etc. She also has significant experience in handling insolvency and restructuring transactions under the recent insolvency regime and has advised large corporate houses in various insolvency and restructuring transactions. She has also been involved in various financing transactions and has closed project finance transactions over approximately Rs. 7,000 crores. As on date of this notice, in addition to Ddev Plastiks Industries Limited, she also holds directorship in Kkalpana Industries (India) Limited, Texmaco Infrastructure & Holdings Limited, TRF Limited, Amalgam Steel & Power Limited and The Indian Steel & Wire Products Limited. The Board is of the opinion that she is a person of integrity, possesses the relevant expertise/ experience and also fulfills the conditions specified in the Companies Act, 2013 for appointment as Independent Director and is independent of the management and that her induction into the Board will be of benefit to the Company and that it will lend an independent and fair view to the decision making process.

Mrs. Ramya Hariharan is not related to any other Director of the Company. A brief profile of Mrs. Ramya Hariharan (DIN: 06928511), including nature of expertise, is provided in the annexure to the Notice. It may be noted that although the SEBI (listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) are not applicable to the Company on date of this notice, it is hereby confirmed that the appointment of Mrs. Ramya Hariharan, if made, shall be in conformity with said regulations, specifically Regulation 17 of Listing Regulations and that she fulfills the criteria of independence as specified in Regulation 16 and 25 of said Regulations.

Given her experience and the Company’s adherence to policy on Board Diversity, the Board considers it desirable and in the interest of the Company to have Mrs. Ramya Hariharan (DIN: 06928511) on the Board of Directors of the Company and accordingly recommends the appointment of Mrs. Ramya Hariharan (DIN: 06928511) as Independent Director of the Company for a period of five(5) consecutive years with effect from 28.03.2022, whose period of office shall not be liable to determination by retirement of directors by rotation, as proposed in the resolution no. 6 of the Notice convening the Annual General Meeting, for approval by members.



The terms and conditions of appointment of the above Director shall be open for inspection by the Members, at the Registered Office of the Company, between 10:00am (IST) to 1:00pm (IST) on any working day except Saturday upto the date of meeting and also at the venue during the meeting.

Save and except Mrs. Ramya Hariharan (DIN: 06928511), none of the Directors and Key Managerial Personnel of the Company, and their relatives are, in any way, concerned or interested, financially or otherwise in the aforesaid resolution except to the extent of their respective shareholdings in the Company. The Proposed Special Business does not relate to or affects any other company (financial or otherwise).

#### **Item No.7**

The Board of Directors appointed Mrs. Mamta Binani (DIN: 00462925) as Additional Director of the Company, in the recommended category "Independent Director", with effect from 28<sup>th</sup> March, 2022, pursuant to the provisions of Section 161(1) of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Article 106 and 107 of the Articles of Association of the Company.

As an additional director, Mrs. Mamta Binani (DIN 00462925) will hold office only upto the date of this Annual General Meeting and is eligible to be appointed as Director. The Company has, in terms of Section 160(1) of the Companies Act, 2013 and relevant provisions of Articles of Association of the Company, received, in writing, a notice from member, proposing her candidature for the office of Director.

Mrs. Mamta Binani (DIN 00462925) has also given declaration to the Board, pursuant to Section 149(7) of the Companies Act, 2013, that she meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013, and has also given her consent to act as Director.

Mrs. Mamta Binani (DIN 00462925), aged around 49 years, is a practicing Company Secretary since 1997. She is a Fellow member of the ICSI, having over 20 years of experience in corporate consultation and advisory, covering due diligence, secretarial and legal functions. She has held the position of an All-India President of the ICSI in the year 2016. She has also been the First Lady Chairperson for the Eastern India of ICSI in the year 2010. She was conferred with a certificate of doctor of excellence in the field of management at the 3rd Intelligentsia Summit in 2017 and the Bharat Nirman Award in 2010. She is the Vice President of the National Company Law Tribunal Kolkata Bar Association, and the Chairperson of the Standing Committee on Corporate Law and Governance, Merchant Chamber of Commerce & Industry, Kolkata and the Co-Chairperson of the Stress Resolution Committee of the Indian Chamber of Commerce. Besides she is also associated in various capacities with several organizations like All India Federation of Tax practitioners, Direct Tax Practitioners Association, Association of Corporate Advisors & Executives, Kolkata. As on date of this notice, she also serves in the Board of several companies like GPT Infraprojects Ltd, Balrampur Chini Mills Limited, Skipper Limited Ltd, etc. The Board is of the opinion that she is a person of integrity, possesses the relevant expertise/ experience and also fulfills the conditions specified in the Companies Act, 2013 for appointment as Independent Director and is independent of the management and that her induction into the Board will be of benefit to the Company and that it will lend an independent and fair view to the decision making process.

Mrs. Mamta Binani (DIN 00462925) is not related to any other Director of the Company. A brief profile of Mrs. Mamta Binani (DIN 00462925), including nature of expertise, is provided in the annexure to the Notice. . It may be noted that although the SEBI (listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") are not applicable to the Company on date of this notice, it is hereby confirmed that the appointment of Mrs. Mamta Binani, if made, shall be in conformity with said regulations, specifically Regulation 17 of Listing Regulations and that she fulfills the criteria of independence as specified in Regulation 16 and 25 of said Regulations.

Given her experience and the Company's adherence to policy on Board Diversity, the Board considers it desirable and in the interest of the Company to have Mrs. Mamta Binani (DIN 00462925) on the Board of Directors of the Company and accordingly recommends the appointment of Mrs. Mamta Binani (DIN 00462925) as Independent Director of the Company for a period of five(5) consecutive years with effect from 28.03.2022, whose period of office shall not be liable to determination by retirement of directors by rotation, as proposed in the resolution no. 7 of the Notice convening the

Annual General Meeting, for approval by members.

The terms and conditions of appointment of the above Director shall be open for inspection by the Members, at the Registered Office of the Company, between 10:00am (IST) to 1:00pm (IST) on any working day except Saturday upto the date of meeting and also at the venue during the meeting.

Save and except Mrs. Mamta Binani (DIN 00462925), none of the Directors and Key Managerial Personnel of the Company, and their relatives are, in any way, concerned or interested, financially or otherwise in the aforesaid resolution except to the extent of their respective shareholdings in the Company. The Proposed Special Business does not relate to or affects any other company (financial or otherwise).

#### **Item No.8**

The Board of Directors appointed Mr. Samir Kumar Dutta (DIN: 07824452) as Additional Director of the Company, in the recommended category "Independent Director", with effect from 28<sup>th</sup> March, 2022, pursuant to the provisions of Section 161(1) of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Article 106 and 107 of the Articles of Association of the Company.

As an additional director, Mr. Samir Kumar Dutta (DIN: 07824452) will hold office only upto the date of this Annual General Meeting and is eligible to be appointed as Director. The Company has, in terms of Section 160(1) of the Companies Act, 2013 and relevant provisions of Articles of Association of the Company, received, in writing, a notice from member, proposing his candidature for the office of Director.

Mr. Samir Kumar Dutta (DIN: 07824452) has also given declaration to the Board, pursuant to Section 149(7) of the Companies Act, 2013, that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013, and has also given his consent to act as Director.

Mr. Samir Kumar Dutta (DIN: 07824452), aged about 78 years, is a Science graduate from Calcutta University and Fellow Cost Accountant. He has served a lot of industries in different professional capacities during his service tenure of 4 decades and had started his practice as a Cost Accountant since 2007. He has over 32 years of experience in finance and additionally 13 years of experience in corporate consultation and advisory, covering Cost Audit and Tax matters. As on date of this notice, in addition to Ddev Plastiks Industries Limited, he also holds directorship in Kkalpana Industries (India) Limited, Plastic Processors And Exporter Private Limited and Gantrex India Crane Rail Private Limited. The Board is of the opinion that he is a person of integrity, possesses the relevant expertise/ experience and also fulfills the conditions specified in the Companies Act, 2013 for appointment as Independent Director and is independent of the management and that his induction into the Board will be of benefit to the Company and that it will lend an independent and fair view to the decision making process. It may further be noted that pursuant to Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Agreement"), a listed entity shall not appoint or continue the directorship of any person as Non Executive Director who has attained the age of 75 years unless a special resolution is passed to that effect, in which case the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such person. Considering that he is aged above 75 years and although the provisions of Listing Agreement are not applicable to the Company as on date of this Notice, in view of better corporate governance, the resolution is recommended to be passed as a Special Resolution and the members are requested to note his expertise and approve his continuance as Non-Executive Independent Director of the Company and nomination to various Committees in capacity of Non Executive Independent Director wef 28.03.2022.

Mr. Samir Kumar Dutta (DIN: 07824452) is not related to any other Director of the Company. A brief profile of Mr. Samir Kumar Dutta (DIN: 07824452), including nature of expertise, is provided in the annexure to the Notice. It may be noted that although the SEBI (listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") are not applicable to the Company on date of this notice, it is hereby confirmed that the appointment of Mr. Samir Kumar Dutta, if made, shall be in conformity with said regulations, specifically Regulation 17 of Listing Regulations and that she fulfills the criteria of independence as specified in Regulation 16 and 25 of said Regulations.



Given experience and the Company's adherence to policy on Board Diversity, the Board considers it desirable and in the interest of the Company to have Mr. Samir Kumar Dutta (DIN: 07824452) on the Board of Directors of the Company and accordingly recommends the appointment of Mr. Samir Kumar Dutta (DIN: 07824452) as Independent Director of the Company for a period of five(5) consecutive years with effect from 28.03.2022, whose period of office shall not be liable to determination by retirement of directors by rotation, as proposed in the resolution no. 8 of the Notice convening the Annual General Meeting, for approval by members.

The terms and conditions of appointment of the above Director shall be open for inspection by the Members, at the Registered Office of the Company, between 10:00am (IST) to 1:00pm (IST) on any working day except Saturday upto the date of meeting and also at the venue during the meeting.

Save and except Mr. Samir Kumar Dutta (DIN: 07824452) none of the Directors and Key Managerial Personnel of the Company, and their relatives are, in any way, concerned or interested, financially or otherwise in the aforesaid resolution except to the extent of their respective shareholdings in the Company. The Proposed Special Business does not relate to or affects any other company (financial or otherwise).

**Item No.9**

The Board of Directors of the Company, at its meeting held on 28th March, 2022, approved the appointment of Mr. Ddev Surana (DIN – 08357094), aged 29 years, as Whole- Time- Director of the Company for a period of 5 (Five) year with effect from 28<sup>th</sup> March, 2022, on the following main terms and conditions:

- (i) The appointment as Whole Time Director shall be for a period of 5 years commencing from 28<sup>th</sup> March, 2022. He shall also act as the Chief Executive Officer (CEO) of the Company until rescinded by the Board/members of the Company.
- (ii) Mr. Ddev Surana will be liable to retire by rotation while he continues as a Whole – Time Director of the Company.
- (iii) As Whole time Director, Mr. Ddev Surana shall perform such duties and exercise such powers as are entrusted to him, from time to time, by the Managing Director and /or the Board of Directors.
- (iv) In consideration of the performance of his duties to the Company, Mr. Ddev Surana shall be entitled to the following remuneration:

A. Salary:

Rs. 28,50,000/- (Rupees Twenty Eight Lakhs Fifty Thousand only) per annum with increment in the scale of Rs. 50,000 (Fifty Thousand only) per month

B. Benefits, Perquisites & Allowances:

- I. One month's salary as Ex-gratia per year.
- II. One month's paid leave per year, which may be encashable in part or in full, as per the Company Rules.
- III. Rent free residential accommodation (furnished or otherwise) with the Company bearing the cost of repairs, maintenance, society charges and utilities (eg- gas, electricity, water charges etc) for the said accommodation or House Rent and maintenance Allowance (incase residential accommodation is not provided by the company) of 100% of Basic Salary.
- IV. Leave Travel Allowance and Reimbursement of hospitalisation and major medical expenses incurred as per Rules of the Company
- V. Car Facility with Driver as per Company Rules and reimbursement of repair, maintenance and operating and running charges/expenses in relation thereto

- VI. Reimbursement of actual travel expenses, telecommunication charges, petrol/diesel expenses of vehicles as per Rules of the Company.
- VII. Telephone, Mobile and Communication Facilities, Computer, Laptops at the residence for official purpose and expenses incurred thereof.
- VIII. Payment of membership fees for clubs in India including any admission/life membership fees and other allied expenses.
- IX. Any other allowances/ benefits and perquisites, as per the rules and policies of the Company as are applicable or which become applicable in the future and reimbursement of expenses as per policy of the Company not forming part of perquisites.

C. Gratuity:  
As per Company Rules.

D. Yearly Increment  
The annual increment, in prescribed scale, which will be merit based, will be effective from 01st April each year, and the same will be decided by the Nomination and Remuneration Committee and the Board of Directors of the Company.

(v) Minimum Remuneration:

Notwithstanding anything herein contained, where in any financial year during the continuance of the tenure of office of the Whole Time Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisites, as specified above, as minimum remuneration, subject to the ceiling specified in Schedule V to the Companies Act, 2013 or any amendments thereto.

(vi) Within the overall ceiling on managerial remuneration prescribed under the Companies Act, 2013, or any statutory modification or re-enactment thereof, the Board of Directors or any Committee thereof shall in accordance within the statutory limits/ approvals as may be applicable for the time being in force, be at full liberty to add, alter/ revise/ modify/amend or vary any of the foregoing terms and conditions of the appointment and remuneration, benefits or perquisites, from time to time to which Mr. Ddev Surana may be entitled as aforesaid and as may be agreed to by the Board of Directors and Mr. Ddev Surana.

Mr. Ddev Surana (DIN: 08357095) is a dynamic business leader and key driving force of Ddev Plastiks Industries Limited. Aged around 29 years, has done B.Com (Hons.) He has also done MSC-Management for Business Excellence from UK and MBA (CAM) from USA. He is one of the promoters of our Company having key skills in projects management, human resource, administration and information technology. He has also been associated with Kkalpana Industries (India) Limited in various projects and was taken on the Board of Directors therein in February 2019. Additionally, he also holds directorship in Ddev Plastic Limited. The Board of Directors of your company is of the opinion that his employment with your company will be technically and financially a sound proposition.

Mr. Ddev Surana is son of Mr. Narrindra Surana, Chairman and Managing Director of the Company and is also a promoter of the Company. A brief resume of Mr. Ddev Surana is set out as Annexure to this Notice.

The special resolution, being Item No. 9 of the notice convening the Annual General Meeting, is intended for the purpose.

The Board of Directors recommend the special resolution for approval of members and accordingly the approval of the members is sought pursuant to the provisions of Section 196,197,198,203 and other applicable provisions of the Companies Act, 2013 read with Schedule V thereto and rules made thereunder and relevant provisions of the Articles of Association of the Company, for the above appointment of Mr. Ddev Surana (DIN: 08357094) as Whole – Time- Director and Chief Executive Officer of the Company and payment of remuneration to him.



Save and except Mr. Ddev Surana (DIN: 08357094) and Mr. Narrindra Surana, father of Mr. Ddev Surana and also co-promoter, none of the Directors and Key Managerial Personnel of the Company, and their relatives are, in any way, concerned or interested, financially or otherwise in the aforesaid resolution except to the extent of their respective shareholdings in the Company. The Proposed Special Business does not relate to or affects any other company (financial or otherwise).

#### **Item No. 10**

The Board of Directors of the Company, at its meeting held on 28<sup>th</sup> March, 2022, approved the appointment of Mr. Rajesh Kothari (DIN – 02168932), aged 57 years, as Whole- Time- Director of the Company for a period of 5 (Five) year with effect from 28<sup>th</sup> March, 2022, on the following main terms and conditions:

- (i) The appointment shall be for a period of 5 years commencing from 28<sup>th</sup> March, 2022 as Whole Time Director.
- (ii) Mr. Rajesh Kothari will be liable to retire by rotation while he continues as a Whole – Time Director of the Company.
- (iii) As Whole time Director, Mr. Rajesh Kothari shall perform such duties and exercise such powers as are entrusted to him, from time to time, by the Managing Director and /or the Board of Directors.
- (iv) In consideration of the performance of his duties to the Company, Mr. Rajesh Kothari shall be entitled to the following remuneration:
  - A. Salary:  
Rs. 40,00,000/- (Rupees Forty Lakh only) per annum.
  - B. Perquisites:
    - I. One month's salary as Ex-gratia per year.
    - II. One month's paid leave per year, which may be encashable in part or in full, as per the Company Rules.
  - C. Gratuity:  
As per Company Rules.
  - D. Yearly Increment  
Such increment as recommended by Nomination and Remuneration Committee and approved by Board of Directors.
- (v) Minimum Remuneration:  
Notwithstanding anything herein contained, where in any financial year during the continuance of the tenure of office of the Whole-Time Director the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisites, as specified above, as minimum remuneration, subject to the ceiling specified in Schedule V to the Companies Act, 2013 or any amendments thereto.
- (vi) Within the overall ceiling on managerial remuneration prescribed under the Companies Act, 2013, or any statutory modification or re-enactment thereof, the Board of Directors or any Committee thereof shall in accordance within the statutory limits/ approvals as may be applicable for the time being in force, be at full liberty to add, alter/ revise/ modify/amend or vary any of the foregoing terms and conditions of the appointment and remuneration, benefits or perquisites, from time to time to which Mr. Rajesh Kothari may be entitled as aforesaid and as may be agreed to by the Board of Directors and Mr. Rajesh Kothari.

Mr. Rajesh Kothari (DIN: 02168932) aged around 57 years, a Graduate (B.Com) from Rajasthan University, Ajmer, has more than 30 years of experience in the areas of marketing, after sales service and market research. He started his career in 1985 at Kanoria Chemicals & Industries Limited. As on date on this Notice in addition to Ddev Plastiks Industries Limited, he also holds directorship in Kalawati Embroideries Private Limited and Ddev Plastic Limited. He had also served as Whole Time Director of Kkalpana Industries (India) Limited prior to his appointment in the company. The Board of Directors of your company is of the opinion that his employment with your company will be technically and financially a sound proposition.

Mr. Rajesh Kothari (DIN: 02168932) is not related to any other Director of the Company. A brief resume of Mr. Rajesh Kothari is set out as Annexure to this Notice.

The special resolution, being Item No. 10 of the notice convening the Annual General Meeting, is intended for the purpose.

The Board of Directors recommend the special resolution for approval of members and accordingly the approval of the members is sought pursuant to the provisions of Section 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 read with Schedule V thereto and rules made thereunder and relevant provisions of the Articles of Association of the Company, for the above appointment of Mr. Rajesh Kothari (DIN: 02168932) as Whole – Time- Director of the Company and payment of remuneration to him.

Save and except Mr. Mr. Rajesh Kothari (DIN: 02168932) none of the Directors and Key Managerial Personnel of the Company, and their relatives are, in any way, concerned or interested, financially or otherwise in the aforesaid resolution except to the extent of their respective shareholdings in the Company. The Proposed Special Business does not relate to or affects any other company (financial or otherwise).

### **Item No.11**

The Board of Directors had appointed Mr. Narrindra Suranna (DIN 00060127) as Additional Director of the Company with effect from 28<sup>th</sup> March, 2022, pursuant to the provisions of Section 161(1) of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Article 106 and Article 107 of the Articles of Association of the Company.

As an additional director, Mr. Narrindra Suranna (DIN 00060127) will hold office only upto the date of this Annual General Meeting. In terms of Section 161 and applicable provisions of the Companies Act, 2013, Mr. Narrindra Suranna (DIN 00060127), being eligible has offered himself for appointment, is proposed to be appointed a director of the Company. Further, the Board of Directors of the Company, at its meeting held on 28<sup>th</sup> March, 2022, also approved the appointment of Mr. Narrindra Suranna (DIN 00060127), aged 60 years, as Chairman and Managing Director of the Company for a period of 5 (One) year with effect from 28<sup>th</sup> March, 2022, on the following main terms and conditions:

- (i) The appointment shall be for a period of 5 years commencing from 28<sup>th</sup> March, 2022 as Chairman and Managing Director.
- (ii) His office shall not be liable to retire by rotation while he continues as a Managing Director of the Company.
- (iii) As Managing Director, Mr. Narrindra Suranna shall perform such duties and exercise such powers as are entrusted to him, from time to time, by the Board of Directors
- (iv) In consideration of the performance of his duties to the Company, Mr. Narrindra Suranna (DIN-00060127) shall be entitled to the following remuneration:
  - A. Salary:

Rs. 5,00,000/- (Rupees Five Lakhs only) per month with increment in the scale of Rs. 50,000 (Fifty Thousand only) per month
  - B. Benefits, Perquisites & Allowances:
    - I. One month’s salary as Ex-gratia per year.
    - II. One month’s paid leave per year, which may be encashable in part or in full, as per the Company Rules.
    - III. Rent free residential accommodation (furnished or otherwise) with the Company bearing the cost of repairs, maintenance, society charges and utilities (eg- gas, electricity, water charges etc) for the said accommodation or House Rent and maintenance Allowance (incase residential accommodation is not provided by the company) of 100% of Basic Salary.
    - IV. Leave Travel Allowance and Reimbursement of hospitalisation and major medical expenses incurred as per Rules of the Company
    - V. Car Facility with Driver as per Company Rules and reimbursement of repair, maintenance and operating and running charges/expenses in relation thereto
    - VI. Reimbursement of actual travel expenses, telecommunication charges, petrol/diesel expenses of vehicles as per Rules of the Company.
    - VII. Telephone, Mobile and Communication Facilities, Computer, Laptops at the residence for official purpose and expenses incurred thereof.





VIII. Payment of membership fees for clubs in India including any admission/life membership fees and other allied expenses.

IX. Any other allowances/ benefits and perquisites, as per the rules and policies of the Company as are applicable or which become applicable in the future and reimbursement of expenses as per policy of the Company not forming part of perquisites.

C. Gratuity:

As per Company Rules.

D. Yearly Increment

The annual increment, in prescribed scale, which will be merit based, will be effective from 01st April each year, and the same will be decided by the Nomination and Remuneration Committee and the Board of Directors of the Company.

(v) Minimum Remuneration:

Notwithstanding anything herein contained, where in any financial year during the continuance of the tenure of office of the Managing Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisites, as specified above, as minimum remuneration, subject to the ceiling specified in Schedule V to the Companies Act, 2013 or any amendments thereto.

(vi) Within the overall ceiling on managerial remuneration prescribed under the Companies Act, 2013, or any statutory modification or re-enactment thereof, the Board of Directors or any Committee thereof shall in accordance within the statutory limits/ approvals as may be applicable for the time being in force, be at full liberty to add, alter/ revise/ modify/amend or vary any of the foregoing terms and conditions of the appointment and remuneration, benefits or perquisites, from time to time to which Mr. Narrindra Suranna may be entitled as aforesaid and as may be agreed to by the Board of Directors and Mr. Narrindra Suranna.

Mr. Narrindra Suranna is an Indian businessman, Philanthropist and a Humanitarian. Born in 1961, Mr. Suranna graduated from Calcutta University in 1984. He has done his L.L.B from Calcutta University and MBA from Harvard University (correspondence course). As on date of this Notice, he holds the position of Chairman & Managing Director of the Company in Kkalpana Industries (India) Limited. One of the promoters of the Company, he has got wide experience in plastic industry. His vision and business acumen has led the Group to immense success. His venture into the Compounding sector, has today emerged as one of India's leading Polymer compound manufacturers with global acclamation. As on date of this notice, in addition to Ddev Plastiks Industries Limited, he also holds directorship in Kkalpana Industries (India) Limited and Bbigplas Poly Private Limited. The Board of Directors of your company is of the opinion that his employment with your company will be technically and financially a sound proposition. It may be noted that pursuant to third proviso to section 203(3) of the Companies Act, 2013, a company may appoint or employ a person as its managing director, if he is the managing director or manager of one, and of not more than one, other company and such appointment or employment is made or approved by a resolution passed at a meeting of the Board with the consent of all the Directors present at the meeting and of which meeting, and of the resolution to be moved thereat, specific notice has been given to all the Directors then in India. Accordingly, the Board of Kkalpana Industries (India) Limited, wherein he is the Chairman and Managing Director, had at its meeting held on 26.03.2022, unanimously passed resolution according consent in respect to above appointment in the Company.

Mr. Narrindra Surana is father of Mr. Ddev Surana, Whole Time Director of the Company and is also a promoter of the Company. A brief resume of Mr. Narindra Surana as required is set out as Annexure to this Notice.

The special resolution, being Item No. 11 of the notice convening the Annual General Meeting is intended for the purpose.

The Board of Directors recommend the special resolution for approval of members and accordingly the approval of the members is sought pursuant to the provisions of Section 196,197,198, 203 and other applicable provisions of the Companies Act, 2013 read with Schedule V thereto and relevant provisions of the Articles of Association of the Company, for the above appointment of Mr. Narrindra Surana (DIN: 00060127) as Chairman and Managing Director of the Company and payment of remuneration to him.

Save and except Mr. Narrindra Suranna (DIN: 00060127) and Mr. Dev Krishna Surana (DIN 08357094), Whole Time Director and their relatives none of the Directors and Key Managerial Personnel of the Company, and their relatives are, in any way, concerned or interested, financially or otherwise in the aforesaid resolution except to the extent of their respective shareholdings in the Company. The Proposed Special Business does not relate to or affects any other company (financially or otherwise).

**Item No. 12**

As per the provisions of Section 94 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Management and Administration) Rules, 2014, the Register of Members, Index of Members, Registers required to be maintained under Section 88 of the Companies Act, 2013 and rules made thereunder, copies of all Annual Returns under Section 92 of the Companies Act, 2013 together with the copies of certificates and documents required to be annexed thereto or any other register/ documents as may be required and permitted are required to be maintained at the Registered Office of the Company unless a Special Resolution is passed in General Meeting authorizing keeping, maintaining and preserving the same at any other place in India in which more than 1/10<sup>th</sup> (one-tenth) of the total members entered in the Register of members reside.

Based on the geographic spread of the present shareholder base it is ascertained that more than one-tenth of the total number of members entered in the Register of Members of the Company reside or having registered addresses as Kolkata thereby providing an option to the Company to keep the Register of Members, Index of Members, Registers required to be maintained under Section 88 of the Companies Act, 2013 and rules made thereunder, copies of all Annual Returns under Section 92 of the Companies Act, 2013 together with the copies of certificates and documents required to be annexed thereto or any other register/ documents as may be required and permitted at any place within the local limits of Registered Office of the Company instead of the Registered Office of the Company.

In view of above and as a matter of prompt service and facilitation of convenience to the members of the Company, it is considered desirable to keep, maintain and preserve the the Register of Members, Index of Members, Registers required to be maintained under Section 88 of the Companies Act, 2013 and rules made thereunder, copies of all Annual Returns under Section 92 of the Companies Act, 2013 together with the copies of certificates and documents required to be annexed thereto or any other register/ documents as may be required and permitted at the Registered Office of the Registrar and Share Transfer Agents of the Company or at any other place within the local limits of the Registered Office of the Company, as may be approved by the Board.

The Company, had approved the appointment of C B Management Services Private Limited having its Office at P-22, Bondel Road, Kolkata - 700019, as the RTA of the. Accordingly, the approval of the members is sought in terms of Section 94(1) of the Companies Act, 2013, for keeping the aforementioned registers and documents at the office of the "RTA" viz, C B Management Services Private Limited having its Office at P-22, Bondel Road, Kolkata - 700019 or its any other office in Kolkata.

The Directors recommend the said resolution proposed vide Item No. 12 to be passed as Special Resolution by the members.

None of the Directors or Key Managerial Personnels of the Company and their respective relatives are, in any way, concerned or interested, financially or otherwise in the resolution except to the extent of their shareholdings in the Company.

Registered Office:  
2B Pretoria Street  
Kolkata-700 071

28<sup>th</sup> May, 2022  
Place: Kolkata

By Order of the Board of Directors  
For **Ddev Plastiks Industries Limited**

Tanvi Goenka (ACS 31176)  
Company Secretary



## DIRECTORS REPORT

### To the Members of Ddev Plastiks Industries Limited,

The Board of Directors have pleasure to present the Second Annual Report of the Company together with the Audited Statements of Accounts for the period commencing from 01.04.2021 to 31.03.2022 ("Financial Year ended 31.03.2022" or "Financial Year 2021-22" or "FY 2021-22").

#### 1. FINANCIAL RESULTS:

(RS. IN LAKHS)

Particulars	2021-22	2020-21
Turnover	222690.28	-
Other Income	2233.58	-
Profit/(Loss) before tax	7559.65	(0.35)
Current Tax	1962.23	-
MAT Credit Entitlement	-	-
Deferred Tax	119.33	-
Profit/(loss) after tax	5478.09	(.35)
Balance brought forward		-
Adjustment relating to Fixed Assets		-
Balance carried to Balance Sheet		(.35)

The Company was incorporated on 07.12.2020 and FY 2020-21 being the first year of incorporation, the Company had not commenced its business operations during said period. Further, the Hon'ble National Company Law Tribunal, Kolkata Bench (NCLT) vide its Order dated 04.03.2022 approved the Scheme of Arrangement between Kkalpana Industries (India) Limited ("KIIL") and the Company and their respective shareholders and creditors under Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 (hereinafter referred to as "Scheme" or "Scheme of Arrangement") to Demerge the Compounding Business Undertaking of KIIL having an appointed date 01.04.2021. The Financial Results represented here are in consonance with the said Order and Accounting Principles applicable to the Company in view thereof.

#### 2. APPLICABLE COMPLIANCES

As at 31.03.2022, the Company is an unlisted Company and hence SEBI regulations are not applicable to the Company. However, in view of better Corporate Governance Practices the Company has voluntarily complied with some of the applicable and relevant provisions of SEBI Regulations and report thereon in this Report.

#### 3. DIVIDEND:

Your Directors have pleasure in recommending final dividend @ 24% (Rs. 0.24p per equity share of face value Re. 1/- each) to the equity shareholders of the Company for the Financial Year ended 31.03.2022. Total Outflow for dividend shall absorb a sum of Rs. 225.77 lacs.

#### 4. CREDIT RATING:

The Company's financial discipline and prudence is reflected in strong credit rating ascribed by CRISIL as under:-

Total Bank Loan Facilities Rated	Rs. 649 Crores
Long Term Rating	CRISIL A-/ Stable
Short Term Rating	CRISIL A2+

#### 5. COVID-19 IMPACT:

The World Health Organization (WHO) declared a global pandemic of the Coronavirus disease (Covid-19) on 11.02.2020. The impact of disease was felt worldwide and had affect on India also. Various measures such as lockdown or restrictions were announced by Central/State Government to curb the spread of Covid-19. As a result of intermittent lockdowns and restrictions, demands in several market segments were affected. However, Financial Year 2020-21, being the 01<sup>st</sup> year of incorporation, the Company had not commenced its business as at 31.03.2021;

hence the impact of COVID-19 was not adversely felt by the Company in the Financial Year ended 31.03.2021. Although the COVID-19 impact continued to have its effect in the beginning of FY 2021-22, its impact was not felt as much. The business resumed normalcy by July, 2021.

Further, the Hon'ble National Company Law Tribunal, Kolkata Bench (NCLT) vide its Order dated 04.03.2022 approved the Scheme of Arrangement between Kkalpana Industries (India) Limited ("KIIL") and the Company to Demerge the Compounding Business Undertaking of KIIL, having an appointed date 01.04.2021. The Financial Results represented here are in consonance with the said Order and Accounting Principles applicable to the Company in view thereof. In compliance with the said Order the Assets and Liabilities of the Compounding Business Undertaking of KIIL have been vested in the Company as on the appointed date i.e. 01.04.2021 and accordingly accounted for.

## **6. INDUSTRIAL SCENARIO:**

The Covid-19 pandemic has reemphasized the indispensable role of plastics in our daily life. Plastic in terms of personal protective equipment (PPEs) and other single-use medical equipment along with packaging solutions owing to their inherent properties have emerged as a life-savior for protecting health and safety of frontline health workers and the common citizens during the pandemic. The Chemical Industry is a knowledge intensive as well as capital intensive industry. It is an integral constituent of the growing Indian Industry. It includes basic chemicals and its products, petrochemicals, fertilizers, paints, varnishes, pharmaceuticals, gases, soaps, toiletries etc. The diversification within the chemical industry is large and covers more than eighty thousand commercial products. The Industry occupies a pivotal position in meeting basic needs and improving quality of life. The Industry is the main stay of industrial and agricultural development of the country and provides building blocks for several downstream industries, such as textiles, papers, paints, varnishes, soaps, detergents, pharmaceuticals, polymers.

The chemical industry is poised to become a major ingredient in fuelling India's economic growth and has roots spread across a wide range of end-user industries - Personal Care, Home Care, Automobile, Consumer Electronics, Food & Beverages, Paint & Coating, Garment, and others thereby playing a major role in achieving the country's ambitious US \$5 trillion economy goal by 2025. As global corporations seek to diversify their supply chain to decrease dependence on China, a significant opportunity awaits India. Competitive advantages due to recent reduction in corporate taxes, 100% FDI in the chemicals sector, the Petroleum, Chemicals and Petrochemicals Investment Region (PCPIR) scheme, PLI for various downstream industries and other schemes promoting 'Make in India', significant improvement in ease of doing business in India are all positive factors that favour. The scenario for speciality chemicals is even better, with the Indian speciality chemicals market poised to grow at a CAGR (2020-25) of 10-12%, as against the global estimate of 3-4%. India occupies 4% of the global share of speciality chemicals and the per capita consumption levels of speciality chemicals is far below the global average, which provides significant headroom for growth in the speciality chemicals segment in India.

Your directors strongly believe that considering that the pandemic does not surface/re-surface, the present situation will soon get better.

## **7. OPERATIONS AND STATE OF COMPANYS AFFAIRS:**

Pursuant to the Scheme of Arrangement between Kkalpana Industries (India) Limited (KIIL) and the Company and their respective Creditors and Shareholders ("the Scheme") vide Hon'ble National Company Law Tribunal, Kolkata Bench, (NCLT) Order dated 04.03.2022, the Compounding Business of KIIL has been vested to the Company at an appointed date of 01.04.2021. There has been no further change in the nature of business of the company during the financial year ended 31.03.2022. It may further be noted that FY 2020-21 being the 01st year of incorporation the company had not commenced its operation and the comparative year figures to year under review i.e Financial Year 2021-22 reflect accordingly. During the period under review, the turnover of the Company stood at Rs 2,22,690.28 lacs as against Rs. Nil shown in FY 2020-21. The Profit after tax as at 31.03.2022 stood at Rs. 5,478.09 lacs as against Rs. (0.35) lacs as at 31.03.2021.

The Company is a leading manufacturer of polymer compounds in India with a capacity of 261500 MT per annum having a diverse product portfolio consisting of PE compounds, PVC compounds, Filled compounds, Master Batches, Footwear compounds, Pipe compounds, Peroxide compounds expanding to Engineering Plastic compounds for White compounds, automative and electrical appliances. It has 7 (seven) manufacturing units with state of art



machinery, infrastructure, equipment, and R&D facilities. With plants located at both East & West coast of India, the company gains advantage of low freight costs. The inhouse ability for designing and testing new compounds with large fully equipped labs and experienced and skilled team and strong Research and development has resulted in large pipeline of new products under development based on customer feedbacks and requirements. The Multi location setup helps minimize the transportation cost by being closer to suppliers (ports) and customers and wide range of extruder capabilities provide flexibility to produce custom quantities for wide range of customers. The arrangements with most large suppliers and large sourcing quantities result in priority treatment from suppliers and cost effectiveness. Our excellent marketing team comprising of technically qualified and trained personnel focus on customizing products to suit customer processes and strong relationships with suppliers provide inputs for developing new product applications based on critical raw materials.

## **8. FUTURE PROSPECTS:**

As per the Transparency Market Research's latest research report on the global plastic compounding market for the actual year 2020 and the forecast period of 2021 to 2031, rise in demand for plastic compounding in various end-use sectors, is likely to boost the plastic compounding market during the forecast period. Your Company's outlook is optimistic keeping in view that the Indian economy is eyeing "V" shaped recovery and the initiatives like Make in India, Atmanirbhar Bharat, Pradhan Mantri Krishi Sinchayee Yojana, Smart City Project, establishments of plastic parks, Production Link Incentives, other Industry friendly policy measures, tax subvention being announced by the Government. The economic forecasts are projecting above average gross domestic product (GDP) growth rates due to strong industrial and consumer demand trends which have potential to positively impact sales volume and operations of the Company. With focused strategies, market analysis and policies and Research and Development we expect the compounding business to provide an extra edge in the growth of the Company, leading the company to spread its wings in the domestic and international markets. Inflationary impacts on natural gases, crude oil, driven by external macroeconomic and geopolitical factors, remains a potential risk in near term but are expected to be moderate.

The chemical industry is poised to become a major ingredient in fuelling India's economic growth and has roots spread across a wide range of end-user industries - Personal Care, Home Care, Automobile, Consumer Electronics, Food & Beverages, Paint & Coating, Garment, and others thereby playing a major role in achieving the country's ambitious US \$5 trillion economy goal by 2025. To reach US \$300 billion, the Indian chemicals industry needs to tap attractive business opportunities in petrochemical intermediates, downstream petrochemicals, specialty chemicals, and others. The coming decade is expected to bring in investments worth more than US \$87 billion, particularly in petrochemicals and specialty chemicals. India's strategic location advantage, skilled and competent manpower, good governance, high-quality infrastructure, robust investment policies, strong regulatory framework, promising labor reforms and trade agreements, and lucrative tax incentives have further propelled it into the league of preferred manufacturing destinations.

## **9. SHARE CAPITAL:**

There has been no change in the Share Capital of the Company during the period under review. As on 31.03.2022, the Authorised Capital stood at Rs. 15,00,000 divided into 1,50,000 Equity Shares of Face Value Rs.10/- each and the Paid-Up Equity Share Capital of the Company stood at Rs. 100,000 divided into 10,000 Equity Shares of Face Value Rs.10/- each.

However, pursuant to the Scheme of Arrangement as approved by Hon'ble NCLT Order dated 04.03.2022 and consequent allotment of shares to the shareholders of KIIL as on the record date of 08.04.2022, the Authorised Share Capital as on date of this report stands revised to Rs. 10,15,00,000 divided into 10,15,00,000 equity shares of Re 1/- each as against Rs. 15,00,000 divided into 1,50,000 equity shares of Rs. 10/- each and paid up capital is Rs. 9,40,72,930 divided into 9,40,72,930 equity shares of Re 1/- each as against the Paid-Up Equity Share Capital of the Company as on 31.03.2021 which stood at Rs. 1,00,000 divided into 10,000 Equity Shares of Face Value Rs.10/- each. It may be noted that pursuant to the approved Scheme of Arrangement, the equity shares of Rs. 10/- each were sub divided into equity shares of Re 1/- each and on the date of allotment of shares of the company, pursuant to the Scheme, the existing paid up share capital of Rs 1,00,000 divided into 10,000 Equity Shares of Face Value Rs.10/- each were cancelled and stood extinguished.

## 10. SHAREHOLDING OF COMPANY:

- (a) **Buy Back of Shares:** The Company has not bought back any of its securities during the period under review.
- (b) **Sweat Equity:** The Company has not issued any Sweat Equity Shares during the period under review.
- (c) **Bonus Shares:** The Company has not issued any bonus shares during the period under review.
- (d) **Employees Stock option plan:** The Company has not provided any Stock Option Scheme to the employees.

## 11. TRANSFER TO RESERVES:

The Company proposes not to transfer any amount to Reserves.

## 12. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

The Hon'ble National Company Law Tribunal, Kolkata Bench (NCLT) vide its Order dated 04.03.2022 approved the Scheme of Arrangement between Kkalpana Industries (India) Limited ("KIIL") and the Company and their respective shareholders and creditors under Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 (hereinafter referred to as "Scheme" or "Scheme of Arrangement") to Demerge the Compounding Business Undertaking of KIIL having an appointed date 01.04.2021. Except for adherences done to pursuant to the approved Scheme of Arrangement vide NCLT Order dated 04.03.2022, no material change affecting the financial position of the Company have occurred between the end of the financial year to which this financial statement relates and the date of this report. Pursuant to approved Scheme of Arrangement, the Compounding Business of KIIL has been vested into the Company with appointed date of 01.04.2021 and assets and liabilities have accordingly been transferred and accounted for. Further the share capital has been altered in accordance with the Scheme and Order, details whereof have been mentioned in the heading "SHARE CAPITAL". It may further be noted that Company had made application to BSE Limited, the Designated Stock Exchange, for listing of its 9,40,72,930 equity shares of Re. 1/- each and as on date of the report the application is under process.

## 13. RESEARCH AND DEVELOPMENT

Your Company recognizes that Research & Development ("R&D") plays a vital role in supporting operations as well as future growth. Your Company focuses its attention on development of Products that have wide industrial applications, particularly in cable, piping, packaging and footwear industries. Through R&D, it endeavors to increase production, lower cost of production and lower wastage.

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

Details of loans, guarantees or investments made under the provisions of Section 186 of the Companies Act, 2013, are provided in the financial statement (refer note 36 to the financial statement)

The Company was accorded approval by members of the Company to give loans, guarantees and make investments not exceeding in aggregate Rs. 2000 crores which is in excess of 60% of the aggregate of its paid up share capital, free reserves and securities premium account or 100% of its free reserves and securities premium account, whichever is more, as prescribed in Section 186 of the Companies Act, 2013.

## 15. DEPOSITS:

The Company had not accepted any deposits from public and/or members during the period under review within the meaning of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposit) Rules, 2014.

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

Your Company has directed its efforts to reduce energy costs by focusing on energy savings through the best optimization of operations on day to day basis. The Company has used fuels in appropriate mix to attain maximum savings.

Pursuant to the provision of Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, the particulars of energy conservation, Technology Absorption and Foreign Exchange Earnings and outgo is given in the prescribed format as an Annexure to the Report and marked as 'Annexure 2'.



## 17. POLICIES

The Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandated the formulation of certain policies for listed companies. Although the Company is not listed and had neither applied for listing as at the end of financial year 2022, in view of better corporate governance and intention of proposed listing the company had framed necessary policies as may deemed essential. All applicable policies are available under the head Policy on the Company's website: [www.ddevgroup.in/investor-relations.php](http://www.ddevgroup.in/investor-relations.php). The policies are reviewed periodically by the Board and updated, based on need and new compliance requirement and recommendation of related Committee/s.

## 18. RELATED PARTY TRANSACTIONS:

Your Company has formulated Policy on Related Party Transactions (RPTs) which is available on Company's website [www.ddevgroup.in](http://www.ddevgroup.in). There were no transactions that required disclosure under section 134(3)(h) of the Companies Act, 2013, in Form AOC-2, and hence your company has not provided any details of such related party transactions. Further, there are no material related party transactions, during the year under review, with the Promoters, Directors or any Key managerial Personnel which may have a potential conflict of interest with the Company at large. Prior Omnibus Approval has been obtained for transactions which are of a foreseen and repetitive nature which shall be reviewed by the Audit Committee periodically. All Related Party Transactions were entered into by the company's parent company i.e Kkalpana Industries (India) Limited in its ordinary course of business and were at an arm's length and has been accounted for in the Company in accordance with NCLT Order dated 04.03.2022 approving the Scheme of Arrangement between the parent company and company. Omnibus Approval granted for the year under review for repetitive transactions was reviewed by the Board and Audit Committee of the parent company. The details in respect to captioned matter are specified in notes to Financial Statement.

## 19. DIRECTORS RESPONSIBILITY STATEMENT:

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board of Directors of the company hereby submit its responsibility Statement as under:

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis;
- e) clause (e) of Section 134(5) is not applicable as the Company is not a listed company.
- f) 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.

## 20. BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

### Appointment/Cessation/ Changes to the Board

The following were appointed as the First Directors of the Company, pursuant to Section 152 of the Companies Act, 2013 read with rules made thereunder and Articles of Association of the Company and regularized as Directors at the Annual General Meeting of the Company held on 08.11.2021

- a) Mr. Surendra Kumar Surana (DIN: 01378909)
- b) Mr. Rajesh Kothari (DIN: 02168932)
- c) Mr. Ddev Surana (DIN: 08357094)

During the year under review the following changes were made to the Board of Directors.

Name	DIN	Appointment/ Cessation	Designation	Effective date
Mr. Narrindra Suranna	00060127	Appointment	Additional Director in capacity of Chairman and Managing Director	28.03.2022
Mr. Ddev Surana	08357094	Change in Designation	Whole Time Director and CEO	28.03.2022
Mr. Rajesh Kothari	02168932	Change in Designation	Whole Time Director	28.03.2022
Mrs. Mamta Binani	00462925	Appointment	Additional Director in capacity of Independent Director	28.03.2022
Mrs. Ramya Hariharan	06928511	Appointment	Additional Director in capacity of Independent Director	28.03.2022
Mr. Samir Kumar Dutta	07824452	Appointment	Additional Director in capacity of Independent Director	28.03.2022
Mr. Surendra Kumar Surana	01378909	Cessation	Director	28.03.2022

As per the provision of Section 152 (2) of the Companies Act, 2013, every director shall be appointed by the Company in General Meeting. Accordingly, the Board of Directors recommends, for consideration and approval of the shareholders in the ensuing Annual General Meeting of the Company, the regularization of the aforesaid Directors and their appointments in specified category.

In accordance with the provisions of Section 152 of the Companies Act, 2013, Mr. Rajesh Kothari (DIN 02168932), Whole Time Director of the Company, retires by rotation at the forthcoming Annual General Meeting and being eligible, has offered himself for re-appointment.

#### Key Managerial Personnel

The Board has the following as Key Managerial Personnel:

Mr. Narrindra Suranna- Chairman and Managing Director appointed wef 28.03.2022  
 Mr. Rajesh Kothari-Whole Time Director appointed wef 28.03.2022  
 Mr. Ddev Surana –Whole Time Director and CEO appointed wef 28.03.2022  
 Mrs. Tanvi Goenka- Company Secretary and Compliance Officer wef 01.04.2022  
 Mr. Arihant Bothra- Chief Financial Officer wef 01.04.2022

#### Independent Directors

The following Independent Directors are on Board as at 31.03.2022

Mr. Samir Kumar Dutta  
 Mrs. Ramya Hariharan  
 Mrs. Mamta Binani

The above are recommended to be appointed as Independent Director at the ensuing Annual General Meeting in accordance with Section 149 and Section 152 of the Companies Act, 2013 read with relevant Rules thereunder.

The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience, proficiency and expertise in their respective designated fields and are persons of integrity.

The Independent Directors of the Company have undertaken requisite steps towards the inclusion of their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs (IICA), in terms of Section 150 of the Companies Act, 2013 (including any statutory modifications, amendments/ re-enactments, if any) read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time.





## 21. DECLARATION BY INDEPENDENT DIRECTORS

All Independent Directors of the Company have given declarations under Section 149(7) of the Act, that they meet the criteria of Independence, as laid down under Section 149(6) of the Act and have further confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. They have also confirmed that they are not debarred from holding office of Independent Director/ Director by virtue of any SEBI order or any other statutory authority and are not disqualified from being appointed/ continuing as Independent Directors in terms of Section 164 of the Act. They have also confirmed, respectively, their compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014 ("the Rules"), as amended from time to time, with respect to registration with the Databank of Independent Directors maintained with Indian Institute of Corporate Affairs.

### **Board membership Criteria and list of Core Skills/ expertise/ competencies identified in the context of the business**

The Board of Directors is collectively responsible for selection of member on the Board. The Company follows defined criteria for identifying, screening, recruiting and recommending candidates for selection as a Director on the Board. The criteria for appointment to the Board includes:

- composition of the Board, which is commensurate with the size of the Company, its portfolio, geographical spread and its status as a public Company;
- desired age and diversity on the Board;
- size of the Board with optimal balance of skills and experience and balance of Executive and Non-Executive Directors consistent with the requirements of law and the objectives and activities of the Company;
- professional qualifications, expertise and experience in specific areas of relevance to the Company;
- avoidance of any present or potential conflict of interest ;
- availability of time and other commitments for proper performance of duties;
- personal characteristics being in line with the Company's values, such as integrity, honesty, transparency, pioneering mindset.

The Board has identified the following skills/ expertise/ competencies fundamental for the effective functioning of the Company, which are currently available with the Board:-

- Leadership- Experience of running large enterprise, leading well-governed organization, with an understanding of organizational systems and strategic planning and risk management, understanding of global business dynamics, across various geographical markets, industry verticals and regulatory jurisdictions.
- Strategy and planning - Appreciation of long-term trends, strategic choices and experience in guiding and leading management teams to make decisions in uncertain environments
- Governance - Experience in developing governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long-term effective stakeholder engagements and driving corporate ethics and values
- Finance and Accounting Experience –Experience in handling financial management along with an understanding of accounting and financial statement
- Understanding use of Digital / Information Technology - Understanding the use of digital / Information Technology across the value chain, ability to anticipate technological driven changes & disruption impacting business and appreciation of the need of cyber security and controls across the organization
- Sales and Marketing - Experience in developing strategies to grow sales and market share, build brand awareness and equity, and enhance enterprise reputation.

The following are the details of respective core skills of Board Members:-

Name of Director	Core Skill
Mr. Narrindra Suranna (DIN: 00060127)	Leadership Strategy and Planning Finance & Accounting Experience Understanding use of Digital/ Information Technology Sales and Marketing
Mr. Ddev Surana (DIN: 08357094)	Leadership Strategy and Planning Understanding use of Digital/ Information Technology Sales and Marketing
Mr. Rajesh Kothari (DIN: 02168932)	Leadership Strategy and Planning Finance & Accounting Experience Sales and Marketing
Mr. Samir Kumar Dutta (DIN: 07824452)	Governance Finance and Accounting Experience
Mrs. Mamta Binani (DIN: 00462925)	Strategy and Planning Finance and Accounting Experience Governance Understanding use of Digital/ Information Technology
Mrs. Ramya Hariharan (DIN: 06928511)	Governance Finance and Accounting Experience Understanding use of Digital/ Information Technology

## 22. SEPARATE MEETING OF INDEPENDENT DIRECTORS

The Independent Directors were appointed on the Board wef 28.03.2022 and as at 31.03.2022 no separate meeting of Independent Directors was held.

## 23. FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

The Company had organized familiarization programmes for the Independent Directors as per the requirement of the Companies Act, 2013 and it conducts familiarization programme, from time to time, for its Independent Director. All independent directors inducted into the Board attended the familiarization programme. The Company has familiarized the Independent Director with the company, their roles, rights, responsibilities in the company, nature of the Industry in which the company operates and business model of the company. The Company endeavors to update the Independent Directors regarding the company's projects, new ventures, if any, opening of new office sites or manufacturing units, shutdown/ closure of any manufacturing unit. It also keeps the Independent Directors informed of any sluggishness in finance/ liquidity problems, if any. The suggestions received from Independent Directors are taken note of and informed to the Chairman and Managing Director who takes suitable measures, if required, on the suggestions of the Independent Directors. Further, at the time of the appointment of an Independent Director, the company also issues a formal letter of appointment outlining his/her role, function, duties and responsibilities.

## 24. INTIMATION FROM DIRECTORS WITH RESPECT TO SECTION 164(2) AND RULE 14(1) OF COMPANIES (APPOINTMENT AND QUALIFICATION OF DIRECTORS) RULE, 2014:

The directors of your Company have given their intimation in prescribed form DIR-8 stating that they are not disqualified from being appointed/ continuing as the Directors of the Company.



## **25. COMPANY'S POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATION, POSITIVE ATTRIBUTES, INDEPENDENCE OF A DIRECTOR AND OTHER MATTERS AS PROVIDED UNDER SUB-SECTION (3) OF SECTION 178 OF COMPANIES ACT 2013:**

Your Company had devised a Policy on Director's Appointment and Remuneration including criteria for determining qualification, positive attributes, independence of the Board and other matters as provided under sub section 3 of Section 178 of the Companies Act, 2013, at its Board meeting held on 28.03.2022. The policy, as adopted, was to have an appropriate mix of executive and independent directors to maintain the independence of the Board, and separate its functions of governance and management. As of 31<sup>st</sup> March, 2022, the Board had 6 members, 3 of whom were executive and 3 were non-executive directors.

The Company's Policy for selection and appointment of Directors and their remuneration is based on its Nomination and Remuneration policy which, inter alia, deals with the manner of selection of the Directors and Senior Management Personnel and such other matters as provided under section 178(3) of the Act, including any amendment thereto.

The policy of the Company on directors' appointment and remuneration, including the criteria for determining qualifications, positive attributes, independence of a director and other matters, as required under section 178(3) of Companies Act, 2013 is available on the company's website under the head Policy at [www.ddevgroup.in/investor-relations.php](http://www.ddevgroup.in/investor-relations.php).

Your Directors affirm that the remuneration paid / proposed to the directors is as per the terms laid out in the Nomination and Remuneration Policy of the Company.

## **26. NUMBER OF BOARD MEETINGS:**

The Company had Six (6) Board Meetings during the financial year ended 31.03.2022. The details of the same are given below:

<b>Serial No.</b>	<b>Date of Board Meetings</b>	<b>No. of Directors attended</b>
1	28.05.2021	2
2	10.08.2021	2
3	20.10.2021	2
4	31.01.2022	2
5	06.03.2022	2
6	28.03.2022	2

The intervening gap between two consecutive meetings was within the period prescribed under Companies Act, 2013.

## **27. GENERAL MEETINGS:**

The 01<sup>st</sup> Annual General Meeting of the Company was held on 08.11.2022. The Company also held 1(one) Extra-Ordinary General Meeting on 12.03.2022. The Second Annual General Meeting of the Company has been convened pursuant to Section 96 of the Companies Act, 2013 and rules made thereunder.

## **28. COMMITTEES OF THE BOARD AND ITS MEETINGS:**

The Board of Directors has the following Committees:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders' Relationship Committee
4. Corporate Social Responsibility Committee

The details of the Committees along with their respective composition of above mentioned Committees are given below. It may be noted that since the Committees were constituted on 28.03.2022, no meetings of the Committee were held in the year under review.

Name of the Committee	Member Name	Chairperson/Member
Audit Committee	Mr. Samir Kumar Dutta	Chairperson
	Mrs. Ramya Hariharan	Member
	Mr. Rajesh Kothari	Member
Nomination and Remuneration Committee	Mr. Samir Kumar Dutta	Chairperson
	Mrs. Ramya Hariharan	Member
	Mrs. Mamta Binani	Member
Stakeholders' Relationship Committee	Mr. Samir Kumar Dutta	Chairperson
	Mr. Ddev Surana	Member
	Mrs. Rajesh Kothari	Member
Corporate Social Responsibility Committee	Mr. Rajesh Kothari	Chairperson
	Mr. Narrindra Suranna	Member
	Mr. Ddev Surana	Member
	Mr. Samir Kumar Dutta	Member

**29. CHANGE OF REGISTERED OFFICE:**

There has been no change in the registered office of the Company during the period under review.

**30. DETAILS OF SUBSIDIARY/ASSOCIATE & JOINT VENTURE COMPANIES:**

The Company does not have any Subsidiary, Associate and/or Joint Venture Companies during the financial year ended 31.03.2022. Prior to approval of Scheme of Arrangement by NCLT the Company was a Wholly Owned Subsidiary of Kkalpana Industries (India) Limited (KIIL). However, the Scheme of Arrangement was approved by NCLT vide its Order dated 04.03.2022 having an appointed date of 01.04.2021 and the same was filed with Registrar of Companies on 01.04.2022 (effective date). Post approval of Scheme and allotment of shares pursuant to the Scheme, the Company ceased to be the Subsidiary of the KIIL.

**31. STATUTORY AUDITORS:**

The Statutory Auditors of the Company, M/s. B. Mukherjee & Co. (FRN: 302096E), Chartered Accountants, Kolkata, were appointed as Statutory Auditors of the Company at the Annual General Meeting held on 08.11.2021, for a period of 5 (five) consecutive years from the conclusion of the first Annual General Meeting till the conclusion of sixth Annual General Meeting. M/s. B. Mukherjee & Co. (FRN: 302096E), Chartered Accountants, Kolkata also confirmed that they have undergone peer review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the 'Peer Review Board' of ICAI. They have also submitted their consent and confirmed their eligibility for continuing as Statutory Auditors for the Financial Year 2022-23.

**32. STATUTORY AUDITORS REPORT:**

The report of the Auditors pertaining to the Accounts in respect of the Financial Year 2021-22 read with Notes on Accounts are self-explanatory and therefore, do not require any further clarification. There are no qualifications, reservations or adverse remarks made by the Auditors in its report pertaining to your company for the financial year ended 31.03.2022.

**33. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 :**

There were no frauds reported by the Auditors under Sub-Section (12) of Section 143 of the Companies Act, 2013 for the financial year ended 31.03.2022.

**34. COST RECORDS AND COST AUDITOR:**

Maintenance of cost records and requirement of cost audit, as prescribed under the provisions of Section 148 (1) of the Companies Act, 2013 are not applicable to the Company for the financial year ended 31.03.2022. The Board of Directors, on recommendation of the Audit Committee, had appointed M/s D. Sabyasachi & Co. (Membership No. 00369), Cost Accountants, Kolkata, as the Cost Auditors of the Company for the financial year 2022-23. M/s D. Sabyasachi & Co. have also confirmed that their appointment is within the prescribed limits and they are free from any disqualifications as provided in Section 141 of the Companies Act, 2013.



### **35. SECRETARIAL AUDIT AND SECRETARIAL AUDITOR:**

The report of the Secretarial Auditor for the Financial Year 2021-22 in Form MR-3 is annexed herewith as Annexure 1 to this Report. The report is self-explanatory and does not call for any further comments. The Board had appointed Mr. Ashok Kumar Daga (Membership No. FCS-2699, COP-2948), Practicing Company Secretary, to conduct Secretarial Audit for the Financial Year 2022-23.

### **36. ANNUAL SECRETARIAL COMPLIANCE REPORT AND ANNUAL SECRETARIAL COMPLIANCE AUDITOR**

SEBI Circular No. CIR/CFD/CMD1/27/2019 dated 08.02.2019 introduced that listed companies shall additionally, on an annual basis, require a check by Practicing Company Secretary ("PCS") on compliance of all applicable SEBI Regulations and circulars/ guidelines issued thereunder, consequent to which, the PCS shall submit a report to the listed entity. The Annual Secretarial Compliance Report submitted by the Annual Secretarial Compliance Auditor shall be submitted to the Stock Exchange as per the requirement of the said circular. The provisions of the said Circular are not applicable to the Company for the Financial Year 2021-22. Mr. Ashok Kumar Daga (Membership No.-FCS- 2699, C.O.P No. 2948), Practicing Company Secretary, was appointed by the Board as Annual Secretarial Compliance Auditor for Financial Year 2022-23.

### **37. INTERNAL AUDITORS AND INTERNAL AUDIT:**

The provision pertaining to Internal Audit is not applicable on Company for the financial year ended 31.03.2022. The Board of Directors of your Company had appointed M/s DKD & Associates, Chartered Accountants, Kolkata (Firm Registration No. 322657E) as Internal Auditors pursuant to the provisions of Section 138 of the Companies Act, 2013 for the Financial Year 2022-23, on recommendation of Audit Committee.

### **38. SECRETARIAL STANDARDS:**

During the year under review, the Company had complied with all the applicable clauses of Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI).

### **39. PARTICULARS OF EMPLOYEES:**

The information required under Section 197(12) of the Companies Act, 2013 read with rules made thereunder is not applicable to the Company for the financial year ended 31.03.2022.

### **40. EXTRACT OF ANNUAL RETURN:**

Pursuant to the provisions of section 92(3) and 134(3)(a) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, the annual return for the Financial Year 2021-22 is uploaded on the website of the Company at [www.ddevgroup.in](http://www.ddevgroup.in) under the head Annual Report.

### **41. RISK AND CONCERNS:**

Risk factor is ingratiated to all business activities of all companies, though in varying degrees and forms. As far as your company is concerned, it has an approved risk management policy by the Board of Directors. Risk evaluation and its management is ongoing process within your company and is periodically reviewed by the Board of Directors of your company.

The main risks of your company are as under:

Business risks

Your company has to face intense competition from unorganized sector pertaining to plastic compounds. Further, the raw material prices remain volatile. It is very difficult to estimate the near future raw material cost.

Technology risks

Quality up gradation and product obsolescence risks are intertwined with your company's business management. However, the high standard of in-house research and development fortifies the technological risks to some extent.

Financial risks

The Company's policy is to actively manage its foreign exchange risk. The company actively manages the interest rate risk by adopting suitable strategies to minimize the impact of interest rate fluctuations, including maintain optimal balance of different loan types and maturities

#### Credit Risks

The Company sells their products by extending credit to customers, with the attendant risk of payment delays and defaults. To mitigate the risk, appropriate measures like periodic review and rigorous follow-up are put in place for timely collection of dues from the customer. Credit availability and exposure is another area of risk. However all exports and domestic sales of the Company are covered under receivable insurance Policy which further mitigate the risk.

#### Liquidity Risks

The Company realizes that its ability to meet its obligations to its suppliers and others is linked to timely and regular collection of receivables and maintaining a healthy credit rating. Review of working capital constituents like inventory of raw materials, finished goods and receivables are done regularly by the respective Divisions and closely monitored by Corporate Finance

### **42. RISK MANAGEMENT**

Your company has an elaborate risk Management procedure and adopted a systematic approach to mitigate risk associated with accomplishments of objectives, operations, revenues and regulations. The Board takes responsibility for the overall process of risk management throughout the organization. In terms of requirement of the Companies Act, 2013, the Company has developed and implemented the Risk Management Policy and the Audit Committee of the Board reviews the same periodically. The company considers activities at all levels of the Organization viz. Enterprise level, Division level, Business Unit Level and Subsidiary level in risk management framework. Risk management process of the Company focuses on three elements viz. 1) Risk Assessment 2) Risk Management and 3) Risk Monitoring. The Company's business units and corporate functions address risk through an institutionalized approach aligned to Company's objective. This is further facilitated by Internal Audit which is reviewed by the Board and Audit Committee of the Company. The key risks and mitigating actions are reviewed and significant audit observations and follow up actions thereon are reported to the Audit Committee and Board.

### **43. ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS:**

The Board has adopted policies and procedures for governance of orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial disclosures. The internal financial controls with reference to the Financial Statements are commensurate with the size and nature of business of your Company. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable Indian Accounting Standards (Ind AS) and relevant statutes. The Internal Auditor and the Audit Committee shall review the Internal Financial Control system periodically.

### **44. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:**

The provisions for formation of "Internal Complaints Committee" (ICC), pursuant to Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, were not applicable to the Company and hence the same was not constituted during the period under review. The Company did not receive any Complaints pertaining to sexual harassment of its employees at workplace during the Financial Year 2021-22.

### **45. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS:**

During the period under review, the Hon'ble National Company Law Tribunal, Kolkata Bench (NCLT) vide its Order dated 04.03.2022 approved the Scheme of Arrangement between Kkalpana Industries (India) Limited ("KIIL") and the Company and their respective shareholders and creditors under Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 (hereinafter referred to as "Scheme" or "Scheme of



Arrangement”) to Demerge the Compounding Business Undertaking of KIIL having an appointed date 01.04.2021. Pursuant to the said Order, the Financials of the Company have been prepared for the FY 2021-22.

Further, the Company has also made application to BSE Limited, the designated stock exchange, to list its equity shares, as allotted pursuant to the Scheme of Arrangement approved by Hon’ble National Company Law Tribunal, Kolkata Bench, vide its Order dated 04.03.2022.

#### **46. CORPORATE SOCIAL RESPONSIBILITY:**

Your Company does not fall into the classes of companies as specified in Section 135 of the Companies Act, 2013 read with Rules made thereunder and hence the provisions of Corporate Social Responsibility are not applicable to your company for the Financial Year 2021-22.

#### **47. STATEMENT INDICATING THE MANNER IN WHICH THE FORMAL ANNUAL EVALUATION OF THE PERFORMANCE OF THE BOARD, ITS COMMITTEES AND OF INDIVIDUAL DIRECTORS:**

Your Company does not fall into the classes of companies as specified in Section 134(3)(q) of the Companies Act, 2013 read with Rules made thereunder for the financial year ended 31.03.2022 and hence the disclosure relating to Formal Annual Evaluation made by Board of its own performance and that of committees and individual directors is not required to be made.

#### **48. VIGIL MECHANISM**

The Company believes in conducting its affairs in fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behavior. Pursuant to the requirement of the Section 177(9) of the Companies Act, 2013, the Company has established vigil mechanism which also incorporates a whistle blower policy in terms of the SEBI Listing Regulations in order to provide a secure environment and to encourage employees to report unethical, unlawful, improper practice, acts or activities, if any. Protected disclosures can be made by a whistle blower through an e mail or phone or letter to the chairman of Audit Committee. During the year under review no employee was denied access to the Audit Committee. It is pertinent to mention here that the Audit Committee was constituted on 28.03.2022, which is post receipt of NCLT Order approving the Scheme of Arrangement.

#### **49. GREEN INITIATIVES**

Ministry of Corporate Affairs has permitted companies to send electronic copies of Annual Report, notices, etc. to the registered E-mail addresses of shareholders. Your Company has accordingly arranged to send the electronic copies of these documents to shareholders whose email addresses are registered with the Company/ Depository Participant(s), wherever applicable. In accordance with the MCA and SEBI circulars, issued in view of the COVID-19 pandemic, the Company can send only electronic copies of notice of AGM and Annual Report on registered email addresses of the Shareholders available with the company/RTA or the depositories. Hence physical circulation of notice of AGM and Annual Report is dispensed with; electronic circulation through E-mail shall suffice. Your company shall also provide the facility of Remote E-Voting facility, in accordance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI).

Your company has also taken various energy conservation measures to support the sustainable development and environment protection objectives of the Company. The company has installed rain water harvesting facilities at its Units and solar panels at Surangi Unit of the Company to reduce carbon emissions. We have also taken the initiative to plant trees at our manufacturing units.

#### **50. MANAGEMNT DISCUSSION AND ANALYSIS REPORT AND REPORT ON CORPORATE GOVERNANCE**

Although your company is not listed as on the date of this report, and therefore Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are not applicable to the Company, your company has made requisite and relevant disclosures in the Management’s Discussion and Analysis Report and Report on Corporate Governance in accordance with relevant provisions of Regulation 34 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, as annexed herewith, respectively. The Management’s Discussion and Analysis forms an integral part of this report and gives detail of the overview, industry structure and developments,

different product groups of the Company, operational performance of its business segments. Further, the Company has taken the requisite steps to comply with the requisite recommendations concerning Corporate Governance.

#### **51. HUMAN RESOUCES AND INDUSTRIAL RELATIONS**

The Industrial relations of the Company with its personnel has continued to be cordial and amicable. Your Directors acknowledge and appreciate the efforts and dedication of employees to the Company. Your directors wish to place on record the co-operation received from the Staff and Workers, at all levels and at all units.

#### **52. ACKNOWLEDGEMENT:**

Your Directors takes this opportunity to thank the Financial Institutions, Banks, Central and State Government authorities, Regulatory authorities, Stock Exchange and all the various stakeholders for their continued support, co-operation to the Company and look forward for their continued support in coming years.

Your directors also wish to place on record their appreciation to all of the Company's employees and workers at all level for their enormous efforts as well as their collective contribution to the Company's performance.

**For Ddev Plastiks Industries Limited**

**Narrindra Suranna (DIN: 00060127)**  
**Chairman and Managing Director**

**Date:** 28.05.2022

**Place:** Kolkata





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## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### **GLOBAL PLASTIC INDUSTRY:**

The global market volume for plastic compounding is expected to grow from 475.9 billion pounds in 2021 to 540.4 billion pounds by 2026 with a compound annual growth rate (CAGR) of 2.6% for the period of 2021-2026.

The global bioplastics market volume is expected to reach 3.3 million metric tons by 2026 from 2.2 million metric tons in 2021 at a compound annual growth rate (CAGR) of 8.3% for the forecast period of 2021 to 2026.

The role of plastics is extremely crucial in modern industries. Characterized by excellent properties, these materials have gained high prominence across an array of sectors, including automotive, electricals and electronics, manufacturing, medical and others. The overall market demand is expected to further experience lucrative growth on account of rising demand for bioplastics and recycled plastics.

The global plastic compounds market size is expected to reach USD 98.65 billion by 2028. It is projected to expand at a CAGR of 5.1% over the forecast period.

The market is estimated to be driven by packaging applications across the globe. The product demand in the packaging industry is driven by high consumerism in major economies, such as China, India, Germany, the U.S., and Brazil. Various regulatory bodies have stipulated guidelines regarding packaging materials in food contact applications. Polypropylene (PP) compounds offer a cost-effective packaging solution and help enhance impact strength, flexibility, clarity, and process efficiency. High demand for Polyethylene (PE) in the packaging industry has majorly contributed to the growth of the packaging end-use segment.

The global COVID-19 pandemic moderately affected the product demand in packaging application in 2020. The demand for packaging for healthcare products, food products, groceries, and e-commerce transportation increased sharply, while the demand for luxury, industrial, and some B2B transport packaging witnessed decline owing to the slowdown and halt in industrial operations. The recommencing industrial operation is expected to positively influence the demand in industrial, and B2B transport packaging in the coming years.

### **INDIAN PLASTIC INDUSTRY**

The plastic industry in India made a promising beginning in 1957 with the production of polystyrene. Thereafter, significant progress has been made, and the industry has grown and diversified rapidly. The industry spans the country and hosts more than 2,000 exporters. It employs about 4 million people and comprises more than 50,000 processing units, 85-90% of which are small and medium-sized enterprises.

Indian plastics industry produces and export a wide range of raw materials, plastic-moulded extruded goods, polyester films, moulded/ soft luggage items, writing instruments, plastic woven sacks and bags, polyvinyl chloride (PVC), leather cloth and sheeting, packaging, consumer goods, sanitary fittings, electrical accessories, laboratory/ medical surgical ware, tarpaulins, laminates, fishnets, travel ware, and others. The Indian plastics industry offer excellent potential in terms of capacity, infrastructure, and skilled manpower. It is supported by many polymer producers, plastic process machinery and mould manufacturers in the country. Among the industry's major strengths is the availability of raw materials in the country. Thus, plastic processors do not have to depend on import. These raw materials, including polypropylene, high-density polyethylene, low-density polyethylene, and PVC, are manufactured domestically.

The Indian plastics industry is aggressively progressing on national and exports fronts by achieving USD 13 billion of exports in the year 2021-22 with a 30 per cent growth and eyeing for USD 25 billion of exports by 2025, which will take India into the prime spot in global plastics exports. The Indian plastics industry has done well on the exports and domestic fronts and contributed significantly during the pandemic, particularly in supporting the healthcare supplies to the country. The Central Government was supporting the plastic manufacturers, particularly to ensure that more MSMEs should take the advantage of national and global market opportunities and provide more job opportunities to marginalised sector.

### **Industry Structure and Developments**

Indian plastic Industry has over 50,000 plastic processing units employing more than 50 Lacs people across the Country. Almost 85% to 90% of the total manufacturing units are in small & medium scale sector. The Industry is very fragmented and majority of the manufacturers are from unorganized sector and very few are from organized sector. Plastic industry consumes around seventy five percent of the petrochemicals production, which is quite significant.

The revival process post pandemic one in a way, tested the fundamentals of all businesses particularly the supply chain system, the ability to ramp up production amidst restrictions, efficient working capital management, and the inherent strength of the distribution network.

The Department of Chemicals and Petrochemicals has approved 10 Plastic Parks in the country, out of which 6 parks have been given final approval in the below states:

- Assam- 1
- Madhya Pradesh-2
- Odisha-1
- Tamil Nadu-1
- Jhrakhand-1

The Detailed Project Reports are under evaluation for two Plastic Park in Uttarakhand and Chhattisgarh, respectively and proposal for setting up of two new Plastic Parks are under process. These Plastic Parks will help to achieve environmentally sustainable growth and increase employment.

### **Company's Performance:**

Ddev Plastiks Industries Limited ("DPIL") mainly caters to cable and wire companies, packaging, footwear, pipes, automobiles, consumer durables, electrical appliances, electricals and light fittings and electronics.

It is pertinent to mention here that the Company was incorporated in 2020-21 and being the 01<sup>st</sup> year of Incorporation did not undertake any operation as at close of Financial Year 2020-21. Further NCLT had vide its Order dated 04.03.2022 approved the Scheme of Arrangement relating to Demerger of Compounding Business of Kkalpana Industries (India) Limited and vesting the same to the Company, having an appointed date of 01.04.2021. The figures of FY 2021-22 have been presented in consonance of the said Order and Scheme of Arrangement.

A. Critical financial figures for 2021-22 are as under:-

- Gross turnover for the year is Rs. 2226.90 Crore against Rs. Nil in 2020-21.
- PBIDT for the year Rs. 127.89 Crore as against Rs. -(minus) 35,116 in 2020-21.
- Profit before Tax for the year Rs. 75.59 Crore against loss of Rs. 35,116 in 2020-21.
- Capital Structure of the Company as at 31st March 2022 was Rs. 1 lakh comprising of 10,000 nos. of equity shares of Rs. 10/- each.

B. Product wise operational performance:-

Product wise, your company is engaged in manufacturing of the following products, the performance of which is discussed below-

#### Poly Vinyl Chloride

The turnover from Poly Vinyl Chloride is Rs 366.08 Crores as against Rs Nil in the previous year.

#### Polyethylene

Turnover from Polyethylene is Rs. 1688.84 Crores in the year under review as against Rs. Nil in the previous year.

#### Agglomerates, Reprocessed Granules, Scraps & Others

Turnover from these items is Rs. 171.99 Crores as against Rs. Nil in the previous year.



Important Ratios in respect of the year ended 31st March, 2022 are as below:

- a) Debt Equity Ratio is 0.33 in FY 2021-22 (It was Nil in FY 2020-21)
- b) Current Ratio 1.39 in FY 2021-22 (It was 1.08 in FY 2020-21)
- c) Interest Coverage Ratio is 2.85 in FY 2021-22 (It was Nil in FY 2020-21)
- d) Debt Service Coverage Ratio is 3.10 in FY 2021-22 (It was Nil in FY 2020-21)
- e) Stock Turnover Ratio is 127.45 in FY 2021-22 (It was Nil in FY 2020-21)
- f) Return on Equity (RoE) is 14% in FY 2021-22 (It was (54)% in FY 2020-21)

### **Future Outlook**

Indian plastic consumption remain at 13 kg which is one tenth that of what is consumed by per person in developed Countries and there is huge potential for growth. Various Government initiatives like Atmanirbhar Bharat, Make in India, Pradhan Mantri Krishi Sinchayee Yojana, Smart City Project, establishment of plastic parks, Production Linked Incentive are expected to boost demand in plastics Industry. Government has prioritized the sector and import duty on naphtha has been reduced from 4.00 % to 2.5% in order to make Indian exporters more competitive in global market. All these Industry friendly policy measures, tax subvention will promote fresh investments and boost new capacities in the near future.

### **SWOT Analysis**

#### Strength

- Established market position in polymer compounds market
- Proven track record in establishing a leading market position and gradually expanding in adjacent product segments
- Conservative and strategic philosophy towards gearing
- Capability of large scale operation allowing economies of scale of production. The company caters to cable and wire companies, packaging, footwear, pipes, automobiles, consumer durables, electrical appliances, electricals and light fittings and electronics. Its product folio serves diverse industries
- Geographical spread of operation in India allows movement of finished goods at the customers' place, quickly with lower cost of transportation.
- Strong financial base with Comfortable and healthy Capital Structure and moderate although improving debt protection in total revenue with adequate liquidity
- Proper mix of workforce (skilled, semiskilled and diversified)
- Long standing experience of promoters, wide product range and strong clientele base
- Disciplined inventory management and strategic location of its facilities
- Growth orientation with introduction of new product categories with the help of extensive and strong Research and Development and regular market analysis to understand customer needs and demands

#### Weakness

- The main weakness will flow from deceleration in Indian Economy
- The supply chain will definitely affect the production line
- Susceptibility of profitability to sharp volatility in raw material prices and currency movements
- Dependence on large players in Oil & Gas industry for raw material

#### Threat

- Borrowing from Bank will be difficult because of mounting NPAs (Non-Performing Assets) of Banks

- Unorganised Sectors will also eat into the demand segment of the Company
- Intense competition from imports in the compounding market
- Competition from backward integration by wire and cable manufacturers
- Exposure to sharp volatility in raw material prices and currency movements

#### Opportunities

- The ongoing trade conflicts among major countries may be a boon for developing country like India and especially DPIL
- DPIL has established digital technology as a lever to enhance efficiency and productivity. This will expand the profit margins
- Increasing demand for wire and cable industry
- Ramp up of new high margin product segments to improve diversity

#### **Risks and Concerns:**

Although the Company has comprehensive risk management in place, there is concern about:-

- a) Supply Chain
- b) Fall in Demand
- c) Securing Finance at competitive rates.
- d) Increasing cost of raw materials and currency fluctuations

The company has comprehensive risk management framework in place, which consists of

- a) Process to identify, prioritize and formulate mitigation plans for risks and
- b) A framework of rules and regulations for various officials/ employees and the Board, in discharging the risk management process, periodicity of reporting risk management.

As a part of this risk management framework, the company has identified for each conceivable risk atleast a corresponding mitigation plan to ensure continuous risk monitoring and risk mitigation.

#### **Internal Control System.**

The Company always strives to strengthen Internal Control Systems and processes for smooth and efficient conduct of business and complies with applicable relevant laws and regulations. A comprehensive delegation of power exists for smooth decision making. Elaborate guidelines for preparation of accounts are followed for uniform compliance. Further, all the key functional areas are governed by respective operating manuals. In order to ensure that all checks and balances are in place and all Internal Control Systems are in work, regular and exhaustive internal audits are conducted by experienced firm of accountants in close co-ordination with the company's concerned accredited officials.

The Internal Financial Controls are reviewed periodically and in particular the Internal Auditors ensure that the company as in all material aspects, laid down Internal Financial Controls including operational controls and that such controls are adequate and operating efficiently.

#### **Human Resources and Industrial Relations**

The Company appreciates performance of the employees for the year and anticipates much more for the years to come. Your Company believes in employee empowerment across the entire organization in order to achieve organizational effectiveness. The Human Resource policies are soundly drafted for all levels of employees to serve them motivation, transfer & promotions and to retain the skills. Over a period of time, your company has built and nurtured a dedicated and excellent workforce which consists of engineers, CAs, CSs, MBAs, and advance degree holders like PHDs having a big business portfolio. The Industrial relations of the Company was cordial and there were no instances of employee disputes arising during the year under review.



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Your company has sufficient pool of talents in various operational fields. The Human Resource environment has been very smooth throughout the year.

The company takes special care about the safety, which is core value of the company and all necessary actions are taken in the company to keep safety as priority.

**Cautionary Statement**

Certain statements made in the Management Discussion and Analysis Report relating to the Company's objectives, projections, estimates, and expectations and others may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the Company operates, changes in the Government regulations, tax laws, natural calamities and so on over which the company does not have any direct control.

**Date:** 28.05.2022

**Place:** Kolkata

For **Ddev Plastiks Industries Limited**

**Narrindra Suranna (DIN: 00060127)**

Chairman and Managing Director

## CORPORATE GOVERNANCE

### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Corporate Governance refers to a set of laws, regulations and good practices that enable an organization to perform efficiently and ethically generate long term wealth and create value for all its stakeholders. It provides structure to set the objectives, the means to attain them and monitor the performance. It is a commitment to the business ethics and values and not limited to compliances and transparency. Since Large Corporations employ a vast quantum of societal resources, your company believes that the governance process should ensure that these resources are utilized in a manner that meets stakeholders' aspirations and societal expectations.

Corporate Governance helps to serve corporate purpose by providing a framework within which stakeholders can pursue the objectives of the organization most effectively. Corporate governance signifies acceptance by management of the inalienable rights of shareholders as the true owners of the organization and of their own role as trustees on behalf of the shareholders.

The Philosophy of the Company in relation to Corporate Governance is to ensure transparent disclosures and reporting that conforms to laws, regulations and guidelines and continue focusing on its resources, strengths and strategies to achieve its vision of becoming a market leader in plastics industries, while upholding the core values of excellence, integrity, responsibility, unity and understanding, which are fundamental to the Group.

Corporate Governance is an integral part of value, ethics and best business practices followed by the Company. The core values of the Company are commitment to excellence and customer satisfaction and maximizing long term shareholder's value. In a nutshell, the philosophy can be described as observing of business practices with the ultimate aim of enhancing long term shareholder's value and commitment to high standard of business ethics.

Some of the major initiatives taken by the Company towards strengthening its corporate governance systems and practices include the following:

#### **Secretarial Audit:**

The Company has appointed an independent practicing Company Secretary to conduct Secretarial Audit. The Secretarial Audit Report for the Financial Year 2021-22 forms part of Directors Report.

#### **Role of Company Secretary in overall Governance Process:**

The Company Secretary plays a key role in ensuring that the Board procedures are followed and regularly reviewed. The Company Secretary ensures that all relevant information, details and documents are made available to the directors and senior management for effective decision making at the meetings.

#### **Observance of the Secretarial Standards issued by the Institute of Company Secretaries of India:**

The Institute of Company Secretaries of India (ICSI) is one of the premiere professional bodies in India. ICSI has issued Secretarial Standards on important aspects like Board Meetings (SS1), General Meetings (SS2), Payment of Dividend (SS3), Maintenance of Registers and Records, Minutes of Meetings and Transfer / Transmission of Shares. The observance of Secretarial Standards SS1, SS2 and SS3 are mandatory. Rest are recommendatory in nature. The company adheres to the applicable standards voluntarily.

### 2. BOARD OF DIRECTORS

The Board of the Company had an appropriate mix of Executive and Non-Executive Directors. The Non-Executive Directors include Independent Directors and a women Director.

The composition of the Board and Category of Directors is as follows:

- a) As on 31st March, 2022, the Board comprises a Chairman & Managing Director, two Whole Time Directors, and three non-executive independent directors including two Women Directors. The Chairman is an Executive Director.
- b) None of the Directors on the Board are Members of more than ten Committees or Chairman of more than five Committees across all the Companies in which they are Directors. Necessary disclosures regarding Committee positions in other public Companies have been made by the Directors.



c) The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and at the last (AGM), as also the number of Directorship and Committee positions held by them in other Companies are given herein below.

Name (Relationship Inter-Se, if any)	Designation	Category	Attendance Particulars			Outside Directorships & Committee Position (excluding DPIL)- As at 31.03.2022		
			No. of meeting entitled to attend	Board Meeting (out of meeting held in the year under review)	Last AGM	Other Director ships** (Listed/Unlisted-Category)	Committee Member- ships#	Committee Chairman- ships#
Narrindra Suranna (Father of Mr. Ddev Surana, Whole Time Director)	Chairman & Managing Director	Executive & Promoter	0	0	NA	Kkalpana Industries (India) Limited (Listed-Executive)	-	-
Rajesh Kothari (None)	Whole Time Director	Executive	6	6	Yes	Ddev Plastic Limited (Unlisted-Non Executive)	-	-
Surendra Kumar Surana (till 28.03.2022) (Brother of Mr. Narrindra Suranna, Chairman and Managing Director)	Director	Executive	6	6	Yes	Ddev Plastic Limited (Unlisted-Non Executive)	-	-
Ddev Surana (Son of Mr. Narrindra Suranna, Chairman & Managing Director)	Whole Time Director	Executive	6	6	Yes	1. Kkalpana Industries (India) Limited(Listed-Non Executive) 2. Ddev Plastic Limited (Unlisted-Non Executive)	1	-
Samir Kumar Dutta (None)	Director	Non Executive & Independent	0	0	NA	1. Kkalpana Industries (India) Limited (Listed-Non Executive Independent) 2. Kkalpana Plastick Limited (Listed-Non Executive Independent)	0	3

Name (Relationship Inter-Se, if any)	Designation	Category	Attendance Particulars			Outside Directorships & Committee Position (excluding DPIL)- As at 31.03.2022		
			No. of meeting entitled to attend	Board Meeting (out of meeting held in the year under review)	Last AGM	Other Director ships** (Listed/Unlisted-Category)	Committee Members- ships#	Committee Chairman- ships#
Mamta Binani (None)	Director	Non Executive & Independent	0	0	NA	1. GPT Infraprojects Limited (Listed-Non Executive Independent) 2. Skipper Limited (Listed-Non Executive Independent) 3. Anmol Industries Limited (Unlisted-Non Executive Independent) 4. Emami Paper Mills Limited (Listed-Non Executive Independent) 5. Balrampur Chini Mills Ltd. (Listed-Non Executive Independent) 6. Uttam Galva Metallics Limited (Unlisted-Non Executive Independent) 7. Uttam Value Steels Limited (Unlisted-Non Executive Independent) 8. Emami Limited (wef 29.10.2021) (Listed-Non Executive Independent)	4	1
Ramya Hariharan (None)	Director	Non Executive & Independent	0	0	NA	1. The Indian Steel and Wire Products Limited (Unlisted-Non Executive Independent) 2. Texmaco Infrastructure and Holdings Limited (Listed-Non Executive Independent) 3. TRF Limited (Listed-Non Executive Independent) 4. Amalgam Steel & Power Limited (wef 19.08.2021) (Unlisted-Non Executive Independent) 5. Kkalpana Industries (India) Limited (Listed-Non Executive Independent)	5	1

\*\* Directorship includes only Public Companies (both Listed and Unlisted).

# Committees includes Audit Committee and Stakeholders Relationship Committee across all companies. (excluding Ddev Plastiks Industries Limited)

Details of the Directors Seeking appointment / re- appointment at the Annual General Meeting, have been given along with the Notice of Annual General Meeting.

As required under the Accounting Standard 18 transaction with related parties are furnished under note 40 of notes on financial statement. There was no transactions of material nature with Promoter Directors or their relatives, etc. that may have potential conflict with the interest of the company. With regards to disclosure received from Directors and senior management there was no transaction with the company which might have potential conflict with the interest of the company at large.

None of the Directors held any share of the Company as at 31.03.2022, since allotments pursuant to Scheme of Arrangement and NCLT Order were made post 31.03.2022





### **3. BOARD AGENDA**

#### **Scheduling and Selection**

Meetings are governed by a structured agenda. The Board members, in consultation with the Chairman, may bring up any matter for the consideration of the Board. All departments of the Company schedule their work plans in advance, particularly with regard to matters requiring consideration at the Board/ Committee Meetings. All such matters are communicated to the Company Secretary in advance so that the same could be included in the agenda for the Board/ Committee Meetings.

#### **Information given to the Board**

The tentative dates for the Board Meetings for the ensuing year are decided well in advance and communicated to the Directors. Additional meetings of the Board are held when deemed necessary. Board members are given agenda papers along with necessary documents and information in advance of each meeting of the Board and Committee(s). However, in case of business exigencies or urgencies, few resolutions are passed by way of circulation and if required same is supported by an audio call to explain the rationale. The Board periodically reviews compliance reports with respect to laws and regulations applicable to the Company. The recommendations of the Committees are placed before the Board for necessary approvals.

#### **Invitees & Proceedings**

Apart from the Board members, other senior management executives/ other executive are called as and when necessary, to provide additional inputs for the items being discussed by the Board. The Chairpersons of various Committees brief the Board on all the important matters discussed and decided at their respective committee meetings, which are generally held prior to the Board meeting.

#### **Post Meeting follow up System**

The Governance processes in the Company include an effective post meeting follow-up, review and reporting process for action taken / pending on decisions of the Board. Decisions are promptly communicated to the concerned departments. Action taken report on decisions / minutes of previous meetings is placed at the succeeding meetings of the Board/ Committee for noting.

### **4. BOARD COMMITTEES OF THE COMPANY**

#### **1. AUDIT COMMITTEE**

The role and terms of reference of the Audit Committee are set out in Section 177 of the Companies Act, 2013, besides other terms as may be referred to by the Board of Directors of the Company. The terms of reference of the Audit Committee broadly are:

1. Approval of annual internal audit plan;
2. Review and approval of related party transactions (including Omnibus approval, if any);
3. Review of financial reporting systems;
4. Ensuring compliance with regulatory guidelines;
5. Reviewing the quarterly, half yearly and annual financial results;
6. Discussing the annual financial statements and auditors report before submission to the Board with particular reference to the (i) Director's Responsibility Statement; (ii) changes, if any, in accounting policies (iii) major accounting entries; (iv) significant adjustments in financial statements arising out of audit findings; (v) compliance with listing requirements; (vi) disclosure of related party transactions, if any; (vii) modified opinion, if any, in audit report etc.;
7. Interaction with statutory, internal and cost auditors;
8. Recommendation for appointment, remuneration and terms of appointment of auditors; and
9. Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process etc.

Further the Audit Committee also mandatorily reviews the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions 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 internal auditor shall be subject to review by the audit committee; and
6. Statement of deviations:
  - (a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable,
  - (b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice

In addition to the above, the Audit Committee also reviews the financial statements, minutes and details of investments made by the subsidiary companies.

All the Members of the Committee have good knowledge of finance, accounts and company law.

#### **Power of Audit Committee**

The audit committee shall have powers which should include the following:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary

#### **2. NOMINATION AND REMUNERATION COMMITTEE**

The role of Committee inter-alia includes:

1. 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;

For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

- a. use the services of an external agencies, if required;
  - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - c. consider the time commitments of the candidates.
2. Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;
  3. Devising a policy on diversity of Board of Directors;
  4. Identifying persons 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 of Directors their appointment and removal;
  5. To consider and evaluate whether to extend or continue the term of appointment of the Independent Directors, on the basis of the report of performance evaluation of Independent Directors.
  6. Recommend to the board, all remuneration, in whatever form, payable to senior management.



## Performance Evaluation Criteria

The Company believes in conducting its business affairs in a fair and transparent manner; giving highest regard to good Corporate Governance practices and ensuring transparency, accountability and equity across all facets of operation and in all interactions with Stakeholders.

The Nomination and Remuneration Committee had laid down the evaluation criteria for performance evaluation of every director including Independent director and the Board pursuant to the Corporate Governance norms prescribed by the Companies Act, 2013.

## Remuneration Policy:

Nomination and Remuneration Committee shall recommend the remuneration for the Executive Directors, key managerial personnel and other employees. The recommendation shall then be approved by the Board and Shareholders, if required. The remuneration paid to Executive Directors is determined keeping in view the industry benchmark, the relative performance of the Company to the industry performance. Independent Non-Executive Directors are appointed for their professional expertise in their individual capacity as individual Professionals/ Business Executives. Since Independent Non-Executive Directors receive only sitting fees for attending Board and Committee Meetings, therefore, no criteria for making payments, other than sitting fees, is determined. No performance linked incentives or fixed components are paid to Non-Executive Directors of the Company.

The Non-Executive Directors of the Company have a crucial role to play in the independent functioning of the Board. They bring in an external and wider perspective to the deliberations and decision-making by the Board. The Independent Directors devote their valuable time to discussions in the course of the Board and Committee meetings of the Company. They also help to ensure good corporate governance norms.

The responsibilities and obligations imposed on the Non- Executive Directors have recently increased manifold owing to new legislative initiatives. Contribution of the Non-Executive Directors in Board and Committee Meetings, time devoted by them, participation in strategic decision making, performance of the Company and industry practices and benchmarks forms the main criteria for determining payments to Non- Executive Directors.

The remuneration of the Non- Executive Directors (NEDs) of the Company is decided by the Board of Directors. The Non- Executive Directors of the Company are being paid sitting fees of Rs. 15000 /- for attending each meeting of Board and Committees of Directors and General Meeting (excluding Court Convened Meeting, if any). Besides sitting fees, the Non-Executive Directors of the company were not paid any other remuneration or commission.

The Company pays remuneration to its Managing Director and Whole Time Directors by way of salary, perquisites and allowances, based on the recommendation of the Committee, approval of the Board and shareholders. The Board, on the recommendation of the Nomination and Remuneration Committee, approves the annual increments (effective from 1<sup>st</sup> April each year).

## Details of Remuneration Paid to Executive & Non- Executive Directors:

(Amount in Rs.)

Name	Position	Sitting Fees	Salary & Perks	Commission	Total
Narrindra Suranna	Chairman & Managing Director	Nil	---	Nil	--
Rajesh Kothari	Whole Time Director	Nil	--	Nil	--
Surendra Kumar Surana (till 28.03.2022)	Director	Nil	--	Nil	--
Ddev Surana	Whole Time Director	Nil	--	Nil	--
Samir Kumar Dutta	Non-Executive Independent Director	Nil	Nil	Nil	Nil
Mamta Binani	Non Executive Independent Director	Nil	Nil	Nil	Nil
Ramya Hariharan	Non Executive Independent Director	Nil	Nil	Nil	Nil

It may be noted that the Independent Directors, Whole Time Directors and Chairman and Managing Director

were appointed on 28.03.2022 and remuneration of Executive Director accordingly represent figures in pro rata basis based on the period of service as at 31.03.2022. The Independent Directors were not eligible to attend meetings during the period under review since their appointments were made wef 28.03.2022 and therefore not attended any Meetings of the Board/Committee hence no sitting fees was required to be paid.

### 3. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The key responsibilities of the Committee are as under:

- (i) Redressal of Shareholders'/Investors' complaints;
- (ii) Non-receipt of declared dividends, annual reports of the Company; and
- (iii) Recording of Share Transfer(s)/ Transmission(s) and Issue of Duplicate Share Certificate(s).
- (iv) Carrying out any other function as prescribed under in the applicable statutes

### 4. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The prime responsibility of the Corporate Social Responsibility Committee is to assist the Board in discharging its social responsibilities by way of formulating and monitoring implementation of the framework of 'Corporate Social Responsibility Policy'

#### Terms of Reference

Terms of reference of the Corporate Social Responsibility Committee includes the following:

1. To formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy and any amendments thereof, indicating activities to be undertaken by the Company in compliance with provisions of the Companies Act, 2013 and rules made there under;
2. To recommend the amount of expenditure to be incurred on the CSR activities as per CSR Policy;
3. To monitor the CSR Policy of the Company from time to time;
4. To institute a transparent monitoring mechanism for implementation of the CSR projects or programmes or activities undertaken by the Company;
5. Any other matter/ thing as may be considered expedient by the members in furtherance of and to comply with the CSR Policy of the Company.

### 5. DETAILS OF GENERAL MEETING

The 01<sup>st</sup> Annual General Meeting of the Company was held on 08.11.2021 at the Registered Office of the Company situated at 2B, Pretoria Street, Kolkata – 700071 inter-alia to consider the special business relating to Regularization of First Directors of the Company.

The Extra Ordinary General Meeting of the members of the Company was held on 12.03.2022 at the Registered Office of the Company situated at 2B, Pretoria Street, Kolkata – 700071 to consider the following special businesses;

1. The Related Party Transactions
2. The Borrowing Limit by the Board of Directors of the Company, pursuant to Section 180(1)(c) of the Companies Act, 2013
3. The Limit for creation of Charge on the Assets of the Company, pursuant to Section 180(1)(a) of the Companies Act, 2013
4. To make investments, give loans, guarantees and security in excess of limits specified under section 186 of the Companies Act, 2013

### 6. MEANS OF COMMUNICATION

Coverage has been given for the benefit of the shareholders and investors by publication of the financial results in the leading national dailies like Economic Times / Financial Express / Business Standard etc., and a local vernacular



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newspaper (ArthikLipi) circulated in the state of West Bengal. Up-to-date financial results, annual reports, shareholding patterns and other general information about the Company are available on the website of the Company at [www.ddevgroup.in](http://www.ddevgroup.in)

**BSE Corporate Compliance & Listing Centre (the “Listing Centre”):**

The Listing Centre of BSE is a web based application designed by BSE for corporates. Since the Company was required to list its shares on BSE Limited, pursuant to the approved Scheme of Arrangement and NCLT Order, the company has registered itself on the Listing Centre of BSE. Upon approval of listing application the company shall make necessary submissions, as required.

**SEBI Online Complaints Redress System (SCORES):**

The Company has registered itself on SCORES platform and thereby investor complaints are processed in a centralized web based complaints redressal system. The salient features of this system are:

Centralized database of all complaints, online upload of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of actions taken on the complaint and its current status.

**Date:** 28.05.2022

**Place:** Kolkata

**For Ddev Plastiks Industries Limited**

**Narrindra Suranna (DIN: 00060127)**

**Chairman and Managing Director**

## Annexure-1

Form No. MR-3

### SECRETARIAL AUDIT REPORT

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

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members,

#### **DDEV PLASTIKS INDUSTRIES LIMITED**

2B, Pretoria Street,

Kolkata - 700071

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **DDEV PLASTIKS INDUSTRIES LIMITED** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my 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, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup>, March, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers and other records maintained by **DDEV PLASTIKS INDUSTRIES LIMITED** ("the Company") for the financial year ended on 31<sup>st</sup> March, 2022, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under; **Not applicable, since the shares of the Company are not listed**
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under; **Not applicable**
- (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, since there is no Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings**
- (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; **Not applicable**
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; **Not applicable**
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **Not applicable, since the company has not raised share capital during the year.**
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;  
**Not applicable, since the company has not issued shares as per (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 during the year.**



(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

**Not applicable, since the company has not issued any debt securities as per (Issue and Listing of Debt Securities) Regulations, 2008;**

(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; and

**Not applicable,**

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;**Not applicable.**

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India as amended from time to time,

(ii) The Company has complied with the terms and conditions, set forth by the lending bank / financial institution at the time of availing any facility

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

#### **I 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. The following changes occurred in the Directors and KMP, The composition of the Board of Directors during the period under review remains as under:

<b>SL NO.</b>	<b>NAME OF THE DIRECTOR / KMP</b>	<b>PARTICULARS OF CHANGES</b>
1.	MRS. MAMTA BINANI (ADDITIONAL DIRECTOR)	APPOINTMENT
2.	MR. RAJESH KUMAR KOTHARI (WHOLETIME DIRECTOR)	CHANGE IN DESIGNATION
3.	MS. RAMYA HARIHARAN (ADDITIONAL DIRECTOR)	APPOINTMENT
4.	MR. DDEV SURANA (CEO)	APPOINTMENT
5.	MR. NARRINDRA SURANNA (MANAGING DIRECTOR)	APPOINTMENT
6.	MR. SAMIR KUMAR DUTTA (ADDITIONAL DIRECTOR)	APPOINTMENT
7.	MR. SURENDRA KUMAR SURANA (DIRECTOR)	CESSATION
8.	MR. DDEV SURANA (WHOLETIME DIRECTOR)	CHANGE IN DESIGNATION

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

**Pursuant to Scheme of Arrangement between the Company, Kkalpana Industries (India) Limited (CIN: L19202WB1985PLC039431) ("KKIL"), Holding Company, and their respective Shareholders and Creditors, providing for, inter alia, transfer of their Compounding Business Undertaking of the Company, on a going concern basis, to Our Company, as per provisions of Sec.230-232 of the Companies Act, 2013, the scheme was considered and approved by the Hon'ble National Company Law Tribunal (NCLT), Kolkata Bench vide its order dated 04<sup>th</sup> March, 2022. Accordingly, the business undertaking of Compounding Business stands demerged and vested in Our Company in accordance with the said NCLT Order. The Certified copy of the NCLT Order dated 04.03.2022 was received on 16.03.2022 and duly filed with Registrar of Companies, West**

Bengal, on 01.04.2022. After the end of financial year under review and as at the date of this report, our Company had allotted 94072930 Equity Shares of Re.1 each in the ratio of 1:1 to the shareholders of the Demerged Company i.e Kkalpana Industries (India) Limited, whose name appeared as on 08.04.2022, being the record date for the said purpose, in accordance with the approved Scheme of Arrangement a listing application has been filed to BSE Limited, designated stock Exchange.

Further the Company is in the process to complete remaining regulatory compliances and formalities with regard to fulfill the terms and conditions of demerger scheme.

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

Place: KOLKATA

Date: 26.05.2022

ASHOK KUMAR DAGA  
(Practicing Company Secretary)  
FCS No.2699, C P No: 2948  
UDIN: F002699D000399700





## Annexure-2

**Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo as per section 134 (3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 for the year ended 31<sup>st</sup> March, 2022.**

### **1. CONSERVATION OF ENERGY.**

#### **A) ENERGY CONSERVATION MEASURES TAKEN:**

The Company is committed to transform energy conservation into a strategic business goal to fully align with the technological sustainable development of Energy Management System. Company is putting best endeavor to reduce energy consumption in its manufacturing cycle activities. Company is also committed to improve energy efficiency in all manufacturing process and other areas of operations. The manufacturing units of the Company have continued their efforts to reduce their energy consumption year on year basis.

During the year under review, the Group's use of Energy from Renewable Sources has resulted in significant reduction of carbon emission by 960 MT per annum.

To achieve above objectives the following steps are being undertaken:

1. Efficient utilization of Grid energy by continuously monitoring the Key parameters viz Contract demand, power factor, load factor & TOD tariff utilization on regular basis.
2. Encouraging use of advance engineering technologies in unit old plants for energy efficiency improvement and all new projects equipment's with superior technology.
3. Replacement of existing lights with LED Light.
4. Increase the use of renewable energy in units at Surangi plant by own Roof Top solar energy. The 690 KWp Rooftop Solar Project helped in reducing our yearly Carbon Emissions, by generating substantial units during the year, which is in line with our Management's sustained commitment to Energy and Environment Protection.
5. Rainwater harvesting of 29 Lacs Liters during the year under review.

In addition to the existing measures being practiced, the following steps were taken:-

- i. Education of workforce at the Head Office regarding use of various office equipments, especially computers in a manner that uses less energy.
- ii. Installation of energy efficient equipments, such as Compact Fluorescent Light Bulbs (CFLs) at all offices.
- iii. Adoption of policy of having our heating and cooling equipment serviced regularly.
- iv. Sharing of best practices at each plant for benchmarking of applicable ideas.

#### **B) ADDITIONAL INVESTMENTS AND PROPOSALS, IF ANY, BEING IMPLEMENTED FOR REDUCTION OF CONSUMPTION OF ENERGY.**

- i. Rationalization of Plants to save and optimize use of energy.
- ii. Means of conservation of energy currently being utilized in process plants is being studied.

#### **C) IMPACT OF MEASURES AT (A) AND (B) ABOVE.**

Energy usage has been controlled due to above mentioned efforts being undertaken by the company. The ongoing focus on sustained Energy conservation and monitoring is a way of life throughout your company leading to identification of opportunities to Reduce, Recycle and Re-use natural resources and reduction in carbon foot prints across all units for continued sustenance of Environment Protection and Resources as committed by Management.

D) CAPITAL INVESTMENT ON ENERGY CONSUMPTION EQUIPMENTS: During the year the company has undertaken following investments towards Energy Consumption Equipments:

1. Installation of Compact Fluorescent Light Bulbs (CFLs) at all its offices.
2. Installation of 690 KWp Rooftop Solar Project.
3. Installation of rain water harvesting facilities at units.

## 2. TECHNOLOGY ABSORPTION, ADAPTION AND INNOVATION

### A. MEASURES TAKEN

Evolving and Integrating the Basic Technologies to create new products and technology cultivated at Ddev Plastiks Industries Limited since its inception. The intensive Research and Development (R&D) has led us to be the leaders of Specialty Polymer Compounding Industry for more than a decade. This has been possible due to the state of art R&D at Surangi unit and Quality Assurance facilities at all our Units. Our R&D team comprises of highly qualified and experienced Technologists who are focused at accelerating the development speed along with a firm understanding of customer and product needs. Our facility is also equipped with the systems to continue seeking out the needs of the times.

We are constantly working on developing Polymer Compounds to the Advancing, High Performance Specialty Products for Increasing Complex Applications (Low, Medium to High Voltage Cables- Insulation, Semicon & Jacket Compounds). Your company strives to make continuous investments towards improvement in its existing product lines and undertakes development efforts in that area.

The following are our on-going projects:

- High Track and Erosion resistant Jacket compound for Covered Conductors (a novel compound for covering the overhead transmission conductors) meeting European Standards.
- Halogen Free Fire Resistant Jacket cum Insulation for Solar Cable (Outdoor) application meeting European Standards.
- Cost effective Tree -Retardant XLPE for 66 KV application.

The above compounds would increase our exports many folds and also open a new avenue to our Indian Customers.

Specific areas in which R & D is carried out by your company.

- Horizontal and vertical expansion of Company's product profile.
- New & Improved Product Development.
- Up gradation of R&D lab to develop state of the art R&D to cater to the growing demand for Hi- Tech products.
- Evaluation of the alternative materials or additives to reduce the cost of raw materials
- Modify the mould and dyes to improve the cycle time to get higher production from the same machinery.
- To modify the process parameters to improve the quality

### B) BENEFITS DERIVED AS A RESULT OF R & D.

Our ongoing study in the following areas would also help to reduce cost of conservation and improve the quality of products:

- Penetration into the Solar Cables Market and increase in product profile.
- Improving the output/input ratio to gain maximum finished products from per kilogram of raw material
- Waste management is highly focused and monitored through corporate management and recycling the product by using good waste management process



Other benefits derived as a result of our efforts are

- i) Efficiency and yield improvement, loss reduction and modernization programme.
- ii) Import Substitution
- iii) Increased Market share for various products.
- iv) Better market penetration of various products.
- v) Developments of various grades of PVC & XLPE compounds to meet changing market needs.
- vi) Increased output and labor saving
- vii) Conservation of natural resources with prime focus on energy and water management with Zero Discharge Philosophy
- viii) Environment Protection for sustainability to reduce, recycle and reuse waste
- ix) Knowledge and skills sharing across company initiatives for benchmarking the best practices
- x) Easy and fast installations to save time, labor and cost
- xi) Hygienic and safe operations
- xii) Opportunities to expand business in new areas
- xiii) Product improvement and development and cost reduction.

C) TECHNOLOGY IMPORTED (IMPORTED DURING THE LAST 3 YEARS RECKNONED FROM THE BEGINNING OF FINANCIAL YEAR)

1. Details of technology imported : NIL
2. Year of Import: N.A.
3. Whether technology has been fully absorbed: N.A.
4. If not fully absorbed, areas where absorption has not taken place and reasons thereof: N.A.

D) EXPENDITURE ON R&D.

(Rs. In Lacs)

Particulars	FY ended 31 <sup>st</sup> March, 2022	FY ended 31 <sup>st</sup> March, 2021
Capital	-	-
Recurring	4.34	-
Total R & D Expenditure	4.34	-

3. FOREIGN EXCHANGE EARNINGS AND OUTGO.

ACTIVITIES RELATING TO EXPORT, INITIATIVES TAKEN TO INCREASE EXPORTS, DEVELOPMENT OF NEW EXPORT MARKETS FOR PRODUCTS AND SERVICES AND EXPORT PLANS:

Company is making serious efforts for marketing of its products in global markets. With India's growing importance as a low cost manufacturing base with good health, safety and environment practices, your company sees a great export potential in many of its products. Effective steps have been taken in this regards and the company is receiving good responses to its efforts.

TOTAL FOREIGN EXCHANGE USED AND EARNED

(Rs. In Lacs)

PARTICULARS	CURRENT YEAR	PREVIOUS YEAR
Total Foreign Exchange earned	67074.36	-
Total Foreign Exchange used	35559.26	-

**Date:** 28.05.2022

**Place:** Kolkata

**For Ddev Plastiks Industries Limited**

**Narrindra Suranna (DIN: 00060127)**

Chairman and Managing Director



## INDEPENDENT AUDITOR'S REPORT

### To the Members of Ddev Plastiks Industries Limited Report on the Audit of the Financial Statements

#### Opinion

We have audited the accompanying financial statements of Ddev Plastiks Industries Limited ("the Company"), which comprise the Balance Sheet as at March 31 2022, the Statement of Profit & Loss (including the Statement of Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements") in which are included all the assets and liabilities of the Compounding Business Undertaking of Kkalpana Industries (India) Ltd which stands transferred to the Company with effect from the Appointed date, i.e., 1 April 2021 (as per the scheme of arrangement approved by the Hon'ble National Company Law Tribunal, Kolkata Bench ('NCLT'), vide its order dated 4 March 2022 .

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

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the 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 (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the financial year ended March 31, 2022. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	Auditor's Response
<b>Inventory- existence and valuation</b> Refer to note 10 to the standalone financial statements. The Company is having the Inventories of Rs.27,571 lacs as on 31 <sup>st</sup> March 2022. As described in the accounting policies in the standalone financial statements, inventories are carried at the lower of cost and net realisable value. As a result, the management applies judgement in determining the appropriate provisions for obsolete stock based upon a detailed analysis of old inventory ,net realisable value below cost based upon future plans for sale of inventory.	We have obtained assurance over the appropriateness of the management's assumptions applied in calculating the value of the inventories and related provisions and management assertion regarding existence and ownership by:- Completed a walkthrough of the inventory valuation process and assessed the design and implementation of the key controls addressing the risk. Performing procedures to ensure that the changes in inventory between the last verification date and date of the balance sheet are properly recorded (Roll forward procedures).

Key Audit Matters	Auditor's Response
<p><b>Revenue Recognition</b></p> <p>Revenue from the sale of goods is recognized at the moment when control has been transferred to the customer and is measured net of trade discounts, rebates and pricing allowances to customers (collectively 'trade spends').</p> <p>There is a risk that revenue may be overstated because of pressure local management may feel to achieve performance targets. Revenue is also an important element of how the company measures its performance, upon which management is incentivized.</p>	<p>Verifying for a sample of individual products that costs have been correctly recorded.</p> <p>Identified and assessed a sample of aged and obsolete inventory.</p> <p>We also analysed the level of slow-moving inventory and the associated provision.</p> <p>We have reviewed the historical accuracy of inventory provisioning and the level of inventory write-offs during the financial year.</p> <p>Comparing the net realisable value to the cost price of inventories to check for completeness of the associated provision.</p> <p>Performing substantive analytical procedures to test the correctness of inventory existence and valuation.</p> <p>Testing the accuracy of inventory reconciliations with the general ledger at period end, including test of reconciling items.</p> <p>The procedures performed gave us a sufficient evidence to conclude about the inventory existence and valuation.</p> <p><b>Our audit procedures included:</b></p> <p>We assessed the appropriateness of the revenue recognition accounting policies by comparing with applicable accounting standards.</p> <p>We evaluated the design, tested the implementation and operating effectiveness of key internal controls including general IT controls and key IT application controls over recognition of revenue.</p> <p>We performed substantive testing by selecting samples of revenue transactions recorded during the year by testing the underlying documents which included invoices, good dispatch notes, customer acceptances and shipping documents (as applicable).</p> <p>We carried out analytical procedures on revenue recognised during the year to identify unusual variances.</p> <p>We tested, on a sample basis, specific revenue transactions recorded before and after the financial year-end date to determine whether the revenue had been recognised in the appropriate financial period.</p> <p>We tested manual journal entries posted to revenue to identify unusual items.</p>

**Information other than the Financial Statements and Auditor's Report thereon**

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

### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity 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 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

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

- a. Identify and assess the risks of material misstatement of the 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.
- b. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty

exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- e. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 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 financial statements for the financial year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

- 1) As required by the Companies (Auditor's report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
- 2) As required by section 143(3) of the Act, we report that:
  - i. We have sought and obtained all the information and explanations which to the best of our knowledge and belief are necessary for the purpose of our audit.
  - ii. 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.
  - iii. The Balance Sheet, Statement of Profit & Loss (including other comprehensive income), Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - iv. In our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.
  - v. On the basis of written representations received from the Directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of section 164(2) of the Act.
  - vi. With respect to the adequacy of the internal financial controls with reference to the financial statement of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
  - vii. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:





In our opinion and to the best of our information and according to the explanations given to us, during the year the remuneration paid by the Company to its directors during the 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) of the Act which are required to be commented upon by us.

viii. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

- i) The Company has no pending litigation as on March 31, 2022 which has any impact on its financial position.
- ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year.
- iv) a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
  - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
  - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
  - directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
  - provide any guarantee, security or the like from or on behalf of the ultimate Beneficiaries; and
- c) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under subclause (iv) (a) and (iv) (b) contain any material mis-statement.

(ix) The dividend declared or paid during the year by the Company is in compliance with Section 123 of the Act .

**For B.Mukherjee & Co.,**

*Chartered Accountants*

Firm Registration No : 302096E

S.K.Mukherjee

**(Partner)**

Membership No : 006601

**UDIN: 22006601AJUQFB4620**

**Place :- Kolkata**

**Date:- 28<sup>th</sup> Day of May, 2022**

**ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Ddev Plastiks Industries Limited of even date)

- I. In respect of its fixed assets:
  - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and The Company has maintained proper records showing full particulars of intangible assets.
  - b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of two years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
  - c) According to the information and explanations given to us and on the basis of our examination of the records of the Company the title deeds of immovable properties are held in the name of Company except for the assets transferred to the company pursuant to a scheme of arrangement approved by the Hon'ble National Company Law Tribunal, Kolkata Bench ('NCLT'), *vide* its order dated 4 March 2022 (certified copy thereof received on 16 March 2022). The Company is in the process of having the title transferred in its name subsequent to the NCLT order. In respect of immovable and movable properties that have been taken on lease and disclosed in the financial statement as right- of use assets as at the balance sheet date, the lease agreements are duly executed in favour of the Company.
  - d) According to the information and explanations given to us and on the basis of our examination of the records the Company has not revalued any of its property, plant and equipment (including Right of use assets) and intangible assets during the year.
  - e) No proceeding have been initiated during the year or are pending against the Company as at 31 March 2022 for holding any benami property under the Benami Transaction (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- II. As per the information and explanations given to us:
  - a) The inventories have been physically verified at reasonable intervals during the year by the management and no material discrepancies between book stock and physical stock have been found.
  - b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of `Rs. 5 crores, in aggregate, at points of time during the year, from bank on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising of value of closing stock of inventory, receivables and payables filed by the Company with such bank are in agreement with the audited books of account of the Company of the respective quarters.
- III. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnership or any other parties during the year. The Company has not made investments in companies and granted secured and unsecured loans to companies and other parties. The Company has not made any investments in or granted any loans, secured or unsecured, to firms and limited liability partnership. Accordingly, clause 3 (a),(b),(c),(d),(f) of the Order is not applicable to the Company.
  - e). No loan or advance in the nature of loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.
- IV. According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has not provided any guarantee or security or investment and loan made as specified under Sections 185 and 186 of the Act. Hence said clause of Order is not applicable to the Company.
- V. According to information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable to the Company.



- VI. We have broadly reviewed the books of accounts maintained by Company in respect of product, where pursuant to the rule made by the Central Government of India the maintenance of cost records has been prescribed under section 148 (1) of the Companies Act 2013 and are of the opinion that, prima facie, the prescribed records have been maintained. However, we have not made a detailed examination of the records with a view to determine whether they are accurate or complete.
- VII. According to the information and explanations given to us and on the basis of our examination of the records of the Company:
- a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues have been subsumed into Goods and Services Tax.
- According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax, Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues have been regularly deposited by the Company with the appropriate authorities.
- According to the information and explanations given to us, no undisputed amounts payable in respect of Goods and Services Tax, Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.
- VIII. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.
- IX. According to the information and explanations given to us and :
- a) On the basis of our examination of the records of the Company, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- b) On the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- c) On the basis of our examination of the records of the Company, the Company has not raised Term Loan during the year.
- d) On the basis of our examination of the records of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary or joint venture.
- f) The Company has not raised loans during the year on the pledge of securities held in its subsidiary or joint venture.
- X.
- a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable to the Company.
- b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable to the Company.
- XI. To the best of our knowledge:
- a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- b) To the best of our knowledge, no report under subsection (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year and upto the date of this report.

- XII. In our opinion and according to the information and explanations given to us , the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- XIII. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- XIV. In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business. We have considered, the internal audit reports issued to the Company during the year and covering the period upto 31st March, 2022.
- XV. In our opinion during the year the Company has not entered into any non-cash transactions with any of its directors or directors of it's holding company, subsidiary company, or persons connected with such 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. Hence, reporting under clause (xvi)(a), (b), (c) & (d) of the Order is not applicable.
- XVII. The Company has incurred cash loss only during the immediately preceding financial year but has not incurred any cash losses during the current financial year.
- XVIII. There has been resignation of the statutory auditors during the year and we have taken into consideration the issues, objections or concerns raised by the outgoing auditors.
- XIX. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- XX. Based on information and explanations provided to us and our audit procedures, the company does not have any obligation under 135 of the Act and hence, the requirements of Clause 3(xx) of the Order are not applicable to the company.
- XXI. According to the information and explanations given to us and on the basis of our examination of the records of the Company, The company is not required to prepare consolidated financial statements as The company is not a holding company of any other company and hence, the requirements of Clause 3(xxi) of the Order are not applicable to the company.

**For B.Mukherjee & Co.,**

**Chartered Accountants**

**Firm Registration No : 302096E**

**S.K.Mukherjee**

**(Partner)**

**Membership No: 006601**

**UDIN: 22006601AJUQFB4620**

**Place :- Kolkata**

**Date:- 28<sup>th</sup> Day of May, 2022**



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## **ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT**

(Referred to in paragraph 2 (vi) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Ddev Plastic Industries Limited of even date)

### **Report on the Internal Financial Controls with reference to financial statement under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls with reference to financial statement of Ddev Plastiks Industries Limited (“the Company”) as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

The Board of Directors of the company is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statement 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 (Guidance Note) issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company’s policies , the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the internal financial controls with reference to financial statement based on our audit. We conducted our audit in accordance with the Guidance Note issued by ICAI 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. 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 financial statement 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 financial statement and their operating effectiveness. Our audit of internal financial controls with reference to financial statement included obtaining an understanding of internal financial controls with reference to financial statement, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the 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 financial statement.

#### **Meaning of Internal Financial Controls with reference to Financial Statement**

A company’s internal financial control with reference to financial statement is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control with reference to financial statement includes those policies and procedures that pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide

reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Limitations of Internal Financial Controls with reference to Financial Statement**

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

**Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statement and such internal financial controls with reference to financial statement were operating effectively as at March 31, 2022, based on the internal control with reference to financial statement criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

**For B.Mukherjee & Co.,**  
**Chartered Accountants**  
**Firm Registration No : 302096E**

**S.K.Mukherjee**  
**(Partner)**  
**Membership No: 006601**  
**UDIN: 22006601AJUQFB4620**  
**Place :- Kolkata**  
**Date:- 28<sup>th</sup> Day of May, 2022**



## AUDITED BALANCE SHEET AS AT 31st MARCH, 2022

(Rs. In Lacs)

	Note No.	As at 31st March, 2022	As at 31st March, 2021
<b>A ASSETS</b>			
<b>1 Non-current Assets</b>			
Property, Plant and Equipment	4	20,642.96	-
Capital Work-in progress	5	246.23	-
Other Intangible Assets	6	9.71	-
Right of Use - Lease	7	63.84	-
Financial Assets			
(i) Other Financial Assets	8	687.71	-
Other Non-Current Assets	9	178.03	-
		<b>21,828.48</b>	-
<b>2 Current Assets</b>			
Inventories	10	27,570.88	-
Financial Assets			
(i) Trade Receivables	11	34,869.32	-
(ii) Cash & Cash Equivalents	12	605.04	8.72
(iii) Other Financial Assets	8	213.01	-
Other Current Assets	13	7,834.17	-
		<b>71,092.42</b>	<b>8.72</b>
<b>Total</b>		<b>92,920.90</b>	<b>8.72</b>
<b>B EQUITY &amp; LIABILITIES</b>			
<b>1 Equity</b>			
Equity Share Capital	14	940.73	1.00
Other Equity	15	38,249.20	(0.35)
		<b>39,189.93</b>	<b>0.65</b>
<b>2 Non Current Liabilities</b>			
Financial Liabilities			
(i) Borrowings	16	3.30	-
(ii) Finance Lease Liability	17	39.54	-
Provisions	18	291.65	-
Deferred Tax Liabilities (net)	19	2,376.22	-
		<b>2,710.71</b>	-
<b>3 Current Liabilities</b>			
Financial Liabilities			
(i) Borrowings	20	12,901.54	8.00
(ii) Lease Liability	17	19.04	-
(iii) Trade Payables	21		
- Micro & Small Enterprises		1,150.89	-
- Others		33,936.18	-
(iv) Other Financial Liabilities	22	1,101.74	0.08
Other Current Liabilities	23	946.30	-
Provisions	24	249.54	-
Current Tax Liabilities (net)	25	715.03	-
		<b>51,020.26</b>	<b>8.08</b>
<b>Total</b>		<b>92,920.90</b>	<b>8.72</b>
Significant Accounting Policies and other information	1-3		

The accompanying notes form an integral part of the financial statements  
This is the Balance Sheet referred to in our report of even date.

**For B. Mukherjee & Co.**  
Chartered Accountants  
Firm Registration No:302096E

S K Mukherjee  
Partner  
Membership No.006601  
Date : 28th May, 2022  
Place : Kolkata

For and on behalf of Board of Directors

**Narrindra Suranna**  
(DIN: 00060127)  
Chairman and Managing Director

**Ddev Surana**  
(DIN: 08357094)  
Whole Time Director

**Tanvi Goenka**  
(Membership No. ACS 31176)  
Company Secretary

**Arihant Bothra**  
Chief Financial Officer

**AUDITED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2022**

(Rs. In Lacs)

	Note No.	As at 31st March, 2022	As at 31st March, 2021
<b>I INCOME</b>			
Revenue from Operations	26	2,22,690.28	-
Other Income	27	2,233.58	-
<b>Total Income</b>		<b>2,24,923.86</b>	<b>-</b>
<b>II EXPENSES</b>			
Cost of Materials Consumed	28	1,93,684.32	-
Changes in Inventories of Finished Goods & Work-in-Progress & Stock-in-Trade	29	(58.40)	-
Employee Benefits Expense	30	3,310.81	-
Finance Costs	31	4,076.58	-
Depreciation & Amortization Expense	4-7	1,152.86	-
Other Expenses	32	15,198.02	0.35
<b>Total Expenses</b>		<b>2,17,364.20</b>	<b>0.35</b>
<b>III PROFIT BEFORE EXCEPTIONAL ITEMS &amp; TAXATION</b>			
Exceptional items		-	-
<b>IV PROFIT BEFORE TAX</b>		<b>7,559.66</b>	<b>(0.35)</b>
Tax expense			
Current tax		1,962.23	-
Deferred tax		119.33	-
<b>Total Tax expense</b>		<b>2,081.57</b>	<b>-</b>
<b>V PROFIT FOR THE YEAR AFTER TAX</b>		<b>5,478.09</b>	<b>(0.35)</b>
<b>VI OTHER COMPREHENSIVE INCOME</b>			
i Items that will not be classified to profit and loss		(46.88)	-
ii Income tax relating to items that will not be classified to profit and loss		11.80	-
<b>Total Other Comprehensive Income For The Year</b>		<b>(35.08)</b>	<b>-</b>
<b>VII TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>5,443.01</b>	<b>(0.35)</b>
<b>EARNING PER EQUITY SHARE</b> (Face value of Rs 1/- each)			
Basic (Rs.)		<b>5.82</b>	<b>(3.50)</b>
Diluted (Rs.)		<b>5.82</b>	<b>(3.50)</b>

Significant Accounting Policies and other information

1-3

The accompanying notes form an integral part of the financial statements  
This is the Statement of Profit & Loss referred to in our report of even date.

**For B. Mukherjee & Co.**  
Chartered Accountants  
Firm Registration No:302096E

S K Mukherjee  
Partner  
Membership No.006601  
Date : 28th May, 2022  
Place : Kolkata

For and on behalf of Board of Directors

**Narrindra Suranna**  
(DIN: 00060127)

Chairman and Managing Director

**Ddev Surana**  
(DIN: 08357094)

Whole Time Director

**Tanvi Goenka**  
(Membership No. ACS 31176)

Company Secretary

**Arihant Bothra**

Chief Financial Officer





## STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31st March 2022

Rs. In Lacs)

Particulars	STANDALONE	
	2021-22 (Audited)	2020-21 (Audited)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax from continuing operations	7559.66	(0.35)
Adjustment for:		
Depreciation & amortization expense (Including Leasehold amortization of Rs. 18.69 Lacs)	1,152.87	-
Loss/(Profit) on sale of fixed assets	7.42	-
Unwinding of Interest on security deposit	(9.74)	-
Finance cost	4,076.58	-
Interest income	(67.38)	-
Interest on Lease Liability	(46.88)	-
Bad debts written off	2,545.68	-
Notional rent on Security deposit	10.10	-
	<b>7,668.65</b>	-
<b>Operating profit before Working Capital changes</b>	<b>15,228.30</b>	(0.35)
Adjustments for Working Capital changes		
Decrease/(increase) in non current financial assets		
Other financial assets	(12.33)	-
Decrease/(increase) in other non current assets	(74.84)	-
Decrease/(increase) in inventories	(4,755.69)	-
Decrease/(increase) in current financial assets		
Trade receivables	(10,468.40)	-
Loans	-	-
Other financial assets	103.88	-
Decrease/(increase) in other current assets	(442.02)	-
Increase/(decrease) in non current provisions	95.44	-
Increase/(decrease) in current financial liabilities		
Trade payables	3,126.59	-
Other financial liabilities	499.29	-
Increase/(decrease) in other current liabilities	565.12	0.08
Increase/(decrease) in short term provisions	30.93	-
	<b>(11,332.03)</b>	0.08
<b>Cash generated from operations</b>	<b>3,896.27</b>	(0.28)
(Tax paid) / refund received (net)	<b>(1,247.20)</b>	-
<b>Net cash from operating activities</b>	<b>2,649.07</b>	(0.28)

**STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31st March 2022**

Rs. In Lacs)

Particulars	STANDALONE			
	2021-22		2020-21	
	(Audited)		(Audited)	
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase of Property, Plant and Equipment, CWIP and Intangible assets	(1,868.91)		-	
Interest receipt on investments	67.38		-	
<b>Net cash generated / (used) from investing activities</b>		<b>(1,801.53)</b>		-
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Receiving cash from Financing Activities	-		1.00	
Repayment of long term borrowings	(31.26)		-	
Increase/(decrease) in short term borrowings	2,707.68		8.00	
Payment of Lease Liability	(23.03)		-	
Finance cost	(3,653.76)		-	
<b>Net cash from financing activities</b>		<b>(1,000.37)</b>		9.00
<b>Net changes in Cash and Bank balances</b>		<b>(152.83)</b>		8.72
<b>Net Increase / (-) Decrease in Cash and Bank balances</b>				
Balance at the end of the year		<b>605.04</b>		8.72
Balance at the beginning of the year		8.72		-
Add: Amount adjusted pursuant to scheme of arrangement		749.15		-
Adjusted Balance at the beginning of Year		<b>757.87</b>		-
<b>Net changes in Cash and Bank balances</b>		<b>(152.83)</b>		8.72

**For B. Mukherjee & Co.**  
Chartered Accountants  
Firm Registration No:302096E

S K Mukherjee  
Partner  
Membership No.006601  
Date : 28th May, 2022  
Place : Kolkata

For and on behalf of Board of Directors

**Narrindra Suranna**  
**(DIN: 00060127)**  
Chairman and Managing Director

**Ddev Surana**  
**(DIN: 08357094)**  
Whole Time Director

**Tanvi Goenka**  
**(Membership No. ACS 31176)**  
Company Secretary

**Arihant Bothra**  
Chief Financial Officer



## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2022

(Rs. In Lacs)

### A. EQUITY SHARE CAPITAL (Refer Note No. 14 & 14A)

	As at 31st March, 2022	As at 31st March, 2021
<b>Balance at the year beginning</b>	<b>1.00</b>	1.00
Changes in equity share capital due to prior period errors	-	
<b>Restated balance at the year beginning</b>	<b>1.00</b>	1.00
Equity share cancelled pursuant to scheme of arrangements	<b>(1.00)</b>	-
Share Suspense Account -allotment of equity shares pursuant to scheme of arrangements	<b>940.73</b>	
<b>Balance at the year end</b>	<b>940.73</b>	1.00

### B. OTHER EQUITY (Refer Note No. 15)

#### For the year ended 31st March, 2022

Particulars	Reserve & Surplus				Other Comprehensive Income	Total
	Capital Reserve & Amalgamation Reserve	Securities Premium	General Reserve	Retained Earnings	Remeasurement of defined benefit plan	
Balance as at 1st April, 2021	-	-	-	(0.35)	-	(0.35)
Add: Amount adjusted pursuant to scheme of arrangement	829.19	5,174.08	3,305.22	23,497.06		32,805.54
Add: Amount adjusted pursuant to reduction and cancellation of equity shares as per scheme of arrangement	1.00					1.00
Add : For the Year	-	-	-	5,478.09	(35.08)	5,443.01
<b>Balance as at 31st March, 2022</b>	<b>830.19</b>	<b>5,174.08</b>	<b>3,305.22</b>	<b>28,974.80</b>	<b>(35.08)</b>	<b>38,249.20</b>

#### For the year ended 31st March, 2021

Particulars	Reserve & Surplus				Other Comprehensive Income	Total
	Capital Reserve & Amalgamation Reserve	Securities Premium	General Reserve	Retained Earnings	Remeasurement of defined benefit plan	
Balance as at 1st April, 2020	-	-	-	-	-	-
Add : For the Year	-	-	-	(0.35)	-	(0.35)
<b>Balance as at 31st March, 2021</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(0.35)</b>	<b>-</b>	<b>(0.35)</b>

The accompanying notes form an integral part of the financial statements

This is the Statement of Equity referred to in our report of even date.

### For B. Mukherjee & Co.

Chartered Accountants  
Firm Registration No:302096E

S K Mukherjee  
Partner  
Membership No.006601  
Date : 28th May, 2022  
Place : Kolkata

For and on behalf of Board of Directors

**Narrindra Suranna**  
(DIN: 00060127)

Chairman and Managing Director

**Ddev Surana**  
(DIN: 08357094)

Whole Time Director

**Tanvi Goenka**  
(Membership No. ACS 31176)  
Company Secretary

**Arihant Bothra**  
Chief Financial Officer

## Notes to the financial statements for the year ended 31st March, 2022

### 1. COMPANY INFORMATION

DDEV PLASTIKS INDUSTRIES LIMITED ("the Company") was incorporated in India on 7th of December 2020. The registered office is located at 2B Pretoria Street, Kolkata- 700071. The Company is engaged in the manufacturing of Plastic Compounds.

The financial statements of the Company for the year ended 31st March, 2022 were authorised for issue in accordance with a resolution of the Board of Directors as on 28.05.2022

### 2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

#### 2.1 Statement of Compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

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 realisation 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.

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

#### 2.2 Basis of Measurement

The financial statements have been prepared on a historical cost basis (which includes deemed cost as per Ind AS 101), except for the following assets and liabilities which have been measured at fair value:

- (i) Derivative financial instruments
- (ii) Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).
- (iii) Defined benefits plans - Plan assets measured at fair value

#### 2.3 Key Accounting Estimates And Judgements

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



## Notes to the financial statements for the year ended 31st March, 2022

Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are included in the following notes below :-

**(i) Estimation of employee defined benefit obligations**

Ind AS 19 requires the exercise of judgment in relation to various assumptions including future pay rises, inflation and discount rates and employee and pensioner demographics. The Company determines the assumptions in conjunction with its actuaries, and believes these assumptions to be in line with best practice, but the application of different assumptions could have a significant effect on the amounts reflected in the income statement, other comprehensive income and balance sheet. There may be also interdependency between some of the assumptions.

**(ii) Estimation of current tax expenses**

Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. In assessing the realizability of deferred income tax assets, management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible.

Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the company will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

**(iii) Property, plant and equipment**

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

**(iv) Leases**

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Company has concluded that no changes are required to lease period relating to the existing lease contracts.

**(v) Allowance for credit losses on receivable**

The Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considered current and anticipated future economic conditions relating to industries the company deals with and the countries where it operates. In calculating expected credit loss, the Company has also considered credit reports and other related credit information for its customers to estimate the probability of default in future and has taken into account estimates of possible effect from the pandemic relating to COVID -19.

## Notes to the financial statements for the year ended 31st March, 2022

### 3. SIGNIFICANT ACCOUNTING POLICIES

#### 3.1 Revenue Recognition

The Company recognizes revenue, whenever control over distinct goods or services is transferred to the customer; i.e. when the customer is able to direct the use of the transferred goods or services and obtains substantially all of the remaining benefits, provided a contract with enforceable rights and obligations exists and amongst others collectability of consideration is probable taking into account customer's creditworthiness.

Revenue is the transaction price the Company expects to be entitled to. In determining the transaction price, the Company considers effects of variable consideration, the existence of significant financing contracts, noncash consideration and consideration payable to the customer, if any. The Company considers whether there are other promises in the contract that are separate performance obligations to which the transaction price needs to be allocated (e.g. warranties etc.).

#### Variable Consideration

If the consideration in a contract includes a variable amount, the company estimates the amount of consideration to which it will be entitled to in exchange for transferring goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant reversal of revenue will not occur once associated uncertainties are resolved. Some contracts with the customers provide them with a right to return and volume rebates. The right to return and volume rebates gives rise to variable consideration.

The amount of variable consideration is calculated by either using the expected value or the most likely amount depending on which is expected to better predict the amount of variable consideration. Consideration is also adjusted for the time value of money if the period between the transfer of goods or services and the receipt of payment exceeds twelve months and there is a significant financing benefit either to the customer or the Company. If a contract contains more than one distinct good or service, the transaction price is allocated to each performance obligation based on relative stand-alone selling prices. If stand-alone selling prices are not observable, the Company reasonably estimates those.

Revenue is recognized for each performance obligation either at a point in time or over time.

**Sale of goods:** Revenues are recognized at a point in time when control of the goods passes to the buyer, usually upon either at the time of dispatch or delivery. Revenue from sale of goods is net of taxes and recovery of charges collected from customers like transport, packing etc.

Contract balances:

Trade Receivables:

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e. only a passage of time is required before payment of the consideration is due).



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## Notes to the financial statements for the year ended 31st March, 2022

### Contract liabilities:

A contract liability is the obligation to transfer goods or services to a customer for which the company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the company transfer goods and services to the customer, a contract liability is recognised when the payment is made or the payment is due, whichever is earlier. Contract liabilities are recognised as revenue when the company performs under the contract.

### Interest Income

Interest income is recognised using the effective interest rate, which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset.

### Dividend Income

Revenue is recognised when the right to receive the payment is established by the reporting date.

### Other Claims / Receipts

Insurance claims and other receipts including export incentives, where quantum of accruals cannot be ascertained with reasonable certainty, these receipts are accounted on receipt basis.

### Commission Income

When the Company Acts in the capacity of an agent rather than as the principal in a transaction the revenue recognised is the net amount of the commission earned by the Company.

## **3.2 Property, Plant and Equipment**

Property, Plant and Equipment are stated at cost net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises purchase price including import duties and other non-refundable duties and taxes, borrowing cost if capitalization criteria are met and other directly attributable cost for bringing the Assets to its present location and condition.

The cost of replacing part of an item of Property, Plant and Equipment is recognised in the carrying amount of the item only when it is probable that future economic benefits embodied within the part will flow to the Company and the cost of the item/part can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit and Loss during the period in which they are incurred.

When parts of an item of Property, Plant and Equipment have different useful lives, they are accounted for as separate items (major components) of Property, Plant and Equipment.

Gains or losses arising on retirement or disposal of Property, Plant and Equipment are recognised in the Statement of Profit and Loss.

Property, Plant and Equipment which are not ready for intended use as on the date of Balance sheet are disclosed as "Capital Work-in-progress".

Items of Property, Plant and Equipment acquired through exchange of non-monetary assets are measured at fair value, unless the exchange transaction lacks commercial substance or the fair value of either the asset received or asset given up is not reliably measurable, in which case the asset exchanged is recorded at the carrying amount of the asset given up.

## Notes to the financial statements for the year ended 31st March, 2022

The Assets which are held for Sale shall be reclassified to Current Assets only if its carrying amount will be recovered principally through a sale transaction (within one year) rather than through continuing use.

### **Depreciation and Ammortization:-**

Depreciation is provided on a pro-rata basis on the straight line method based on estimated useful life prescribed in Part - C under Schedule II to the Companies Act, 2013.

#### **Particulars**

Factory Building	30
Plant & Machinery	25
Electrical Installation	10
Lab Equipments	10
Furniture and Fixtures	10
Motor Car	8
Air Conditioner	15
Scooter, Moped and Cycle	10
Office Equipment	5
Computer	3

Useful life of Plant and Machinery has been considered 25 years as against 15 years as prescribed in Shedule II of the Companies Act, 2013 which is based on the prevailing practices of the comparable industries and our past experience for last 30 years.

### **3.3 Intangible Assets :**

Separately purchased intangible assets are initially measured at cost. Subsequently, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any. The useful lives of intangible assets are assessed as either finite or indefinite. Finite-life intangible assets are amortised on a straight-line basis over the period of their expected useful lives. Estimated useful lives by major class of finite-life intangible assets are as follows :-

<b>Particular</b>	<b>Years</b>
Technical Knowhow	10
Computer Software	10

The Intangible Assets are derecognised either when they are being disposed off or no future economic benefit is expected from its use or disposal, the difference net disposal proceeds and the carrying amount of Assets is recognised in the statement of Profit and Loss in the period of dereognition.

### **3.4 Non Current Assets held for Sale**

Non-current assets or disposal groups comprising assets and liabilities are classified as 'held for sale' when all of the following criteria 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.





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## Notes to the financial statements for the year ended 31st March, 2022

Subsequently, such non-current assets and disposal groups 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.

### **3.5 Investment Property**

Investment Property comprises Free-Hold Lands that are held for Capital Appreciation as it has been held for a currently undetermined future use and are recognised at cost.

An Investment Property are derecognised either when they are disposed off or when they are permanently withdrawn from use and no future economic benefit is expected. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in statement of profit and loss in the period of derecognition.

### **3.6 Lease**

#### **The Company as a lessee**

The Company's lease asset classes primarily consist of leases for buildings, machineries and warehouses. The Company assesses whether a contract 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:

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

## Notes to the financial statements for the year ended 31st March, 2022

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

### 3.7 **Impairment of non-financial assets**

As at each balance sheet date, the Company assesses whether there is an indication that an asset may be impaired and also whether there is an indication of reversal of impairment loss recognised in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, if any, the Company determines the recoverable amount and impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:-

- a) In the case of an individual asset, at the higher of the fair value less cost to sell and the value in use ; and
- b) In the case of cash generating unit (a group of asset that generates identified, independent cash flow), at the higher of the cash generating unit's fair value less cost to sell and the value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discounting rate that reflect the current market assessment of the time value of the money and the risk specific to the asset. In determining fair value less cost of disposal, recent market transaction is taken into account. If no such transaction can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

### 3.8 **Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### A) **Financial Assets**

Initial Recognition and measurement of Financial Assets

All financial assets are recognised initially at fair value plus or minus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Financial assets are classified, at initial recognition, in the same manner as described in subsequent measurement.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e. the date the Company commits to purchase or sell the asset



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## Notes to the financial statements for the year ended 31st March, 2022

### Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- (a) Financial assets at amortised cost
- (b) Financial assets at fair value through other comprehensive income (FVTOCI)
- (c) Financial assets at fair value through profit or loss (FVTPL)
- (d) Equity instruments measured at fair value through other comprehensive income (FVTOCI)

#### (a) Financial assets at amortised cost

A financial asset that meets the following two conditions is measured at amortised cost (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option.

- i) Business model test : The objective of the Company's business model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realize its fair value changes).
- ii) Cash flow characteristics test : The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Effective Interest Rate (EIR) method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts ) through the expected life of the debt instrument or where appropriate, a shorter period to the net carrying amount on initial recognition

#### (b) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option.

- i) Business model test : The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- ii) Cash flow characteristics test : The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

## Notes to the financial statements for the year ended 31st March, 2022

### (c) Financial assets at fair value through profit or loss (FVTPL)

FVTPL is a residual category for financial assets. Any financial asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a financial asset, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch') that would otherwise arise from measuring financial assets and financial liabilities or recognising the gains or losses on them on different bases.

Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

### (d) Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

If an equity investment is not held for trading, an irrevocable election is made at initial recognition to measure it at fair value through other comprehensive income with only dividend income recognised in the statement of profit and loss.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from other comprehensive income to statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

### Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's financial statement) when:

The rights to receive cash flows from the asset have expired, or

The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:

(i) the Company has transferred substantially all the risks and rewards of the asset, or

(ii) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.



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## Notes to the financial statements for the year ended 31st March, 2022

### Write Off

An entity shall directly reduce the gross carrying amount of a Financial Asset when the entity has no reasonable expectation of recovering a financial asset in its entity or for a portion thereof.

### Investment in joint ventures and subsidiaries:

The Company has accounted for its investment in joint ventures and subsidiaries at cost.

### Impairment of financial assets

The Company applies expected credit losses (ECL) model for measurement and recognition of impairment loss on the following financial assets:

- (a) Financial assets measured at amortised cost
- (b) Financial assets measured at fair value through other comprehensive income (FVTOCI)

Expected Credit Losses are measured through either 12 month ECL or lifetime ECL and it is assessed as following:

For recognition of impairment loss on financial assets, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in the subsequent period, credit quality of the instrument improves, such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The Company follows a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historical observed default rates over the expected life of the trade receivables and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward looking estimates are analysed.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

## Notes to the financial statements for the year ended 31st March, 2022

### B) Financial liabilities

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include loans and borrowings, trade and other payables and derivative financial instruments.

#### Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

##### (a) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

##### (b) Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

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

##### (c) Financial Guarantee Contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.



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## Notes to the financial statements for the year ended 31st March, 2022

### **Derecognition**

A financial liability is derecognised 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 recognised in the statement of profit and loss.

### **Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

### **Derivative financial instruments and hedge accounting**

The Company enters into derivative contracts such as forward currency contract, option contract and cross currency and interest rate swaps to hedge foreign currency risks and interest rate risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in other comprehensive income and later reclassified to statement of profit and loss when the hedge item affects profit or loss.

### **3.9 Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprises cash in hand, cash at banks and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash in hand, cash at banks and short-term deposits, as defined above, net of outstanding bank overdrafts, if any, as they are considered an integral part of the cash management.

### **3.10 Foreign currency Transactions**

The Company's financial statements are presented in Indian Rupee (Rs.) which is also Company's functional currency.

Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rates prevailing on the date of transaction. At each balance sheet date, foreign currency monetary items are reported using the closing exchange rate. Exchange rate differences that arise on settlement of monetary items or on translating of monetary items at each balance sheet reporting date at the closing rate are recognised as income or expense in the period in which they arise except exchange difference on monetary items that qualify as a hedging instrument in a cash flow hedge are recognised initially in OCI to the extent the hedge is effective.

## Notes to the financial statements for the year ended 31st March, 2022

Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rates prevailing at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are reported using the exchange rates prevailing at the date when fair value is determined.

When a gain or loss on non-monetary items is recognised in OCI any exchange component of that gain / loss shall be recognised in OCI, conversaly when a gain or loss on a non-monetary item is recognised in Profit / loss any exchange component of that gain/loss shall be recognised in Profit / Loss.

### 3.11 **Fair Value Measurement:**

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

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

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

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

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

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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





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## Notes to the financial statements for the year ended 31st March, 2022

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

### 3.12 Inventories

**Raw materials :** Inventories are valued at cost or net realisable value whichever is lower. Cost is determined by using the Weighted average method. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

**Finished Goods and Traded Goods:** Inventories are valued at lower of cost and net realisable value. Finished goods include cost of conversion and other cost incurred for bringing the inventories to their present location and condition and Traded Goods includes purchase price and other cost incurred for bringing the inventories to their present location and condition.

**Stores & Spareparts :** Store and Spare Parts are valued at Cost.

### 3.13 Employee Benefits

#### Short Term Employee Benefits

Short term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be settled wholly before twelve months after the year end, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably. It includes Salary, wages, paid annual leave.

#### Post Employment Benefits

##### Defined Contribution Plan

Retirement benefits in the form of contribution to Provident fund are defined contribution plans. The contributions are charged to the statement of profit and loss as and when due monthly and are paid to the Government administered Provident Fund towards which the Company has no further obligation beyond its monthly contribution. Superannuation benefit scheme is not existing in the Company.

##### Defined benefit plans:

The Company operates defined benefit plan viz., gratuity. The costs of providing benefits under this plan are determined on the basis of actuarial valuation at each year-end. Actuarial valuation is carried out for the plan using the projected unit credit method.

##### Defined benefit costs are comprised of:

- a ) service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- b ) Net interest expense or income; and
- c) Re-measurement.

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs. Re-measurement of net defined benefit liability/ asset pertaining to gratuity comprise actuarial gains/

## Notes to the financial statements for the year ended 31st March, 2022

losses (i.e. changes in the present value resulting from experience adjustments and effects of changes in actuarial assumptions) and is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss.

### 3.14 **Borrowing Cost**

Borrowing costs that are 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 capitalised as part of the cost of the respective asset. All other borrowing costs are expensed in the period in which it is incurred.

Borrowing costs include interest expense calculated using the effective interest rate method as described in Ind AS 109- Financial Instruments, finance charges in respect of finance leases are recognised in accordance with Ind AS 116- Leases and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

### 3.15 **Income Taxes**

Income tax expense represents the sum of the tax currently payable and deferred tax. It is recognised in statement of profit and loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

#### Current Tax

Current income tax represents the tax currently payable on the taxable income for the year and any adjustment to the tax in respect of the previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

#### Deferred Tax

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred income tax asset are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates ( and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside the statement of profit and loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.



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## Notes to the financial statements for the year ended 31st March, 2022

Deferred tax assets and liabilities are offset only if:

- (i) entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- (ii) deferred tax assets and the deferred tax liabilities relate to the income taxes levied by the same taxation authority.

Current and deferred tax is recognised in the statement of profit and loss, except to the extent that it relates to items recognised in the Other Comprehensive Income or directly in equity. In this case, tax is also recognised in other comprehensive income or directly in equity, respectively.

### **3.16 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. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

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

#### Contingent Liabilities and Assets

Contingent Liabilities are not recognised but are disclosed in the notes. A disclosure for a contingent liability is made where there is a possible obligation arising out of past event, 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 arising out of past event where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Contingent Assets are not recognised but disclosed in the financial statements when economic inflow is probable.

### **3.17 Earnings per Share**

Basic earnings per share is calculated by dividing the net profit or loss for the period after deducting any attributable tax thereto for the period by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss 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.

### **3.18 Current and Non-current Classification**

The Company presents assets and liabilities in the balance sheet based on current/ non current classification.

An asset is current when:

- It is expected to be realised or intended to be sold or consumed in normal operating cycle (twelve months),

## Notes to the financial statements for the year ended 31st March, 2022

- It is held primarily for the purpose of trading,
- It is expected to be realised within twelve months after the reporting period,
- It is cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle (twelve months),
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period,

Or

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

### 3.19 **Business Combination**

Business combinations, if any, are accounted for using the acquisition accounting method as at the date of the acquisition, which is the date at which control is transferred to the Company. The consideration transferred in the acquisition and the identifiable assets acquired and liabilities assumed are recognised at fair values on their acquisition date. Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the Goodwill computed as per IND AS 103 is negative, the acquirer needs to reassess the identification and measurement of the acquiree's identifiable assets, liabilities and contingent liabilities and the measurement of the cost of combination. If negative goodwill remains, this is recognised immediately in OCI and accumulated in equity as Capital Reserve. The Company recognises any non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. The Company recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. Consideration transferred does not include amounts related to settlement of pre-existing relationships. Such amounts are recognised in the Statement of Profit and Loss.

Transaction costs are expensed as incurred, other than those incurred in relation to the issue of debt or equity securities. Any contingent consideration payable is measured at fair value at the acquisition date. Subsequent changes in the fair value of contingent consideration are recognised in the statement of Profit and Loss.

If there is an acquisition of an asset or a group of assets that does not constitute a business. In such cases the Company shall identify and recognise the individual identifiable assets acquired (including those assets that meet the definition of, and recognition criteria for, intangible assets in Ind AS 38, Intangible Assets) and liabilities assumed. The cost of the group shall be allocated to the individual identifiable assets and liabilities on the basis of their relative fair values at the date of purchase. Such a transaction or event does not give rise to goodwill.



## Notes to the financial statements for the year ended 31st March, 2022

### 04. Property Plant and Equipment

(Amount In Lacs)

Description	Gross Block			Depreciation / Amortisation			Net Block					
	As at 01-04-2021	Amount Adjusted pursuant to Scheme of Arrangement*	Addition during the year	Sales/ Disposals	As at 31-03-2022	As at 01-04-2021	Amount Adjusted pursuant to Scheme of Arrangement*	For the Period	Sales/ Disposals	As at 31-03-2022	As at 31-03-2022	As at 31-03-2021
<b>TANGIBLE ASSETS:</b>												
Free hold land	-	1,476.31	-	-	1,476.31	-	-	-	-	-	1,476.31	-
Factory Building	-	6,252.46	481.95	-	6,734.41	-	1,635.03	193.02	-	1,828.05	4,906.36	-
Plant & Machinery	-	16,018.26	883.72	8.23	16,893.75	-	3,329.95	633.02	3.02	3,959.94	12,933.80	-
Furniture & Fixture	-	242.70	9.95	-	252.65	-	109.76	22.35	-	132.11	120.55	-
Motor Car	-	150.41	85.18	2.01	233.57	-	19.31	32.58	2.01	49.88	183.70	-
Scooter, Moped & Cycle	-	1.66	2.24	1.46	2.44	-	0.65	0.22	0.20	0.67	1.76	-
Laboratory Equipment	-	799.59	41.16	0.00	840.75	-	335.80	80.13	0.00	415.92	424.83	-
Electrical Installation	-	1,282.82	74.48	-	1,357.30	-	747.48	138.56	-	886.04	471.26	-
Office Equipment	-	105.96	14.28	1.27	118.97	-	59.66	14.95	0.32	74.28	44.69	-
Air Conditioner	-	66.63	-	-	66.63	-	23.52	3.90	-	27.42	39.21	-
Computer	-	69.79	29.72	-	99.51	-	45.81	13.22	-	59.03	40.48	-
<b>Total</b>	-	<b>26,466.59</b>	<b>1,622.68</b>	<b>12.98</b>	<b>28,076.30</b>	-	<b>6,306.96</b>	<b>1,131.94</b>	<b>5.56</b>	<b>7,433.34</b>	<b>20,642.96</b>	-
Previous year	-	-	-	-	-	-	-	-	-	-	-	-

The title deeds of immovable properties that has been transferred to the Company pursuant to scheme of arrangement is not in the name of the company as on 31st March, 2022. The Company has transferred the title in its name subsequent to the NCLT order (as discussed in Note no. 52) as on 28th May, 2022. The disclosure requirements are as follows :-

• Description of item of property	Land in Property, Plant & Equipment	Building in Property, Plant & Equipment
• Gross carrying value as on 31.03.2022	Rs. 1476.31 in lacs	Rs. 6734.41 in lacs
• Title deeds held in the name of	Kkalpana Industries (India) Ltd.	Kkalpana Industries (India) Ltd.
* Relationship	Fellow Subsidiary	Fellow Subsidiary

## Notes to the financial statements for the year ended 31st March, 2022

### 05. Capital Work In Progress

(Amount In Lacs)

Description	Gross Block			Depreciation / Amortisation			Net Block				
	As at 01-04-2021	Amount Adjusted pursuant to Scheme of Arrangement*	Addition during the year	Sales/ Disposals	As at 31-03-2022	As at 01-04-2021	Amount Adjusted pursuant to Scheme of Arrangement*	For the Period	Sales/ Disposals	As at 31-03-2022	As at 31-03-2021
Capital Work-in-Progress	-	-	246.23	-	246.23	-	-	-	-	246.23	-
<b>Total</b>	-	-	<b>246.23</b>	-	<b>246.23</b>	-	-	-	-	<b>246.23</b>	-
Previous year	-	-	-	-	-	-	-	-	-	-	-

#### A. Capital Work In Progress ageing

Ageing for capital work-in-progress as at March 31, 2022 is as follows:

Capital work-in-progress	Amount in capital work-in-progress for a period of			Total
	Less than 1 year	1-2 years	2-3 years	
Projects in progress	246.23	-	-	246.23
	<b>246.23</b>	-	-	<b>246.23</b>

Ageing for capital work-in-progress as at March 31, 2021 is as follows:

Capital work-in-progress	Amount in capital work-in-progress for a period of			Total
	Less than 1 year	1-2 years	2-3 years	
Projects in progress	-	-	-	-
	-	-	-	-

B. Project execution plans are modulated basis capacity requirement assessment on an annual basis and all the projects are executed as per rolling annual plan.



## Notes to the financial statements for the year ended 31st March, 2022

### 06. Other Intangible Assets

Description	Gross Block				Depreciation / Amortisation				Net Block		
	As at 01-04-2021	Amount Adjusted pertuant to Scheme of Arrangement*	Addition during the year	Sales/ Disposals	As at 31-03-2022	As at 01-04-2021	Amount Adjusted pertuant to Scheme of Arrangement*	For the Period	Sales/ Disposals	As at 31-03-2022	As at 31-03-2021
Technical Knowhow	-	0.20	-	-	0.20	-	-	-	-	-	0.20
Computer Software	-	227.36	-	-	227.36	-	215.62	2.24	-	217.86	9.51
<b>Total</b>	-	<b>227.57</b>	-	-	<b>227.57</b>	-	<b>215.62</b>	<b>2.24</b>	-	<b>217.86</b>	<b>9.71</b>
Previous year	-	-	-	-	-	-	-	-	-	-	-

### 07. Right of Use - Lease

Description	Gross Block				Depreciation / Amortisation				Net Block		
	As at 01-04-2021	Amount Adjusted pertuant to Scheme of Arrangement*	Addition during the year	Sales/ Disposals	As at 31-03-2022	As at 01-04-2021	Amount Adjusted pertuant to Scheme of Arrangement*	For the Period	Sales/ Disposals	As at 31-03-2022	As at 31-03-2021
Plant & Machinery	-	93.43	-	-	93.43	-	10.90	18.69	-	29.59	63.84
<b>Total</b>	-	<b>93.43</b>	-	-	<b>93.43</b>	-	<b>10.90</b>	<b>18.69</b>	-	<b>29.59</b>	<b>63.84</b>
Previous year	-	-	-	-	-	-	-	-	-	-	-

### Other Notes to Note No 04 to 07

A Disclosures for Property, Plant & Equipment (PPE), Capital Work-in-Progress (CWIP) and Intangible Assets

A1. Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for the year ended 31st March, 2022 is Rs.57.11 lacs ( 31st March, 2021: Rs.Nil)

A2. There has been no impairment loss on above assets during the year.

**Notes to the financial statements for the year ended 31st March, 2022**

(Amount In Lacs)

	Non Current		Current	
	As at 31st March 2022	As at 31st March, 2021	As at 31st March 2022	As at 31st March, 2021
<b>8 FINANCIAL ASSETS - OTHERS</b>				
<b>Unsecured, considered good</b>				
(a) Security Deposit	95.19	-	77.33	-
(b) Investment in Term Deposits (with remaining maturity of more than 12 months)	592.52	-	-	-
(c) Others - Advances Recoverable from Employees	-	-	73.04	-
(d) Interest Accrued	-	-	62.64	-
<b>Total</b>	<b>687.71</b>	-	<b>213.01</b>	-

	As at 31st March 2022	As at 31st March, 2021
<b>9. OTHER NON CURRENT ASSETS</b>		
(a) Capital Advances Unsecured - considered good	176.33	-
(b) Prepaid Rent	1.70	-
<b>Total</b>	<b>178.03</b>	-

There are no advances to directors or other officers of the Company or any of them either severally or jointly with any other persons or advances to firms or private companies respectively in which any director is a partner or a director or a member.

	As at 31st March 2022	As at 31st March, 2021
<b>10. INVENTORIES</b>		
(As taken valued and certified by the management) At Cost or NRV whichever is lower		
<b>(a) Raw materials</b>		
- In Stock	23,676.26	-
<b>(b) Finished goods</b>		
- In Stock	3,115.16	-
<b>(c) Stores and spares- at Cost</b>		
- In Stock	779.46	-
<b>Total</b>	<b>27,570.88</b>	-

- During the year ended 31st March 2022 and year ended 31st March, 2021 no amount was recognised as an expense for the inventories carried at net realisable value.
- Refer Note No - 47 for details of Carrying amount of Inventories pledged with banks against Working Capital loans.
- Stores and Spares does not include machinery spares which can be used only in connection with an item of Fixed Assets.





## Notes to the financial statements for the year ended 31st March, 2022

(Amount In Lacs)

### 11. TRADE RECEIVABLES

- (a) Unsecured, considered good  
(i) Others

	As at 31st March 2022	As at 31st March, 2021
	<b>35,003.19</b>	-
	<b>35,003.19</b>	-
Less: Allowance for bad and doubtful debts	<b>133.87</b>	-
<b>Total (Net of Provision)</b>	<b>34,869.32</b>	-

- There are no debts due by directors or other officers of the Company or any of them either severally or jointly with any other persons or debts due by firms or private companies respectively in which any director is a partner or a director or a member.
- The Company has done the Impairment Assesement for Trade Receivables based on expected credit loss model considering the credit risk as significantly low. The Company has used a simplified approach based on a 12 months ECL. A provison matrix has been prepared based on historical credit loss experience adjusted as appropriate to reflect the current conditions and supportable forecast of future economic conditons. The Company has used the adjustment rate of 5% for worsening of future economic conditons.
- Ageing for Trade Receivables - Current Outstandings as at 31st March,2022 is as follows :-

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months-1 year	1 year -2 year	2 year -3 year	More than 3 year	
<b>Trade Receivables</b>							
Undisputed trade receivable-considerd good	26,137.59	7,270.75	1,504.59	33.64	11.94	9.38	34,967.90
Undisputed trade receivable-Which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivable-credit impaired	-	-	-	-	-	-	-
Disputed trade receivable-Considered good	-	-	9.56	25.73	-	-	35.29
Disputed trade receivable-Which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivable-credit impaired	-	-	-	-	-	-	-
<b>Total</b>	<b>26,137.59</b>	<b>7,270.75</b>	<b>1,514.15</b>	<b>59.37</b>	<b>11.94</b>	<b>9.38</b>	<b>35,003.19</b>
<b>Less: Allowances for doubtful trade receivable-Biiled</b>							<b>133.87</b>
<b>Grand Total</b>							<b>34,869.32</b>

Ageing for Trade Receivables - Current Outstandings as at 31st March,2021 is Nil

**Notes to the financial statements for the year ended 31st March, 2022**

(Amount In Lacs)

**12 CASH & CASH EQUIVALENTS**

	As at 31st March 2022	As at 31st March, 2021
(a) Balance with banks:		
(i) In Current Accounts	20.56	7.68
(ii) In EEFC Account	64.41	-
(ii) In Deposit with Original Maturity of less than 3 months	112.78	-
(b) Cash in hand (As certified by the management)	15.48	1.04
(c) Other Bank Balance		
(i) Deposits with more than 3 months initial maturity	391.81	-
<b>Total</b>	<b>605.04</b>	<b>8.72</b>

**13. OTHER CURRENT ASSETS**

	As at 31st March 2022	As at 31st March, 2021
(a) Other Advances		
Unsecured, considered good		
(i) Balances with government departments	5,921.47	-
(ii) Advance to Suppliers		-
- Others	1,069.12	-
- Related Party	507.90	-
(b) Prepaid Expenses	335.68	-
<b>Total (Net of Provision)</b>	<b>7,834.17</b>	<b>-</b>

There are no advances to directors or other officers of the Company or any of them either severally or jointly with any other persons or advances to firms or private companies respectively in which any director is a partner or a director or a member.

**14. EQUITY SHARE CAPITAL (Refer Statement of Changes in Equity )**

**Authorised Shares**

101,500,000 (Previous Year: 1,50,000 of Rs 10 each) Shares of Rs. 1 each\*  
(\*Increase in Authorised Capital is pursuant to scheme of arrangement)

**Issued, Subscribed and Paid Up**

Nil (Previous Year: 10,000 shares of Rs. 10 each) Equity Shares of Rs.1 each\*

	As at 31st March 2022	As at 31st March, 2021
	1,015.00	15.00
	<b>1,015.00</b>	<b>15.00</b>
	-	1.00
	<b>-</b>	<b>1.00</b>

Note -\* 1,00,000 equity shares of Rs. 1 each has been cancelled pursuant to scheme of arrangement of Kkalpana Industries (India) Ltd. with the Company.

**(a) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period**

Particulars	As at 31st March 2022		As at 31st March 2021	
	No. of Shares	Amount (Rs. In Lacs)	No. of Shares	Amount (Rs. In Lacs)
Equity Shares outstanding at the beginning of the year	10,000	1.00	-	-
Equity Shares issued during the year	-	-	10,000	1.00
Equity Shares cancelled pursuant to scheme of arrangements	1,00,000*	1.00	-	-
Equity Shares outstanding at the end of the year	-	-	10,000	1.00

\*Note : The 10,000 shares of Rs. 10 each has been further subdivided into 1,00,000 shares of Rs. 1 each pursuant to scheme of demerger.



## Notes to the financial statements for the year ended 31st March, 2022

(Amount In Lacs)

### (b) Terms/ Rights attached to Equity Shares

The Company has issued only one class of equity shares having a par value of Rs. 1 per share. Each equity shareholder is entitled to one vote per share. The dividend proposed by Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting.

In event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts in proportion of their shareholding.

### (c) Details of shareholders holding more than 5% shares in the Company

Sl. No.	Name of the Shareholders	As at 31st March 2022		As at 31st March 2021	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
1	Kkalpana Industries (India) Ltd.	-	-	10,000.00	100.00

### (d) Details of shareholding of Promoters

#### The detail of shares held by the promoters as at 31.03.2022

Sl. No.	Name of the Promoters & Promoter Group	No. of Shares held	% of Holding	% Change during the Year
1	Nil	-	-	-

(e) Aggregate number of bonus shares issued, shares allotted as fully paidup pursuant to contract without payment being received in cash and shares bought back during the period of five years immediately preceding the reporting date: Nil

### 14A. EQUITY SHARE CAPITAL SUSPENSE (Refer Statement of Changes in Equity )

Equity Share Capital Suspense

As at 31st March, 2022	As at 31st March, 2021
940.73	-
940.73	-

Note -\* 9,40,72,930 equity shares of Rs. 1 each fully paid to be issued pursuant to scheme of arrangement of Kkalpana Industries (India) Ltd. with the Company.

### 15. OTHER EQUITY (Refer Statement of Changes in Equity )

#### (a) Security Premium

This reserves are used to record the premium on issue of shares. The reserve would be utilized in accordance with the provisions of the Act.

As per Last Financial Statement  
Add: Amount adjusted pursuant to scheme of arrangement  
Add: During the year

As at 31st March, 2022	As at 31st March, 2021
-	-
5,174.08	-
-	-
5,174.08	-

**Notes to the financial statements for the year ended 31st March, 2022**

(Amount In Lacs)

**(b) Capital Reserve and Amalgamation Reserve**

As per Last Financial Statement  
Add: Amount adjusted pursuant to scheme of arrangement  
Add: Amount adjusted pursuant to reduction and cancellation of equity shares as per scheme of arrangement  
Add: During the year

As at 31st March 2022	As at 31st March, 2021
-	-
<b>829.19</b>	-
<b>1.00</b>	-
-	-
<b>830.19</b>	-

**(c) General Reserve**

The General reserve is created by way of transfer of profits from retained earnings for appropriation purposes. This reserve is utilised in accordance with the provisions of the Act.

As per Last Financial Statement  
Add: Amount adjusted pursuant to scheme of arrangement  
Add: During the year

As at 31st March 2022	As at 31st March, 2021
-	-
<b>3,305.22</b>	-
-	-
<b>3,305.22</b>	-

**(d) 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.

As per Last Financial Statement  
Add: Amount adjusted pursuant to scheme of arrangement  
Less: Equity Dividend  
Less: Corporate Dividend Tax  
Add: During the year

As at 31st March 2022	As at 31st March, 2021
<b>(0.35)</b>	-
<b>23,497.06</b>	-
-	-
-	-
<b>5,478.09</b>	(0.35)
<b>28,974.80</b>	(0.35)

**(e) Other Comprehensive Income**

It comprises of remeasurements of the net defined benefit plans on actuarial valuation of Gratuity.

As per Last Financial Statement  
Add: During the year

As at 31st March 2022	As at 31st March, 2021
-	-
<b>(35.08)</b>	-
<b>(35.08)</b>	-
-	-
<b>38,249.20</b>	(0.35)

**Total Reserves (a+b+c+d+e)**



## Notes to the financial statements for the year ended 31st March, 2022

(Amount In Lacs)

16. LONG TERM BORROWINGS	Non Current		Current *	
	As at 31st March 2022	As at 31st March, 2021	As at 31st March 2022	As at 31st March, 2021
<b>Secured</b>				
(a) Vehicle loan from Banks	3.30	-	6.81	-
<b>Unsecured</b>				
(b) Loan from Related Party		-	-	8.00
<b>Total (a+b)</b>	<b>3.30</b>	<b>-</b>	<b>6.81</b>	<b>8.00</b>

\* Refer Note No.20

### Details of terms of repayment of long term borrowings

- (i) Vehicle Loan- secured by hypothecation against Motor Car to be paid in 60 equal monthly installment

17 FINANCE LEASE LIABILITY	Non Current		Current	
	As at 31st March 2022	As at 31st March, 2021	As at 31st March 2022	As at 31st March, 2021
(i) Finance Lease Liability	39.54	-	19.04	-
	<b>39.54</b>	<b>-</b>	<b>19.04</b>	<b>-</b>

## 18. LONG TERM PROVISIONS

- (a) **Employee benefits**  
 (i) Gratuity (Refer Note No. 38(b))

**Total**

As at 31st March 2022	As at 31st March, 2021
291.65	-
<b>291.65</b>	<b>-</b>

## 19 DEFERRED TAX LIABILITIES (NET)

### (a) Liabilities :

	As at 31st March 2022	As at 31st March, 2021
Depreciation and ammortization expenses	2,481.27	-
Items under financial assets and financial liabilities giving temporary differences	1.75	-
<b>Total (a)</b>	<b>2,483.03</b>	<b>-</b>

### (b) Assets :

	As at 31st March 2022	As at 31st March, 2021
Items under financial assets and financial liabilities giving temporary differences	73.12	-
Provision for doubtful debts & obsolescence	33.69	-
<b>Total (b)</b>	<b>106.81</b>	<b>-</b>

**Net Liability (a-b)**

<b>2,376.22</b>	<b>-</b>
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### Reconciliation of Deferred Tax Assets/ Liabilites (Net):

	As at 31st March 2022	As at 31st March 2021
Opening balance as at the beginning of the Year	-	-
Add: Amount adjusted pursuant to scheme of arrangement	2,268.68	-
Tax (benefit) / expense during the period recognised in profit or loss	119.33	-
Tax impact on items of Other Comprehensive income that will not be classified to profit & loss	(11.80)	-
Closing balance as at the end of the Year	<b>2,376.22</b>	<b>-</b>

**Notes to the financial statements for the year ended 31st March, 2022**

(Amount In Lacs)

**20. SHORT TERM BORROWINGS**

**Secured**

	As at 31st March 2022	As at 31st March, 2021
(a) Loans repayable on demand		
Cash credits from bank *	2,786.13	-
Working Capital Demand Loan from Bank	8,608.59	-
Short Term Loan from Bank	1,500.00	-
(b) Current maturities of long-term debts (Refer Note No.16)	6.81	-
<b>Total</b>	<b>12,901.54</b>	-

\* These Loans are repayable on demand and carries interest as applicable from time to time.

\* Working Capital facilities (fund based and non fund based limits) are secured by 1st pari passu charge by way of hypothecation over entire current assets, stock and trade receivables of the company both present and future and lien on fixed deposit of INR 1.35 crores and 2nd pari passu charge by way of equitable mortgage over all present and future movable properties of Dhulagarh unit and movable and immovable properties of Daman, Dadra and Surangi units.

**21. TRADE PAYABLES**

	As at 31st March 2022	As at 31st March, 2021
(a) Micro & Small Enterprises	1,150.89	-
(b) Others		
Acceptances secured *	28,047.26	-
Sundry Creditors for goods	4,978.44	-
Sundry Creditors for expenses	910.48	-
<b>Total</b>	<b>35,087.07</b>	-

\* Secured by way of hypothecation of stocks and book debts in favor of the Company's banker. Micro enterprises and Small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 have been determined based on the confirmations received in response to intimation in this regard sent to the suppliers. Interest in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006 due and remaining unpaid as at March 31, 2022 – Rs 1.69 lacs.

**Ageing for trade payables outstanding as at March 31, 2022 is as follows:**

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>Trade payables</b>						
MSME*	1,117.92	31.65	1.00	0.32	-	1,150.89
Others	5,785.33	93.88	9.71	-	-	5,888.92
Disputed dues - MSME*	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>6,903.25</b>	<b>125.53</b>	<b>10.71</b>	<b>0.32</b>	-	<b>7,039.81</b>
Accrued expenses						-
<b>Grand Total</b>						<b>7,039.81</b>

Ageing for Trade Payables - Current Outstandings as at 31st March, 2021 is Nil

\*MSME as per the Micro, Small and Medium Enterprises Development Act, 2006.



## Notes to the financial statements for the year ended 31st March, 2022

(Amount In Lacs)

### 22. CURRENT FINANCIAL LIABILITIES-OTHER

- (a) Interest accrued but not due on borrowings
- (b) Others
  - (i) Creditors for Capital Goods
  - (ii) Other Liability

**Total**

As at 31st March 2022	As at 31st March, 2021
38.81	-
37.33	-
1,025.60	0.08
<b>1,101.74</b>	<b>0.08</b>

### 23. OTHER CURRENT LIABILITIES

- (a) Advance payments from customers
- (b) Other payables
  - (i) Statutory dues

**Total**

As at 31st March 2022	As at 31st March, 2021
811.42	-
134.88	-
<b>946.30</b>	<b>-</b>

### 24. SHORT TERM PROVISIONS

- (a) Employee benefits
  - Leave encashment (unfunded)
  - Gratuity

**Total**

As at 31st March 2022	As at 31st March, 2021
181.42	-
68.12	-
<b>249.54</b>	<b>-</b>

### 25. CURRENT TAX LIABILITIES

Income Tax (Net of Payments)

As at 31st March 2022	As at 31st March, 2021
715.03	-
<b>715.03</b>	<b>-</b>

### 26. REVENUE FROM OPERATIONS

**(a) Sale of Products**

- (i) Polyethylene
- (ii) Poly Vinyl Chloride
- (iii) Others

**Total**

For the Year 2021-2022	For the Year 2020-21
1,68,884.04	-
36,607.57	-
17,198.67	-
<b>2,22,690.28</b>	<b>-</b>

### 27. OTHER INCOME

- (a) Interest income
- (b) Exchange difference other than considered as finance cost (net)
- (c) Export Incentive
- (d) Unwinding of Interest on security deposit
- (e) Insurance Claim Received
- (f) Other Miscellaneous Income

For the Year 2021-2022	For the Year 2020-21
67.38	-
1,716.42	-
173.95	-
9.74	-
133.29	-
<b>132.79</b>	<b>-</b>

**Notes to the financial statements for the year ended 31st March, 2022**

	(Amount In Lacs)	
<b>Total</b>	<b>2,233.58</b>	-
	<b>For the Year</b>	<b>For the Year</b>
	<b>2021-2022</b>	<b>2020-21</b>
<b>28. COST OF MATERIALS CONSUMED</b>		
Inventory at the beginning of the year	-	-
Add: Amount adjusted pursuant to scheme of arrangement	19,111.11	-
Add: Purchases during the year	1,98,249.47	-
Less: Raw Material at the end of the Year	23,676.26	-
<b>Total Cost of Material Consumed</b>	<b>1,93,684.32</b>	-
<u>Details of Raw Material Consumed</u>		
LLDPE/ LDPE	1,24,626.90	-
PVC Resin	23,669.14	-
Plastic Scrap	208.55	-
Other items	45,179.73	-
	<b>1,93,684.32</b>	-
<b>29. CHANGES IN INVENTORIES OF FINISHED GOODS &amp; STOCK IN TRADE</b>	<b>For the Year</b>	<b>For the Year</b>
	<b>2021-2022</b>	<b>2020-21</b>
(a) Stocks at the beginning of the year		
Finished goods	-	-
Add: Amount adjusted pursuant to scheme of arrangement		
Finished goods	3,056.75	-
(b) Less: Stocks at the end of the year		
Finished goods	3,115.16	-
<b>Total</b>	<b>(58.40)</b>	-
<b>30. EMPLOYEE BENEFITS EXPENSE</b>	<b>For the Year</b>	<b>For the Year</b>
	<b>2021-2022</b>	<b>2020-21</b>
(a) Salaries, Wages, Bonus and Gratuity	3,164.54	-
(b) Contribution to Provident and other funds	71.62	-
(c) Workmen and staff welfare expenses	74.65	-
<b>Total</b>	<b>3,310.81</b>	-
<b>31. FINANCE COSTS</b>	<b>For the Year</b>	<b>For the Year</b>
	<b>2021-2022</b>	<b>2020-21</b>
(a) Interest expense		
(i) To Banks	2,637.19	-
(ii) To Others	351.16	-
(b) Other borrowing costs	672.72	-
(c) Unwinding of Interest	415.52	-
<b>Total</b>	<b>4,076.58</b>	-
<b>32. OTHER EXPENSES</b>	<b>For the Year</b>	<b>For the Year</b>
	<b>2021-2022</b>	<b>2020-21</b>
(a) Consumption of Stores and Spare Parts	443.23	-
(b) Power & Fuel	2,667.03	-
(c) Rent (Refer Note no. 52)	617.74	-
(d) Repair & Maintenance - Building	304.90	-





## Notes to the financial statements for the year ended 31st March, 2022

(Amount In Lacs)

(e) Repair & Maintenance - Machinery	313.81	-
(f) Repair & Maintenance - Others	259.19	-
(g) Insurance Charges	447.48	-
(h) Rates & Taxes	36.64	0.02
(i) Payments to Auditors (Refer Note (i) below)	1.60	0.13
(j) Bad debts / Advances Written off	2,545.68	-
(k) Loss on sale of fixed assets	7.42	-
(l) Selling & Distribution Expenses	6,324.98	-
(m) Security Charges	94.75	-
(n) Professional & Consultancy Charges	360.02	0.03
(o) Miscellaneous expenses	773.57	0.17
<b>Total</b>	<b>15,198.02</b>	<b>0.35</b>

Refer Note :- (i)

### Auditors' remuneration and expenses

Audit fees	1.10	0.13
Tax audit fees	0.50	-
Fees for other services	-	-
	<b>1.60</b>	<b>0.13</b>

### 33 Income Tax

For the Year 2021-2022	For the Year 2020-21
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#### I Income tax related to items charged or credited directly to profit or loss during the year:

##### (a) Statement of profit and loss

(i) Current Income Tax	1,962.23	
(ii) Deferred Tax expense/ (benefit)	119.33	
(iii) Tax for earlier years	-	
	<b>2,081.56</b>	-

##### (b) Other Comprehensive Income

(i) Deferred Tax related to items recognised in OCI during the year:		
- Net expense/(benefit) on remeasurements of defined benefit plans	(11.80)	-
	<b>(11.80)</b>	-

#### Total (a+b)

	<b>2,069.76</b>	-
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#### II Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31st March, 2021 and 31st March, 2020:

Accounting profit before income tax as per Ind AS	7,559.65	-
At Income tax rate of 25.168% (31st March, 2020: 25.168%)	1,902.61	-
Tax effect of items that are not deductible for tax purpose	4.84	-
MAT Credit Written off	-	-
Change in Rate Impact *	-	-
Tax for Earlier Years	-	-
Others	162.31	-
Tax effect of deductions under Chapter VIA of Income Tax Act, 1961	-	-
At the effective income tax rate	<b>2,069.76</b>	-
Income tax expense reported in the statement of profit and loss	<b>2,069.76</b>	-
Difference	-	-

**Notes to the financial statements for the year ended 31st March, 2022**

(Amount In Lacs)

	<b>For the Year 2021-2022</b>	For the Year 2020-2021
<b>34. Other Comprehensive Income</b>		
i Items that will not be classified to profit and loss		
- Remeasurement gain/ (losses) on defined benefit plans	<b>(46.88)</b>	
ii Income tax relating to items that will not be classified to profit and loss		
- Remeasurement gain/ (losses) on defined benefit plans	<b>11.80</b>	
<b>Total</b>	<b>(35.08)</b>	-

**For B. Mukherjee & Co.**  
Chartered Accountants  
Firm Registration No:302096E

S K Mukherjee  
Partner  
Membership No.006601  
Date : 28th May, 2022  
Place : Kolkata

For and on behalf of Board of Directors

<p><b>Narrindra Suranna</b>  <b>(DIN: 00060127)</b>  Chairman and Managing Director</p>	<p><b>Ddev Surana</b>  <b>(DIN: 08357094)</b>  Whole Time Director</p>
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<p><b>Tanvi Goenka</b>  <b>(Membership No. ACS 31176)</b>  Company Secretary</p>	<p><b>Arihant Bothra</b>  Chief Financial Officer</p>
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## Notes to the financial statements for the year ended 31st March, 2022

(Rs. In Lacs)

### 35 OTHER NOTES FORMING PART OF THE FINANCIAL STATEMENTS Contingent liabilities & Commitments

#### A Not Provided for:-

- (a) Claims against the Company not acknowledged as debts  
- Demand raised by following authorities in dispute:  
(i) Income tax matters

#### B Bank Gurantee

#### C Capital Commitments

Estimated Value of contracts in Capital account remaining to be executed and not provided for (Net of advances)

#### D Other Commitments

Letter of Credit

	As at 31st March, 2022	As at 31st March, 2021
(a) Claims against the Company not acknowledged as debts - Demand raised by following authorities in dispute: (i) Income tax matters	-	-
<b>B Bank Gurantee</b>	<b>517.01</b>	-
<b>C Capital Commitments</b> Estimated Value of contracts in Capital account remaining to be executed and not provided for (Net of advances)	<b>57.12</b>	-
<b>D Other Commitments</b> Letter of Credit	<b>4,921.38</b>	-

### 36 DETAILS OF LOANS GIVEN, INVESTMENTS MADE AND GUARANTEE GIVEN COVERED U/S 186(4) OF THE COMPANIES ACT, 2013

#### A. Loan Given

There are no loans given by the company.

#### B. Investment Made

There are no investments by the company.

#### C. Securities Given

There is no security given during the year.

### 37 DISCLOSURE ON CORPORATE SOCIAL RESPONSIBILITY EXPENSES

- (a) Gross amount required to be spent by the Company during the year in pursuance to the provisions of Section 135 of the Companies Act, 2013 and rules made thereunder : Rs. Nil (PY Rs. Nil).\*
- (b) Amount unspent as at 31.3.2022 Rs. Nil (P.Y 31.3.2021 Rs. Nil)

\* Note- Average Net profit of the company during the immediately preceding financial year i.e 2020-21 results in loss (being the company has been incorporated on 07.12.2020 , thereby gross amount required to be spent by company for financial year 2021-22 is Rs. Nil

### 38 DISCLOSURES AS REQUIRED BY IND AS 19, EMPLOYEE BENEFITS

#### (a) **Defined contribution plans:**

Contribution to defined contribution plan, recognised as expense for the year as under:

- (i) Employer's contribution to Government Provident Fund, Pension Fund & ESI  
Total

	As at 31st March, 2022	As at 31st March, 2021
(i) Employer's contribution to Government Provident Fund, Pension Fund & ESI	<b>71.62</b>	-
<b>Total</b>	<b>71.62</b>	-

#### (b) **Defined benefit plan:**

##### **Gratuity**

The Employee's Gratuity Fund Scheme, which is defined benefit plan, is managed by Trust maintained with Life Insurance Corporation of India. The liabilities with respect to Gratuity Plan are determined by actuarial valuation on projected unit credit method on the balance sheet date, based upon which the Company contributes to the Group Gratuity Scheme. The difference, if any, between the actuarial valuation of the gratuity of employees at the year end and the balance of funds with Life Insurance Corporation of India, is provided for as assets/ (liability) in the books. Actuarial gains/ (losses) for defined benefit plans are recognised in full and are immediately taken to the statement of profit and loss and Other Comprehensive Income accordingly as per Actuarial Valuation Report.. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount equivalent to 15 to 30 days' salary for each completed year of service . Vesting occurs upon completion of five continuous years of service in accordance with Indian law. The gratuity fund is separately administered by a Gratuity Fund Trust.

**Notes to the financial statements for the year ended 31st March, 2022**

(Rs. In Lacs)

		Gratuity (Funded)	
		As at 31st March, 2022	As at 31st March, 2021
<b>I Following information are based on report of actuary for employee benefit expenses</b>			
(A)	Change in present value of the obligation during the year		
	(1) Present value of obligation at year beginning	-	-
	(2) Current service cost	47.21	-
	(3) Interest cost	-	-
	(4) Benefits paid	-	-
	(5) Increase/(Decrease) due to effect of Demerger	376.74	-
	(6) Actuarial (gain) / loss arising from changes in demographic assumptions	-	-
	(7) Actuarial (gain) / loss arising from changes in financial assumptions	(6.81)	-
	(8) Actuarial (gain) / loss arising from changes in experience adjustments	79.69	-
	(9) Present value of obligation at year end	<b>496.83</b>	-
(B)	Change in fair value of plan assets during the year		
	(1) Fair value of plan assets at year beginning	-	-
	(2) Interest income on plan assets	-	-
	(3) Expected return on plan assets other than interest income	-	-
	(4) Contribution made by the Employer *	-	-
	(5) Benefits paid	-	-
	(6) Fair value of plan assets at year end	-	-
	(7) Increase/(Decrease) due to effect of Demerger	137.04	-
		<b>137.04</b>	-
(C)	Reconciliation of obligation and fair value of assets		
	(1) Present value of the obligation at year end	496.83	-
	(2) Fair value of plan assets at year end	137.04	-
	(3) Funded status [surplus / (deficit)]	<b>(359.79)</b>	-
(D)	Expense recognised in the Statement of Profit and Loss		
	(1) Current service cost	47.21	-
	(2) Interest cost	-	-
	(3) Interest income on plan assets	-	-
	<b>Net cost recognised in Profit or Loss</b>	<b>47.21</b>	-
(E)	Recognised in Other Comprehensive Income		
	(1) Expected return on plan assets other than interest income	-	-
	(2) Actuarial (gain) / loss arising from changes in demographic assumptions	-	-
	(3) Actuarial (gain) / loss arising from changes in financial assumptions	(6.81)	-
	(4) Actuarial (gain) / loss arising from changes in experience adjustments	79.69	-
	<b>Net (gain)/ loss recognised in Other Comprehensive Income</b>	<b>72.88</b>	-
(F)	Net Defined benefit liability/(Asset) Reconciliation		
	(1) Net Defined benefit liability/(Asset) at the beginning of the year	(137.04)	-
	(2) Defined benefit cost included in P/L	47.21	-
	(3) Total remeasurement included in OCI	72.88	-
	(4) Increase/(Decrease) due to effect of Demerger	376.74	-
	(5) Employers contribution*	-	-
	<b>Net Defined benefit liability/(Asset) at the end of the year</b>	<b>359.79</b>	-



## Notes to the financial statements for the year ended 31st March, 2022

		(Rs. In Lacs)	
		As at 31st March, 2022	As at 31st March, 2021
<b>II</b>	<b>Maturity profile of defined benefit obligations:</b>		
	Year 1	68.13	-
	Year 2	25.12	-
	Year 3	70.95	-
	Year 4	31.10	-
	Year 5	46.45	-
	Year 6	29.76	-
	Year 7	54.30	-
	Year 8	28.65	-
	Year 9	41.31	-
	Year 10	52.08	-
	Above 10 years	NA	-
	<b>Total expected payments</b>	<b>447.85</b>	<b>-</b>

The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 5.29 Years  
(31st March, 2021: Nil).

The best estimate contribution for the company during the next year would be Rs 40.31 lacs.  
(31st March, 2021: Rs. Nil).

Amount payable upon discontinuance of all employment is Rs 505.45 lacs.  
(31st March, 2021: Rs. Nil).

		As at 31st March, 2022	As at 31st March, 2021
<b>III</b>	<b>Experience Adjustments on Present Value of DBO and Plan Assets</b>		
	(Gain)/Loss on Plan Liabilities	79.69	-
	% of Opening Plan Liabilities	-	-
	(Gain)/Loss on Plan Assets	-	-
	% of Opening Plan Assets	-	-

### IV Quantitative sensitivity analysis for significant assumptions considered for defined benefit obligation (Gratuity):

Sensitivity analysis presented below represents expected change in present value of defined benefit obligation based on reasonably possible changes in the assumptions occurring at the year end.

	As at 31st March, 2022	As at 31st March, 2021
Defined Benefit Obligation (Base)	496.83	-
(1) One percentage increase in discount rate	459.93	-
(2) One percentage decrease in discount rate	539.52	-
(3) One percentage increase in rate of salary escalation	536.90	-
(4) One percentage decrease in rate of salary escalation	460.51	-
(5) One percentage increase in rate of withdrawal rate	500.44	-
(6) One percentage decrease in rate of withdrawal rate	492.72	-

**Notes to the financial statements for the year ended 31st March, 2022**

(Rs. In Lacs)

	As at 31st March, 2022	As at 31st March, 2021
<b>V Actuarial Assumptions</b>		
(1) Discount rate	<b>7.10%</b>	-
(2) Mortality Rate	IALM (2012-14) Table Ultimate	-
(3) Salary Escalation - First 5 years	<b>6% p.a</b>	-
(4) Salary Escalation - After 5 years	<b>6% p.a</b>	-
(5) Expected Rate of Return on Plan Assets	<b>7.10%</b>	-
(6) Disability Rate	<b>5% of Mortality Rate</b>	-
(7) Retirement Age	<b>60 years</b>	-
(8) Average Future Service	<b>19.35</b>	-
(9) Withdrawal rates , based on age: (per annum)		-
Up to 25 years	<b>8%</b>	-
26 - 30 years	<b>7%</b>	-
31 - 35 years	<b>6%</b>	-
36 - 40 years	<b>5%</b>	-
41 - 45 years	<b>4%</b>	-
46 - 50 years	<b>3%</b>	-
51 - 55 years	<b>2%</b>	-
Above 56 years	<b>1%</b>	-
<b>VI Weighted average Asset allocation ( as percentage of total plan assets )</b>		
(1) Equities	-	-
(2) Bonds	-	-
(3) Gilts	-	-
(4) Insurance Policies	<b>100%</b>	-
<b>Total</b>	<b>100%</b>	-

**39 DISCLOSURES AS REQUIRED BY IND AS 108, OPERATING SEGMENTS**

**(a) Identification of Operating Segments:**

The Company Operate in a Single Reportable Operating Segment i.e. manufacturing and sale of Poly Vinyl Chloride, Polyethylene, Antifab and EP Compound which have similar risk and returns and are of similar nature. No other operating segments have been aggregated to form the above reportable operating segments as per the criteria specified in the Ind AS.

**(b) Business Segment wise revenue/results/assets/liabilities**

Since there is Single Reportable Operating Segment hence disclosure of Operating Segment wise Assets, Liabilities, Revenue and Results are not applicable.

**(c) Geographical Information**

	(Rs. In Lacs)	
	As at 31st March, 2022	As at 31st March, 2021
(i) <b>Segment revenue by location of Customers:</b>		
India	<b>1,55,615.92</b>	-
Overseas	<b>67,074.36</b>	-
<b>Total</b>	<b>2,22,690.28</b>	-
(ii) <b>Segment Assets by location</b>		
India	<b>3,510.62</b>	-
East	<b>17,191.71</b>	-
West	<b>14.19</b>	-
North	-	-
Overseas	-	-
<b>Total</b>	<b>20,716.51</b>	-



## Notes to the financial statements for the year ended 31st March, 2022

(Rs. In Lacs)

- (d) The Company does not have material amount of tangible, intangible assets and non current operating assets located outside India.
- (e) Product wise revenue from external customers has been detailed in Note No 26.
- (f) Revenue from top three customers is Rs. 29,878.56 lacs(P.Y Rs. Nil ) which is more than 10% of the total revenue of the Company

### 40 DISCLOSURE ON RELATED PARTY TRANSACTIONS

#### (A) Related parties and their relationship with the Company :

(i)	<b><u>Name of the Related Party</u></b> Mr. Narrindra Suranna  Mr. Rajesh Kothari Mr. Arihant Bothra Ms. Tanvi Panday Mrs. Tara Devi Surana Mr. Surendra Kumar Surana Mrs. Sarla Devi Surana Mr. Ddev Surana	<b><u>Relationship with the Company</u></b> Chairman and Managing Director (KMP) and Promoter Whole Time Director (KMP) Chief Financial Officer (KMP) Company Secretary (KMP) Promoter Promoter Promoter Promoter & Whole Time Director (KMP)
(ii)	<b><u>Relative of Key Management Personnel (KMP) of the Company</u></b> <b><u>Name of the Relative</u></b> Mrs. Tara Devi Surana Mrs. Sarla Devi Surana Mr. Surendra Kumar Surana Mr. Ddev Surana	<b><u>Relationship with KMP</u></b> Mother of Chairman and Managing Director Wife of Chairman and Managing Director Brother of Chairman and Managing Director Son of Chairman and Managing Director
(iii)	Bbigplas Poly Pvt Ltd	Promoter and Holding Company
(iv)	Kkalpana Industries (India) Limited	Fellow Subsidiary
(v)	Plastic Processor and Exporters Pvt Ltd.	Fellow Subsidiary

#### (B) Disclosure of transactions with Related Parties during the year ended 31.03.2021

Nature of transactions	Ref. to Note (A) above	(Rs. In Lacs)	
		As at 31st March, 2022	As at 31st March, 2021
<b><u>Interest Expenses</u></b>			
Bbigplas Poly Pvt Ltd	(iii)	<b>313.29</b>	-
Plastic Processors and Exporter Pvt Ltd.	(v)	<b>18.63</b>	-
<b><u>Rent</u></b>			
Bbigplas Poly Pvt Ltd	(iii)	<b>106.92</b>	-

#### (C) Balances at the year ended 31.03.2022

<b><u>Loan Taken &amp; Outstanding</u></b>			
Kkalpana Industries (India) Limited	(iv)	-	8.00
<b><u>Loan Given &amp; Outstanding</u></b>			
Mr. Arihant Bothra	(i)	<b>2.75</b>	
<b><u>Interest Payable</u></b>			
Plastic Processors and Exporter Pvt Ltd.	(v)	<b>16.76</b>	-
<b><u>Other Receivables</u></b>			
Kkalpana Industries (India) Limited	(iv)	<b>507.90</b>	-

**Notes to the financial statements for the year ended 31st March, 2022**

(Rs. In Lacs)

**41 FAIR VALUE MEASUREMENT**

The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

- (1) Fair value of cash and short-term deposits, trade and other short term receivables, trade payables , other current liabilities, short-term loans from banks and other financial institutions approximate their carrying amounts largely due to the short term maturities of these instruments.
- (2) Financial instruments with fixed and variable interest rate are evaluated by the Company based on parameter such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken into account for the expected losses of these receivables.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique.

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

Level 2 : Other techniques for which all inputs which have a significant effects on the recorded fair value are observable, either directly or indirectly.

Level 3 : Techniques which use inputs that have a significant effects on the recorded fair value that are not based on observable market data.

**The following tables provides classification of financial instruments and the fair value hierarchy of the Company's assets and liabilities.**

**(a) Disclosure for the year ended 31st March, 2022**

	Carrying Value	Fair Value	Fair Value heirarchy		
			Level 1	Level 2	Level 3
<b>(1) Financial Assets</b>					
<b>Financial Assets at amortised cost</b>					
Trade Receivables	34,869.32	34,869.32	-	-	34,869.32
Other Financial assets excluding derivative financial instruments	900.72	900.72	-	-	900.72
Cash & cash equivalents	605.04	605.04	-	-	605.04
	<b>36,375.08</b>	<b>36,375.08</b>	-	-	<b>36,375.08</b>
<b>Total</b>	<b>36,375.08</b>	<b>36,375.08</b>	-	-	<b>36,375.08</b>
<b>(2) Financial Liability</b>					
<b>Financial Liabilities at amortised cost</b>					
Borrowings from Banks and Financial Institutions	12,911.65	12,911.65			12,911.65
Financial Lease liability	58.58	58.58			58.58
Trade Payables	35,087.07	35,087.07			35,087.07
Other Financial liabilities excluding derivative financial instruments	1,101.74	1,101.74			1,101.74
	<b>49,159.04</b>	<b>49,159.04</b>	-	-	<b>49,159.04</b>
<b>Total</b>	<b>49,159.04</b>	<b>49,159.04</b>	-	-	<b>49,159.04</b>





## Notes to the financial statements for the year ended 31st March, 2022

(Rs. In Lacs)

### (b) Disclosure for the year ended 31st March, 2021

	Carrying Value	Fair Value	Fair Value hierarchy		
			Level 1	Level 2	Level 3
<b>(1) Financial Assets</b>					
<b>Financial Assets at amortised cost</b>					
Cash & cash equivalents	8.72	8.72	-	-	8.72
<b>Total</b>	<b>8.72</b>	<b>8.72</b>	<b>-</b>	<b>-</b>	<b>8.72</b>
<b>(2) Financial Liability</b>					
<b>Financial Liabilities at amortised cost</b>					
Borrowings from Related Party	8.00	8.00			8.00
Other Financial liabilities excluding derivative financial instruments	0.08	0.08			0.08
<b>Total</b>	<b>8.08</b>	<b>8.08</b>	<b>-</b>	<b>-</b>	<b>8.08</b>

### (c) Description of significant unobservable inputs to valuation:

Financial Asset/ Liability	Valuation Technique	Significant unobservable input
Trade Receivables	ECL	Realisation pattern or past experience
Loans	DCF using EIR method	Discount rate
Other Financial assets excluding derivative financial instruments	DCF using EIR method	Discount rate
Borrowings from banks and financial institutions	DCF using EIR method	Discount rate

## 42 FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables and advances from customers. The main purpose of these financial liabilities is to finance the Company's operations, projects under implementation and to provide guarantees to support its operations. The Company's principal financial assets include Investment, loans and advances, trade and other receivables and cash and bank balances that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Managing Board.

All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes to be undertaken. The Board of Directors reviews and finalises policies for managing each of these risks, which are summarised below.

### A. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: Interest rate risk, Currency risk and Commodity price risk. Financial instruments affected by market risk include investments and deposits, foreign currency receivables, payables, loans and borrowings and derivative financial instruments.

**Notes to the financial statements for the year ended 31st March, 2022**

(Rs. In Lacs)

The Company manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies and ensuring compliance with market risk limits and policies.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regard to interest income and interest expenses to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on the unhedged portion of loans and borrowings. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

	2021-22	2020-21
	(+/-) 50	(+/-) 50
	<b>Basis Points</b>	Basis Points
<b>Effect on profit before tax due to interest rate sensitivity</b>	<b>52.17</b>	-

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating and financing activities. The Company manages its foreign currency risk by hedging transactions that are expected to realise in future.

Foreign Currency Exposure	As at 31st March, 2022		As at 31st March, 2021	
	Foreign Currency	Functional Currency (Rs. In Lacs)	Foreign Currency	Functional Currency (Rs. In Lacs)
<b>I Hedged</b>	-	-	-	-
<b>II Not hedged</b>				
Trade receivables	<b>USD</b>	2,27,87,865	17,275.48	-
	<b>EURO</b>	14,24,779	1,206.22	-
Cash and Cash Equivalents	<b>USD</b>	7,525	5.70	-
	<b>EURO</b>	69,348	58.71	-
Trade payables	<b>USD</b>	18,72,994	1,419.86	-
	<b>EURO</b>	1,430	1.21	-
	<b>CHF</b>	16,539	13.63	-
<b>Net Unhedged Portion</b>				
Trade receivables	<b>USD</b>	2,09,22,396	15,861.32	-
	<b>EURO</b>	14,92,697	1,263.72	-
Trade payables	<b>CHF</b>	16,539	13.63	-



## Notes to the financial statements for the year ended 31st March, 2022

(Rs. In Lacs)

### Foreign Currency Sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of unhedged monetary assets and liabilities.

	(Rs. In Lacs)	
	2021-22 (+/-) 5%	2020-21 (+/-) 5%
<b>Effect on profit before tax</b>		
USD	793.06	-
Euro	63.19	-
CHF	(0.68)	-
	<b>855.57</b>	-

### (iii) Commodity price risk

Principal Raw Material for Company's products is variety of plastic polymers which are primarily Derivatives of Crude Oil. Company sources its raw material requirement from across the globe. Domestic market prices are also generally remains in sync with international market price scenario. Volatility in Crude Oil prices, Currency fluctuation of Rupee vis-à-vis other prominent currencies coupled with demand-supply scenario in the world market affect the effective price and availability of polymers for the Company. Company effectively manages with availability of material as well as price volatility through:

1. Widening its sourcing base
2. Appropriate contracts and commitments
3. Well planned procurement & inventory strategy and
4. Prudent hedging policy on foreign currency exposure

Risk committee of the Company comprising members from Board of Directors and operations has developed and enacted a risk management strategy regarding commodity Price risk and its mitigation.

## B. Credit Risk

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables and advances to suppliers) and from its financing activities, including deposits and other financial instruments.

### (i) Trade Receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored. An impairment analysis is performed at each reporting date on an individual basis for major clients.

The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and operate in largely independent markets.

The ageing analysis of the receivables (gross of provisions) have been considered from the due date of payment.(Refer Note no. 11)

### (ii) Financial Instruments and Cash and bank balances

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Credit limits of all authorities are reviewed by the Management on regular basis. All balances with banks and financial institutions is subject to low credit risk due to good credit ratings assigned to these entities.

## C. Liquidity Risk

The Company monitors its risk of a shortage of funds using a liquidity planning tool. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of cash credit, letter of credit, factoring, bill discounting and working capital limits.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual payments.

**Notes to the financial statements for the year ended 31st March, 2022**

(Rs. In Lacs)

	Less than 1 year	1 to 5 years	> 5 years	Total
<b>31st March, 2022</b>				
Borrowings				
Vehicle Loan	6.81	3.30		10.12
Cash credit from Banks	2,786.13	-		2,786.13
WCDL from Bank	8,608.59	-		8,608.59
Other Financial Liabilities	1,101.74	-		1,101.74
Trade Payables	35,087.07	-		35,087.07
Finance Lease liability	19.04	39.54		58.58
	<b>47,609.38</b>	<b>42.84</b>	-	<b>47,652.22</b>
<b>31st March, 2021</b>				
Borrowings				
Loans from Related Party	8.00	-	-	8.00
	<b>8.00</b>	-	-	<b>8.00</b>

**43 CAPITAL MANAGEMENT**

- A.** For the purpose of the Company's capital management, equity includes issued equity capital, securities premium and all other equity reserves attributable to the equity share holders, including capital reserve and net debt includes interest bearing loans and borrowings except cash and cash equivalents. The primary objective of the Company's capital management is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The funding requirement is met through a mixture of equity, internal accruals, long term borrowings and short term borrowings. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

	As at 31st March, 2022	As at 31st March, 2021
Borrowings	12,950.46	-
Less: Current investments	-	-
Less: Cash and cash equivalents	605.04	-
<b>(a) Net Debt</b>	<b>12,345.43</b>	-
<b>(b) Equity</b>	<b>39,189.93</b>	-
<b>(c) Equity and Net Debt (a+b)</b>	<b>51,535.35</b>	-
<b>Gearing Ratio (a/c)</b>	<b>23.96%</b>	-

**B. Proposed Dividend**

The Board of directors in its Board meeting held on 28th May, 2022 have recommended the payment of a final dividend of Rs 0.24 paise per fully paid up equity share (March 31, 2021 - Rs Nil), The proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.



## Notes to the financial statements for the year ended 31st March, 2022

(Rs. In Lacs)

### 44 NET - DEBT RECONCILIATION

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Long term Borrowings	Short term borrowings	Long term Borrowings	Short term borrowings
Opening Net Debt	-	8.00	-	-
Add: Amount adjusted pursuant to scheme of arrangement	34.57	9,219.05	-	-
Proceeds from Borrowings	-	3,292.68	-	-
Repayment of Borrowings (Net)	31.26	-	-	-
Interest Expenses (including unwinding of Interest)	352.38	3,722.00	-	-
Interest Paid	352.38	3,301.38	-	-
Closing Net Debt	3.30	12,940.35	-	-

### 45 EARNING PER SHARE (EPS)

		(Rs. In Lacs)	
		As at 31st March, 2022	As at 31st March, 2021
(a) Face value of equity shares	Rs.	1.00	10.00
(b) Profit attributable to equity shareholders	Rs. (in lacs)	5,478.09	(0.35)
(c) Weighted average number of equity shares suspense outstanding	Nos. in lacs	940.73	0.10
(d) Weighted average Earning Per Share (Basic and Diluted)	Rs.	5.82	(3.51)

### 46 RESEARCH & DEVELOPMENT EXPENSES

The Company has in-house R&D centre. The details of revenue/capital expenditure incurred by the said R&D Centre during the year are as follows:-

	(Rs. In Lacs)	
	As at 31st March, 2022	As at 31st March, 2021
(a) Revenue expenditure charged to Statement of Profit and Loss		
Other Expenses	41.36	-
(b) Capital expenditure shown under fixed assets schedule	41.16	-
Grand Total	82.52	-

### 47 ASSETS PLEDGED AS SECURITY

The carrying amount of Assets pledged as security for current and non current borrowings are:-

	(Rs. In Lacs)	
	As at 31st March, 2022	As at 31st March, 2021
<b>A. Current</b>		
Financial Assets		
Trade Receivables	34,869.32	-
Other Current Assets	8,047.18	-
Cash and Cash Equivalents	605.04	8.72
Non Financial Assets		
Inventories	27,570.88	-
Total Current Assets Pledged as Security	71,092.42	8.72
<b>B. Non Current</b>		
Movable and immovable properties located at Surangi Unit	13,674.32	-
Movable and immovable properties located at Daman Unit	1,715.29	-
Movable and immovable properties located at Dadra Unit	1,715.14	-
Movable properties located at Dhulagarh Unit	3,315.21	-

**Notes to the financial statements for the year ended 31st March, 2022**

(Rs. In Lacs)

Notes -

- 1 Working Capital facilities (fund based and non fund based limits) are secured by 1st pari passu charge by way of hypothecation over entire current assets, stock and trade receivables of the company both present and future and lien on fixed deposit of Rs. 1.35 crores and 2nd pari passu charge by way of equitable mortgage over all present and future movable properties of Dhulagarh unit and movable and immovable properties of Daman, Dadra and Surangi units.

**48 VALUE OF IMPORTED AND INDEGENEOUS MATERIAL CONSUMED**

Particulars	As at 31st March, 2022	%age of Total Con- sumption	As at 31st March, 2021	%age of Total Con- sumption
<b>Raw Materials</b>				
i Imported	34,623.93	18%	-	-
ii Indegeneous	1,59,060.38	82%	-	-
<b>Total</b>	<b>1,93,684.32</b>	<b>100%</b>	<b>-</b>	<b>-</b>
<b>Store, Spare parts and Components*</b>				
i Imported	99.65	16%	-	-
ii Indegeneous	539.95	84%	-	-
<b>Total</b>	<b>639.60</b>	<b>100%</b>	<b>-</b>	<b>-</b>

\*Note :- The Consumption of store, spare parts and components includes direct store consumption shown separately in Note -32 and it also includes indirect consumption in various other expenses head such as Repair and maintenance etc.

**49 VALUE OF IMPORTS ON CIF BASIS**

Particulars	As at 31st March, 2022	As at 31st March, 2021
Raw Materials	34,623.93	-
Stors, Spare parts and Components	99.65	-
Capital Goods	35.21	-
<b>Total</b>	<b>34,758.79</b>	<b>-</b>

**50 EARNING IN FOREIGN CURRENCY (ACCRUAL BASIS)**

Particulars	(Rs. In Lacs)	
	As at 31st March, 2022	As at 31st March, 2021
Exports at FOB Value	67,074.36	-
<b>Total</b>	<b>67,074.36</b>	<b>-</b>



## Notes to the financial statements for the year ended 31st March, 2022

(Rs. In Lacs)

### 51 EXPENDITURE IN FOREIGN CURRENCY (ACCRUAL BASIS)

Particulars	As at	As at
	31st March, 2022	31st March, 2021
Travelling	26.96	-
Interest	6.18	-
Other Matters	767.33	-
<b>Total</b>	<b>800.47</b>	-

### 52 LEASES

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 Leases and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

Effective April 1, 2019, the Company has adopted Ind AS 116 "Leases" using modified retrospective approach. The Company's lease asset classes primarily consist of leases for buildings, machinery and warehouses. These leases were classified as "Cancellable Operating Leases" under Ind AS 17. On transition to Ind AS 116 "Leases", the Company has used following practical expedient, when applying Ind AS 116 to leases previously classified as operating leases under Ind AS 17.

- The company didn't recognized Right to Use and Lease liabilities for lease for which the lease terms pertaining to the uncancellable period ends within 12 months on the date of initial transition and low value assets.
- The Company excluded initial direct cost from measurement of the Right to Use assets at the date of initial application.
- The Company uses hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

Hence, the Company has recognised the lease payments associated with those leases as an expense on a straight line basis over the lease term. Lease liabilities were measured at the present value of remaining lease payments, discounted at the Company's actuarial discounting rate. Right to Use is measured at an amount equal to the lease liability adjusted by the amount of any prepaid or accrued lease payments.

#### Following are the changes in the carrying value of right of use assets for the year ended March 31, 2022:

Particulars	(Amount In Lacs)
	Total
<b>Balance as at 31st March 2021 (Gross)</b>	-
Amount Adjusted pursuant to Scheme of Arrangement*	93.43
Additions for the year	-
<b>Balance as at 31st March 2022 (Gross)</b>	<b>93.43</b>
<b>Accumulated Amortisation as at 31st March 2021</b>	-
Amount Adjusted pursuant to Scheme of Arrangement*	10.90
Amortisation for the year	18.69
<b>Accumulated Amortisation as at 31st March 2022</b>	<b>29.59</b>
<b>Net Balance as at 31st March 2022</b>	<b>63.84</b>
Net Balance as at 31st March 2021	-

**Notes to the financial statements for the year ended 31st March, 2022**

(Rs. In Lacs)

**Following is the movement in lease liabilities during the year ended March 31, 2022**

Particulars	(Amount In Lacs)
<b>Balance as at 31st March 2021</b>	-
Amount Adjusted pursuant to Scheme of Arrangement*	93.43
Additions during the year	-
Interest accrued during the year	2.20
Deletions	-
Payment of Lease Liabilities	23.03
<b>Balance as at 31st March 2022</b>	<b>72.61</b>
- Current lease liabilities	19.04
- Non Current lease liabilities	39.54

**Break up of Contractual maturities of Lease Liabilities as at March 31, 2021 on an undiscounted basis**

Particulars	(Amount In Lacs)
Less than 1 year	23.03
One to Five year	78.68

**Short-term leases expenses incurred for the year ended 31st March, 2022:**

Particulars	Year Ended 31st March 2022 (Amount In Lacs)	Year Ended 31st March 2021 (Amount In Lacs)
Rental expense	617.74	-

**53 Scheme of Arrangement**

- a) Pursuant to the Composite Scheme of Arrangement ('the scheme') between Kkalpana Industries (India) Limited, the Company and their respective shareholders and creditors as approved by the Hon'ble National Law Company Tribunal (NCLT), Kolkata Bench, vide its order dated March 4, 2022, which became effective on April 1, 2022 on filing with the Registrar of Companies, all the assets and liabilities of the 'transferred business' of Kkalpana Industries (India) Limited i.e. the Compounding Business units situated at Dhulagarh, Howrah(West Bengal), Daman(Dadra & Nagar Haveli and Daman & Diu), Dadra(Dadra & Nagar Haveli and Daman & Diu), Surangi(Dadra & Nagar Haveli and Daman & Diu), Vapi(Gujarat), Delhi(N.C.T. of Delhi) and Mumbai (Maharashtra) registered,marketing, branch and administrative office(s) located in India, have been transferred to and vested in the Company at their respective book values on a going concern basis with effect from the appointed date (i.e. April 1, 2021). Accordingly, the Scheme of Arrangement has been given effect to in these accounts.

- b) Assets and liabilities transferred pursuant to the scheme:  
 The whole of the assets and liabilities of the Demerged undertaking of Kkalpana Industries (India) Limited became the assets and liabilities of the Company and were recorded at their book values as appearing in the books of the Demerged Company with effect from the appointed date (i.e. April 1, 2021). The details of assets and liabilities transferred from Kkalpana Industries (India) Limited are as under:

Particulars	(Amount in Lacs.)
<u>Assets</u>	
(1) Non-current assets	
(a) Property, plant and equipment	20,159.63
(b) Right of Use – Lease	82.53
(c) Other intangible assets	8.47
(d) Financial assets	
(i) Others Financial Assets	80.47
(e) Other non-current assets	113.29
Total non-current assets	<b>20,444.39</b>





## Notes to the financial statements for the year ended 31st March, 2022

(Rs. In Lacs)

(2) Current assets	
(a) Inventories	22,815.18
(b) Financial assets	
(i) Trade receivables	26,946.60
(ii) Cash and cash equivalents	749.15
(iii) Other financial assets	316.89
(c) Other current assets	7,392.15
Total current assets	<b>58,219.97</b>
Total assets	<b>78,664.37</b>

### Liabilities

(1) Non-current liabilities	
(a) Financial liabilities	
(i) Borrowings	34.57
(ii) Finance Lease Liability	58.58
(b) Provisions	196.21
(c) Deferred tax liabilities (net)	2,268.68
Total non-current liabilities	<b>2,558.04</b>
(2) Current liabilities	
(a) Financial liabilities	
(i) Borrowings	9,170.38
(ii) Trade payables	31,960.48
(iii) Other financial liabilities	612.23
(b) Other current liabilities	398.34
(c) Provisions	218.62
Total current liabilities	<b>42,360.05</b>
Total liabilities	<b>44,918.09</b>

### c) Equity and Reserves pursuant to the scheme:

Pursuant to the scheme, the difference between the book value of the assets and liabilities transferred from Kkalpana Industries (India) Ltd. has been credited to the shareholders' fund of the Company as under:

Particulars	Amount
Share Capital	940.73
Securities Premium	5,174.08
Capital Reserve & Amalgamation Reserve	830.18
General Reserve	3,305.22
Retain Earnings	23,497.06
Total	<b>33,747.27</b>

### d) Other Matters

- (i) The company shall issue and allot 9,40,72,930 equity shares of Re. 1 (Indian Rupee one only) to the shareholders of Kkalpana Industries (India) Limited whose names appear in the register of members of Kkalpana Industries (India) Limited as on the record date, 1 (one) equity share of Re. 1 (Indian Rupees one only) each, credited as fully paid up for every 1 (one) equity share of Re. 1 (Indian Rupees one only) each held by them in Kkalpana Industries (India) Limited. Till the allotment, the same would appear in share suspense account. Since the effect of demerger has been given in the financials, 1,00,000 equity shares of Re. 1 each allotted to Kkalpana Industries (India) Limited has been cancelled and the Company has ceased to be subsidiary of Kkalpana Industries (India) Limited.
- (ii) The transactions between the appointed date upto to the effective date as appearing in the books of accounts of Kkalpana Industries (India) Limited have been deemed to have been made by the Company.
- (iii) All costs, charges and expenses including stamp duties arising out of or incurred so far in carrying out and implementing this Scheme and matters incidental thereto, have been borne by the company.

**Notes to the financial statements for the year ended 31st March, 2022**

(Rs. In Lacs)

- (iv) The immovable assets of the Company stands freed from all charges, mortgages and encumbrances relating to liabilities relating to Kkalpana Industries (India) Limited. But, Kkalpana Industries (India) Limited had created charges over its immovable assets (including those which now belong to the Company) under the Companies Act, 2013 in respect of certain credit facilities taken from various banks for itself and for various undertakings of the Company. As the legal ownership of the immovable assets have not yet been transferred to the Company, Kkalpana Industries (India) Limited continues to enjoy credit facilities by the subsisting charges, mortgages and encumbrances over such assets. Vice Versa, the Company enjoys credit facilities by the subsisting charges, mortgages and encumbrances over immovable assets in the name of Kkalpana Industries (India) Limited. Till creation/modification/satisfaction of Charges, as the case may be, in favour of the various banks/secured creditors of the respective Companies in terms of the applicable provisions of the Companies Act, 2013, the banks/secured creditors of the Company shall continue to hold their respective charge over the immovable assets in the name of Kkalpana Industries (India) Limited.
- (v) Although, pursuant to the scheme of arrangement, the immovable properties belonging to the demerged undertakings of Kkalpana Industries (India) Limited vest in and/or deemed to be transferred to and vested in the Company, the mutation of title/assignment of leases thereof in the name of the Company are yet to be made and recorded by the appropriate authorities. Notwithstanding the same, the Company exercises all rights and privileges and pays ground rent, municipal taxes and fulfils all obligations, in relation to or applicable to such immovable properties.

**54 Additional Disclosures**

**a) Accounting Ratios**

No	Name of the Ratio	Numerator	Denominator	FY 2021-22	FY 2020-21	% Variance
1	Current Ratio (in times)	Current assets	Current liabilities	<b>1.39</b>	1.08	29.0%
2	Debt - Equity Ratio (in times)	Total debt	Equity	<b>0.33</b>	12.33	-97.3%
3	Debt Service coverage ratio* (in times)	Earnings available for	Total debt service	<b>3.10</b>	-	309.6%
4	Return on Equity (In %)	Net profit - preferred dividends	Average Shareholder Equity	<b>0.14</b>	(0.54)	-125.8%
5	Inventory Turnover Ratio (in times)	Sales	Average Inventory	<b>16.15</b>	-	1615.4%
6	Trade receivables turnover ratio (in times)	Net sales	Average accounts receivables	<b>12.77</b>	-	1277.3%
7	Trade payables turnover ratio (in times)	Net purchases	Average trade payables	<b>11.30</b>	-	1130.0%
8	Net capital turnover ratio (in times)	Net sales	Working Capital	<b>11.09</b>	-	1109.4%
9	Net profit ratio (in %)	Net profit	Net sales	<b>2.46%</b>	-	2.46%
10	Return on capital employed (in %)	Earning before interest and taxes	Capital employed	<b>21.37%</b>	-4.06%	25.4%
11	Return on investment (in %)	Income generated from invested funds	Average invested fund in treasury investment	-	-	-



## Notes to the financial statements for the year ended 31st March, 2022

\*Due to demerger as stated in note no 53, Ratios for the previous year are not comparable with the current period. And hence reasons for any variance above 25% is not stated separately.

### Definitions

- (a) Earning for available for debt service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortisations + Interest + other adjustments like loss on sale of Fixed assets etc.
  - (b) Debt service = Interest & Lease Payments + Principal Repayments
  - (c) Average inventory = (Opening inventory balance + Closing inventory balance) / 2
  - (d) Net credit sales = Net credit sales consist of gross credit sales minus sales return
  - (e) Average trade receivables = (Opening trade receivables balance + Closing trade receivables balance) / 2
  - (f) Net credit purchases = Net credit purchases consist of gross credit purchases minus purchase return
  - (g) Average trade payables = (Opening trade payables balance + Closing trade payables balance) / 2
  - (h) Working capital = Current assets - Current liabilities.
  - (i) Earning before interest and taxes = Profit before exceptional items and tax + Finance costs - Other Income
  - (j) Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability
- 
- b) The company do not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami Property.
  - c) The company do not have any transactions with struck off companies under Section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
  - d) The company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date.
  - e) The Company has not advanced any fund to any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the person or entity shall:
    - i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries); or
    - ii) provide any guarantee, security or the like on behalf of the Company.
  - f) The Company has not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
    - a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries); or
    - b) provide any guarantee, security or the like on behalf of the Company.
  - g) The Company has not been declared a wilful defaulter by any bank or financial institution or other lender (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.
  - h) As at 31st March, 2022, there are no charges reflecting in records of the Ministry of Corporate Affairs. The necessary charges for loan outstanding as on March 31, 2022 was well created within the stipulated statutory period.
  - i) The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
  - j) The company has not traded or invested in Crypto currency or Virtual currency during the financial year.

## Notes to the financial statements for the year ended 31st March, 2022

### 55 RECENT INDIAN ACCOUNTING STANDARDS (IND AS)

Ministry of Corporate Affairs (MCA), vide notification dated 23rd March, 2022, has made the following amendments to Ind AS which are effective 1st April, 2022:

- a. Ind AS 109: Annual Improvements to Ind AS (2021)
- b. Ind AS 103: Reference to Conceptual Framework
- c. Ind AS 37: Onerous Contracts - Costs of Fulfilling a Contract
- d. Ind AS 16: Proceeds before intended use

Based on preliminary assessment, the Company does not expect these amendments to have any significant impact on its standalone financial statements.

56 Previous year figures have been regrouped/rearranged/ reclassified where necessary to correspond with current year figures.

**For B. Mukherjee & Co.**  
Chartered Accountants  
Firm Registration No:302096E

S K Mukherjee  
Partner  
Membership No.006601  
Date : 28th May, 2022  
Place : Kolkata

For and on behalf of Board of Directors

<b>Narrindra Suranna</b> (DIN: 00060127) Chairman and Managing Director	<b>Ddev Surana</b> (DIN: 08357094) Whole Time Director
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<b>Tanvi Goenka</b> (Membership No. ACS 31176) Company Secretary	<b>Arihant Bothra</b> Chief Financial Officer
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# Accreditations and Industry Recognition



ISO Certificates



CPRI Approval



KEMA Approval



POWERGRID Approval



CACT Approval



PVC ROHS REACH TESTS



UL Approval



XLPE ROHS TESTS



Approved

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