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Material Handling Division : Fax : (91-22) 2836 1923 ● E-mail : marketing@nilkamal.com

Furniture Division : Fax : (91-22) 2835 3556 ● E-mail : furniture@nilkamal.com

@home Division : Fax : (91-22) 2837 2787 ● E-mail : connect@at-home.co.in ● Visit us at : www.nilkamal.com ● Visit us at : www.at-home.co.in

Date: 14-06-2023

Ref: 37<sup>th</sup> AGM/BSE/NSE

To,  
The Secretary  
BSE Limited,  
Phiroze Jeejeebhoy Towers  
Dalal Street, Mumbai-400 001.

The Secretary  
National Stock Exchange of India Limited,  
Exchange Plaza, 5<sup>th</sup> Floor, Plot No. C/1, G  
Block, Bandra Kurla Complex, Bandra  
East, Mumbai-400 051.

SCRIPT CODE : 523385

SYMBOL : NILKAMAL

Dear Sir,

**Ref: Regulations 30 and 34 of SEBI (LODR) Regulations, 2015**

**Sub: Annual Report for the Financial Year 2022-2023 and Notice  
of the 37<sup>th</sup> Annual General Meeting.**

Pursuant to Regulations 30 and 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached Annual Report for the Financial Year 2022-23 of Nilkamal Limited ("the Company") along with Notice of the 37<sup>th</sup> Annual General Meeting of the Company scheduled to be held on Friday, July 7, 2023 at 11.00 A.M. Indian Standard Time, through Video Conferencing (VC)/ Other Audio Visual Means (OAVM). The said notice forms part of the Annual Report of the Company for the Financial Year ended March 31, 2023 and which are being sent to the shareholders through electronic mode on their registered e-mail ids and are also available on the website of the Company at [www.nilkamal.com](http://www.nilkamal.com).

Thanking you,  
Yours faithfully,  
For Nilkamal Limited



Priti Dave  
Company Secretary



Encl: a.a.

# ANNUAL REPORT 2022 - 2023

2023





**Nilkamal**  
**FURNITURE IDEAS**  
Home Furniture | Office Furniture | Mattrezzz

CELEBRATING  
**100**  
**STORES**  
IN INDIA

We've grown by leaps and bounds, and have added **40+** furniture stores to our wide network. Thus reaching a grand total of 100 stores across India with over **8 lacs+ sq. ft.** in retail space.

**Board of Directors**

Mr. Vamanrai V. Parekh	- Chairman Emeritus
Mr. Sharad V. Parekh	- Chairman
Mr. Hiten V. Parekh	- Managing Director
Mr. Manish V. Parekh	- Joint Managing Director
Mr. Nayan S. Parekh	- Executive Director
Mr. Mihir H. Parekh	- Non - Executive Director
Ms. Hiroo Mirchandani	- Director
Mr. K. R. Ramamoorthy	- Director
Mr. K. Venkataramanan	- Director
Mr. Mahendra V. Doshi	- Director
Mr. Mufazzal S. Federal	- Director
Mr. S. K. Palekar	- Director

**Chief Financial Officer**

Mr. Paresh B. Mehta

**Company Secretary**

Ms. Priti P. Dave

**Bankers**

- State Bank of India
- Corporation Bank
- IDBI Bank Ltd.
- DBS Bank Limited

**Auditors**

M/s. B S R & Co. LLP

**Plant Locations: -**

- 1) Barjora, West Bengal
- 2) Bhiwandi, Maharashtra
- 3) Hosur, Tamilnadu
- 4) Jammu, Jammu & Kashmir
- 5) Kharadpada, Union Territory of Dadra and Nagar Haveli and Daman and Diu
- 6) Noida, Uttar Pradesh
- 7) Puducherry
- 8) Sinnar, Maharashtra
- 9) Vasona, Union Territory of Dadra and Nagar Haveli and Daman and Diu
- 10) Gurugram, Haryana

**Registered Office**

Survey No.354/2 and 354/3, Near Rakholi Bridge,  
Silvassa Khanvel Road, Vasona, Silvassa 396 230,  
Union Territory of Dadra and Nagar Haveli and  
Daman and Diu.

**Corporate Office**

Nilkamal House, 77/78, Road No.13/14, MIDC,  
Andheri (E), Mumbai – 400 093, Maharashtra.

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**NOTICE**

NOTICE is hereby given that the Thirty Seventh Annual General Meeting of the Members of Nilkamal Limited will be held on Friday, July 7, 2023 at 11.00 a.m. through two - way Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact with or without modification(s), as may be permissible, the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2023 together with the Reports of the Board of Directors and Auditors thereon.
2. To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2023 together with the Report of the Auditors thereon.
3. To declare Final Dividend on equity shares for the financial year ended March 31, 2023.
4. To appoint a Director in place of Mr. Manish V. Parekh (DIN: 00037724), who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Mr. Mihir H. Parekh (DIN: 07308466), who retires by rotation and being eligible, offers himself for re-appointment.
6. 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 Sections 139, 142 and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and upon the recommendations of the Audit Committee, M/s. S R B C & CO LLP, Chartered Accountants (Firm Registration No. 324982E/E300003) be and are hereby appointed as Statutory Auditors of the Company for a term of 5 (five) consecutive years from the conclusion of this Annual General Meeting till the conclusion of the Forty Second Annual General Meeting to be held for financial year 2028.

**RESOLVED FURTHER** that approval be and is hereby accorded for payment of statutory audit fees of ₹ 52.50 Lakhs (Rupees Fifty Two Lakhs Fifty Thousand only) plus reimbursement of out of pocket expenses and applicable taxes to M/s. S R B C & CO LLP, Chartered Accountants for the financial year 2023-24 and the Board of Directors of the Company be and are hereby authorised to increase and pay such statutory audit fees as recommended by the Audit Committee and as they may deem fit for the remaining tenure of their appointment and that such remuneration may be paid on a progressive billing basis as may be agreed upon between the Auditors and the Board of Directors."

**SPECIAL BUSINESS:**

7. 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 (3) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, the Company hereby ratifies the remuneration of ₹ 3.50 Lakhs (Rupees Three Lakh Fifty Thousand Only) plus applicable taxes and re-imburement of out-of-pocket expenses payable to M/s. V. B. Modi & Associates, Cost Accountants (Firm Registration No. 004861), who have been appointed by the Board of Directors, as Cost Auditors of the Company, to conduct the audit of the cost records maintained by the Company as prescribed under the Companies (Cost Records and Audit) Rules, 2014, as amended, for the Financial Year ending March 31, 2024.

**RESOLVED FURTHER THAT** the Board of Directors or any other person authorized by the Board of Directors and/or Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be deemed necessary to give effect to this resolution."

**By order of the Board  
For Nilkamal Limited**

**Priti P. Dave  
Company Secretary  
Membership No: A19469**

Place: Mumbai  
Date: May 20, 2023

**Notes:**

1. The Ministry of Corporate Affairs ("MCA") has vide its circular dated May 5, 2020, January 13, 2021, December 8, 2021, December 14, 2021 and May 5, 2022 read with the circular dated April 8, 2020, April 13, 2020 and December 28, 2022 (collectively referred to as "MCA Circulars") and Securities and Exchange Board of India ("SEBI") vide its dated May 12, 2020, January 15, 2021, May 13, 2022 and January 5, 2023 (collectively referred to as "SEBI Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the MCA Circulars and SEBI Circulars, the AGM of the members of the Company is being held through VC / OAVM. The registered office of the Company shall be deemed to be the venue for the AGM.
2. The Explanatory Statement pursuant to the provisions of Section 102 (1) of the Companies Act, 2013 in respect of the businesses at Item Nos. 6 & 7 above is annexed hereto and forms a part of the Notice.
3. The relevant details of persons seeking appointment/re-appointment under Item Nos. 4 & 5 of the Notice, as required pursuant to Regulation 36 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 on General Meetings is also annexed.
4. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
5. The attendance of the Members attending the AGM through VC / OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
6. Members holding shares in dematerialized form are requested to register their latest Bank Account details (Core Banking Solutions enabled Account Number, 9 digit MICR and 11 digit IFSC code) with their Depository Participant. Members holding shares in physical form are requested to provide the above details, along with their Folio Number, to the Company's Registrar and Transfer Agents, M/s. Link Intime India Private Limited.
7. Members holding shares in dematerialized form are requested to intimate any changes pertaining to their name, address, registered email id, bank details, NECS, mandates, nominations, power of attorney, etc. to their Depository Participant. Changes intimated to the Depository Participant will be automatically reflected in the Company's records. Members holding shares in physical form are requested to intimate any of the above mentioned changes, alongwith the request for merging of folio etc., to the Company's Registrar and Transfer Agents, M/s. Link Intime India Private Limited.
8. SEBI vide circular no. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated November 3, 2021 has made it mandatory for all shareholders holding shares in physical form to furnish nomination details to the Company / RTA. Shareholders can register their nomination details in Form SH-13 or they can choose to give declaration to opt out of Nomination by filing Form ISR-3. In case of shareholder holding shares in physical form wishes to change the nominee or cancel the nomination then Form SH-14 needs to be filled. The forms mentioned above are available on the website of the Company as well as on the website of RTA.
9. SEBI vide its Circular no. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated November 3, 2021, has made it mandatory for all holders holding shares in physical form to furnish the following documents / details to the RTA
  - a) PAN
  - b) Contact details, Postal address with PIN, Mobile number, E-mail address
  - c) Bank account details (bank name and branch, bank account number, IFS code)
  - d) Specimen signatureFor furnishing the above-mentioned details, shareholder must submit Form ISR-1 and/or ISR-2 in hard copy form to the Company/ RTA. The forms are available on the website of the Company as well as on the website of RTA.
10. In accordance with SEBI circular no. SEBI/HO/MIRSD/RTAMB/CIR/P/2020/166 dated September 7, 2020 all share transfers shall be carried out compulsorily in the dematerialised form with effect from April 1, 2021. Hence no transfer of shares in physical form are allowed.

Further, in compliance with SEBI circular SEBI / HO/ MIRSD/ MIRSD\_RTAMB/ P/CIR/2022/8 dated January 25, 2022, the following requests received by the Company in physical form will be processed and the shares will be issued in dematerialization form only:-

- i. Issue of duplicate share certificate
- ii. Claim from unclaimed suspense account
- iii. Renewal/Exchange of securities certificate
- iv. Endorsement
- v. Sub-division / splitting of securities certificate
- vi. Consolidation of securities certificates/folios
- vii. Transmission
- viii. Transposition

For this purpose, the securities holder/claimant shall submit a duly filled up Form ISR-4 which is hosted on the website of the Company as well as on the website of Link Intime India Private Limited, Registrar and share transfer agent (RTA). The aforementioned form shall be furnished in hard copy form.

**Members holding shares in physical form are requested to dematerialize their holdings at the earliest.**

11. Members, wishing to claim dividends, which remain unclaimed for the financial years 2015-2016 onwards, are requested to write to the Company's Registrar and Transfer Agents, M/s. Link Intime India Private Limited at C-101, 247 Park, L.B.S. Marg, Vikhroli West, Mumbai: 400083. It may be noted that once such unclaimed dividends are transferred on expiry of seven years to the Investor Education and Protection Fund, no claim shall lie in respect thereof. Further, shares on which the dividend remains unclaimed for seven consecutive years will also be transferred to the IEPF Suspense Account in accordance with the Section 124 of the Act, and the applicable Rules. The shares transferred to the IEPF Suspense Account can be claimed back by the concerned shareholders from the IEPF Authority after complying with the procedure prescribed under the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.
12. The details of dividend which has remained unpaid/ unclaimed for the past seven consecutive years can be viewed on the Company's website at <https://nilkamal.com/unclaimed-unpaid-dividend/>
13. The details of the members whose shares have been transferred to the IEPF authority is available on the Company's website at <https://nilkamal.com/shares-transferred-to-iepf-suspense-account/>
14. The details of the members whose shares are liable to be transferred to the IEPF authority is available on the Company's website at <https://nilkamal.com/shares-transferred-to-iepf-suspense-account/>
15. Any request for revalidation of dividend warrant(s) by any member of the Company may be directed to the Company or its Registrar and Transfer Agents, M/s. Link Intime India Private Limited.
16. In compliance with the aforesaid MCA Circulars and SEBI Circular, Notice of the AGM along with the Annual Report 2022-23 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report 2022-23 will also be available on the Company's website [www.nilkamal.com](http://www.nilkamal.com), websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and on the website of e-voting agency NSDL at the website address [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
17. **Book Closure and Dividend:**
  - a. The Register of Members and the Share Transfer Books of the Company will be closed from July 1, 2023 to July 7, 2023, both days inclusive.

**For Shares held in electronic form:**

To all the Beneficial Owners as at the end of the day on June 30, 2023 in the list of beneficial owners to be furnished by the National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited ('CDSL'); and

**For Shares held in physical form:**

To all Members in respect of shares held in physical form after giving effect to valid transmission and transposition in respect of valid requests lodged with the Company as of the close of business hours on June 30, 2023.
  - b. As per the provisions of the Income Tax Act, dividend income is taxable in the hands of shareholders and the Company is required to deduct tax at source from dividend payable to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2023 as well as the relevant provisions of the Income Tax Act/ Rules. The shareholders are requested to update their PAN with M/s. Link Intime India Private Limited (in case of shares held in physical mode) and DPs (in case of shares held in demat mode).

A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source. He/she should send their request in prescribed format by e-mail to investor@nilkamal.com latest by Friday, June 30, 2023. Shareholders are requested to note that in case their PAN is not registered or PAN is not linked to Aadhaar, the tax will be deducted at a higher rate of 20% or such other higher rate as may be prescribed under the Law.

Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents, i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F and any other document which may be required as per Law to avail the tax treaty benefits by sending an e-mail along with copies of the documents to investor@nilkamal.com latest by Friday, June 30, 2023. For the detailed Process, the information is available on the Company's website at [www.nilkamal.com](http://www.nilkamal.com).

18. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
19. The Members can join the AGM in the VC / OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC / OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
20. **THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-**

1. The remote e-voting period begins on Tuesday, July 4, 2023 at 9.00 a.m. and ends on Thursday, July 6, 2023, at 5.00 p.m. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. June 30, 2023, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being June, 30, 2023.
2. Once the vote on a resolution is cast by the Member, such Member will not be allowed to change it subsequently.
3. A person who is not a member as on cut-off date should treat this Notice for information purpose only.
4. M/s. N. L. Bhatia & Associates (FCS 8663, CP 9625) Practicing Company Secretary, has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of 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 authorised by him in writing, who shall countersign the same.

The Results declared along with the report of the Scrutiniser will be placed on the website of the Company [www.nilkamal.com](http://www.nilkamal.com) and on the website of NSDL i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com) immediately after the declaration of result by the Chairman or Managing Director or any one Director of the Company. The results shall also be immediately forwarded to BSE Limited and National Stock Exchange of India Limited, where the equity shares of the Company are listed.

5. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to have been passed on the date of the AGM i.e. July 7, 2023.



6. **How do I vote electronically using NSDL e-Voting system?**





The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

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

**A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**

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
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> <li>1. Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “<b>Beneficial Owner</b>” icon under “<b>Login</b>” which is available under ‘<b>IDeAS</b>’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added 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 company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “<b>Register Online for IDeAS Portal</b>” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a>.</li> <li>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</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 style="text-align: center; margin-top: 10px;"> <p><b>NSDL Mobile App is available on</b></p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>App Store</p> </div> <div style="text-align: center;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: space-around; margin-top: 10px;">   </div> </div>

Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then use your existing my easi username &amp; password.</li> <li>2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
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. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. 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 022 - 4886 7000 and 022 - 2499 7000
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 toll free no. 1800 22 55 33

**B) Login Method for e-Voting and joining virtual meeting 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.nsd.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 :

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
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 (124009) followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 124009 then user ID is 124009001***

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.**

1. 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.nsd.com](http://www.evoting.nsd.com).
  - b) "Physical User Reset Password?" (If you are holding shares in physical mode) option available on [www.evoting.nsd.com](http://www.evoting.nsd.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [www.evoting@nsdl.co.in](mailto:www.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.
2. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
3. Now, you will have to click on "Login" button.
4. After you click on the "Login" button, Home page of e-Voting will open.

**Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.****How to cast your vote electronically and join General Meeting 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 and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC / OAVM" link placed under "Join Meeting".
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.

**21. 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 bhaskar@nlba.in with a copy marked to [www.evoting@nsdl.co.in](mailto:www.evoting@nsdl.co.in). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. 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](http://www.evoting.nsdl.com) to reset the password.
3. 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](http://www.evoting.nsdl.com) or call on toll free no.: 022 - 4886 7000 and 022 - 2499 7000 or send a request to Ms. Prajakta Pawle at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
4. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is send through e-mail and holding shares as of the cut-off date i.e. June 30, 2023, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or Issuer/RTA. 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](http://www.evoting.nsdl.com) or call on toll free no. 022 - 4886 7000 and 022 - 2499 7000. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. June 30, 2023 may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system".

**22. 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 for 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 [investor@nilkamal.com](mailto:investor@nilkamal.com).
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 [investor@nilkamal.com](mailto:investor@nilkamal.com). 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 and joining virtual meeting for Individual shareholders holding securities in demat mode.](#)

3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
  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.
- 23. THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-**
1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
  2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
  3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
  4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.
- 24. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**
1. Member will be provided with a facility to attend the AGM through VC / OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC / OAVM link" placed under "**Join meeting**" menu against company name. You are requested to click on VC / OAVM link placed under Join Meeting menu. The link for VC / OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
  2. Members are encouraged to join the Meeting through Laptops for better experience.
  3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
  4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
  5. Shareholders who would like to express their views/have questions, may send their questions in advance mentioning their name, demat account number/folio number, email id, mobile number at investor@nilkamal.com on or before June 30, 2023. The same will be replied by the Company suitably.
  6. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at investor@nilkamal.com from June 26, 2023 (9:00 a.m. IST) to June 30, 2023 (5:00 p.m. IST). Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company will select the speakers on first come first serve basis. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
25. The Register of Directors and Key Managerial Personnel and their shareholding maintained under section 170 of the Act, the Register of Contracts or arrangements in which the Directors are interested under Section 189 of the Act and all other documents referred to in the Notice will be available for inspection in electronic mode on NSDL portal.
26. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

**By order of the Board  
For Nilkamal Limited**

**Priti P. Dave  
Company Secretary  
Membership No: A19469**

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013****Item No. 6**

M/s. BSR & Co. LLP, the existing Statutory Auditors of the Company appointed in the year 2014 will complete two consecutive terms of their appointment at the conclusion of the Thirty Seventh Annual General Meeting of the Company. In accordance with the provisions of Section 139(2) of the Act, an auditor can hold office as statutory auditors of the Company for two consecutive terms of 5 years each and cannot be re-appointed thereafter for a period of five years. Accordingly, M/s. BSR & Co. LLP, Chartered Accountants shall retire as the Statutory Auditors of the Company at the conclusion of the Thirty Seventh Annual General Meeting.

Pursuant to the requirements of the Act and based on the recommendations of the Audit Committee, the Board of Directors of the Company at its meeting held on May 20, 2023 proposed to appoint M/s. S R B C & CO LLP, Chartered Accountants, (Firm Registration No.: 324982E/E300003) as the Statutory Auditor of the company on the following terms and conditions:-

The terms and conditions of the appointment of the Statutory Auditors and the proposed fees are as follows:

- Term of Appointment: 5 years from the conclusion of this AGM till the conclusion of 42<sup>nd</sup> AGM to be held in the year 2028.
- Proposed Fees: Remuneration for Statutory Audit of ₹ 52.50 Lakhs (Rupees Fifty Two Lakhs Fifty Thousand only) plus applicable taxes, travelling and other out-of-pocket expenses incurred by them in connection with the statutory audit of the Company for the financial year 2023-24. The remuneration payable to the statutory auditors for the remaining tenure of the proposed re-appointment will be subsequently determined by the Board as per the recommendations of the Audit Committee. The existing Statutory Auditors of the Company M/s. BSR & Co. LLP are paid a fees of ₹ 52.00 Lakhs (Rupees Fifty Two Lakhs only) plus applicable taxes and other out-of-pocket expenses for the Financial Year 2022-23.

The Committee considered various parameters like audit experience in the Company's operating segments, market standing of the firm, clientele served, technical knowledge etc. and found M/s. S R B C & CO LLP to be suited to handle the scale and diversity associated with the audit of the financial statements of the Company.

**Brief Profile of M/s. S R B C & CO LLP**

M/s. S R B C & CO LLP (SRBC), with Firm Registration No. 324982E/E300003, is a firm of Chartered Accountants registered with the Institute of Chartered Accountants of India ("ICAI"). It is a Limited Liability Partnership Firm incorporated in India. The firm is a part of M/s. S.R. Batliboi & Associates network of audit firms registered with ICAI. The registered office of the firm is at 22, Camac Street, 3<sup>rd</sup> Floor, Block 'B', Kolkata. It has various offices at Mumbai, Delhi, Gurugram, Bangalore, Kolkata, Pune, Chennai, Ahmedabad etc. SRBC audits various companies listed on stock exchanges in India.

M/s. S R B C & CO LLP, Chartered Accountants, (Firm Registration No.: 324982E/E300003), have consented to the said appointment and confirmed that their appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act.

They have further confirmed that they are not disqualified to be appointed as statutory auditors in terms of the provisions of the proviso to Section 139(1) and Section 141 of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014.

No Director, Key Managerial Personnel or their relatives, are interested or concerned in the resolution.

The Board recommends the Resolution as mentioned at Item No. 6 above for the approval of the members by way of Ordinary Resolution.

**Item No. 7**

The Board of Directors of the Company, on the recommendation of the Audit Committee, had approved the appointment of M/s. V. B. Modi & Associates, Cost Accountants (Firm Registration No. 004861) for the financial year 2023-2024 at a remuneration of ₹ 3.50 Lacs to conduct the audit of the Cost Records of the Company. In terms of provisions of Section 148 (3) of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor along with the reimbursement of expenses incurred towards the audit is required to be ratified by the Members of the Company. Accordingly, consent of the Members is sought to ratify the remuneration payable to the Cost Auditors.

No Director, Key Managerial Personnel or their relatives, are interested or concerned in the resolution.

The Board recommends the Resolution as mentioned at Item No. 7 above for the approval of the members by way of Ordinary Resolution.

**By order of the Board  
For Nilkamal Limited**

**Priti P. Dave  
Company Secretary  
Membership No: A19469**

**DETAILS OF DIRECTOR SEEKING APPOINTMENT/RE-APPOINTMENT OR VARIATION IN TERMS OF REMUNERATION AT THE ENSUING ANNUAL GENERAL MEETING**

(Pursuant to Regulation 36 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 on General Meetings)

Name of the Director	Mr. Manish V. Parekh	Mr. Mihir H. Parekh
DIN	00037724	07308466
Item No.	4	5
Date of Birth	February 2, 1969 (54 Years)	December 25, 1991 (31 years)
Date of first appointment on Board	April 1, 2000	February 1, 2020
Qualifications	Bachelor's degree in commerce from Mumbai University. Program of Owner/ President Management (OPM) from the Harvard Business School.	B.E. (Hons) Engineering Business Management from the University of Warwick, UK and MSc Management degree from the London Business School UK.
Expertise in specific functional areas	Industrialist having rich Business experience	Experience in Plastic business alongwith exposure of Investment Banking & others with organisations of national & International repute.
Brief Resume	Mr. Manish V. Parekh has around 3 plus decades of rich experience in the field of marketing and overlooks the furniture and '@ home' business of the Company. He is the pillar behind the enormous dealer network which is responsible for catering to requirements from the remotest region of the country. His seamless zeal has helped the Company to become a market leader in the country and one of the largest producer of moulded plastic furniture in the world. He is instrumental in launching the Company's foray into mattress and modular furniture business.	Mr. Mihir Parekh, is associated with the Company w.e.f. June 1, 2015 and since then he has been groomed in the Company. He headed the Bubble Guard business of the Company. Before joining the Company, he had hands on working experience with organizations of national and international repute. He was appointed as an Executive Director of the Company w.e.f. February 1, 2020. He stepped down from the designation of Executive Director of the Company w.e.f. June 15, 2022 for further studies and continued to contribute as a Non - Executive Director of the Company w.e.f. June 16, 2022.
Fulfilment of Skill and Capabilities for Role (for Independent Directors)	Not Applicable	Not Applicable
Terms and conditions of appointment or reappointment	The details are provided in the resolution at Item no. 4 of this notice.	The details are provided in the resolution at Item no. 5 of this notice.
Details of remuneration last drawn (FY 2022-2023)	Details of remuneration is provided in	Report on Corporate Governance forming a part of Annual Report for the FY 2022-2023.
Listed entities from which Director resigned in the past three years	None	None
*Directorships held in other public companies	***Nilkamal Storage Systems Private Limited	None
** Memberships/Chairmanships of Committees* in other public Companies	None	None
Number of Board Meetings attended during financial year	4	3
Relation with other Directors & Key Managerial Personnel (KMP) of the Company	Mr. Manish V. Parekh is the son of Mr. Vamanrai V. Parekh and brother of Mr. Hiten V. Parekh	Mr Mihir H. Parekh is the son of Mr. Hiten V. Parekh
No of shares held in the Company	15,16,043	2,31,900

\* Directorships in Private Limited Companies, Foreign Companies and Section 8 companies and their Committee memberships are excluded.

\*\* Membership and Chairmanship of only Audit Committees and Stakeholders' Relationship Committees have been included in the aforesaid table.

\*\*\* Includes Directorship in Nilkamal Storage Systems Private Limited, being deemed to be public limited Company since it is subsidiary of Nilkamal Limited. As on date of this Notice Nilkamal Storage Systems Private Limited has amalgamated with the Company.

**DIRECTORS' REPORT****REPORT OF THE BOARD OF DIRECTORS TO THE SHAREHOLDERS FOR THE YEAR ENDED MARCH 31, 2023.**

Dear Members,

Your Directors are pleased to present the **37<sup>th</sup> Annual Report** and the Audited Statement of Accounts for the financial year ended March 31, 2023.

**FINANCIAL PERFORMANCE:**

The financial performance of the Company for the financial year ended March 31, 2023 is summarised below:-

(₹ in Lakhs)

Particulars	2022-2023	2021-2022
Revenue and Other Income	<b>3,09,115.92</b>	2,67,461.81
<b>Profit before Depreciation, Amortisation and Tax</b>	<b>27,559.73</b>	20,792.08
Less: Depreciation and Amortisation charges	<b>11,230.53</b>	9,960.15
<b>Profit before Tax</b>	<b>16,329.20</b>	10,831.93
Less: Taxes	<b>4,137.34</b>	2,600.67
<b>Profit after Tax</b>	<b>12,191.86</b>	8,231.26
Add : Other Comprehensive Income	<b>74.82</b>	215.30
Total Comprehensive Income	<b>12,266.68</b>	8,446.56
Opening balance in Retained Earnings	<b>72,261.36</b>	65,351.38
Amount available for appropriation	<b>84,528.04</b>	73,797.94
Final Dividend	<b>2,238.38</b>	1,492.25
Closing balance in Retained Earnings	<b>82,238.89</b>	72,261.36
Earnings Per Share (₹)	<b>81.70</b>	55.16
Cash Earnings Per Share (₹)	<b>156.96</b>	121.91
Book Value per Share (₹)	<b>838.89</b>	771.69

**YEAR IN RETROSPECT**

On a consolidated basis, the revenue from operations for FY 2022-23, stood at ₹ 3,13,087.69 Lakhs registering a growth of 15 % as compared to the previous year (₹ 2,73,008.93 Lakhs in FY 2021-22). The Consolidated EBITDA increased to ₹ 31,923.76 Lakhs for FY 2022-23, which was 37 % higher than that of the previous year (₹ 23,320.11 Lakhs in FY 2021-22).

On a standalone basis, revenue from operations for FY 2022-23 stood at ₹ 3,07,931.23 Lakhs, registering a growth of 16 % as compared to the previous year (₹ 2,65,579.88 Lakhs in FY 2021-22). The standalone EBITDA is ₹ 31,217.19 Lakhs for FY 2022-23 which was 32 % higher than that of the previous year (₹ 23,631.48 Lakhs in FY 2021-22). The Profit After Tax for the year stood at ₹ 12,191.86 Lakhs against ₹ 8,231.26 Lakhs in the previous Financial Year.

**RESERVES**

The Board of Directors of your Company have decided not to transfer any amount to the General Reserves, for the year ended March 31, 2023.

**DIVIDEND**

Your Directors are pleased to recommend a Final Dividend of ₹ 20/- (i.e. 200%) per share of ₹ 10/- each for the Financial Year 2022-23. The dividend, if approved at the 37<sup>th</sup> Annual General Meeting (AGM), will be paid to those members whose names appear in the register of members of the company as of end of the day on June 30, 2023.

The aforesaid dividend pay-out for year under review is in accordance with the Company's policy on Dividend Distribution which is linked to long term growth objectives of your Company to be met by internal cash accruals. The Dividend Distribution Policy of the Company can be viewed on the Company's website at the following weblink:<https://nilkamal.com/wp-content/uploads/2019/11/Dividend-Distribution-Policy.pdf>

The total outflow on account of the proposed final Dividend shall be ₹ 2,984.50 lakhs.

**SHARE CAPITAL**

Pursuant to the Scheme of Amalgamation between Nilkamal Storage Systems Private Limited and the Company, as on the Appointed Date i.e. October 1, 2022 the Authorised Equity Share Capital of the Company has increased from ₹ 2,200.00 Lakhs (2,20,00,000 equity shares of ₹ 10/- each) to ₹ 2,700.00 Lakhs (2,70,00,000 equity shares of ₹ 10/- each).



Accordingly, as on March 31, 2023, the Authorised Share Capital of the Company stood at ₹ 3,000.00 Lakhs comprising of 2,70,00,000 equity shares of ₹ 10/- each and 30,00,000 preference shares of ₹ 10/- each. Whereas, the Issued, subscribed and paid-up capital of the Company remained unchanged at ₹ 1,492.25 Lakhs comprising of 1,49,22,525 Equity Shares of face value of ₹ 10/- each.

#### **MEETINGS**

During the year, four Board meetings were convened and held in accordance with the provisions of the Companies Act, 2013 and as per Secretarial Standards -1, the details of which are given in the Corporate Governance Report.

#### **Amalgamation of Nilkamal Storage Systems Private Limited with the Company and its shareholders.**

The Hon'ble NCLT, Ahmedabad Bench and Hon'ble NCLT, Mumbai Bench vide their respective orders have accorded its approval to the Scheme of Amalgamation between Nilkamal Storage Systems Private Limited ('NSSPL') (wholly-owned subsidiary of your Company) and the Company and their respective shareholders ('Scheme') under Sections 230 to 232 of the Companies Act, 2013 ('the Act'). The copy of the said orders have been filed with the Registrar of Companies ('ROC'), Ahmedabad and ROC, Maharashtra, Mumbai on April 22, 2023. The Appointed Date for the amalgamation is October 1, 2022.

#### **AWARDS AND CERTIFICATIONS**

Your Company has received the following awards/ certifications during the year under review:

- The Company was awarded the India Manufacturing excellence award (Silver category) by Frost & Sullivan for its unit at Barjora.
- The Company has also been awarded with GreenCo Gold award by CII, Sohrabji Godrej Green Business Centre for its unit at Puducherry.

#### **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

The Company is committed to Corporate Social Responsibility and strongly believes that the business objectives of the Company must be in congruence with the legitimate development needs of the society in which it operates.

Pursuant to the provisions of the Section 135 of the Companies Act, 2013 (the Act), your Company has constituted a CSR Committee to monitor the CSR activities of the Company. The Company's CSR policy is placed on the Company's website at <https://nilkamal.com/wp-content/uploads/2019/01/CSR-Policy.pdf>

Your Company has undertaken various CSR initiatives directly/through its implementing agency viz. Nilkamal Foundation by contributing to NGO's/trust for various projects. The said activities were carried out in the areas of promotion of education, healthcare including sanitisation and preventive healthcare, enhancing vocational skills & rural development alongwith undertaking other activities in terms of Schedule VII of the Companies Act, 2013.

A report on CSR activities as required under Rule 8 of the Companies (Corporate Social Responsibility) Rules, 2014 is annexed as "Annexure A".

#### **MATERIAL CHANGES AND COMMITMENTS**

There were no Material changes and commitments affecting the financial position of the Company between the end of the financial year and date of this report.

#### **BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT**

As required pursuant to the Regulation 34 (2) (f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 your Company has prepared a Business Responsibility and Sustainability Report (BRSR) for the financial year 2022-23, which forms part of this Annual Report.

#### **CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION & ANALYSIS REPORT**

A separate section on corporate governance practices followed by the Company, together with a certificate from the auditors confirming its compliance, forms a part of this Annual Report, as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, as per Regulation 34 (2) (e) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Management Discussion and Analysis report also forms a part of this report.

#### **ANNUAL RETURN**

Pursuant to Section 92 and Section 134 of the Act, read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return of your Company as on March 31, 2023 will be available on Company's website at [www.nilkamal.com](http://www.nilkamal.com).

**CREDIT RATING**

The Credit Ratings of the Company for all the debt instruments as on March 31, 2023 is as below: -

Total Bank Loan Facilities Rated	₹ 524.59 Crore
Long-Term Rating	CARE AA; Stable (Reaffirmed)
Short-Term Rating	CARE A1+ (Reaffirmed)
₹ 200 Crores Non-convertible debentures	CARE AA; Stable (Reaffirmed)
₹ 200 Crores Commercial paper (Carved out)*	CARE A1+ (Reaffirmed)

\*carved out from sanctioned working capital limits

**SUBSIDIARIES AND JOINT VENTURES**

During the year under review, your Company has four direct subsidiaries: Nilkamal Foundation in India, Nilkamal Storage Systems Private Limited (NSSPL) in India, Nilkamal Eswaran Plastics Private Limited (NEMPL) in Sri Lanka and Nilkamal Crates and Bins – FZE(NCB – FZE) in UAE and one step-down subsidiary: Nilkamal Eswaran Marketing Private Limited in Sri Lanka; and one Joint Venture Company which is Cambro Nilkamal Private Limited in India, which is the Indo-US Joint Venture.

NSSPL is the material unlisted subsidiary Companies of your Company. The Audit Committee and the Board reviews the financial statements, significant transactions and working of all subsidiary Companies, and the minutes of unlisted subsidiary Companies are placed before the Board.

Your Company has in accordance with the Listing Regulations adopted the Policy for determining material subsidiaries. The said Policy is available on your Company's website at <https://nilkamal.com/wp-content/uploads/2019/01/Policy-on-determining-Material-subsiidiaries.pdf>

As on the date of this report, NSSPL has amalgamated with the Company.

During the year under review, the Company's subsidiaries as well as Joint Venture Company has exhibited satisfactory performance. Further, Nilkamal Foundation – a Section 8 Company - is the Company's Implementing Agency for undertaking the CSR activities of the Company.

In terms of proviso to sub section (3) of Section 129 of the Act, the salient features of the financial statement of the subsidiaries is set out in the prescribed form AOC-1, which forms part of the Annual Report.

In accordance with third proviso of Section 136(1) of the Companies Act, 2013, the Annual Report of the Company, containing therein its standalone and the consolidated financial statements has been placed on the website of the Company, [www.nilkamal.com](http://www.nilkamal.com). Further, as per fourth proviso of the said section, audited annual accounts of each of the subsidiary companies have also been placed on the website of the Company, [www.nilkamal.com](http://www.nilkamal.com).

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

During the year under review, your Company did not give any other loans or guarantees, provide any security or make any investments as covered under Section 186 of the Companies Act, 2013.

**NOMINATION AND REMUNERATION POLICY OF THE COMPANY**

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy relating to remuneration of the Directors, Key Managerial Personnel, Senior Management Personnel and other employees, alongwith the criteria for appointment and removal of the Directors, Key Managerial Personnel and Senior Management Personnel of the Company. The Nomination and Remuneration Committee is fully empowered to determine /approve and revise, subject to necessary approvals, the remuneration of managerial personnel, after taking into account the financial position of the Company, trends in the industry, qualifications, experience, past performance and past remuneration, etc. The Non-Executive Directors are paid sitting fees for every meeting of the Board and its Committees attended by them. The Board has also formulated and adopted the policy on the "Succession policy of Directors" The Nomination and Remuneration Policy of the Company is available on the website of the Company at [https://nilkamal.com/wp-content/uploads/2019/01/Nomination-and-Remuneration-Policy\\_11052018.pdf](https://nilkamal.com/wp-content/uploads/2019/01/Nomination-and-Remuneration-Policy_11052018.pdf)

**STATUTORY AUDITORS AND AUDITORS' REPORT**

Pursuant to provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, M/s. B S R & Co. LLP, having ICAI Registration No. 101248W/ W-100022 were re- appointed as the Statutory Auditors for a second term of five years to hold office from the conclusion of 32<sup>nd</sup> Annual General Meeting up to the conclusion of the 37<sup>th</sup> Annual General Meeting of the Company. In accordance with the provisions of Section 139(2) of the Act, an auditor can hold office as statutory auditors of the Company for two consecutive terms of 5 years each and cannot be re-appointed thereafter for a period of five years. Accordingly, M/s. BSR & Co. LLP, Chartered Accountants shall retire as the Statutory Auditors of the Company at the conclusion of the Thirty Seventh Annual General Meeting.

The Board has recommended the appointment of M/s. S R B C & CO LLP, Chartered Accountants, Mumbai (Firm Registration No: 324982E/E300003) as the statutory auditors of the Company in the place of the retiring auditors for a first term of five consecutive years, from the conclusion of the ensuing 37<sup>th</sup> Annual General Meeting of the Company till the conclusion of the 42<sup>nd</sup> Annual General Meeting to be held in the year 2028, subject to the approval of the Members in the ensuing AGM, based on the recommendation of the Audit Committee in compliance with the mandatory rotation of auditors as per provisions of the Companies Act, 2013.

M/s. S R B C & CO LLP, Chartered Accountants have confirmed their eligibility and qualification required under the Act for holding the office, as Statutory Auditors of the Company.

Accordingly, an Ordinary Resolution, proposing the appointment of M/s. S R B C & CO LLP, Chartered Accountants (Firm Registration No: 324982E/E300003), forms part of the Notice of the 37<sup>th</sup> AGM of the Company.

The Auditors' Report to the Members on the Accounts of the Company for the year ended March 31, 2023 is a part of the Annual Report. The said Audit Report does not contain any qualification, reservation or adverse remark. During the financial year 2022 -23, the Auditors had not reported any matter under Section 143(12) of the Act, therefore no detail is required to be disclosed under Section 134(3)(ca) of the Act.

#### **COST AUDITOR**

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules 2014, M/s. V. B. Modi and Associates, Cost Accountants, were upon the recommendation of the Audit Committee, appointed as the Cost Auditors of the Company to carry out audit of the cost records of the Company for the financial year 2023-2024.

The resolution seeking ratification of the remuneration to the said cost auditors for the financial year 2023-2024 is set out in the Notice calling the 37<sup>th</sup> Annual General Meeting of the Company.

The Cost Auditors have certified that their appointment is within the limits of Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified from appointment within the meaning of the said Act.

#### **SECRETARIAL AUDITORS**

Pursuant to the provisions of Section 204 of the Companies Act, 2013, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s. N. L. Bhatia & Associates, Practising Company Secretaries were appointed as the Secretarial Auditor of the Company to undertake the Secretarial Audit in the prescribed form MR- 3 for the financial year 2022-2023. The Secretarial Auditor's report to the members is annexed to this report as "Annexure B".

A Secretarial Compliance Report for the financial year ended March 31, 2023 on compliance of all applicable SEBI regulations and circulars/guidelines issued thereunder, was obtained from M/s. N. L. Bhatia & Associates, Practising Company Secretary, and submitted to both the stock exchanges.

During the FY 2022 -23, your Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

#### **DIRECTORS' AND KEY MANAGERIAL PERSONNEL**

The Board of your Company is duly constituted in accordance with the requirements of the Companies Act, 2013 read with the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Further, the Company has received declarations from all the Independent Directors stating that they meet the criteria of independence as given under Section 149 of the Companies Act, 2013 and the relevant provisions of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015. In the opinion of the Board, they fulfil the condition for appointment/re-appointment as Independent Directors on the Board.

The Independent Directors of the Company have registered themselves with the Indian Institute of Corporate Affairs, Manesar ('IICA') as required under Rule 6 of Companies (Appointment and Qualification of Directors) Rules, 2014.

Further, in accordance with the provisions of Companies Act, 2013 and the Articles of Association of the Company, Mr. Manish V. Parekh (DIN: 00037724) & Mr. Mihir H. Parekh (DIN: 07308466), Directors of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible has offered themselves for re-election.

The required information of the Directors being appointed/re-appointed, pursuant to the provisions of the Listing Regulations, forms part of the Annual Report.

During the year under review, Mr. Mihir H. Parekh (DIN: 07308466) stepped down from the designation of Executive Director of the Company w.e.f. June 15, 2022 in order to pursue higher studies and continues to contribute as a Non - Executive Director of the Company w.e.f. June 16, 2022.

There was no change in the composition of the Board of Directors and the Key Managerial Personnel, except as stated above. As on March 31, 2023 the Company has following Key Managerial Personnel:

1. Mr. Hiten V. Parekh - Managing Director
2. Mr. Manish V. Parekh - Jt. Managing Director
3. Mr. Nayan S. Parekh - Executive Director
4. Mr. Paresh B. Mehta - Chief Financial Officer
5. Ms. Priti P. Dave - Company Secretary

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors confirm the following statements in terms of Section 134(3) (c) of the Companies Act, 2013:

- (a) that in the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departures have been made from the same;
- (b) that they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- (c) that they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) that the annual financial statements have been prepared on a going concern basis;
- (e) that they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- (f) that they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **CASH FLOW AND CONSOLIDATED FINANCIAL STATEMENTS**

As required under the regulation 34 2(c) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Regulations) Requirements, 2015, a cash flow statement is part of the Annual Report 2022-23. Further, the Consolidated Financial Statements of the Company for the financial year 2022-23 are prepared in compliance with the applicable provisions of the Act, Accounting Standards and as prescribed by Listing Regulations. The said Financial Statements have been prepared on the basis of the audited financial statements of the Company, its subsidiaries and joint venture companies as approved by their respective Boards of Directors.

#### **ADEQUACY OF RISK MANAGEMENT SYSTEMS**

The Board of Directors have adopted an Enterprise Risk Management Policy framed by the Company, which identifies the risk and lays down the risk minimization procedures. These procedures are periodically reviewed to ensure that executive management controls risk through means of a properly defined framework.

#### **VIGIL MECHANISM / WHISTLE BLOWER POLICY**

The Company has in place a Whistle Blower Policy with a view to provide a mechanism for its Directors/ employees to approach the Chairman of the Audit Committee, in case of any grievances or concerns related to fraud and mismanagement, if any. The details of the said Policy are explained in the Corporate Governance Report and also posted on the website of the Company [www.nilkamal.com](http://www.nilkamal.com).

#### **DISCLOSURE AS PER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

An Internal Complaints Committee has been constituted by the Company in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder to redress complaints received on sexual harassment. During the financial year under review, the Company has not received any complaints of sexual harassment.

The Company's efforts is to create a safe and comfortable work environment for everyone. When employers and employees know the rules and regulations regarding sexual harassment, they are better equipped to identify and prevent it. To ensure this, at the Organisation level the Company is doing the following:

1. Providing awareness trainings to employees (through Bandhan - our partners for employee wellness)
2. New employees are sensitized and educated in matters of Prevention of Sexual Harassment during their Induction.
3. Taking appropriate action to address any instances of sexual harassment.

**RELATED PARTY TRANSACTIONS**

Your Company has formulated a Policy on materiality of dealing with related party transactions and the same has been hosted on its website at [https://nilkamal.com/wp-content/uploads/2019/03/Policyonmaterialityofanddealingwithrelatedparty\\_290120191.pdf](https://nilkamal.com/wp-content/uploads/2019/03/Policyonmaterialityofanddealingwithrelatedparty_290120191.pdf)

All the related party transactions are placed before the Audit Committee for their review and approval. Further, prior omnibus approval of the Audit Committee is obtained for related party transactions of repetitive nature and entered into in the ordinary course of business at an arms' length basis.

Further, the Company has not entered into any material related party transaction during the year under review. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Act, in Form AOC-2 is not applicable to your Company, since there were no material transactions with related parties.

**PERFORMANCE EVALUATION**

Pursuant to the provisions of Section 134 (2) (p) of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors has undertaken an annual evaluation of its own performance, performance of its various Committees and individual Directors. The details of the said evaluations have been mentioned in the Report on Corporate Governance.

**TRANSFER TO IEPF**

Pursuant to the provisions of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("The Rules"), the Company had sent individual notices and also advertised in the newspapers seeking action from the shareholders who have not claimed their dividends for past seven consecutive years i.e for final dividend for the financial year ended 2014-2015, 1<sup>st</sup> Interim dividend for the FY 2015-16 & 2<sup>nd</sup> Interim dividend for the FY 2015-16 and thereafter, had transferred such unpaid or unclaimed dividends and corresponding 1,859 equity shares held by 17 shareholders to the IEPF Authority on September 22, 2022, 1,362 equity shares held by 11 shareholders to the IEPF Authority on December 27, 2022 and 1,012 equity shares held by 10 shareholders to the IEPF Authority on April 27, 2023 respectively.

Shareholders /claimants whose shares, unclaimed dividend, have been transferred to the aforesaid IEPF Suspend Account or the Fund, as the case may be, may claim the shares or apply for refund by making an application to the IEPF Authority in Form IEPF-5 (available on <https://www.iepf.gov.in/IEPF/corporates.html>) along with requisite fee as decided by the IEPF Authority from time to time.

Further, the Company shall be transferring the unclaimed Dividend for the financial year 2016-2017 (Interim) to the IEPF Account on or before January 2, 2024. The Company shall also be transferring the shares, on which the dividend has remained unclaimed for a period of seven consecutive years, to the IEPF Account simultaneously on the same date. The Company will send individual letters to the shareholders for claiming the said dividend and will also advertise the same in the newspapers in accordance to the Rules. Members are therefore requested to ensure that they claim the dividends referred above, before they are transferred to the said Fund.

Details of shares /shareholders in respect of which dividend has not been claimed, are provided on our website at <https://nilkamal.com/shares-transferred-to-iepf-suspend-account/>. The shareholders are therefore encouraged to verify their records and claim their dividends of all the earlier seven years, if not claimed.

**STATUTORY INFORMATION**

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, is annexed herewith as "Annexure C".

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said Rules forms a part of the Annual Report.

Further, the disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith as "Annexure D" to this Report.

However, having regard to the provisions of Section 136(1) read with its relevant provision of the Companies Act, 2013, the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said information is available for inspection at the Registered Office of the Company during working hours and any member interested in obtaining such information may write to the Company Secretary and the same will be furnished without any fee.

**DEPOSITS**

Your Company has not accepted Deposits from public falling within the ambit of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 during the year under review.

**SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company's operations in future.

**ACKNOWLEDGEMENTS**

Your Directors wish to place on record their sincere appreciation for the encouragement and co-operation received by the Company from the Bankers, State Government Authorities, Local Authorities, Shareholders and its Employees during the year.

**For and on behalf of the Board**

Place: Mumbai

Date: May 20, 2023

**Sharad V. Parekh**

**Chairman**

## "ANNEXURE A"

**ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR 2022 - 23**

1. **Brief outline on CSR Policy of the Company:-** The Board of Directors of your Company had approved the CSR Policy in accordance with the provisions of Schedule VII of the Companies Act, 2013, inter-alia with the chief aim of providing education and healthcare facilities and maintaining environmental sustainability. The CSR policy of the Company is available on the website of the Company [www.nilkamal.com](http://www.nilkamal.com) and the weblink of the same is <https://nilkamal.com/wp-content/uploads/2019/01/CSR-Policy-1.pdf>

2. **Composition of CSR Committee:**

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. K. R. Ramamoorthy	Chairman	2	2
2.	Mr. Hiten V. Parekh	Member	2	2
3.	Mr. Nayan S. Parekh	Member	2	2

3. Provide the web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company. : <https://nilkamal.com/wp-content/uploads/2019/01/CSR-Policy-1.pdf>  
<https://nilkamal.com/wp-content/uploads/2022/07/CSR-Annual-Action-Plan-FY-2022-2023-1.pdf>

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable : Not Applicable

5. (a) Average net profit of the company as per sub-section (5) of section 135 : ₹ 12,935.60 Lacs

(b) Two percent of average net profit of the company as per sub-section (5) of section 135. : ₹ 258.71 Lacs

(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. : Nil

(d) Amount required to be set-off for the financial year, if any. : NA

(e) Total CSR obligation for the financial year [(b)+(c)-(d)]. : ₹ 258.71 Lacs

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project). : ₹ 149.40 Lacs

(b) Amount spent in Administrative Overheads : Nil

(c) Amount spent on Impact Assessment, if applicable : NA

(d) Total amount spent for the Financial Year [(a)+(b)+(c)] : ₹ 149.40 Lacs

(e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Lacs)	Amount Unspent (in Lacs)				
	Total Amount transferred to Unspent CSR Account as per subsection (6) of section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
149.40	110.00	31/03/2023	-	NIL	-

(f) Excess amount for set off, if any

Sl. No.	Particular	Amount (in Lacs)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	258.71
(ii)	Total amount spent for the Financial Year	259.40
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.69
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.69

7. Details of Unspent Corporate Social Responsibility amount for the preceding three financial years: **NOT APPLICABLE**

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under subsection (6) of section 135 (in Lacs)	Balance Amount in Unspent CSR Account under sub section (6) of section 135 (in Lacs)	Amount Spent in the Financial Year (in Lacs)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any		Amount remaining to be spent in succeeding financial years (in Lacs)	Deficiency, if any
					Amount (in Lacs)	Date of transfer		
		NIL			NIL			

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Yes  No

If Yes, enter the number of Capital assets created/ acquired : **NOT APPLICABLE**

Furnish the details relating to such asset (s) so created or acquired through Corporate Social Responsibility amount spent in the financial year: **NOT APPLICABLE**

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the Property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
			N.A.		CSR Registration Number, if applicable	Name	Registered address

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5) : **NOT APPLICABLE**

**On behalf of the Board**

Place: Mumbai  
Date: May 20, 2023

**Hiten V. Parekh**  
**Managing Director**

**Mr. K. R. Ramamoorthy**  
**Chairman CSR Committee**



**"ANNEXURE B"****Secretarial Audit Report****FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023****Form No. MR-3**

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

To,  
The Members  
**Nilkamal Limited**

Survey No.354/2 and 354/3, Near Rakholi Bridge,  
Silvassa Khanvel Road, Vasona, Silvassa 396 230,  
Union Territory of Dadra and Nagar Haveli and Daman and Diu.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and adherence to the good corporate practices followed by **Nilkamal Limited** (CIN: L25209DN1985PLC000162) (hereinafter called "**the Company**"). Secretarial Audit was conducted in accordance with the Auditing Standards and the guidance note issued by the Institute of Company Secretaries of India (ICSI) and in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on the above and our verification of the Company's books, papers, minute books, forms and returns filed and records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the financial year ended March 31, 2023, complied with the statutory provisions listed hereunder and also has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed, and other records maintained by the Company for the financial year ended March 31, 2023 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the Rules made thereunder, to the extent applicable;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 ("FEMA") and the Rules and Regulations made thereunder to the extent applicable;
  - i. 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 (Listing Obligation and Disclosure Requirement) Regulations, 2015;
    - b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    - c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
    - d. Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
    - e. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act, 2013 and dealing with client;
    - f. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **Not Applicable for this financial year**
    - g. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **Not Applicable for this financial year**
    - h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not Applicable for this financial year**
    - i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **Not Applicable for this financial year**

**Other Laws applicable to the Company are as given in Annexure A.**

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

- i. Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI).
- ii. Various circulars issued by the Ministry of Corporate Affairs (MCA) and Securities and Exchange Board of India (SEBI) relating to conduct of meetings through Video Conferencing or other Audio Visual means.
- iii. During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards, etc., mentioned above.

**We further** report that the Board of Directors of the Company is duly constituted with a proper balance of Executive, Non-Executive and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all the Directors to schedule the Board and Committee meetings. Agenda and detailed notes on agenda were sent well in advance of the meetings, in case of less than seven days the Company has taken shorter notice consent from the Directors/ Members of the Board/ Committees, 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.

The majority decision was carried through while the dissenting members' views were captured and recorded as part of the minutes, where applicable. All decisions have been taken unanimously and no dissent was recorded in the minutes of the Board and Committee meetings.

**We further** report that the board of Directors of the Company in their meeting held on 09<sup>th</sup> February 2021 has approved the amalgamation of its wholly owned subsidiary Nilkamal Storage Systems Private Limited with the Company. The Company has received the Approval of NCLT Mumbai vide its order dated 8<sup>th</sup> February 2023 and the approval of NCLT Ahmedabad vide its order dated 3<sup>rd</sup> March, 2023. Further the Company has received certified Copy of the said order on 15<sup>th</sup> March, 2023 from NCLT Mumbai and on 12<sup>th</sup> April 2023 from NCLT Ahmedabad.

**We further** report that, the Company was in receipt of Show cause notice form BSE Limited with respect to Non submission of statement indicating the utilization of issue proceeds/ material deviation in the use of proceeds under Regulation 52(7)/ (7A) of SEBI (LODR) Regulations, 2015 and had fined the Company a sum of ₹158,120/. The Company has duly replied to the same and has made an application for withdrawal of Fine. The application is still pending with BSE Limited.

We further report that the Company at its Annual General Meeting held on 16<sup>th</sup> July, 2022, has approved the increase in the borrowing limits from not exceeding ₹ 600 Crs. to not exceeding ₹ 1,500 Crs.

**For M/s. N. L. Bhatia & Associates  
Practising Company Secretaries  
UIN: P1996MH0055800  
Peer Review No.: 700/2020**

**Bhaskar Upadhyay  
Partner**

**FCS No: 8663 C P No.: 9625  
UDIN: F008663E000341545**

Place: Mumbai  
Date: May 20, 2023

#### **Annexure A**

1. The States Shops and Establishment Act ;
2. Tax Laws:
  - Professional Tax Act ;
  - Income Tax Act, 1961;
  - The Central Goods and Service Tax Act, 2017 (w.e.f. July 1, 2017);
  - The States Goods and Service Tax Acts, 2017(w.e.f. July 1, 2017);
  - Integrated Goods and Service Tax Act, 2017(w.e.f. July 1, 2017);
  - The Union Territory Goods and Service Tax Act, 2017(w.e.f. July 1, 2017);
3. Employee Laws:
  - Payment of Gratuity Act, 1972 and Payment of Gratuity (Central) Rules, 1972;
  - Payment of Bonus Act, 1965, and Payment of Bonus Rules, 1975;
  - Payment of Wages Act, 1936;
  - Minimum Wages Act, 1948;

- Employees' Provident Fund and Miscellaneous Provisions Act, 1952 & the scheme provided thereunder;
  - Employees' State Insurance Act 1948;
  - The Maternity Benefit Act, 1961;
  - The Contract Labour (Regulation & Abolition) Act, 1970 & Rules;
  - Child Labour (Prohibition and Regulation) Act, 1986;
  - The Apprentices Act, 1961 and Apprenticeship Rules, 1991 under the above Rules;
  - Labour Welfare Fund Act;
  - Equal Remuneration Act, 1976;
  - Workmen's Compensation Act, 1923;
  - Employment Standing Orders Act, 1946;
4. Indian Stamp Act, 1899 and the State Stamp Acts;
  5. Copyright Act, 1957;
  6. Prevention of Money Laundering Act, 2002;
  7. Trademarks Act, 1999;
  8. Indian Contract Act, 1872;
  9. Negotiable Instruments Act, 1881;
  10. Information Technology Act, 2000;
  11. Whistle Blowers Protection Act, 2011;
  12. Registration Act, 1908;
  13. Limitation Act, 1963;
  14. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

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**ANNEXURE TO SECRETARIAL AUDIT ISSUED FOR F.Y. 2022-23**

To,  
The Members,  
**Nilkamal Limited**

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

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

**For M/s. N. L. Bhatia & Associates**  
**Practising Company Secretaries**  
**UIN: P1996MH0055800**  
**Peer Review No.: 700/2020**

**Bhaskar Upadhyay**  
**Partner**

**FCS No: 8663 C P No.: 9625**  
**UDIN: F008663E000341545**

Place: Mumbai  
Date: May 20, 2023

**"ANNEXURE C"**

**Statement pursuant to Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014, forming part of the Directors' Report.**

**A. CONSERVATION OF ENERGY.**

During the year under review, the Group's use of Energy from Renewable Sources to the total energy consumed is 21% which has resulted in significant reduction of carbon emission by 10,411 tons.

The Company's Corporate Energy Conservation Cell, under the leadership of Operational Head, had initiated various Projects for energy conservation & utilising alternate source of Energy.

**1. Steps taken for energy conservation:**

Reduction in specific energy consumption at all our locations has been achieved resulting into reduced Carbon Emission for the current financial year by the projects mentioned herewith-

- a. Replacing Screw in Injection Molding machine resulting in saving of 0.22 Units/kg.
- b. Replacing Hydro Motor with Servo Motor in Injection Molding machine resulting in saving of 0.35 Units/kg.
- c. Sharing of best practices at each plant for benchmarking of applicable ideas has resulted in overall reduction 0.02 units/kg.

**2. Steps taken for utilising alternate energy sources:**

- a. The 4100 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.
- b. The on-going partnership with BETA Wind Energy Farms Private Limited was once again optimized for its unit's consumption leading to lower billing by TNEB thereby reducing the Carbon Emission. Further steps have been taken to increase the quantum from April 2023-24.

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.

Certification ISO9001:2015 Quality Management Systems which was there for all plants has been extended to Modular Furniture Factory. The Puducherry unit was also certified with Gold award by CII for achieving all standards of energy conservation and adopting Green company approach.

**B. TECHNOLOGY ABSORPTION.****RESEARCH AND DEVELOPMENT (R & D):**

Your Company strives to make continuous investments towards improvement in its existing product lines and undertakes development efforts in that area. Such efforts shall help your Company to achieve the set targets in a better manner, within less than required time together with providing improved quality products. This has also enhanced the development capabilities of the Company. Your Company has incurred ₹ 714.55 Lakhs, i.e. 0.23% of total turnover of the Company, towards recurring R and D expenditure. There was no expenditure of capital nature towards the same.

**TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION**

1. Efforts, in brief, made towards technology absorption, adaptation and innovation.
  - a. Purchase of new injection molding machines alongwith replacing of few of the old power consuming injection molding machines with servo powered machines to ensure least energy consumption. Robot arms have been assembled with the bigger tonnage machines to ensure smooth and fast productivity.
  - b. Using rapid prototyping technologies like SLA, Multi-Jet to make samples for testing and real-life field evaluation before making final design and mould manufacturing. Use of this technology ensures that the Company develop the designs faster with required iterations and overall product development cycle is shortened.
  - c. Automating the cabinet assembly line resulting in 20% higher productivity.

2. Benefits derived as a result of the above efforts.
  - Increased output and labour saving
  - Conservation of natural resources with prime focus on energy and water management with Zero Discharge philosophy.
  - Environment Protection for Sustainability to reduce, recycle & reuse waste.
  - Knowledge and skills sharing across Company initiatives for benchmarking the best Practices.
  - Easy and fast installation to save time, labour and cost
  - Hygienic and safe operation
  - Opportunities to expand business in new areas.
  - Product improvement, cost reduction, product development or import substitution.
3. The Company has not imported any technology or process know-how.

**FOREIGN EXCHANGE EARNINGS AND OUTGO.**

Total Foreign Exchange used and earned

( ₹ in lakhs)

<b>Particulars</b>	<b>2022-2023</b>	2021-2022
Foreign Exchange Earned	<b>6,842</b>	5,598
Foreign Exchange Used	<b>38,925</b>	33,620

**For and on behalf of the Board**Place: Mumbai  
Date: May 20, 2023**Sharad V. Parekh**  
**Chairman**

**"ANNEXURE D"****Particulars of employees pursuant to Section 134(3) (c) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

Sr. No.	Requirement under Rule 5(1)	Details		
1	Ratio of the remuneration of Managing Director, Executive Directors & other Non-Executive Directors to the median remuneration of the Company for the Financial Year	Mr. Sharad V. Parekh	Non-Executive Chairman	1.91
		Mr. Hiten V. Parekh	Managing Director	86.16
		Mr. Manish V. Parekh	Joint Managing Director	87.84
		Mr. Nayan S. Parekh	Executive Director	79.64
		Mr. Mihir H. Parekh #	Executive Director	2.52
		Mr. K. R. Ramamoorthy	Independent Director	2.18
		Mr. Mahendra V. Doshi	Independent Director	1.87
		Mr. Mufazzal S. Federal	Independent Director	1.87
		Mr. S. K. Palekar	Independent Director	1.08
		Ms. Hiroo Mirchandani	Independent Director	1.08
		Mr.K.Venkataramanan	Independent Director	1.26
		#Mr. Mihir H. Parekh stepped down from the designation of Executive Director of the Company w.e.f. June 15, 2022 and continues to contribute as a Non-Executive Director of the Company w.e.f. June 16, 2022.		
2	Percentage increase/(decrease) in remuneration of Managing Director, each Executive Director, Chief Financial Officer, & Company Secretary (Salary of 2022-2023 vis-à-vis 2021-2022)	Mr. Hiten V. Parekh	Managing Director	23.87%
		Mr. Manish V. Parekh	Joint Managing Director	28.09%
		Mr. Nayan S. Parekh	Executive Director	30.23%
		Mr. Mihir H. Parekh#	Executive Director	(76.00%)
		Mr. Paresh B. Mehta	Chief Financial Officer	28.94%
		Ms. Priti Dave	Company Secretary	14.99%
		#Mr. Mihir H. Parekh stepped down from the designation of Executive Director of the Company w.e.f. June 15, 2022 and continues to contribute as a Non-Executive Director of the Company w.e.f. June 16, 2022.		
3	Percentage increase in the median remuneration of employees in the financial year (2022-2023 vis-à-vis 2021-2022)	Median Increase – 14.58%		
4	Number of Employees as on March 31, 2023 on rolls of Company	3,493		
5	* Average percentile increase made in the salaries of employees other than the managerial personnel in last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:	12.23%		
	* Justification for variation in the average percentile increase between Non-Manual employees and Managerial employees	The increase in the managerial remuneration was as per the Industrial benchmarks and as approved by Nomination and Remuneration committee		
6	Key parameters for any variable component of remuneration availed by the Directors.	Commission: 1% of the net profit of the Company over and above the Net profit of ₹ 50 Crores for each Financial year as approved by the members at the Annual General Meeting held on August 14, 2020		
7.	Affirmation that the remuneration is as per the remuneration policy of the Company.	Remuneration is as per the Nomination and Remuneration Policy of the Company.		
8.	Percentage increase or decrease in the market quotations of the shares of the Company	Closing Market price of the Company's Equity Share on BSE decreased from ₹ 2,031.10 to ₹ 1,751.75. i.e., price decreased by 13.75%		

## MANAGEMENT DISCUSSION AND ANALYSIS

### INDUSTRY STRUCTURE AND DEVELOPMENT OPPORTUNITIES, THREATS, RISKS, CONCERNS AND OUTLOOK: -

India's GDP is projected to grow by 6.5% in FY 2023-24. Rebound of private consumption, higher capex, increased spending on contact-based services, reduction in housing market inventory, strengthening of corporate balance sheets, good health of public sector banks and willingness to increase credit supply to MSMEs are among the factors supporting the optimism in growth in India's economy.

Retail price inflation peaked at 7.4 per cent in September 2022 and have since begun to ease, helped by favourable base effects. It fell to 5.7 per cent in March 2023. Inflation is expected to gradually rolling off in FY 2023-24. This shall lead to positive impact on consumer sentiments and consequent growth in business.

- **Overview**

The Company achieved a record ₹ 3079 Crores revenue in the year under review. The Material Handling & Furniture Division grew by 14 % & 16 % respectively. The Company processed & sold approx. 1,35,000 MT in last financial year.

Although delayed by three Quarters, the Company has successfully completed the acquisition of 76.06 Acres of land for its new green field Project at Hosur. The construction of the Continuous Foam Plant, Mattress Plant and Ready furniture Plant is expected to be complete and commercial production to begin in Q1 of FY 2024-25.

The Company has successfully built in-house, the know-how of production of high volume, high quality Ready Furniture, Steel Furniture, leading to import substitution & reduction of Furniture import which will further accelerate in time to come. Current year, the Company shall process Ready Furniture of over 3 Lakhs Boards up from 1.8 Lakhs Boards processed last year. Company aims to further increase capacity to over 5 Lakhs Boards per annum in the next year. The Company shall process 3600 tonnes of Steel Furniture up from 1800 Tonnes from previous year. The Company shall produce over 50,000 Office Chairs & 12,000 Sofa sets in the current year and will continue to increase capacity year on year.

The Material Handling Division has developed Customer Centric Solutions building long term association & high stickiness with the Customer. The Racking Business saw continued increase in demand. The Company has established itself as a respected Partner for special needs of the Customer.

The Bubbleguard business has increased by 62% providing innovative solutions to the packaging, printing and develop innovative returnable packaging solutions to the automotive & logistic industry. New capacity will be added and commercial production will commence in Q1 2024-25.

#### **Sustainability**

After achieving zero water discharge & adopting renewable energy (Solar and/or wind) in all plants, the company has taken a step forward to reduce environmental impact for a sustainable future.

Use of wind energy in Hosur factory has been increased from 7 million units /annum to 10 million units/ annum. Further automation has been introduced in assembly lines resulting in improved manpower efficiency, reduced power consumption and reduced discharge.

Innovative steps have been taken to reduce greenhouse emissions & even encouraging our vendors to adopt green supply chain practices. A companywide tree plantation drive has been initiated aimed towards carbon neutral future. Considering all these steps, our Puducherry plant has received a Gold award by CII for adopting Green factory approach.

The company has also revised Energy policy to further sensitive the employees for energy conservation and making energy conservation as a decision-making criterion for investments.

#### **Plastic Division**

For the Financial Year 2022-23 the Plastic Business exhibited a volume & value growth of 8 % & 15% respectively. It has achieved total turnover of ₹ 2852 Crores as compared to ₹ 2479 Crores in the previous year.

The **furniture business** had a mixed bag of results in FY 22-23. The moulded furniture business continued its dominance with a 10 % value growth over last year. The overall moulded furniture segment continues to experience a strong competition from local/unorganized players. The bottom of the pyramid product range experienced significant price war coming from the unorganized sector. Hence, the company, over the last few years, has been focusing on improving the product mix keeping in mind the ever-changing consumer preference and moving up the value chain with a larger play in the mid to premium price segment. Going forward, the company intends to continue introducing new products based on deep consumer research and available market gaps. Additionally, the company has been continuously working towards infusing technology to improve operational efficiency. As part of the strategy, the company successfully launched its Order Management System (OMS) across its primary dealer network. This will ensure seamless visibility of stock availability and will also help in better inventory management.

The **Ready Furniture business**, comprising of knock-down furniture in wood, metal, and glass, remains a focus area for the company. The range sells across all major channel comprising of trade, retail, and e-commerce. In the last 2 years, the company had a major focus in building the retail channel for this category. The retail channel helps the company to showcase the entire product range to its prospective customer. The total count of stores now stands at 100 with an overall retail space of close to 4 lac sqft. The company plans to add another 2 lac sqft retail space in the coming year. The Ready Furniture business helps the brand pivot itself beyond plastic furniture and capture the complete home furniture segment. Hence the company has invested in building a state-of-the-art manufacturing facility for Ready Furniture. Over the last couple of years, range of products have been indigenously designed and manufactured in its facility in Hosur. Going forward the company intends to continue the "Make in India" focus which will in turn reduce the dependence on imports and will ensure price and supply consistency of the Ready furniture range. The company also intends to further leverage the existing trade channel network, that has been built over the years, to market its ready furniture range. As part of this strategy, the company will launch exclusive product range to help with a deeper penetration in the trade and large format multi-brand retail outlets.

The company experienced a setback in the **mattress** category in FY 22-23. The momentum gathered in the last couple of years on channel expansion, slowed down during last year, resulting in a flattish sale. The company is putting together an action plan to get back the growth momentum in the mattress category. Firstly, the company will work towards building a stronger brand equity in the mattress segment. including celebrity endorsement. This will help in creating a stronger brand visibility in an otherwise cluttered market and also have a positive rub off on the brand. Secondly the overall product assortment will be overhauled to ensure that the offering is sharp and customized to the consumer needs.

The **Ecommerce business** registered its highest ever numbers in FY 22-23. The consistent effort to improve the online presence has helped the business garner a 39 % growth over last year. The growth was fuelled by online exclusive product line, better customer experience, improved logistic system and a focussed investment in technology and marketing. The company continued its focus on building a strong Direct to Customer (D2C) model. The company also redesigned the brand websites to deliver a better buying experience to its customers. The company expanded the online delivery services to 4000 additional pin codes taking the total count to 12000 pin codes PAN India.

In India, the GST collections showed continuous Q on Q growth, which indicates a positive shift towards GST Compliance & Organised Businesses. This shift will immensely benefit the Company in the years to come specially to its Furniture & Mattress Business.

The Lifestyle Furniture, Furnishing and Accessories Division (**@home**) registered a revenue of ₹ 227 Crores in FY 22-23, a growth of 29% over last financial year. The division witnessed growth mainly from newly appointed franchise stores in the preceding year, online channel, and a lower base effect. @home will continue to expand its footprint through franchise, focussing in the same markets it operates its stores to rationalise costs and achieve operational efficiency. At the end of the financial year, @home had 30 stores with 17 company owned stores and 13 franchised stores across India with a total retail space of 3.5 lac sqft.

The **BubbleGUARD** product category has continued to grow at 62% in sales and 43% volume – albeit on lower base for the second year in a row as the returnable packaging market grows in India. There was an added benefit of softer raw material prices which made the solutions cost saving as well as sustainable for our customers.

The category continues to grow through innovation as we have expanded the product offering to the textile, glass and automotive industry with highly customized solutions. The division has committed capital to more than double the production and fabrication capacity.

Financial Year 2022–2023 for **Material Handling business** closed on a strong note of growth, with revenues growing by 14 %.

This business continued in its endeavor to provide value propositions in terms of protecting customers' products, improving customers' storage efficiency and increasing customers' labour productivity.

With India making a remarkable recovery from the effects of the COVID-19 pandemic, the year witnessed a surge in production activity in all industries. The Government's Production Linked Incentive schemes, higher Capital Expenditure, stabilised supply chains and revitalised consumer sentiments created a boost in demand for our crates designed to reduce reverse logistic costs, plastic pallets as well as our metal material movement and racking solutions.

Investments done over the previous years for increasing our production capacities in order to get closer to our customers proved to be timely, enabling us to provide quick & quality solutions to our customers' material handling requirements.



Sales of our products for waste management & road safety continued to see potential thanks to Government's initiatives of Swachha Bharat drive and infrastructure developments. Our WHO certified vaccine carriers were much used, not only in the World's second largest vaccination drive that was carried out in India, but also in other developing countries. Our racking business saw a growth of 24 %.

Our hospitality solutions' venture Cambro Nilkamal Private Ltd. grew by 53 %. We added many products to support safe food storage and transportation, and are now venturing to be a one stop shop for solutions for the food service industry.

As a result, this year saw us further strengthening our brand position as a "One Stop Shop for Material Handling Solutions".

However, the year also saw a hike in inflation in advanced economies induced by the pandemic affecting important ventures including some ecommerce projects. Another important concern was the Russian-Ukraine conflict leading to worldwide surge in inflation, and rise in crude prices, impacting raw material prices. These two concerns and disruptions in agriculture sector due to climatic changes will continue to be challenges to revenue growth and profitability for the Company's business as a whole.

**To Summarise :** The increasing compliance of GST and resulted shift towards organized business, stability in raw material price, relative stability in currency movement would be the positive factors, while adverse fluctuation or uncertainty in geopolitical environment and increasing inflation can be a cause for concern.

### **Financial Review**

The significant changes in the financial ratios of the Company, which are more than 25% as compared to the previous year are summarized below: -

<b>Ratio</b>	<b>Particulars</b>	<b>Financial Year 2021-22</b>	<b>Financial Year 2022-23</b>	<b>Change (%)</b>	<b>Reason for change</b>
Interest Coverage Ratio	Standalone	23.76	15.38	(35%)	Additional long-term borrowing for meeting Capex requirement  Growth in business alongwith Improved profitability & increase in operating Cash flow.
	Consolidated	24.17	16.28	(33%)	
Debt-Equity	Standalone	0.15	0.15	(1%)	
	Consolidated	0.15	0.14	(7%)	
Current Ratio	Standalone	2.83	3.15	11%	
	Consolidated	2.85	3.20	12%	
Debtors Turnover (days)	Standalone	35	37	4%	
	Consolidated	36	37		
Inventory Turnover	Standalone	77	78	1%	
	Consolidated	79	78	(1%)	
Operating Profit Margin %	Standalone	8.19%	9.75%	19%	
	Consolidated	8.32%	10.09%	21%	
Net Profit Margin %	Standalone	3.10%	3.97%	28%	
	Consolidated	3.06%	4.28%	40%	
Return on Capital Employed	Standalone	9.42%	12.82%	36%	
	Consolidated	9.05%	13.41%	48%	
Return on Net Worth	Standalone	7.37%	10.15%	38%	
	Consolidated	7.13%	10.65%	49%	

### **RISK MANAGEMENT**

The risk is inherent to the business and your Company is committed to managing the same in a proactive and efficient manner. The Company periodically assesses risks at all its locations and functions.

Product quality and services, Health, Safety, Security – Human, Technology and of other resources, external Environment, Procurement & Pricing, SCM, Working Capital, Treasury, Design & Development, Sustainability and environmental, Legal compliance are critical risk for the Company. The Company has a mitigation plan in place to identify such risks, its management through continuous monitoring and mitigating actions. This ensures business continuity and value creation on sustainable basis.

### **INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY**

The Company have placed internal financial controls in the form of procedures and policies. The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations.

The annual audit plan duly approved by Audit Committee aims to evaluate the efficacy and adequacy of said internal controls placed by the Company and its compliance(s) across all the locations. Internal Audit department with the help of the external professional agencies carries out the said responsibility.

Based on the reports of internal audit, process owners undertake corrective action in their respective areas. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

The Management is of the opinion that your Company maintained effective internal control over financial reporting.

**Human Resources and Industrial Relations**

Your Company's industrial relations continued to be harmonious during the year under review. The employee strength of your Company is currently 3493.

**Cautionary Statement**

The Management Discussions and Analysis Statement made above are on the basis of available data as well as certain assumptions as to the economic conditions, various factors affecting raw material prices, selling prices, trend and consumer demand and preference, governing and applicable laws and other economic and political factors. The management cannot guarantee the accuracy of the assumptions and projected performance of the Company in future. It is therefore, cautioned that the actual results may differ from those expressed and implied therein.

## REPORT ON CORPORATE GOVERNANCE

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

Your Company continuously strives to strengthen its governance to generate long-term value for its various stakeholders on a sustainable basis thus ensuring ethical and responsible leadership both at the Board and the Management levels. The Company is committed to transparency in all its dealings and places emphasis on business ethics. Your Company has all the process, protocols and system of Corporate Governance and has been following fair, transparent and ethical governance practices for enhancing long-term shareholder value and retaining investor confidence and trust.

Corporate Governance is an on-going process that ensures the affairs of the Company are managed with proper accountability, fairness and transparency to the core of its sense. This also helps and enables the Board and Management to achieve the goals and objectives effectively for the benefit of the Company and its Stakeholders including Customers, Shareholders, Creditors and Employees.

In terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('SEBI Listing Regulations'), the details of compliance for the year ended March 31, 2023 are as follows:

### 2. BOARD OF DIRECTORS

#### The Composition of the Board

The Board of Directors ('Board') of the Company comprises an optimum combination of Executive and Non-Executive Directors, including an Independent Woman Director in accordance with the provisions of the Companies Act, 2013 ('the Act') and the SEBI Listing Regulations as amended from time to time. As at the end of the financial year 2023, the total Board strength comprises eleven Directors, out of which six are Non-Executive Independent Directors, one Non-Executive Non-Independent Director and one Non-Executive Chairman and three Executive Directors. The Company also has a Chairman Emeritus (non-director).

The Independent Directors do not have any material pecuniary relationship or transactions with the Company, Promoters or Management, which may affect their judgement in any manner. The Directors are eminently qualified and experienced professionals in industrial, managerial, business, finance, marketing and corporate management that allow them to make effective contribution to the Board and its Committees. The Directors attend the meetings and actively participate in the deliberations by providing valuable guidance to the Management on various aspects of business, policy direction, governance, compliance etc. which adds value in the decision making process of the Board of Directors. The Board sets out the overall corporate objectives and provides direction and independence to the management to achieve these objectives for value creation through sustainable profitable growth. The Board meets at least once in a quarter to consider amongst other matters, the quarterly operational performance of the Company and financial results.

In the opinion of the Board, the Independent Directors fulfil the conditions of independence specified in the Act and the SEBI Listing Regulations and are independent of the management.

Further, none of the Directors on the Board is a member in more than ten Committees or Chairman of five Committees (committees being Audit Committee and Stakeholders Relationship Committee) across all the Indian Public Companies in which he/she is a Director. Necessary disclosures regarding their Committee positions have been made by all the Directors.

None of the Directors hold office in more than ten Public Companies. None of the Independent Directors of the Company serve as an Independent Director in more than seven listed companies. All Directors are also in compliance with the limit on Independent Directorships of listed companies as prescribed under Regulation 17A of the SEBI Listing Regulations.

#### **Composition/ Category of Directors/ Attendance at Meetings as on March 31, 2023: -**

Name of the Director	Category of Directorship	No. Of. Board Meeting attended	Attendance at the last AGM held on July 16, 2022
Ms. Hiroo Mirchandani DIN : 06992518	Independent, Non-Executive Director	4	Yes
Mr. K. R. Ramamoorthy DIN : 00058467	Independent Non-Executive Director	4	Yes
Mr. K. Venkataramanan DIN : 00001647	Independent, Non-Executive Director	3	Yes
Mr. Mahendra V. Doshi DIN : 00123243	Independent, Non-Executive Director	4	No

Name of the Director	Category of Directorship	No. Of Board Meeting attended	Attendance at the last AGM held on July 16, 2022
Mr. Mufazzal Federal DIN : 03409798	Independent, Non-Executive Director	4	No
Mr. S. K. Palekar DIN : 01723670	Independent, Non-Executive Director	4	Yes
Mr. Hiten V. Parekh DIN : 00037550 <i>Managing Director</i>	Executive Director-Promoter/Promoter Group	4	Yes
Mr. Manish V. Parekh DIN : 00037724 <i>Joint Managing Director</i>	Executive Director-Promoter/Promoter Group	4	Yes
*Mr. Mihir H. Parekh DIN : 07308466 <i>Non-Executive Director</i>	Non-Executive - Non-Independent, Director-Promoter/Promoter Group	3	Yes
Mr. Nayan S. Parekh DIN : 00037597 <i>Executive Director</i>	Executive Director-Promoter/Promoter Group	4	Yes
Mr. Sharad V. Parekh DIN : 00035747 <i>Chairman</i>	Non Executive - Non-Independent Director/Promoter/Promoter Group	4	Yes

\*Note: Mr. Mihir H. Parekh stepped down from the designation of Executive Director of the Company w.e.f. June 15, 2022.

**Number of directorships / committee memberships held by the Directors of the Company in other Companies including the names of the other listed entities where the Director is a Director and the category of their directorship as on March 31, 2023:-**

Name of the Director	Number of directorship in other public Companies*	Committee Chairmanship and Membership*		Names of other Listed Companies in which he/she holds Directorship and category of Directorship	No. of Shares and convertible instruments held by Non-Executive Directors
		Chairman-ship**	Member-ship**		
Ms. Hiroo Mirchandani DIN : 06992518	4	1	4	1. Crompton Greaves Consumer Electricals Ltd. – Independent, Non-Executive Director 2. Tata Teleservices (Maharashtra) Limited – Independent, Non-Executive Director 3. MedPlus Health Services Limited – Independent, Non-Executive Director	Nil
Mr. K. R. Ramamoorthy DIN : 00058467	3	2	4	1. Subros Limited - Independent Non-Executive Director 2. Amrit Corp. Limited – Independent, Non-Executive Director 3. Ujjivan Financial Services Limited - Independent, Non-Executive Director	Nil
Mr. K. Venkataraman DIN : 00001647	1	-	1	-	Nil
Mr. Mahendra V. Doshi DIN : 00123243	7	1	3	1. Graviss Hospitality Limited – Independent, Non-Executive Director 2. LKP Finance Limited – Chairman, Executive Director 3. LKP Securities Limited – Non-Independent, Non Executive Director	7,200
Mr. Mufazzal Federal DIN : 03409798	-	-	-	-	Nil
Mr. S. K. Palekar DIN : 01723670	-	-	-	-	Nil

Name of the Director	Number of directorship in other public Companies*	Committee Chairmanship and Membership*		Names of other Listed Companies in which he/she holds Directorship and category of Directorship	No. of Shares and convertible instruments held by Non-Executive Directors
		Chairman-ship**	Member-ship**		
Mr. Hiten V. Parekh DIN : 00037550 <i>Managing Director</i>	#1	-	-	-	NA
Mr. Manish V. Parekh DIN : 00037724 <i>Joint Managing Director</i>	#1	-	-	-	NA
Mr. Mihir H. Parekh DIN : 07308466 <i>Non-Executive Director</i>	-	-	-	-	2,31,900
Mr. Nayan S. Parekh DIN : 00037597 <i>Executive Director</i>	#1	-	-	-	NA
Mr. Sharad V. Parekh DIN : 00035747 <i>Chairman</i>	-	-	-	-	120,800

\* Excludes Directorship and Committee chairmanship / membership in Private Companies, Foreign Companies, Section 8 Companies and Nilkamal Limited.

# Includes Directorship in Nilkamal Storage Systems Private Limited (NSSPL), being deemed to be public limited Company since it is subsidiary of Nilkamal Limited. However, the said Subsidiary was Amalgamated with the Company effective from April 22, 2023.

\*\* Only Audit Committee and Stakeholder's Relationship Committee of Public Limited Company (whether listed or not) has been consider as per Regulation 26(1) of the SEBI Listing Regulations.

#### **Separate Meeting of Independent Directors**

In Compliance with the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Independent Directors Meeting of the Company was held on February 14, 2023. The Independent Directors discussed and reviewed the matters specified in Regulation 25(4) of the SEBI Listing Regulations.

Mr. Mufazzal S. Federal Chaired the meeting of Independent Directors.

Attendance of Independent Directors in Independent Directors Meeting:

Directors	Meetings held during Year	Meetings Attended
Ms. Hiroo Mirchandani	1	1
Mr. K. R. Ramamoorthy	1	1
Mr. K. Venkataramanan	1	1
Mr. Mahendra V. Doshi	1	1
Mr. Mufazzal Federal	1	1
Mr. S. K. Palekar	1	1

#### **Details of Familiarisation programmes imparted to Independent Directors**

As a part of familiarization programme, the Board members are provided with necessary documents, reports, internal policies, amendments to the various enactments, statutory laws, etc., to enable them to familiarise themselves with the Company's operations. Periodic presentations are made at the Board and Board Committee Meetings, on business and performance updates of the Company, updates on products of the Company, Company plans and strategies, budgets, risk management mechanism, investments, fund flows, operations of subsidiaries and associates etc. The details pertaining to the familiarisation program can be accessed at the Company's weblink at <https://nilkamal.com/wp-content/uploads/2023/05/Familiarization-Programme-For-Independent-Directors-2022-23.pdf>

In addition to the same, any new Independent Director is welcomed to the Board of Directors of the Company by sharing a tool kit containing various policies of the Company for his reference.

**Number of Board Meetings held and the dates on which held**

There were four Board Meetings of the Company held during the financial year 2022-2023 on the following dates: May 23, 2022, July 29, 2022, November 10, 2022 and February 14, 2023.

**Inter-se Relationship**

Mr. Hiten V. Parekh and Mr. Manish V. Parekh are brothers, Mr. Mihir H. Parekh is son of Mr. Hiten V. Parekh and Mr. Nayan S. Parekh is son of Mr. Sharad V. Parekh.

Except the above there are no inter-se relationships among the Directors.

**Criteria for Board membership**

The Board has adopted the Nomination and Remuneration Policy which includes the criteria for selection of board members and their remuneration to ensure that the Board composition is balanced with the requisite skillsets, so that the Company benefits from new insights, guidance and challenges to business proposals. The Policy outlines the appointment criteria and qualifications of the Directors on the Board of Company and the matters related to remuneration of the Directors. The said Policy is available on the Company's website at [https://nilkamal.com/wp-content/uploads/2019/01/Nomination-and-Remuneration-Policy\\_11052018.pdf](https://nilkamal.com/wp-content/uploads/2019/01/Nomination-and-Remuneration-Policy_11052018.pdf)

In terms of the requirement of the SEBI Listing Regulations, the Board has identified the core skills/expertise/competencies of the Directors in the context of the Company's business for effective functioning and as available with the Board. These are as follows:

S r. No.	Areas of expertise Required	Skill areas actually available with the Board										
		Hiroo Mirchandani	K. R. Ramamoorthy	K. Venkataramanan	Mahendra V. Doshi	Mufazzal Federal	S. K. Palekar	Hiten V. Parekh	Manish V. Parekh	Mihir H. Parekh	Nayan S. Parekh	Sharad V. Parekh
1.	<b>Strategy and planning</b> - Ability to think strategically; identify and critically assess strategic opportunities and threats. Develop effective strategies in the context of the strategic objectives of the Company, relevant policies and priorities.	√	√	√	√		√	√	√	√	√	√
2.	<b>Governance, Risk and Compliance</b> - Experience in the application of corporate governance principles. Ability to identify key risks to the Company in a wide range of areas including legal and regulatory compliance.	√	√	√		√		√	√		√	
3.	<b>Financial</b> - Comprehensive understanding of financial accounting, reporting and controls and analysis	√	√	√	√		√	√	√	√	√	√
4.	<b>Sales, Marketing &amp; Brand building</b> - Experience in developing strategies to grow sales and market share, build brand awareness and equity, and enhance enterprise reputation.	√					√	√	√	√	√	√

**Code of Conduct:**

The Company has a defined code of conduct for its Directors and Senior Management Personnel and the same is uploaded on the website, web-link of which is <https://nilkamal.com/wp-content/uploads/2019/01/Code-of-Conduct-for-Board-of-Directors-and-Senior-Management.pdf>

As on March 31, 2023, all the Board Members and Senior Management of the Company have affirmed compliance with the Code of Conduct.

**COMMITTEES OF THE BOARD OF DIRECTORS**

The Company is in compliance with the provisions of the Companies Act, 2013 and the Listing Regulations with regard to constitution of the Board Committees. The composition, terms of reference, duties and responsibilities of each of the Board Committee is in accordance with the provisions of the Companies Act, 2013 and the SEBI Listing Regulations.

The Board Committees play a crucial role in the governance structure of the Company and they deal with specific areas of concern for the Company that need a closer review. The Committees operate under the direct supervision of the Board and Chairpersons of the respective committees report to the Board about the deliberations and decisions taken by the Committees. The recommendations of the Committees are submitted to the Board for approval. Minutes of proceedings of the Committee meetings are circulated to the respective Committee members of the Board and placed before Board meeting for noting.

The Board has constituted the following Committees to take informed decisions in the best interests of the Company in accordance with the provisions of the Companies Act, 2013 and the SEBI Listing Regulations:

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

**3. AUDIT COMMITTEE**

The composition of the Audit Committee and the scope of its activities and powers are in conformity with and includes the areas prescribed under the Regulations 18 of the SEBI Listing Regulations and Section 177 of the Companies Act, 2013 and the rules framed thereunder. The Board reviews the working of the Committee from time to time to bring about greater effectiveness in order to comply with the various requirements under the Act and SEBI Listing Regulations, 2015. The Audit Committee comprises of four Non-Executive Directors who are well versed with the financial matters and corporate laws.

The Audit Committee met four times on: May 23, 2022, July 29, 2022, November 10, 2022 and February 14, 2023. The necessary quorum was present for all the meetings. The Chairman of the Audit committee was present at the last Annual General Meeting of the Company held on July 16, 2022.

**Details of the composition of the Audit Committee and attendance of the Members are as follows:**

Name	Category	Designation	No. of Meetings	
			Held	Attended
Mr. K. R. Ramamoorthy	Independent, Non- Executive	Chairman	4	4
Mr. Mahendra V. Doshi	Independent, Non-Executive	Member	4	4
Mr. Mufazzal Federal	Independent, Non-Executive	Member	4	4
Mr. Sharad V. Parekh	Non-Executive	Member	4	4

The Company Secretary acts as the Secretary to the Committee.

The Audit Committee invites the Managing Director, Executive Directors, Senior Executives representing various functional areas of the Company, Statutory Auditors and Internal Auditors at its Meetings.

The terms of reference of the Audit Committee (AC) covers the areas mentioned in Section 177 of the Act and Regulation 18 read with Part C of Schedule II to the SEBI Listing Regulations. The scope and terms of reference of the said committee have been widened in line with the amendments made to SEBI Listing Regulations. The brief terms of reference of the AC, inter-alia includes the following:

1. Audited and Un-audited financial results;
2. Internal Audit reports, risk management policies and reports on internal control system;
3. Discusses the larger issues that are of vital concern to the Company including adequacy of internal controls and adequacy of provisions for liabilities, etc.;
4. Transactions proposed to be entered into by the Company with related parties and approves such transactions including any subsequent modifications thereto;
5. Functioning of Whistle Blower Policy; and
6. Recommends proposals for appointment and remuneration payable to the Statutory Auditor and Internal Auditors and also the proposal for appointment of Chief Financial Officer. The Audit Committee also reviews adequacy of disclosures and compliance with all relevant laws.

In addition to the aforesaid, the Committee also looks into the matters as are specifically referred to it by the Board of Directors besides looking into the mandatory requirements of the SEBI Listing Regulations as amended from time to time and that of the Act.

#### 4. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee presently consists of three Non-Executive Directors, all being Independent. The Committee met one time in 2022-2023 on May 23, 2022. The necessary quorum was present for the said meeting. The Chairman of the Nomination and Remuneration Committee was present at the last Annual General Meeting of the Company held on July 16, 2022. The composition of the Committee during the FY 2022-23 and the details of meetings held and attended by the members are as under:

Name	Category	Designation	No. of Meetings	
			Held	Attended
Mr. K. R. Ramamoorthy	Independent, Non- Executive	Chairman	1	1
Mr. Mahendra V. Doshi	Independent, Non-Executive	Member	1	1
Mr. Mufazzal Federal	Independent, Non-Executive	Member	1	1

The Company Secretary acts as the Secretary to the Committee.

The terms of reference of the Nomination and Remuneration Committee (NRC) covers the areas mentioned in Section 178 of the Act and Regulation 19 read with Part D (A) of Schedule II to the SEBI Listing Regulations. The scope and terms of reference of the said committee have been widened in line with the amendments made to SEBI Listing Regulations. The terms of reference of the NRC, inter-alia are as follows:

- 1) To formulate the criteria for determining qualifications, competencies, positive attributes and independence for appointment of a Director and recommend to the Board, policies relating to the remuneration of the Directors, Key Managerial Personnel and other employees;
- 2) To 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.
- 3) To identify 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 their appointment and removal;
- 4) To formulate the criteria for evaluation of the Independent Directors and the Board;
- 5) To devise a policy on Board diversity.
- 6) Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
- 7) Recommend to the board, all remuneration, in whatever form, payable to senior management.

#### Performance evaluation:

Pursuant to the provisions of the Companies Act, 2013 and the applicable provisions of the SEBI Listing Regulations, the Annual Performance Evaluation was carried out for the financial year 2022 -23 by the Board in respect of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration, Stakeholders' Relationship, Risk Management, Board's Management, Share Transfer and Corporate Social Responsibility Committees. A structured questionnaire covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance was prepared and circulated after taking into consideration the Guidance note issued by SEBI vide circular no, CMD/ CIR/P/2017/004 dated 05.01.2017 as well as the performance evaluation criteria formulated by the NRC for Board, Committees of Board, Chairman and Directors.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board who were evaluated on parameters such as guidance/ support to management outside Board/ Committee meetings, degree of fulfilment of key responsibilities, effectiveness of meetings etc. The performance evaluation of the Independent Directors was carried out by the entire Board.

The Independent Directors expressed their satisfaction with the evaluation process, the Board's freedom to express its views on matters transacted at the Meetings and the openness and transparency with which the Management discusses various subject matters specified on the agenda of Meetings. The consolidated evaluation report of the Board, based on inputs received from the Directors was discussed at the Meeting of the Board held on February 14, 2023 and the action areas identified in the process are being implemented to ensure a better interface at the Board/ Management level.



**Remuneration to Directors:**

The Company has a well-defined policy for the remuneration of the Directors, Key Managerial Personnel and other employees. The said policy was reviewed and approved by the Board at its meeting held on May 11, 2018 based upon the recommendation of the Nomination and Remuneration Committee. The said policy is set out on the website of the Company at [https://nilkamal.com/wp-content/uploads/2019/01/Nomination-and-Remuneration-Policy\\_11052018.pdf](https://nilkamal.com/wp-content/uploads/2019/01/Nomination-and-Remuneration-Policy_11052018.pdf)

The Board of Directors / Nomination and Remuneration Committee is authorized to decide the remuneration of the Executive Directors, subject to the approval of the members. The remuneration structure comprises of salary, perquisites, retirement benefits as per law / rules and commission which is linked to the performance of the Company.

Annual increments are decided by the Board of Directors within the salary scale approved by the members. Mr. Hiten V. Parekh, Managing Director, Manish V. Parekh, Joint Managing Director and Mr. Nayan S. Parekh, Executive Director are individually entitled to commission to the extent of 1% of the net profits of the Company over and above the net profits of ₹ 50.00 crores.

The agreement with the Executive Directors is for a specified period. Either party to the agreement is entitled to terminate the agreement by giving not less than three months' notice in writing to the other party. Further, in case of termination of agreement by the Company, a severance fee of three months' remuneration shall be paid.

The Company does not have a scheme for grant of stock options.

The Company has a policy for determining the remuneration of the Non-Executive Directors of the Company. The Company remunerates its Non-Executive Directors by way of sitting fees for attending each meeting of the Board and / or Committee, and the same is paid within the limits laid down in the Companies Act, 2013 read with the Rules framed thereunder. The remuneration determined for the Non-Executive Directors is subject to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors.

The Non-Executive Directors are paid sitting fee of ₹ 1,00,000 per meeting for attending Board Meeting, ₹ 75,000 per meeting for Audit Committee Meeting, ₹ 50,000 per meeting for Risk Management Committee Meeting, ₹ 50,000 per meeting for separate meeting of Independent Directors, ₹ 30,000 per meeting for Nomination and Remuneration Committee Meeting, ₹ 25,000 per meeting for Stakeholders Relationship Committee Meeting and ₹ 15,000 per meeting for Corporate Social Responsibility Committee Meeting.

**The details of remuneration paid to the Directors for the financial year 2022-2023 are given below:**

Name of the Director	Salary & perquisites (₹)	Commission for the FY 2022-2023 (payable in FY 2023-2024)	Sitting fees (₹)	Total (₹)	No. of Shares held as on 31-03-2023
Ms. Hiroo Mirchandani	N.A.	N.A.	4,50,000	4,50,000	Nil
Mr. K. R. Ramamoorthy	N.A.	N.A.	9,10,000	9,10,000	Nil
Mr. K. Venkataramanan	N.A.	N.A.	5,25,000	5,25,000	Nil
Mr. Mahendra V. Doshi	N.A.	N.A.	7,80,000	7,80,000	7,200
Mr. Mufazzal S. Federal	N.A.	N.A.	7,80,000	7,80,000	Nil
Mr. S. K. Palekar	N.A.	N.A.	4,50,000	4,50,000	Nil
Mr. Hiten V. Parekh	2,76,47,410	1,21,25,000	N.A.	3,97,72,410	18,01,738
Mr. Manish V. Parekh	2,85,34,742	1,21,25,000	N.A.	4,06,59,742	15,16,043
Mr. Mihir H. Parekh	10,54,192	Nil	2,00,000.	12,54,192	2,31,900
Mr. Nayan S. Parekh	2,53,16,047	1,21,25,000	N.A.	3,74,41,047	22,02,344
Mr. Sharad V. Parekh	N.A.	Nil	8,00,000	8,00,000	1,20,800

**Notes:**

- Salary & perquisites to Executive Directors includes House rent allowances, leave travel allowances, leave encashment, retiral benefits and car perks.
- Sitting fees include fees for attending the Board Meetings, Audit Committee Meetings, Nomination and Remuneration Committee Meetings, Corporate Social Responsibility Committee Meeting, Stakeholder's Relationship Committee Meeting, Risk Management Committee Meeting and Independent Director's Meeting. Besides, the Company also reimburses the out of pocket expenses incurred by the Directors for attending meetings of the Company.
- The Independent Directors do not have any material pecuniary relationship or transactions with the Company, Promoters or Management, which may affect their judgement in any manner.

**5. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

The Corporate Social Responsibility Committee is constituted pursuant to section 135 of the Companies Act 2013. The Committee met two times in FY 2022-2023 on May 23, 2022 and February 14, 2023. The necessary quorum was present for both the meetings. The composition and details of the meetings attended by the members are given below:

Name	Category	Designation	No. of Meetings	
			Held	Attended
Mr. K. R. Ramamoorthy	Independent, Non- Executive	Chairman	2	2
Mr. Hiten V. Parekh	Executive	Member	2	2
Mr. Nayan S. Parekh	Executive	Member	2	2

The Company Secretary acts as the Secretary to the Committee.

The terms of reference of the Corporate Social Responsibility Committee (CSR) inter-alia are as follows:

- Formulate and recommend to the Board a CSR Policy which shall indicate the activities to be undertaken by the Company in accordance with the provisions of Schedule VII of the Companies Act, 2013.
- Formulate and recommend to the Board an Annual action plan in pursuance to the CSR Policy.
- Recommend to the Board the Amount of expenditure to be incurred on the activities referred to in the CSR policy.
- Monitor the CSR Policy and its implementation from time to time.

The Annual action plan should consist of list of approved projects or programs to be undertaken within the purview of Schedule VII of the Companies Act, 2013, manner of execution of such projects, modalities of fund utilization and implementation schedules, monitoring and reporting mechanism for the projects, and details of need and impact assessment, if any, for the projects to be undertaken.

**6. STAKEHOLDERS' RELATIONSHIP COMMITTEE**

The Company's Stakeholders' Relationship Committee is responsible for the satisfactory redressal of investor complaints. During the year under review, the Committee met four times on May 23, 2022, July 29, 2022, November 10, 2022 and February 14, 2023. The composition and details of the meetings attended by the members are given below:

Name	Category	Designation	No. of Meetings	
			Held	Attended
Mr. Sharad V. Parekh	Non-Executive	Chairman	4	4
Mr. K. Venkataramanan	Independent, Non- Executive	Member	4	3
Mr. Hiten V. Parekh	Executive	Member	4	4

Ms. Priti P. Dave, Company Secretary is the "Compliance Officer" who oversees the redressal of the investors' grievances.

The terms of reference of the Stakeholders Relationship Committee (SRC) covers the areas mentioned in Section 178 (5) of the Act and Regulation 20 read with Part D (B) of Schedule II to the SEBI Listing Regulations.

The terms of reference of the SRC, inter-alia are as follows:

- 1) Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- 2) Review of measures taken for effective exercise of voting rights by shareholders.
- 3) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- 4) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

**Investor Grievances / Complaints**

The details of the Investor Complaints received and resolved during the Financial Year ended March 31, 2023 are as follows:

Opening Balance	No of Complaints Received	No. of Complaints Resolved	No of Complaints Pending
0	3	3	0

Further for the financial year ended March 31, 2023, the Company had not received any investors' complaints with respect to the Non-Convertible debentures issued by the Company.

The Company has assigned transfer and dematerialisation work relating to the shares and/or debentures to M/s. Link Intime India Private Limited, Registrar and Transfer Agents. As on March 31, 2023 there was 1 dematerialisation requests for 42 Equity Shares which was pending for approval with the Registrars.

## 7. RISK MANAGEMENT COMMITTEE

The Risk Management Committee consists of three Executive Directors and two Independent Directors. The Committee met two times in FY 2022-2023 on August 2, 2022 and January 25, 2023. The necessary quorum was present for both the meetings. The composition of the Committee during the year and the details of meetings held and attended by the members are as under:

Name	Category	Designation	No. of Meetings	
			Held	Attended
Mr. K. Venkataramanan	Independent, Non- Executive	Chairman	2	2
Mr. K. R. Ramamoorthy	Independent, Non- Executive	Member	2	2
Mr. Hiten V. Parekh	Executive	Member	2	2
Mr. Manish V. Parekh	Executive	Member	2	2
Mr. Nayan S. Parekh	Executive	Member	2	2

The Chief Financial Officer is a permanent invitee to the meeting. Other senior executives and members of the external agencies are invited as and whenever necessary. The Company Secretary acts as the Secretary to the Committee.

The terms of reference of the Risk Management Committee (RMC) covers the areas mentioned Regulation 21 read with Part D (C) of Schedule II to the SEBI Listing Regulations. The scope and terms of reference of the said committee have been widened in line with the amendments made to SEBI Listing Regulations. The terms of reference of the RMC, inter-alia are as follows:

1. To formulate a detailed risk management policy which shall include:
  - a. A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
  - b. Measures for risk mitigation including systems and processes for internal control of identified risks.
  - c. Business continuity plan.
2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
4. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
5. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
6. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.
7. Carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification as may be applicable.

## 8. GENERAL BODY MEETINGS

**Details of the location of the last three Annual General Meetings (AGM) and details of the special resolutions passed:**

Annual General Meeting (AGM)	Date	Time	Venue	Special Resolution Passed
36 <sup>th</sup> AGM	16-07-2022	11.00 a.m.	Through two way Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	<ol style="list-style-type: none"> <li>1. Approve borrowing limit not exceeding ₹ 1,500 crore or aggregate of paid-up share capital, free reserves and securities premium, whichever is higher.</li> <li>2. Approve creation of charge on the assets upto the borrowing limits approved under Section 180(1)(c) of the Companies Act, 2013.</li> </ol>

35 <sup>th</sup> AGM	04-08-2021	11.00 a.m.	Through two way Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	Redesignation of Mr. Manish V. Parekh (DIN: 00037724) as a Joint Managing Director effective from February 9, 2021 for the remaining period of his tenure i.e. upto March 31, 2025 at the existing terms and conditions as applicable to his appointment as Executive Director including remuneration thereof.
34 <sup>th</sup> AGM	14-08-2020	11.00 a.m.	Through two way Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	<ol style="list-style-type: none"> <li>1. Adoption of new set of Articles of Association (AOA) as per Companies Act, 2013.</li> <li>2. Appoint Mihir Parekh (DIN: 07308466) as an Executive Director for a period of five years effective from February 1, 2020 to January 31, 2025 and approve his remuneration alongwith other terms and conditions of his appointment together with Continuation of payment of remuneration to Executive Directors who are Promoters in excess of threshold limits as per SEBI (LODR) (Amendment) Regulations, 2018.</li> <li>3. Re-appoint Mr. K. Venkataramanan (DIN: 00001647) as an Independent Director for five years effective from August 14, 2020 to August 13, 2025 and approve the continuation of his Directorship since he is above 75 years of age.</li> <li>4. Re-appoint Mr. Sharad V. Parekh (DIN: 00035747) as a Managing Director effective from April 1, 2020 till the close of business hours on August 14, 2020 and approve his remuneration alongwith other terms and conditions of his appointment together with Continuation of payment of remuneration to Executive Directors who are Promoters in excess of threshold limits as per SEBI (LODR) (Amendment) Regulations, 2018.</li> <li>5. Appoint Mr. Sharad V. Parekh (DIN: 00035747) as a Non-Executive Director to be designated as the Chairman of the Company effective from August 15, 2020, not liable to retire by rotation and continuation of his directorship since he is above 75 years of age.</li> <li>6. Re-appoint Mr. Hiten V. Parekh (DIN: 00037550) as a Joint Managing Director effective from April 1, 2020 till the close of business hours on August 14, 2020 and as a Managing Director effective from August 15, 2020 till March 31, 2025 and approve his remuneration alongwith other terms and conditions of his appointment together with Continuation of payment of remuneration to Executive Directors who are Promoters in excess of threshold limits as per SEBI (LODR) (Amendment) Regulations, 2018.</li> <li>7. Re-appoint Mr. Manish V. Parekh (DIN: 00037724) as an Executive Director effective from April 1, 2020 to March 31, 2025 and approve his remuneration alongwith other terms and conditions of his appointment together with Continuation of payment of remuneration to Executive Directors who are Promoters in excess of threshold limits as per SEBI (LODR) (Amendment) Regulations, 2018.</li> <li>8. Re-appoint Mr. Nayan S. Parekh (DIN: 00037597) as an Executive Director effective from April 1, 2020 to March 31, 2025 and approve his remuneration alongwith other terms and conditions of his appointment together with Continuation of payment of remuneration to Executive Directors who are Promoters in excess of threshold limits as per SEBI (LODR) (Amendment) Regulations, 2018.</li> </ol>

All special resolutions set out in the Notices for the Annual General Meetings were passed by the Members at the respective meetings with requisite majority.

#### **Postal Ballots**

No resolutions were passed through postal ballot during the last financial year.

### **9. DISCLOSURES**

#### **a) Related Party Transactions**

The Company has formulated a policy on Materiality of and dealing with Related Party Transactions. The Policy is available on the website of the Company at the link <https://nilkamal.com/wp-content/uploads/2019/03/Policy-On-Materiality-of-and-Dealing-With-Related-Party-Transactions.pdf>

There were no materially significant transactions with the related parties that had potential conflict with the interest of the Company. All these transactions are in the normal course of business and are carried out on an arm's length basis.

#### **b) Compliance**

During the Financial year 2022-23, BSE Limited vide its email dated September 27, 2022 levied a penalty of ₹ 158,120/- for Non-submission of statement indicating the utilization of issue proceeds/ material deviation in the use of proceeds in accordance with Regulation 52(7) of the Listing Regulations for the quarter ended March, 2022. The Company has applied for a withdrawal of the said liability as the Company did not have any unutilised issue proceeds as on March 31, 2022 and accordingly no filing/disclosure was required to be made in this regard.

Apart for the above, there was no non-compliance by the Company nor any penalties or strictures were imposed on the Company by the Stock Exchanges or Securities and Exchange Board of India (SEBI), or any statutory authority on any matter related to the capital markets during the last three years.

#### **c) Code of Conduct for Prevention of Insider Trading**

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, the Company has adopted the Code of Conduct for Prevention of Insider Trading to regulate the dealing in securities by the directors and employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of the Company's shares by the directors and employees while in possession of unpublished price sensitive information in relation to the Company or its securities.

The Company has appointed the Company Secretary as the Compliance Officer to ensure compliance of the said Code by all the directors and employees likely to have access to unpublished price sensitive information.

#### **d) Whistle Blower Policy**

Pursuant to Section 177(9) and 177(10) of the Companies Act, 2013 and the provisions of SEBI Listing Regulations, the Company has a Whistle Blower Policy for establishing a vigil mechanism for Directors and employees to report genuine concerns regarding unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The said mechanism also provides for adequate safeguards against victimisation of persons who use such mechanism and makes provision for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases. We affirm that no employee of the Company was denied access to the Audit Committee. The said Whistle Blower Policy has been hosted on the website of the Company at the link <https://nilkamal.com/wp-content/uploads/2019/01/Whistle-Blower-Policy-1.pdf>

#### **e) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements under the SEBI Listing Regulations**

During the year, the Company has complied with the mandatory requirements as stipulated in SEBI Listing Regulations.

With respect to the compliance with the non-mandatory requirements pursuant to Regulation 27(1) of the SEBI Listing Regulations, the Company has adopted the following non-mandatory requirements:

The quarterly results along with the press release are uploaded on the website of the Company at <https://nilkamal.com/unaudited-financial-results/>. The soft copy of the quarterly results is also sent to the shareholders who have registered their e-mail addresses.

The Chairman being Non-Executive Director, an office is made available for his use during his visits to the Company and is reimbursed the expenses incurred towards the performance of his duties.

During the year under review, there was no audit qualification on the Company's financial statements. Your Company continues to adopt best practices to ensure a regime of unmodified audit opinion.

The position of Chairperson of Board and the Managing Director are separate.

The Internal Auditor of the Company reports to the Chief Financial Officer and has direct access to the Audit Committee.

**f) Material Subsidiary**

During the year ended March 31, 2023, Nilkamal Storage Systems Private Limited (NSSPL), the 100% wholly owned Subsidiary of the Company was a Material unlisted Subsidiary of the Company. However, vide order of National Company Law Tribunal, Ahmedabad Bench and National Company Law Tribunal, Mumbai Bench true copy of which is received on April 12, 2023 and March 15, 2023 respectively, approved the Scheme of Amalgamation of NSSPL with Nilkamal Limited and its respective Shareholders under section 230 and 232 of the Companies Act, 2013. The said Scheme is made effective from April 22, 2023. The appointed date for the said Scheme was October 1, 2022.

The Company has framed the policy for determining material subsidiary as required by under Regulation 16 of the SEBI Listing Regulation and the same is disclosed on the Company's website. The weblink is <https://nilkamal.com/wp-content/uploads/2019/01/Policy-on-determining-material-subsiidiary.pdf>.

**g) Commodity Price Risk / Foreign Exchange Risk and Hedging activities**

The Company is exposed to foreign exchange risk on account of import and export transactions and the same is proactively mitigated by entering into commensurate hedging transactions as per the Company's Enterprise Risk Management Policy. The ECB loans are fully hedged by way of a currency and interest rate swap.

Further there is no financial hedge instrument available for mitigating the price risk associated with the Commodity – Raw Material of the Company, however the same is being managed by adopting appropriate Procurement and inventory strategy based on historical experience gained.

**h) Certificate from Company Secretary in practice**

The Company has received a certificate from M/s. N. L. Bhatia & Associates, Practising Company Secretaries, Mumbai that none of the Directors on the board of the company have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Board/Ministry of Corporate Affairs or any such statutory authority. The Certificate of Company Secretary in practice is annexed herewith as a part of the report.

**i) During the financial year 2022-23, the Board has accepted all the recommendations of its Committees.**

**j) Details of utilization of funds raised through preferential allotment or qualified institutions placement**

The Company did not raise any funds through preferential issue or qualified institutions placement during the financial year 2022-23.

**k) Details of workplace sexual harassment complaints reported as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

The Company is committed to ensuring that all employees work in an environment that not only promotes diversity and equality but also mutual trust, equal opportunity and respect for human rights.

The Company has formulated a Policy on prevention of Sexual Harassment in accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder which is aimed at providing every woman at the workplace a safe, secure and dignified work environment.

Sr. No.	Particulars	No. Of. Complaints
1	Number of complaints filed during the financial year 2022-23	0
2.	Number of complaints disposed of during the financial year 2022-23	0
3.	Number of complaints pending as on end of the financial year 2022-23	0

- i) **Total fees for all services paid by the Listed Entity and its Subsidiaries, on a Consolidated basis, to the Statutory auditor and all entities in the network firm/network entity of which the Statutory Auditor is a part is given below:**

Particulars	₹ in Lakhs
Payment to Statutory Auditors	55.49
Other Services	13.49
Reimbursement of expenses	7.57
<b>Total</b>	<b>76.55</b>

Note:- The above figures are given on consolidated basis i.e. alongwith its 100% subsidiary, Nikamal Storage Systems Private Limited. However, the said Subsidiary was Amalgamated with the Company effective from April 22, 2023.

- m) **Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount'**

During the year under review, the Company has not granted any loans, secured or unsecured, to companies/ firms in which Directors are interested.

- n) **Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries**

Name of Material Subsidiary	Date & Place of Incorporation	Name & Date of appointment of Statutory Auditors
Nilkamal Storage Systems Private Limited	April 24, 2006, Mumbai	M/s. B S R & Co. LLP

Note : Nilkamal Storage Systems Private Limited (NSSPL), wholly owned subsidiary of the Company was Amalgamated with the Company effective from April 22, 2023.

- o) **Disclosures with respect to Demat Suspense Account/Unclaimed Suspense Account**

The disclosures with respect to demat suspense account / unclaimed suspense account is not applicable to the Company for Financial Year 2022-23.

## 10. CEO / CFO CERTIFICATION

The Managing Director & Chief Financial Officer (CFO) have issued certificate pursuant to the provisions of Regulation 17(8) of the SEBI Listing Regulations certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs.

## 11. MEANS OF COMMUNICATION

- The Company's unaudited quarterly financial results and audited annual financial results are sent to BSE Limited (BSE) and The National Stock Exchange of India Limited (NSE) where the Company's securities are listed, immediately after these are approved by the Board.
- The financial results are published in Mint (English) and Daman Ganga Times.

The Company's results, official news releases and presentations made to Institutional Investors/ Analysts, if any, are displayed on the Company's website [www.nilkamal.com](http://www.nilkamal.com). Further, the said results are also e-mailed to the shareholders on their registered e-mail IDs.

- Designated Exclusive Email ID: The Company has designated the email id i.e. investor@nilkamal.com for investor grievances. This Email ID has been displayed on the Company's website [www.nilkamal.com](http://www.nilkamal.com).

Annual Report: Annual Reports and any other communication will be sent to email ids of members whose emails are registered with the Company. All data required to be filed pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges, such as annual report, quarterly financial statements, Shareholding pattern, report on Corporate Governance are being regularly filed with the Stock Exchanges by the Company and is also available on the website of the Company, the web-link of which is - <https://nilkamal.com/investors-circle/>

- A Management Discussion and Analysis report is a part of this Annual Report.

**GENERAL SHAREHOLDER INFORMATION****Annual General Meeting (AGM)**

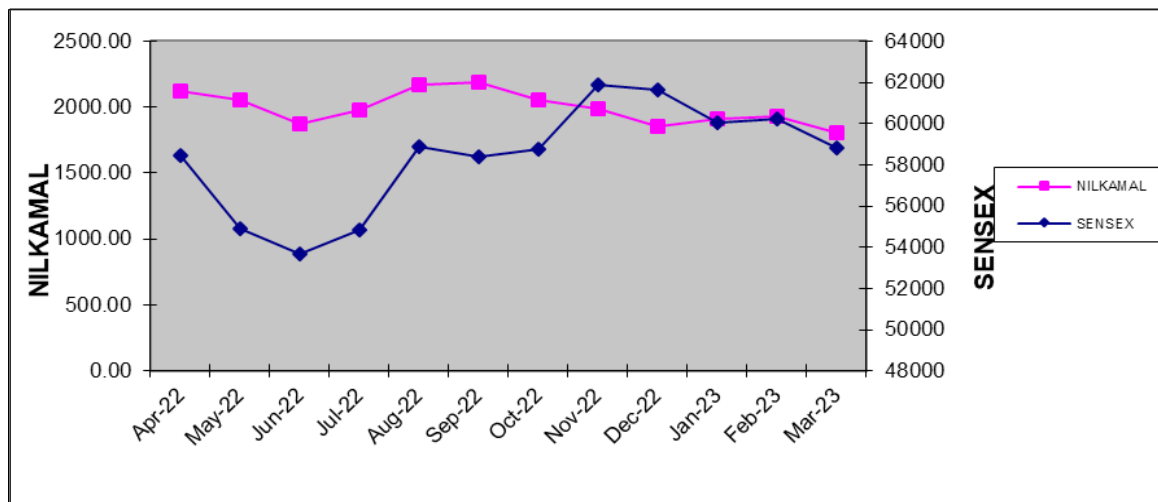
<b>Date &amp; Time</b>	July 7, 2023 at 11.00 a.m.								
<b>Venue</b>	The Company is conducting meeting through VC / OAVM pursuant to the MCA Circular dated May 5, 2020, January 13, 2021, May 5, 2022 and 28 <sup>th</sup> December, 2022 and as such there is no requirement to have a venue for the AGM. For details please refer to the Notice of this AGM.								
<b>Financial Year</b>	April 1 to March 31								
<b>Financial Calendar</b>	Financial Year: April 1, 2023 to March 31, 2024 Results for Quarter ending : <table border="1" data-bbox="539 485 1203 641"> <tr> <td>June 30, 2023</td> <td>Before August 14, 2023.</td> </tr> <tr> <td>September 30, 2023</td> <td>Before November 14, 2023.</td> </tr> <tr> <td>December 31, 2023</td> <td>Before February 14, 2024.</td> </tr> <tr> <td>March 31, 2024</td> <td>Before May 30, 2024.</td> </tr> </table>	June 30, 2023	Before August 14, 2023.	September 30, 2023	Before November 14, 2023.	December 31, 2023	Before February 14, 2024.	March 31, 2024	Before May 30, 2024.
June 30, 2023	Before August 14, 2023.								
September 30, 2023	Before November 14, 2023.								
December 31, 2023	Before February 14, 2024.								
March 31, 2024	Before May 30, 2024.								
<b>Date of Book Closure</b>	From July 1, 2023 to July 7, 2023 (both days inclusive)								
<b>Dividend payment date</b>	The Final Dividend of ₹ 20/- per equity share has been recommended by the Board of Directors of the Company for the financial year ended March 31, 2023, and if approved at the ensuing AGM will be paid to the eligible Members on and after July 17, 2023.								
<b>Listing on Stock Exchanges:-</b>	<p><b>Equity Shares</b></p> <ol style="list-style-type: none"> <li>The BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400001.</li> <li>National Stock Exchange of India Limited Exchange Plaza, 5<sup>th</sup> Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400051.</li> </ol> <p><b>Non-Convertible Debentures</b></p> <ol style="list-style-type: none"> <li>The BSE Limited - Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400001.</li> </ol> <p>The Company has paid the Annual Listing fees to each of the above Stock Exchanges, for the Financial Year 2022-2023.</p>								
<b>Stock Code</b>	<ol style="list-style-type: none"> <li>The BSE Limited – 523385</li> <li>National Stock Exchange of India Limited – NILKAMAL</li> </ol> <p><b>Non-Convertible Debentures</b></p> <ol style="list-style-type: none"> <li>The BSE Limited – 973833 &amp; 973834</li> </ol>								
<b>Demat ISIN in NSDL and CDSL</b>	<p><b>Equity Shares</b></p> <p>INE310A01015</p> <p><b>Non-Convertible Debentures</b></p> <p>INE310A07012 : Series A Senior, Secured, Rated, Listed, Redeemable, Non- Convertible Debentures</p> <p>INE310A07020 : Series B Senior, Secured, Rated, Listed, Redeemable, Non-Convertible Debentures of</p>								
<b>Corporate Identification Number (CIN)</b>	L25209DN1985PLC000162								



## Market Price Data

BSE Limited			National Stock Exchange of India Limited		
Month	High (₹)	Low (₹)	Month	High (₹)	Low (₹)
April, 2022	2,278.85	1,961.10	April, 2022	2,277.45	1,990.00
May, 2022	2,280.00	1,830.80	May, 2022	2,300.00	1,845.00
June, 2022	2,050.00	1,695.30	June, 2022	2,054.00	1,692.95
July, 2022	2,096.50	1,852.00	July, 2022	2,171.50	1,870.20
August, 2022	2,313.00	2,020.30	August, 2022	2,315.00	2,017.20
September, 2022	2,381.35	2,000.00	September, 2022	2,378.45	2,000.00
October, 2022	2,100.00	2,006.05	October, 2022	2,104.45	1,990.00
November, 2022	2,100.00	1,875.00	November, 2022	2,100.00	1,870.55
December, 2022	1,955.00	1,755.00	December, 2022	1,965.95	1,806.30
January, 2023	1,974.15	1,850.00	January, 2023	1,964.00	1,850.00
February, 2023	2,084.00	1,775.20	February, 2023	2,085.15	1,775.00
March, 2023	1,938.50	1,671.60	March, 2023	1,943.90	1,700.00

**Performance in comparison to broad-based indices such as BSE Sensex Share Price Movement during each month of the financial year 2022-2023\***



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

**Registrar and Transfer Agents and Share Transfer System**

M/s. Link Intime India Private Limited (Link Intime), C-101, 247 Park, L.B.S. Marg, Vikhroli West, Mumbai: 400083; Tel: 810 811 6767, Fax: 022-49186060, Email: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in) are the Registrar and Share Transfer Agents for physical shares of the Company. They are also the depository interface of the Company with both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

**Share transfer system:** Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company. Shareholders holding shares in physical form may please note that instructions regarding change of address, bank details, email ids, nomination and power of attorney should be given to the Company's RTA i.e., Link Intime India Private Limited. Further as per the SEBI circular no. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated 25<sup>th</sup> January, 2022, any listed companies shall henceforth issue the securities in dematerialized form only while processing any service request pertaining to issue of securities.

**Share Transfer /Transmission audit:** The Company has appointed a firm of Practicing Company Secretary to conduct the audit on yearly basis to ensure that the requests for the transmission of shares, issue of duplicate shares, dematerialisation, rematerialisation of shares of the Company are processed within the stipulated time period subject to lodgement of all the necessary documents by the concerned shareholders.

**Share Capital Audit:** The issued and paid up share capital is reconciled on a quarterly basis with the details of share capital admitted on National Securities Depository Limited (“NSDL”), Central Depository Services (India) Limited (“CDSL”) and held in physical form by the shareholders. The quarterly audit of the Company’s share capital is carried out by a Practicing Company Secretary with the object of reconciling the total share capital admitted with NSDL and CDSL and held in physical form, with the total issued and listed capital of the Company. The certificate of share capital audit received from the concerned Practicing Company Secretary is submitted to BSE and NSE and is also placed at the meetings of the Board of Directors on a quarterly basis.

#### DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2023.

No. of equity shares held	No. of Shareholders	% of Shareholders	No. of shares held	% of Shareholding
1-500	18,391	97.73	7,20,950	4.83
501 to 1000	192	1.02	1,42,375	0.95
1001 to 2000	103	0.55	1,51,492	1.02
2001 to 3000	29	0.15	74,858	0.50
3001 to 4000	14	0.07	47,727	0.32
4001 to 5000	9	0.05	41,735	0.28
5001 to 10000	22	0.12	1,45,974	0.98
10001 and above	58	0.31	1,35,97,414	91.12
<b>Total</b>	<b>18,818</b>	<b>100.00</b>	<b>1,49,22,525</b>	<b>100.00</b>

#### Shareholding Pattern as on March 31, 2023.

Category	No. of Shareholders	Voting Strength (%)	No. of shares
Promoter and Promoter Group	24	64.54	96,31,046
Mutual Funds	8	19.58	29,21,622
Alternate Investment Funds	3	0.22	32,261
Foreign Portfolio Investor	36	1.10	1,63,904
Financial Institution / Bank	1	0.00	300
Body Corporate	132	1.80	2,68,769
Public & Others	18,614	12.76	19,04,623
<b>Total</b>	<b>18,818</b>	<b>100.00</b>	<b>1,49,22,525</b>

#### Dematerialisation of shares and liquidity

99.41% of the Company’s Share Capital is dematerialised as on March 31, 2023. The Company’s shares are regularly traded on the BSE Limited and the National Stock Exchange of India Limited.

Description	Shares	% to Equity
No. of Physical Shares	87,382	0.59
No. of Shares held in dematerialised form in NSDL	1,39,54,475	93.51
No. of Shares held in dematerialised form in CDSL	8,80,668	5.90
<b>Total</b>	<b>1,49,22,525</b>	<b>100</b>

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

As on date, the Company has not issued GDRs, ADRs or any other Convertible Instruments.

#### Plant Locations

The Company’s plants are located at Barjora (West Bengal), Bhiwandi and Sinnar (Maharashtra), Hosur (Tamilnadu), Jammu (Jammu and Kashmir), Kharadpada and Vasona (Union Territory of Dadra and Nagar Haveli and Daman and Diu), Noida (Uttar Pradesh), Puducherry (Puducherry) and Gurugram (Haryana).

**Address for Correspondence**

Investors can communicate at the following addresses:

1. **Ms. Priti P. Dave – Company Secretary**  
**Nilkamal Limited**  
Nilkamal House,  
77/78, Road No. 13/14, MIDC,  
Andheri-East, Mumbai 400 093.  
Tel:- 022-42358888 Fax:- 022-26818080  
E-mail:- [investor@nilkamal.com](mailto:investor@nilkamal.com)
2. **M/s. Link Intime India Private Limited**  
Registrar and Transfer Agents  
C-101, 247 Park, L.B.S. Marg,  
Vikhroli West, Mumbai : 400083  
Tel: 810 811 6767, Fax: 022-49186060  
Email: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

**Credit Ratings**

The Credit Ratings of the Company for all the debt instruments as on March 31, 2023 is as below: -

Total Bank Loan Facilities Rated	₹ 524.59 Crore
Long-Term Rating	CARE AA; Stable (Reaffirmed)
Short-Term Rating	CARE A1+ (Reaffirmed)
₹ 200 Crores Non-convertible debentures	CARE AA; Stable (Reaffirmed)
₹ 200 Crores Commercial paper (Carved out)*	CARE A1+ (Reaffirmed)

\* carved out from sanctioned working capital limits

**MANAGING DIRECTOR'S DECLARATION FOR COMPLIANCE WITH CODE OF CONDUCT**

To the Members of  
NILKAMAL LIMITED

I hereby confirm that all the members of the Board and Senior Management have affirmed compliance with the Code of Conduct framed by the Company.

For **Nilkamal Limited**

Place: Mumbai  
Date: May 20, 2023

**Hiten V. Parekh**  
Managing Director

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

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

To

**The Members****Nilkamal Limited,**

Survey No.354/2 and 354/3, Near Rakholi Bridge,  
Silvassa Khanvel Road, Vasona, Silvassa 396 230,  
Union Territory of Dadra and Nagar Haveli and Daman and Diu.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Nilkamal Limited (CIN-L25209DN1985PLC000162) and having its Corporate Office at Nilkamal House, 77/78, Road No. 13/14, MIDC Andheri, Mumbai - 400093 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status on the MCA website www.mca.gov.in) as considered necessary, and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company, as stated below, for the financial year ended March 31, 2023, have been debarred or disqualified from being appointed or continuing as directors on the boards of the companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory/ Regulatory authority.

Sr. No.	Name of the Director	Designation	DIN
1.	Ms. Hiroo Mirchandani	Independent Director	06992518
2.	Mr. K. R. Ramamoorthy	Independent Director	00058467
3.	Mr. K. Venkataramanan	Independent Director	00001647
4.	Mr. Mahendra V. Doshi	Independent Director	00123243
5.	Mr. Muzzafal Federal	Independent Director	03409798
6.	Mr. S. K. Palekar	Independent Director	01723670
7.	Mr. Hiten V. Parekh	Managing Director	00037550
8.	Mr. Manish V. Parekh	Joint Managing Director	00037724
9.	Mr. Mihir H. Parekh	Non-Executive Director	07308466
10.	Mr. Nayan S. Parekh	Executive Director	00037597
11.	Mr. Sharad V. Parekh	Executive Director	00035747

Ensuring the eligibility for the appointment/ continuity of every Director on the board of the Company is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This Certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For N. L. Bhatia & Associates**  
**Company Secretaries**  
**UIN: P1996MH055800**  
**P/R No.: 700/2020**

**Bhaskar Upadhyay**  
**Partner**  
**FCS: 8663**  
**CP. No. 9625**  
**UDIN: F008663E000341578**

Place: Mumbai

Date: May 20, 2023

**Independent Auditors' Certificate on Compliance with the Corporate Governance requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To the Members of Nilkamal Limited

1. This certificate is issued in accordance with the terms of our engagement letter dated 28 February 2019 and addendum to the engagement letter dated 19 May 2022.
2. We have examined the compliance of conditions of Corporate Governance by Nilkamal Limited ("the Company"), for the year ended 31 March 2023, as stipulated in regulations 17 to 27, clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ("Listing Regulations") pursuant to the Listing Agreement of the Company with Stock Exchanges.

**Management's Responsibility for compliance with the conditions of Listing Regulations**

3. The compliance of conditions of Corporate Governance as stipulated under the listing regulations is the responsibility of the Company's Management including the preparation and maintenance of all the relevant records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure compliance with the conditions of Corporate Governance stipulated in the Listing Regulations.

**Auditors' Responsibility**

4. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance that the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31 March 2023.
6. We conducted our examination of the above corporate governance compliance by the Company in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) and Guidance Note on Certification of Corporate Governance both issued by the Institute of the Chartered Accountants of India (the "ICAI"), in so far as applicable for the purpose of this certificate. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

**Opinion**

8. In our opinion, and to the best of our information and according to explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**Restriction on use**

10. The certificate is addressed and provided to the Members of the Company solely for the purpose of enabling the Company to comply with the requirement of the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For **B S R & Co LLP**

*Chartered Accountants*

Firm's Registration No: 101248W/W-100022

**Rishabh Kumar**

*Partner*

Membership No. 402877

UDIN: 23402877BGYGDJ1394

Mumbai  
May 20, 2023

**MANAGING DIRECTOR / CFO CERTIFICATION**

We the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of Nilkamal Limited ("the Company") to the best of our knowledge and belief certify that:

- (a) We have reviewed Financial Statements and the Cash Flow Statement for the year ended March 31, 2023 and that to the best of our knowledge and belief:
  - i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) We accept responsibility for establishing and maintaining Internal Controls for financial reporting and that we have evaluated the effectiveness of Internal Control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such Internal Controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee, if any;
  - i) Significant changes in the Internal Control over financial reporting during the year ended March 31, 2023;
  - ii) Significant changes in accounting polices during the year ended March 31, 2023 and that the same have been disclosed in the notes to the Financial Statements; and
  - iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's Internal Control System over financial reporting.

For **Nilkamal Limited**

For **Nilkamal Limited**

Place: Mumbai  
Date: May 20, 2023

**Hiten V. Parekh**  
**Managing Director**

**Paresh B. Mehta**  
**Chief Financial Officer**

**BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT****SECTION A: GENERAL DISCLOSURES****I. Details of the listed entity**

1	Corporate Identity Number (CIN) of the Listed Entity	L25209DN1985PLC000162
2	Name of the Listed Entity	Nilkamal Limited
3	Year of incorporation	5 <sup>th</sup> December, 1985
4	Registered office address	Survey No. 354/2 and 354/3, Near Rakholi Bridge, Silvassa-Khanvel Road, Vasona, Silvassa – 396 230, Union Territory of Dadra and Nagar Haveli and Daman and Diu.
5	Corporate address	Nilkamal House, 77/78, Road No.13/14, MIDC, Andheri (E), Mumbai – 400 093, Maharashtra.
6	E-mail	investor@nilkamal.com
7	Telephone	022 4235 8888
8	Website	www.nilkamal.com
9	Financial year for which reporting is being done	April 1, 2022 to March 31, 2023
10	Name of the Stock Exchange(s) where shares are listed	BSE Limited and National Stock Exchange of India Limited
11	Paid-up Capital	₹ 1,492.25 Lakhs
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Paresh B. Mehta, Chief Financial Officer Email Id: investor@nilkamal.com Contact Number: 022 4235 8888
13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	This report is being prepared on Standalone basis for Nilkamal Limited.

**II. Products/services****14. Details of business activities (accounting for 90% of the turnover):**

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Manufacturing	Manufacturing of Plastics & other products	82.28%
2	Retail Trade	Lifestyle Furniture, Furnishings & Accessories & E-Commerce	10.43 %

**15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):**

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Manufacturing of Plastics & other products	222	82.28%
2	Retail sales in non-specialized stores	471	6.30%
3	Retail sale Via E-Commerce	479	4.13%

**III. Operations****16. Number of locations where plants and/or operations/offices of the entity are situated:**

Location	Number of plants	Number of offices	Total
National	10	67	77
International	--	--	--

**17. Markets served by the entity:****a. Number of locations**

Locations	Number
National (No. of States)	Pan India
International (No. of Countries)	41

**b. What is the contribution of exports as a percentage of the total turnover of the entity?**

Exports sales of ₹ 6842 Lakhs was made during the year 2022-23. The contribution of Exports as a percentage to total turnover is about 2.22%.

**c. A brief on types of customers:**

Nilkamal serves B2B, B2C & D2C customers.

**IV. Employees**

**18. Details as at the end of Financial Year:**

**a. Employees and workers (including differently abled):**

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<b>EMPLOYEES</b>						
1.	Permanent (D)	2,718	2,495	91.80	223	8.20
2.	Other than Permanent (E)	0	0	0	0	0
3.	<b>Total employees (D + E)</b>	<b>2,718</b>	<b>2,495</b>	<b>91.80</b>	<b>223</b>	<b>8.20</b>
<b>WORKERS</b>						
4.	Permanent (F)	775	775	100.00	0	0
5.	Other than Permanent (G)	7,615	7,557	99.24	58	0.76
6.	<b>Total workers (F + G)</b>	<b>8,390</b>	<b>8,332</b>	<b>99.31</b>	<b>58</b>	<b>0.69</b>

**b. Differently abled Employees and workers:**

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<b>DIFFERENTLY ABLED EMPLOYEES</b>						
1.	Permanent (D)	1	1	100	0	0
2.	Other than Permanent (E)	0	0	0	0	0
3.	<b>Total differently abled employees (D + E)</b>	<b>1</b>	<b>1</b>	<b>100</b>	<b>0</b>	<b>0</b>
<b>DIFFERENTLY ABLED WORKERS</b>						
4.	Permanent (F)	1	1	100	0	0
5.	Other than Permanent (G)	1	1	100	0	0
6.	<b>Total differently abled employees (F + G)</b>	<b>2</b>	<b>2</b>	<b>100</b>	<b>0</b>	<b>0</b>

**19. Participation/Inclusion/Representation of women**

	Total(A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	11	1	9%
Key Management Personnel	2	1	50%

**20. Turnover rate for permanent employees and workers**

(disclose trends for the past 3 years)

	FY 2022-23			FY 2021-22			FY 2020-21		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
<b>Permanent Employees</b>	20%	2%	22%	16%	2%	18%	16%	2%	22%
<b>Permanent Workers</b>	5%	0%	5%	4%	0%	4%	6%	0%	6%



**V. Holding, Subsidiary and Associate Companies (including joint ventures)****21. (a) Names of holding / subsidiary / associate companies / joint ventures**

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	* Nilkamal Storage Systems Private Limited	Subsidiary	100%	Yes
2.	Nilkamal Crates and Bins, FZE	Subsidiary	100%	No
3.	Nilkamal Foundation	Subsidiary	98%	No
4.	Nilkamal Eswaran Plastics (Private) Limited	Subsidiary	96.28%	No
5.	Nilkamal Eswaran Marketing (Private) Limited	Subsidiary	96.28%	No
6.	Cambro Nilkamal Private Limited	Associate	50%	Yes

**\*Note:- Nilkamal Storage Systems Private Limited, the wholly owned subsidiary of the Company is Amalgamated with the Company effective from April 22, 2023. The appointed date of the Amalgamation is October 1, 2022.**

**VI. CSR Details**

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

(ii) Turnover (in ₹) : 30,79,31,21,000/-

(iii) Net worth (in ₹) : 12,51,83,89,000/-

**VII. Transparency and Disclosures Compliances****23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:**

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)*	FY 2022-2023			FY 2021 - 2022		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Shareholders	Yes	3	0	All complaints resolved	4	0	All complaints resolved
Employees and workers	Yes	0	0	No grievance received.	0	0	No grievance received.
Customers & Value Chain Partners – Distributors, Franchisee	Yes	351	7	regarding manufacturing, packaging & quality. 100% pending complaints resolved for previous year	420	13	regarding manufacturing, packaging & quality. 100% pending complaints resolved in FY 2022-23

\* The Policies of the Company are placed on the Company/s website under Corporate Governance section and the same can be accessed through the weblink: <https://nilkamal.com/corporate-governance/> & <https://www.nilkamalfurniture.com/pages/esclation-form> . Further, there are some internal policies placed on the intranet of the Company.

**25. Overview of the entity's material responsible business conduct issues –**

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Occupational Health and Safety (OHS) and Environment Safety	Risk and Opportunity	<p><b>Risk:</b> Inherently associated with business activities and processes.</p> <p><b>Opportunity:</b> Strong internal controls and governance mechanism are in place at each of the factory. This improves the employee /worker safety and overall health wellbeing, leading to improved productivity.</p>	<p>The assessment of health and environmental risks are done on a continuous basis.</p> <p>Various methods to mitigate risk are done from time to time. The Grievance redressal mechanism is in place. At each of the factory, proper remedial action are planned and implemented.</p>	<p>Risk: Negative</p> <p>Opportunity: Positive</p>
2	Safety risk	Risk and Opportunity	The manufacturing operations of the Company require employees to interact with plant, machinery, and material handling equipment, all of which carry an inherent risk of injury	Adherence to safety standards, the Company's EHS Policy and highest operational standards for handling hazardous materials at plants;	<p>Positive: Adoption Of safety related protocols and measures to create a safe work environment.</p> <p>Negative: Impact on health and well-being of employees at the Company.</p>
3	Reputation	Opportunity	Bad publicity arising out of any act/ inaction by the Company on social media or any other platform	<ul style="list-style-type: none"> <li>• Active monitoring of voices on social media and having a crisis management plan ready;</li> <li>• Actively addressing product complaints;</li> <li>• Ensuring product delivery as promised;</li> <li>• Compliance with all regulatory norms;</li> <li>• Strengthening corporate governance norms, including adherence to the code of conduct by all; and</li> <li>• Sign off for all Product/Warranty promises to the customer.</li> </ul>	Positive: Opportunity to improve brand presence and reputation through proactively managing possible issues.
4	Social responsibility towards society	Opportunity	<p>The Company had formalized a process of earmarking a portion of its profits each year to support projects which fulfil a social obligation.</p> <p>The Company primarily implements its CSR initiatives on its own through NGOs or through the Nilkamal Foundation, a Section 8 Company. Key areas of CSR activities in FY22-23 were:</p> <ol style="list-style-type: none"> <li>1. Education</li> <li>2. Upliftment of under privileged community of the society.</li> <li>3. health care &amp; hygiene.</li> </ol> <p><b>Positive:</b> The Company recognizes the importance of being socially responsible.</p>	-	Positive

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5	Supply Chain Management	Risk and Opportunity	<p><b>Risk:</b> The supply chain and high dependency on limited suppliers / vendors can adversely affect the procurement.</p> <p><b>Opportunity:</b> The relationships with suppliers/vendors are maintained so as to have the uninterrupted supplies.</p>	The Company's relationship with multiple suppliers/vendors are decades old. Continuous discussions with the suppliers/vendors are maintained to ensure that the production is not hampered due to the required supplies.	Positive
6	Reduction in emission of carbon and other hazardous gases / phasing out lead stabilers	Opportunity	<p><b>Opportunity:</b> Geographical presence of the Company through its manufacturing plants spread across the country results in reduced transportation and thereby reduction of emission of carbon and other hazardous gases in the environment.</p>	-	Positive
7	Risk Management and Cyber Security	Risk	The inadequacy of risk mapping and management system adversely affects the overall business operations and relationship with the customers.	Risk Management Committee constituted by the Board ensures that timely actions are taken on the actual and or potential threats, so as to mitigate the adverse effects.	Negative
8	Employee Wellbeing	Opportunity	<p><b>Opportunities:</b></p> <ul style="list-style-type: none"> <li>- Prioritizing employee well-being can lead to increased productivity, efficiency, and overall job satisfaction.</li> <li>- By promoting employee well-being, a supportive work environment can be created that reduces absenteeism and turnover rates.</li> </ul>		<p>Positive:</p> <ul style="list-style-type: none"> <li>- Healthy and engaged employees tend to be more motivated, focused, and committed to their work.</li> <li>- When employees feel valued and their wellbeing is prioritized, they are more likely to remain with the company, reducing the costs and disruptions associated with high turnover.</li> </ul>

**SECTION B: MANAGEMENT AND PROCESS DISCLOSURES**

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
<b>Policy and management processes</b>									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	The Policies which are statutorily required to be adopted by the Board, have been approved by them, while the others policies are formulated and implemented by the Human resources department of the Company.								
c. Web Link of the Policies, if available	Refer Note 1								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	The Company encourages the value chain partners to follow its policies								
4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	Yes. The policies confirm with the standards laid in the National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business issued by the Ministry of Corporate Affairs, Government of India and also of the requirements of the Companies Act, 2013, BIFMA Level 3 and Green-guard certifications from UK cert, ISO 45001:2018, International Standards namely ISO 9001 - 2015, ISO 14001 -2015, ISO 50001- 2018 etc.								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	The Company has set targets for ESG commitment, inter alia, related to Energy conservation, Nature positive, Safe workplace, equitable & inclusive workplace, Water stewardship, Ethics, transparency, quality and accountability, governance and Sustainable supply chain management. The Company monitors the performance against the specific commitments on an ongoing basis.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	The Board of Directors of the Company has empowered the Management to exercise oversight on the implementation of targets committed under ESG.								

**Governance, leadership and oversight**

<b>7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)</b>	<p>Nilkamal undertakes its welfare activities directly and through its implementing Agency Nilkamal Foundation. The Company has focused primarily on Upgradation of educational facilities, educational assistance to downtrodden and economically deprived students of the society, Promoting healthcare including Sanitation and preventive healthcare, Employment enhancing vocation skills amongst industrial workers etc.</p> <p>Nilkamal is moving towards sustainable development by reducing the carbon emission and mitigating the adverse impacts on environment. The Company's strategy is to combat adverse climate change, transitioning to low a carbon emission and thereby reduction in carbon footprint and taking the required initiatives to monitor and reduce energy consumption. The Company is continuously driving towards the usage of more and more green energy for its manufacturing activities.</p>								
<b>8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).</b>	Mr. Hiten V. Parekh Managing Director Din: 00037550								
<b>9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.</b>	Corporate Social Responsibility Committee (CSR Committee). For composition of CSR Committee, please refer Page 20 of the Annual Report FY 2022-23.								

**10. Details of Review of NGRBCs by the Company:**

Subject for Review	Review of principles undertaken by and frequency
Performance against above policies and follow up action	The performance against the BRSR Policies is reviewed periodically and as and when need arises. The updates in policies are carried out after considering the reviews and suggestions of the Executive Directors and Business heads.
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The Company is in Compliance with all the statutory requirements of principles to the extent applicable.

**11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.**

No

**Note 1:**

Principle(s)	Applicable Policies	Link for policies
Principle 1: Businesses should conduct and govern themselves with Integrity, and in a manner that is Ethical, Transparent and Accountable	Code of Conduct to Regulate, Monitor and Report Trading by Designated Person, Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information, Policy on dealing with and materiality of Related Party Transactions, Whistle Blower Policy	<a href="https://nilkamal.com/corporate-governance/">https://nilkamal.com/corporate-governance/</a> <a href="https://nilkamal.com/wp-content/uploads/2019/01/Code_of_Business_Ethics.pdf">https://nilkamal.com/wp-content/uploads/2019/01/Code_of_Business_Ethics.pdf</a> <a href="https://nilkamal.com/wp-content/uploads/2019/05/CODES-OF-PRACTICES-AND-PROCEDURES-FOR-FAIR.pdf">https://nilkamal.com/wp-content/uploads/2019/05/CODES-OF-PRACTICES-AND-PROCEDURES-FOR-FAIR.pdf</a>
Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe	Environment, Health and Safety Policy	<a href="https://nilkamal.com/wp-content/uploads/2019/01/Environment_Policy.pdf">https://nilkamal.com/wp-content/uploads/2019/01/Environment_Policy.pdf</a> <a href="https://nilkamal.com/wp-content/uploads/2019/01/Health_and_Safety_Policy.pdf">https://nilkamal.com/wp-content/uploads/2019/01/Health_and_Safety_Policy.pdf</a>
Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains	Anti Sexual Harassment Policy, Code of Business Ethics & Internal HR Policies for Employees	<a href="https://nilkamal.com/wp-content/uploads/2019/01/Code_of_Business_Ethics.pdf">https://nilkamal.com/wp-content/uploads/2019/01/Code_of_Business_Ethics.pdf</a>
Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders	CSR Policy, Customer Policy, Code of Business Ethics, Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information.	<a href="https://nilkamal.com/wp-content/uploads/2019/01/CSR-Policy-1.pdf">https://nilkamal.com/wp-content/uploads/2019/01/CSR-Policy-1.pdf</a> <a href="https://nilkamal.com/wp-content/uploads/2019/01/Code_of_Business_Ethics.pdf">https://nilkamal.com/wp-content/uploads/2019/01/Code_of_Business_Ethics.pdf</a> <a href="https://nilkamal.com/wp-content/uploads/2019/05/CODES-OF-PRACTICES-AND-PROCEDURES-FOR-FAIR.pdf">https://nilkamal.com/wp-content/uploads/2019/05/CODES-OF-PRACTICES-AND-PROCEDURES-FOR-FAIR.pdf</a>
Principle 5: Businesses should respect and promote human rights	Code of Business Ethics	<a href="https://nilkamal.com/wp-content/uploads/2019/01/Code_of_Business_Ethics.pdf">https://nilkamal.com/wp-content/uploads/2019/01/Code_of_Business_Ethics.pdf</a>
Principle 6: Businesses should respect and make efforts to protect and restore the environment	Environment, Health and Safety Policy	<a href="https://nilkamal.com/wp-content/uploads/2019/01/Environment_Policy.pdf">https://nilkamal.com/wp-content/uploads/2019/01/Environment_Policy.pdf</a> <a href="https://nilkamal.com/wp-content/uploads/2019/01/Health_and_Safety_Policy.pdf">https://nilkamal.com/wp-content/uploads/2019/01/Health_and_Safety_Policy.pdf</a>
Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent	NA	NA
Principle 8: Businesses should promote inclusive growth and equitable development	CSR Policy	<a href="https://nilkamal.com/wp-content/uploads/2019/01/CSR-Policy-1.pdf">https://nilkamal.com/wp-content/uploads/2019/01/CSR-Policy-1.pdf</a>
Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner	Customer Policy	<a href="https://nilkamal.com/corporate-governance/">https://nilkamal.com/corporate-governance/</a>

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)	Not Applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

**SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE**

**PRINCIPLE 1 : Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.**

**Essential Indicators**

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors (BoD)	11	<a href="https://nilkamal.com/wp-content/uploads/2023/05/Familiarization-Programme-For-Independent-Directors-2022-23.pdf">https://nilkamal.com/wp-content/uploads/2023/05/Familiarization-Programme-For-Independent-Directors-2022-23.pdf</a>	100
Key Managerial Personnel (KMPs)	2		100
Employees other than BoD and KMPs	3 classroom sessions conducted	Health and Safety trainings, Code of business conduct, whistle blower & PoSH policies etc.	97%
Workers	Multiple classroom sessions conducted	Health and Safety trainings, Code of business conduct, whistle blower and PoSH policies etc.	70%

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity’s website):

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an Appeal been referred? (Yes/No)
Penalty/ Fine	NIL				
Settlement					
Compounding Fee					
Non-Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)	
Imprisonment	NIL				
Punishment					

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Not Applicable	

**4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

In the Company's policy named "Code of Business Ethics", the guidance on Bribery and Corruption is outlined. Our employees and those representing us, including agents and intermediaries shall not directly or indirectly, offer or receive any illegal or improper payments or comparable benefits that are intended or perceived to obtain undue favours for the conduct of our business.

The policy is placed on the Company's website at [https://nilkamal.com/wp-content/uploads/2019/01/Code\\_of\\_Business\\_Ethics.pdf](https://nilkamal.com/wp-content/uploads/2019/01/Code_of_Business_Ethics.pdf)

**5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**

	FY 2021-22	FY 2020-21
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

**6. Details of complaints with regard to conflict of interest:**

	FY 2022-23		FY 2021-22	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of interest of Directors	0	None	0	None
Number of complaints received in relation to issues of Conflict of interest of KMPs	0	None	0	None

**7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.**

There were no cases of corruption or conflicts of interest which required action by regulators / law enforcement agencies / judicial institutions.

### Leadership Indicators

**1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year: -**

During the year the Company has undertaken training programmes for its dealers, sales agents, vendors, suppliers, customers. The Company also upgrades the skill of its assemblers by providing trainings at its State of Art training center at Bhiwandi so as to enable them to provide a seamless service to its customers.

Total number of awareness programmes held	Topics / principles covered under the training	% age of value chain partners covered (by value of business done with such partners) under the awareness programmes	Remarks
1	Franchisee Owned Franchisee Operated (FOFO) Meet	10% of Total Furniture Sale	
1	Channel Partner (CP) Meet	75% Contribution of Total Furniture Sale	
8	FOFO Product Training & Soft skills.	10% of Total Furniture Sale	
1	Online Meet with Depot in-charge regarding damage documentation & Depot operations.	100% Depot In - charge were covered.	
1	Branch Commercial officer (BCO) meet regarding company Credit Policies	100% BCOs were covered for effective credit policy adherence.	
1	Sales Meet for product and sales strategy for the year	100% of Sales Team attended the meet	
5	Product training to Sales team-Molded Furniture (MF)	100% of Sales Team were covered	Product training on existing and new products in MF range
16	Region wise Product Training- Mattress	100% of Sales Team were covered	
4	Dealers training- Mattress	60% Dealer covered to attend the training	Product Training of Spine Health and Doctor Dreams to Dealers

**2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.**

Yes. Please refer code of conduct available on the website of the Company at <https://nilkamal.com/corporate-governance>.

**PRINCIPLE 2 : Businesses should provide goods and services in a manner that is sustainable and safe.**

**Essential Indicators**

**1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

	FY 2022-23	FY21-22	Details of improvements in environmental and social impacts
R&D	The Company has invested on the research and innovation which have resulted in the reduction of emission and improve the efficiency of the processes. The details are provided in the Annexure – C to the Directors’ Report at page 25 of the Annual Report FY 2022-23.		
Capex			

**2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

The core raw material of the Company is procured from the world class manufacturers, who are constantly upgrading its technology, Research & Development in order make the product sustainable.

**b. If yes, what percentage of inputs were sourced sustainably?**

0%

**3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for**

**(a) Plastics (including packaging) :-** The returned plastic finished goods by the customers & in-house generated waste are being grinded & reused by using optimum quantity without affecting quality. The Company works proactively with its large customers for repossessing the used products from the market and recycling and reusing the same for manufacturing of new finished goods.

**(b) E-waste :-** As per the policy of the Company on the completion of the lifecycle of the product, the e-waste are sold to the vendors. The vendor than collects the material and necessary e-waste certificate is being issue to the Company.

**(c) Hazardous waste :-** The Company has arrangements with Pollution Control Board Authorised Hazardous Waste Treatment, Storage & Disposal Facilities near to each of its Plants.

**4. Whether Extended Producer Responsibility (EPR) is applicable to the entity’s activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

The EPR is applicable to the Company as the brand owner. The Company has successfully registered in Central Pollution Control Board’s portal (CPCB) and subsequent steps would be followed.

**Leadership Indicators**

**1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details:**

NIC Code	Name of Product /Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the if any, web-link.
--	CHR2245-A	--	Cradle-to-gate	NO	NO
--	TRENDY/HEXA-B	--	Cradle-to-gate	NO	NO
--	Wedding / Decorator Chair	--	Cradle-to-gate	NO	NO



2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product / Service	Description of the risk / concern	Action Taken
Not Applicable		

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY 2022-23	FY 2021-22
Plastic material (PP &/HD)	3.5%	4.0%

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY 2022-23			FY 2021-22		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastic (including packaging)	2,268	539	-	2,521	740	-
E-waste	-	-	0.583	-	-	.014
Hazardous waste	-	-	53	-	-	43
Other waste	-	-	851	-	-	927

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
MONO	1.3%
VAP	5.1%
NVAP	1.9%

**PRINCIPLE 3 : Businesses should respect and promote the well-being of all employees, including those in their value chains.**

#### Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
<b>Permanent employees</b>											
Male	2,495	1,275	51	2,495	100	0	0	0	0	0	0
Female	223	110	49	223	100	223	100	0	0	0	0
<b>Total</b>	<b>2,718</b>	<b>1,385</b>	<b>51</b>	<b>2,718</b>	<b>100</b>	<b>223</b>	<b>100</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Other than Permanent employees</b>											
Male	0	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**b. Details of measures for the well-being of workers:**

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
<b>Permanent workers</b>											
Male	775	0	0	775	100	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>775</b>	<b>0</b>	<b>0</b>	<b>775</b>	<b>100</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Other than Permanent workers</b>											
Male	7,557	7,557	100	7,557	100	0	0	0	0	0	0
Female	58	58	100	58	100	58	100	0	0	0	0
<b>Total</b>	<b>7,615</b>	<b>7,615</b>	<b>100</b>	<b>7,615</b>	<b>100</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**2. Details of retirement benefits.**

Benefits	FY 2022-23			FY 2021-22		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100	100	Y	100	100	Y
Gratuity	100	100	Y	100	100	Y
ESI	46	85	Y	46	85	Y
WC Policy	20	21	Y	20	21	Y

**3. Accessibility of workplaces : Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.**

The manufacturing locations are accessible for differently abled employees/workers as per the rights of persons with the Rights of Persons with Disabilities Act, 2016.

**4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

Nilkamal is an equal opportunity employer. The company have equal opportunity policy and human resource policy. The is applicable to all plant and offices.

Weblink : <https://nilkamal.com/wp-content/uploads/2023/06/Equal-Opportunities-Policy-Statement-.pdf>

**5. Return to work and Retention rates of permanent employees and workers that took parental leave.**

No parental leaves are availed by male employees or workers during the reporting FY. However, eligible female employees and workers took the maternity leave, post which they have resumed work and are retained.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	Paternal leave not available	Paternal leave not available	Paternal leave not available	Paternal leave not available
Female	100%	100%	100%	100%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

**6. Is there a mechanism available to receive and redress grievances for the following \categories of employees and worker? If yes, give details of the mechanism in brief.**

	<b>Yes/No (If yes, then give details of the mechanism in brief)</b>
<b>Permanent Workers</b>	Yes, the grievances of the employees & workers are addressed and resolved through the following mechanism and committees: 1. The issues are resolved in presence of concerned workers. 2. Safety committee/ grievance committee team handles the grievance which are raised or occur at the company. 3. Working committee addresses and sorts the grievances that are raised at the workplace. 4. Complaint box is kept at easily accessible and visible location in plant. The employees put his/her grievance inside the box. Weekly or once in a month as preferred, the complaints are read. Basis the complaints, corrective actions are taken on it. 5. The Works and Health and Safety Committee has been formulated to redress complaints and grievances of employees and workers.
<b>Other than Permanent Workers</b>	
<b>Permanent Employees</b>	
<b>Other than Permanent Employees</b>	

**7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:**

Category	FY 2022-23			FY 2021-22		
	Total employees / workers in respective category (A)	No. of employees / Workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees/ workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees	2,715	0	0	2,745	0	0
-Male	2,495	0	0	2,508	0	0
-Female	223	0	0	237	0	0
Total Permanent Workers	775	0	0	615	0	0
-Male	775	0	0	615	0	0
-Female	0	0	0	0	0	0

**8. Details of training given to employees and workers:**

Category	FY 2022-23					FY 2021-22				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
Male	3,270	2,578	79	2,498	76	3,123	2,110	68	2,177	70
Female	223	111	50	164	75	237	115	49	102	43
<b>Total</b>	<b>3,493</b>	<b>2,689</b>	<b>77</b>	<b>2,662</b>	<b>76</b>	<b>3,360</b>	<b>2,225</b>	<b>66</b>	<b>2,279</b>	<b>68</b>
<b>Workers</b>										
Male	7,557	5,946	79	6,086	80	7,094	4,830	68	4,948	70
Female	58	40	69	38	66	58	45	78	42	72
<b>Total</b>	<b>7,615</b>	<b>6,004</b>	<b>79</b>	<b>6,124</b>	<b>80</b>	<b>7,152</b>	<b>4,875</b>	<b>68</b>	<b>4,990</b>	<b>70</b>

**9. Details of performance and career development reviews of employees and worker:**

At Nilkamal, we have a well-defined annual appraisal process conducted at the end of the financial year, during which a one-to-one discussion is done with employees regarding their individual performance and development.

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
<b>Employees</b>						
Male	3,270	3,270	100	3,123	3,123	100
Female	223	223	100	237	237	100
<b>Total</b>	<b>3,493</b>	<b>3,493</b>	<b>100</b>	<b>3,360</b>	<b>3,360</b>	<b>100</b>
<b>Workers</b>						
Male	7,557	7,557	100	7,094	7,094	100
Female	58	58	0	58	58	0
<b>Total</b>	<b>7,615</b>	<b>7,615</b>	<b>100</b>	<b>7,152</b>	<b>7,152</b>	<b>100</b>

**10. Health and safety management system:**

**a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?**

Yes. All locations are certified for Occupational Health & Safety Management System. The system covers all employees, workers and interested party’s health and safety at each certified location. The system includes everything from planning to developing processes, as well as monitoring and analyzing data and improving it continually.

**b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

At all the certified locations, in order to identify the work-related hazards, HIRA (Hazard Identification and Risk Assessment) is conducted. HIRA assesses both the routine and non-routine activities to determine the risk from them. Material Safety database sheet (MSDS) is maintained at all the locations.

**c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)**

Yes. The process is available at all the locations. The processes include direct interaction with controller or safety officer, suggestion box, approaching the Work’s Committee or Health and Safety Committee.

**d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)**

Yes. At all plants and offices we have easy and ready access to Medical services.

**11. Details of safety related incidents, in the following format:**

Safety Incident / Number	Category	FY 2022-23	FY 2021-22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0	0
Total recordable work-related injuries	Employees	0	0
	Workers	0	0
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

**12. Describe the measures taken by the entity to ensure a safe and healthy work place.**

Health & Safety Committee, Grievance committee, Works redressal Committee, Worker Welfare Committee.

**13. Number of Complaints on the following made by employees and workers:**

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	NA	0	0	NA
Health & Safety	0	0	NA	0	0	NA

**14. Assessments for the year:**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100 %
Working Conditions	100 %

**15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.**

Corrective actions have been taken post consultation of managerial and non-managerial employees and workers. Effectiveness of the corrective actions have also been monitored.

**Leadership Indicators****1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).**

(A) Employees (Y/N): Yes.

(B) Workers (Y/N): Yes.

**2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

The Company has a process in place for ensuring the compliance of the statutory dues such as GST, direct tax, employee related deductions etc. and its payments as applicable of the relevant value chain partners of the Company.

**3. Provide the number of employees / workers having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

Category	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
Employees	0	0	0	0
Workers	0	0	0	0

**4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)**

Yes. Some employees, after retirement age, are considered for advisory role in the Company only at the discretion of management.

**5. Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	0%
Working Conditions	0%

**6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

Currently the Organisation has not taken any specific measures for assessment of value Chain partners.

**PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders**

**Essential Indicators**

**1. Describe the processes for identifying key stakeholder groups of the entity.**

Any individual and group of people or institutions that adds value for business are the stakeholders for the Company. The key stakeholders inter alia include employees, shareholders / investors, Distributors, Customers, Channel partners, Vendors, suppliers, regulators and government agencies.

The process for identification of such key stakeholders is of Qualitative nature. It is conducted in consultation with and feedback from different departments along with Senior Management and Board.

**2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others - please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	Email, notice board, intranet	Regularly	Rewards & Recognition, Talent Management, Compliance with policies of the Company, CSR & Sustainability updates
Shareholders / Investors	No	Emails, Newspaper, Advertisement, website of the Company and Stock Exchanges and AGM	Quarterly and as and when need arises	Disclosing Quarterly/ Half Yearly/ Yearly Results, sending Annual Reports and Notice for General Meetings, Dividend updates
Distributors/ Channel Partners	No	Email, Physical and video - conference etc.	Regularly	Sales Orders, Discount Policies, general updates, Advertisement, Events (campaigns & announcement) etc
Customers	No	Email, sms, ads, website, newspaper, social media etc.	Regularly	Through Distributors and also direct interaction
Suppliers	No	Email, website, meetings etc.	Regularly	Query and grievance redressal, SCM
Government Agencies	No	Email, one-on-one meetings, Video-conference	Regularly	On various Law points, regulations, amendments, and approvals
Communities	No	Directly/ through Nilkamal Foundation	Regularly	CSR initiatives

**Leadership Indicators**

**1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

We maintain a constant and proactive engagement with our key stakeholders that enables us to communicate our strategy and performance. We practice continuous communication and engagement to align expectations. This also enables the Company to form its strategies and improve its performance to serve the stakeholders in better way. The board is regularly aligned on various developments and feedback on the same is sought from them.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

Yes, The Company has interactions on Environmental and Social areas with the Government Regulatory Authorities, Distributors, Suppliers and the local community. It helps in identifying material topics that are the most relevant and applicable for Nilkamal and actions are to be taken on them. We ensure that we take inputs received from stakeholders and integrate them into our processes and policies.

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

The Company's CSR activities focus on the disadvantaged, vulnerable and marginalised segments of the society. Kindly refer to the Annexure – A i.e. Annual Report on Corporate Social Responsibility Activities at page 20 for further details.

**PRINCIPLE 5 : Businesses should respect and promote human rights.**

**Essential Indicators**

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. of employees/ workers covered (B)	% (B / A)	Total (C)	No. of employees/ workers covered (D)	% (D / C)
<b>Employees</b>						
Permanent	2,718	2,176	80	2,745	2,223	81
Other than permanent	0	0	0	0	0	0
<b>Total Employees</b>	<b>2,718</b>	<b>2,176</b>	<b>80</b>	<b>2,745</b>	<b>2,223</b>	<b>81</b>
<b>Workers</b>						
Permanent	775	662	85	615	471	77
Other than permanent	7,615	6,092	80	7,152	5,577	78
<b>Total Workers</b>	<b>8,390</b>	<b>6,754</b>	<b>81</b>	<b>7,767</b>	<b>6,048</b>	<b>78</b>

2. **Details of minimum wages paid to employees and workers, in the following format:**

Category	FY 2022-23					FY 2021-22				
	Total (A)	Equal to Minimum wage		More than Minimum Wage		Total (D)	Equal to Minimum wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
<b>Permanent</b>										
Male	3,270	0	0	3,270	100	3,123	0	0	3,123	100
Female	223	0	0	223	100	237	0	0	237	100
<b>Other than Permanent</b>										
Male	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0
<b>Workers</b>										
<b>Permanent</b>										
Male	775	0	0	775	100	615	0	0	615	100
Female	0	0	0	0	0	0	0	0	0	0
<b>Other than Permanent</b>										
Male	7,615	0	0	7,615	100	7,152	0	0	7,152	100
Female	58	0	0	58	100	58	0	0	58	100

**3. Details of remuneration/salary/wages, in the following format:**

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	10	8,55,000	1	4,50,000
Key Managerial Personnel (KMP)	1	1,84,94,323	1	24,27,318
Employees other than BoD and KMP	2,491	4,44,156	222	4,72,910
Workers	8,332	1,55,870	58	1,49,128

\* Median Salary - Annual Basis

**4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

Yes. The Human Resources department’s head in the respective units are responsible for addressing human rights impacts.

**5. Describe the internal mechanisms in place to redress grievances related to human rights issues.**

Nilkamal has in place various processes and committees to redress the grievances related to human rights. Some such structures within the organization includes Internal Complaints Committee (PoSH related)/ Worker Committee/Grievances Committee are various institutional mechanisms present to address the grievances related to human rights

**6. Number of Complaints on the following made by employees and workers:**

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	None	0	0	None
Discrimination at workplace	0	0	None	0	0	None
Child Labour	0	0	None	0	0	None
Forced Labour/Involuntary Labour	0	0	None	0	0	None
Wages	0	0	None	0	0	None
Other human rights related issues	0	0	None	0	0	None

**7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

Nilkamal has over the years built the culture of transparency, trust and openness in the Organisation. There is a robust Induction process where all new joinees are told about the various processes in place to avoid any kind of adverse consequences to the complainant. Some examples of the initiatives include development of works committee and Health and Safety Committee who can provide the necessary protection to the complainant. Nilkamal follows zero tolerance policy for such cases and identity and information of complainant is kept confidential.

**8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

Yes, human rights requirements form part of our business agreements and contracts.

**9. Assessments for the year:**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100
Forced/involuntary labour	100
Sexual harassment	100
Discrimination at workplace	100
Wages	100
Others – please specify	NIL



**10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.**

Currently there is no mechanism in place to assess the risks arising out of Question No 9. As a policy at Nilkamal there is no employment of Child Labour. There is POSH committee and a grievance redressal committee which is accessible to all employees and workers.

There is regular internal audit being conducted to ensure wages are in line with the statutory norms.

**Leadership Indicators****1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.**

NIL

**2. Details of the scope and coverage of any Human rights due-diligence conducted.**

NIL

**3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

Yes. All our Factories are accessible to differently abled employees. Head office is not easily accessible, however the need has not yet arisen and the Management is open to making any such changes.

**4. Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	0%
Discrimination at workplace	0%
Child Labour	0%
Forced Labour/Involuntary Labour	0%
Wages	0%

**5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

Currently, we have not conducted assessments of our value chain partners.

**PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment****Essential Indicators****1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

(in Giga Joules)

Parameter	FY 2022-23	FY 2021-22
Total electricity consumption (A)	1,78,755.74	1,63,791.26
Total fuel consumption (B)	1,266.04	668.78
Energy consumption through other sources (C)	53,928.12	53,242.26
<b>Total energy consumption (A+B+C)</b>	<b>2,33,949.89</b>	<b>2,17,702.30</b>
Energy intensity per rupee of turnover (Total energy consumption/turnover in rupees)	1.04	1.11
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

**2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

None of the sites are covered under the PAT scheme

**3. Provide details of the following disclosures related to water, in the following format:**

Parameter	FY 2022-23	FY 2021-22
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	53,741	42,749
(ii) Groundwater	3,24,337	2,92,719
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>	<b>3,78,078</b>	<b>3,35,468</b>
<b>Total volume of water consumption (in kilolitres)</b>	<b>3,78,078</b>	<b>3,35,468</b>
<b>Water intensity per rupee of turnover</b> (Water consumed / turnover)	<b>0.0129 Ltr/Rs</b>	<b>0.0135 Ltr/Rs</b>
<b>Water intensity</b> (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

**4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

Yes the Company do have Zero Liquid Discharge mechanism in place as the discharged water is being used for our gardening purpose.

**5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

**1. Industrial treated water is 100% used for Gardening purpose.**

Parameter	Please specify unit	FY 2022-23	FY 2021-22
NOx	Ppmv	0.60	0.36
Sox	mg/Nm3	477	301
Particulate matter (PM)	mg/Nm3	356	120
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
Others – please specify	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

M/s. Pollucon Laboratories Pvt. Ltd, M/S SGS laboratories

**6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity:**

Parameter	Unit	FY 2022-23	FY 2021-22
<b>Total Scope 1 emissions</b> (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 Equivalent	7,286	7,740
<b>Total Scope 2 emissions</b> (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 Equivalent	10,985	12,403
<b>Total Scope 1 and Scope 2 emissions per rupee of Turnover</b>		0.0006 Kg/Rs	0.0008 Kg/Rs
<b>Total Scope 1 and Scope 2 emission intensity</b> (optional) – the relevant metric may be selected by the entity		-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

**7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.**

1. Energy reduction in injection molding machine is under progress
2. Company canteen LPG reduction by using solar water heater
3. By development of local vendor for packing items
4. Optimization Press Setting
5. Leakage Testing
6. VFD For Cooling Tower
7. PNG Gas Line Leakage Elimination
8. RO Reject water to be used for Bath / Wash room
9. Water Leakage Monitoring
10. Under Ground Line replacement
11. Rain Water Harvesting
12. Tree Plantation
13. Solar Panels implemented already.

**8. Provide details related to waste management by the entity:**

Parameter	FY 2022-23	FY 2021-22
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste <b>(A)</b>	2,656	3,113
E-waste <b>(B)</b>	0.5830	0.0140
Bio-medical waste <b>(C)</b>	0.0005	0.0005
Construction and demolition waste <b>(D)</b>	0.0000	0.0000
Battery waste <b>(E)</b>	0.2100	0.0000
Radioactive waste <b>(F)</b>	0.0000	0.0000
Other Hazardous waste. Please specify, if any. <b>(G)</b> , Used or spent oil - Schedule I, 33.2 Contaminated cotton rags or other cleaning materials - Schedule I, 33.1 Empty barrels/ containers/ liners contaminated with hazardous chemicals /wastes/ Chemical Sludge from ETP	53	43
Other Non-hazardous wastegenerated <b>(H)</b> . Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector) (Process wastes, residues and sludges, Bag, Lumps, Wood, Paper, Metal, Plastic)	851	927
<b>Total (A+B + C + D + E + F + G + H)</b>	3,560	4,083
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Recycled	539	740
(ii) Re-used	2,268	2,521
(iii) Other recovery operations	-	-
<b>Total</b>	2,807	3,261
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Incineration	-	-
(ii) Landfilling	-	-
(iii) Other disposal operations	753	822
<b>Total</b>	753	822

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

The Company follows The Hazardous Waste Management Rule Rules, 2008 as amended from time to time.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details:

S. No.	Location of operations/ offices	Type of Operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Not Applicable. Nilkamal does not have any operations / offices in / around ecologically sensitive areas.			

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not Applicable. Nilkamal has not undertaken any projects that require an Environmental Impact Assessment (EIA).					

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances:

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines /penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Not Applicable				

**Leadership Indicators**

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources:

Parameter	FY 2022-23, Giga Joules	FY 2021-22, Giga Joules
<b>From renewable sources</b>		
Total electricity consumption (A)	15,757.95	15,831.32
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	23,077.90	22,866.97
<b>Total energy consumed from renewable sources (A+B+C)</b>	<b>38,835.85</b>	<b>38,698.29</b>
<b>From non-renewable sources</b>		
Total electricity consumption (D)	1,62,997.78	1,47,959.94
Total fuel consumption (E)	1,266.04	668.78
Energy consumption through other sources (F)	30,850.22	30,375.28
<b>Total energy consumed from non-renewable sources (D+E+F)</b>	<b>1,95,114.04</b>	<b>1,79,004.01</b>

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

## 2. Provide the following details related to water discharged:

Parameter	FY 2022-23	FY 2021-22
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) To Surface water		
- No treatment		
- With treatment – please specify level of Treatment	1,45,403	1,11,413
(ii) To Groundwater		
- No treatment		
- With treatment – please specify level of Treatment	10,581	12,982
(iii) To Seawater	-	-
- No treatment		
- With treatment – please specify level of Treatment		
(iv) Sent to third-parties	-	-
- No treatment		
- With treatment – please specify level of Treatment		
(v) Others	-	-
- No treatment		
- With treatment – please specify level of Treatment		
<b>Total water discharged (in kilolitres)</b>	<b>1,55,984</b>	<b>1,24,395</b>

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

## 3. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

- Name of the area: All units
- Nature of operations: Manufacturing of injection moulded articles ,Metal & wooden furniture and Mattress
- Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2022-23	FY 2021-22
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	53,741	42,749
(ii) Groundwater	3,24,337	2,92,719
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
<b>Total volume of water withdrawal (in kilolitres)</b>	<b>3,78,078</b>	<b>3,35,468</b>
<b>Total volume of water consumption (in kilolitres)</b>	-	-
<b>Water intensity per rupee of turnover (Water consumed / turnover)</b>	0.0129 Ltr/Rs	0.0135 Ltr/Rs
<b>Water intensity (optional) – the relevant metric may be selected by the Entity</b>	-	-
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) Into Surface water		
- No treatment		
- With treatment – please specify level of treatment	1,45,403	1,11,413
(ii) Into Groundwater	-	-
- No treatment		
- With treatment – please specify level of treatment	10,581	12,982
(iii) Into Seawater	-	-
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third-parties		
- No treatment		
- With treatment – please specify level of treatment		
(v) Others	-	-
- No treatment		
- With treatment – please specify level of treatment		
<b>Total water discharged (in kilolitres)</b>	<b>1,55,984</b>	<b>1,24,395</b>

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

**External Agency for FY 2022-23 - M/s. Eco Paryavaran Laboratories & consultant Pvt. Ltd., Mohali ,Punjab**

**External Agency for FY 2021-22 M/S. Eco Pro Engineers Pvt. Ltd.,Ghaziabad ,UP**

**4. Please provide details of total Scope 3 emissions & its intensity, in the following format:**

Parameter	Unit	FY 2022-23	FY 2021-22
<b>Total Scope 3 emissions</b> (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	<i>Metric tonnes of CO2 Equivalent</i>	9,266	9,699
<b>Total Scope 3 emissions per rupee of turnover</b>		0.0003 Kg/Rs	0.0004 Kg/Rs
<b>Total Scope 3 emission intensity</b> (optional) – the relevant metric may be selected by the entity		-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

**5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.**

N.A.

**6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives:**

Nilkamal have always strived to improve the resource efficiency. Steps have been taken at its various locations to purchase/generate renewable electricity.

**7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link. –**

Emergency plan is prepared at all plants and mock drills are conducted in once in Three months. There are various Committees and teams have been formed for on ground response such as emergency response team, firefighting team, first aiders, communications team, power and utility teams.

**8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.**

The Company has not carried out any environmental assessment Impacts of its business partner.

**9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

N.A.

**PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent**

**Essential Indicators**

**1. a. Number of affiliations with trade and industry chambers/ associations.**

The Company is affiliated with four (5) trade and industry chambers/associations.

**b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.**

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/ National)
1	Federation of Indian Chambers of Commerce & Industry (FICCI)	National
2	Retailers Association of India (RAI)	National
3	Federation of Indian Exporter Organisation (FIEO)	National
4	Organisation of Plastic Processors of India (OPPI)	National
5	Society of Manufacturing of Industrial Storage Systems (SMISS)	National

2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
Not Applicable		

#### Leadership Indicators

1. Details of public policy positions advocated by the entity:

The Company does not have a separate policy on "policy advocacy"

#### PRINCIPLE 8 Businesses should promote inclusive growth and equitable development

##### Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Not Applicable. As there were no projects that required SIA as per law in the current year.

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

Not Applicable

3. Describe the mechanisms to receive and redress grievances of the community.

The Company has a well-established process & procedures to receive any kind of enquiry/ grievance from an external stakeholder.

The Company has Internal Complaint Committee through which any Internal person can report the unethical issue which he/she seems, exist in the Company with respect to suspected violations of the Company's Code of Conduct or applicable laws. This channel provides a reporting platform for internal and external stakeholders where issues related to Ethics and compliance issues, fraud, misconduct, corruption, financial issues, conflicts of interest, insider trading, theft, embezzlement, employee relations and human resources issues, such as harassment, discrimination, improper workplace conduct, loss prevention and asset protection, workplace violence, environment, health and safety, such as occupational health and safety violation etc.

As far as shareholders are concerned, the grievances can be lodged by the shareholders through various ways for e.g. approaching the compliance officer, write down an e-mail or contact over the phone with the details as mentioned in the website and to address the grievances of other stakeholders, for e.g suppliers, vendors, business partners etc. the Company has its complaint redressal mechanism, through which can person can contact and lodge their respective grievances.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2022-23	FY 2021-22
Directly sourced from MSMEs/ small producers	0.94%	1.05%
Sourced directly from within the district and neighbouring districts	30%	30%

#### Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Not Applicable

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

Please refer Annexure – A to Directors' Report i.e. Annual Report on CSR Activities at page 20.

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

No such preferential procurement policy exists as of now.

- (b) From which marginalized /vulnerable groups do you procure?

Not Applicable

- (c) What percentage of total procurement (by value) does it constitute?

Not Applicable

**4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:**

Not Applicable

**5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

Not Applicable

**6. Details of beneficiaries of CSR Projects:**

Please refer Annexure – A to Directors’ Report i.e. Annual Report on CSR Activities at page 20.

**PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner**

**Essential Indicators**

**1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

Customer complaint flow chart is available to monitor the customer complaint and customer feedback survey report available for receiving the customer suggestion. Attached samples



Customer complaint Mechanis



Annam Enterprises feedback survey rep

**2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:**

	As a percentage to total turnover
Environmental and social parameters relevant to the product	NA
Safe and responsible usage	0.033 %
Recycling and/or safe disposal	0.009 %

**3. Number of consumer complaints in respect of the following:**

	FY 2022-23		Remarks	FY 2021-22		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	0	None	0	0	None
Advertising	0	0	None	0	0	None
Cyber-security	0	0	None	0	0	None
Delivery of essential Services	0	0	None	0	0	None
Restrictive Trade Practices	0	0	None	0	0	None
Unfair Trade Practices	0	0	None	0	0	None
Other	351	7	regarding manufacturing, packaging & quality.100% pending complaints resolved for previous year	420	13	regarding manufacturing, packaging & quality.100% pending complaints resolved in FY 2022-23

**4. Details of instances of product recalls on account of safety issues: Not Applicable**

	Number	Reasons for recall
Voluntary recalls	-	-
Forced recalls	-	-



- 1) **Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

The Company do have a security policy. The same has been uploaded on the intranet of the Company.

5. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

No such event has been reported for the FY 2022-23 and hence not applicable.

#### Leadership Indicators

1. **Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

[www.nilkamalmattrezzz.com](http://www.nilkamalmattrezzz.com) , [www.nilkamalfurniture.com](http://www.nilkamalfurniture.com), [www.at-home.co.in](http://www.at-home.co.in), [www.doctordreams.com](http://www.doctordreams.com), [www.nilkamalmaterialhandling.com](http://www.nilkamalmaterialhandling.com)

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

Assembly instruction guidelines/product manuals are provided for all Ready to assemble furniture's. Care instructions displayed in our ecommerce sites. Product features and Benefits are also mentioned on E-commerce websites, in Marketing Collaterals etc.

3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

Not applicable

4. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

Yes- Along with price tag, we display product key features and benefits. Features and Benefits are also mentioned on E-commerce websites, in Marketing Collaterals etc.

5. **Provide the following information relating to data breaches:**

- a. Number of instances of data breaches along with impact  
No instances of data breach were reported or observed for FY 2023.
- b. Percentage of data breaches involving personally identifiable information of customers  
No instances of data breach were reported or observed for FY 2023.

**Independent Auditor's Report  
To the Members of  
Nilkamal Limited  
Report on the Audit of the Standalone Financial Statements  
Opinion**

We have audited the standalone financial statements of Nilkamal Limited (the "Company") which comprise the standalone balance sheet as at 31 March 2023, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

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

**Key Audit Matters**

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

**Description of Key Audit Matter**

Refer Note 35(n) of significant accounting policies and Note 26 in the standalone financial statements	
The key audit matter	How the matter was addressed in our audit
<p>Revenue of the Company comprises of sale of varied products related to material handling, plastic moulded products and mattresses through different channels of sales with varied customers at different contractual price points and terms; and sale of furniture through its retail outlets.</p> <p>The Company recognises revenue from sale of goods when control of the goods has been transferred and when there are no longer any unfulfilled obligations to the customer and the amount of revenue can be measured reliably and recovery of the consideration is probable.</p> <p>The Company focuses on revenue as a key performance measure which could create incentive for revenue to be recognised even with any of the above conditions not being met.</p> <p>Considering the above focus of the Company, the volume of transactions, cash collections at the retail store that need to be deposited in bank and the number of locations across India, we have identified existence and completeness of revenue from sale of products as a key audit matter.</p>	<p>In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence:</p> <ul style="list-style-type: none"> <li>- Evaluated the Company's accounting policies for revenue recognition, in terms of applicable accounting standards.</li> <li>- Tested the design, implementation and operating effectiveness of the Company's general IT controls and Key IT/manual controls. These are in respect of the Company's controls which govern timing of recognition of revenue including creation of new customers in system.</li> <li>- Tested, by selecting statistical samples, underlying documentation and records i.e. invoices, acknowledge delivered receipts and collection receipts for sales transactions recorded throughout the year and at year end to determine the existence of revenue.</li> <li>- Tested, by selecting statistical samples, the underlying documentation related to credit notes such as invoices and approval of sales return.</li> <li>- Performed cut-off procedures at year end by verifying underlying invoices, acknowledge delivered receipts, the transit time to deliver the goods and its revenue recognition.</li> <li>- Tested, by selecting statistical samples, of Daily Cash Report and checking the deposit of daily cash received in bank.</li> </ul>

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

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Management's and Board of Directors Responsibilities for the Standalone Financial Statements**

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of standalone financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

We communicate with those charged with governance regarding, among other matters, the planned scope that we identify during our audit.

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

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

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (A) As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on 31 March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - a) The Company has disclosed the impact of pending litigations as at 31 March 2023 on its financial position in its standalone financial statements - Refer Note 36(a) to the standalone financial statements;
  - b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - c) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - d) (i) The management has represented that, to the best of their knowledge and belief, as disclosed in the Note 33(C)(ii) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), 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 by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (ii) The management has represented that, to the best of their knowledge and belief, as disclosed in the Note 33(C)(ii) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries:
- (iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
- (e) The final dividend paid by the Company during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

As stated in Note 47 to the standalone financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend

- (C) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration payable by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration payable 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.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

**Rishabh Kumar**

Partner

Membership No. 402877

ICAI UDIN: 23402877BGYGDH6749

Place: Mumbai  
20 May 2023

**Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Nilkamal Limited for the year ended 31 March 2023**

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date))

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) 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 three 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 (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company, except for the following which are not held in the name of the Company:

(₹ in lakhs)

Description of property	Gross carrying value	Held in the Name of	Whether promoter, director or their relative or employee	Period held- indicate range, where appropriate	Reason for not being held in the name of the Company. Also indicate if in dispute
Office Building	122.93	Stackwell Marketing Services Pvt Ltd	No	Since FY ended 31 March 2007	Pending completion of relevant formalities of the fixed assets which vested in the Company pursuant to the scheme of amalgamation, Such assets continue to be in the name of the erstwhile amalgamated companies.
Freehold Land	0.68	Nilkamal Crates & Binz	No	Since FY ended 31 March 2007	
Leasehold Land	252.00	Nilkamal Storage Systems Private Limited	No	Since FY 2022-23	

- (d) 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 revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year. For stocks lying with third parties at the year-end, written confirmations have been obtained and for goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.
- (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 been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.

(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 made any investments, provided guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. The Company has granted loans to below parties during the year in respect of which the requisite information is as below. The Company has not granted any loan, secured or unsecured, to companies, firms or limited liability partnership during the year.

(a) Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has provided loans as below:

(₹ in lakhs)	
Particulars	Loans
Aggregate amount during the year	
- Employees	48.96
Balance outstanding as at balance sheet date	
- Employees	339.66

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the terms and conditions of the loans granted during the year are, prima facie, not prejudicial to the interest of the Company.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular. Further, the Company has not given any advance in the nature of loan to any party during the year.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.
- (f) 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 granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.
- (iv) 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 given any loans, or provided any guarantee or security as specified under Section 185 and 186 of the Companies Act, 2013 ("the Act"). In respect of the investments made by the Company, in our opinion the provisions of Section 186 of the Act have been complied with.
- (v) 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.
- (vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of its manufactured goods and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.
- (vii) (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 has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2023 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

(₹ in lakhs)

<b>Name of the statute</b>	<b>Nature of dues</b>	<b>Amount *</b>	<b>Period to which the amount relates</b>	<b>Forum where the dispute is pending</b>
Central Excise Act, 1944	Excise Duty	10.18	FY 2008-09 To FY 2012-13 (Upto October- 2012)	Commissioner (Appeals)- Vadodara
		72.19	Oct-14 to Mar-15	Commissioner (Appeals) Ludhiana
		30.36	Nov-11 to Mar-16	Commissioner (Appeals), Jammu
		56.39	FY 2015-16	CESTAT-Chandigarh
		66.77	2011-12 to 2015-16	Appeal filed before CESTAT
		14.73	2016-17	Commissioner (Appeals), CGST & Central Excise Division Jammu (J&K).
		4.12	2017-18	Commissioner (Appeals), CGST & Central Excise Division Jammu (J&K).
		109.66	2013-14 to 2016-17	Jammu and Kashmir High Court
33.52	2013-14 to 2015-16	Assistant Commissioner GST and Central Excise, Mumbai East Commissionerate		
Maharashtra Stamp Act, 1958	Stamp duty	26.07	2011-12	Gujarat High Court
Central Sales Tax (CST) Act and Local Sales Tax of various states	CST and Local Sales Tax (including VAT)	15.40	2012-13	Additional Commissioner Appeal Commercial tax Noida
		2.51	2013-14	Joint Commissione corporate circle
		5.35	2015-16	Additional Commissioner Appeal Commercial tax Noida
		74.95	January 2016 to June 2017	Customs Excise & Service tax Appellate tribunal
		1.98	July-17 to Dec-18	Deputy Commissioner CGST
		12.72	2018-19	Joint Commissioner of Sales Tax

\*Net of amounts paid under dispute

- (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) (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 defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.
- (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 been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.



- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures as defined under the Act.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies (as defined under the Act).
- (x) (a) 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.
- (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.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv)(a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, 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 that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due..
- (xx) a. In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project other than ongoing projects. Accordingly, clause 3(xx)(a) of the Order is not applicable.
- b. In respect of ongoing projects, the Company has transferred the unspent amount to a Special Account within a period of 30 days from the end of the financial year in compliance with Section 135(6) of the said Act.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

**Rishabh Kumar**

Partner

Membership No. 402877

ICAI UDIN: 23402877BGYGDH6749

Place: Mumbai  
20 May 2023

**Annexure B to the Independent Auditor's Report on the standalone financial statements of Nilkamal Limited for the year ended 31 March 2023.****Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act****(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)****Opinion**

We have audited the internal financial controls with reference to financial statements of Nilkamal Limited ("the Company") as of 31 March 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

**Management's and Board of Directors' Responsibilities for Internal Financial Controls**

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were 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 statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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

**Meaning of Internal Financial Controls with Reference to Financial Statements**

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

**Inherent Limitations of Internal Financial Controls with Reference to Financial Statements**

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

**Rishabh Kumar**

Partner

Membership No. 402877

ICAI UDIN: 23402877BGYGDH6749

Place: Mumbai  
20 May 2023

**Standalone Balance Sheet as at 31<sup>st</sup> March, 2023**

Particulars	Note	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>I. ASSETS</b>			
<b>1 Non-Current Assets</b>			
(a) Property, Plant and Equipment	1	76,891.28	67,994.17
(b) Capital work-in-Progress	1	2,219.52	2,639.26
(c) Goodwill		675.60	675.60
(d) Other Intangible Assets	1a	107.25	144.22
(e) Financial Assets			
(i) Investments in Subsidiaries and Joint Ventures	2	313.78	313.78
(ii) Other Investments	3	43.14	43.14
(iii) Loans	4	317.74	273.34
(iv) Other Financial Assets	5	2,605.42	2,502.03
(f) Other Non-Current Assets	6	2,580.46	3,779.96
<b>Total Non-Current Assets</b>		<b>85,754.19</b>	78,365.50
<b>2 Current Assets</b>			
(a) Inventories	7	64,155.25	65,167.81
(b) Financial Assets			
(i) Trade Receivables	8	42,346.70	30,435.64
(ii) Cash and Cash Equivalents	9	677.98	5,821.28
(iii) Bank Balances other than cash and cash equivalents	10	311.94	244.18
(iv) Other Financial Assets	11	1,547.18	1,608.50
(c) Current Tax Assets (Net)		537.42	493.68
(d) Other Current Assets	12	4,846.22	6,774.37
<b>Total Current Assets</b>		<b>1,14,422.69</b>	1,10,545.46
<b>TOTAL ASSETS</b>		<b>2,00,176.88</b>	1,88,910.96
<b>II. EQUITY AND LIABILITIES</b>			
<b>1 Equity</b>			
(a) Equity Share Capital	13	1,492.25	1,492.25
(b) Other Equity	14	1,23,691.64	1,13,663.34
<b>Total Equity attributable to equity holders of the Company</b>		<b>1,25,183.89</b>	1,15,155.59
<b>2 Non-current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	15	16,032.87	11,695.91
(ii) Lease Liabilities	16	13,490.38	14,560.05
(iii) Other Financial Liabilities	17	7,223.47	6,720.43
(b) Provisions	18	508.52	499.33
(c) Deferred Tax Liabilities (Net)	19	1,402.48	1,158.34
<b>Total Non-Current Liabilities</b>		<b>38,657.72</b>	34,634.06
<b>3 Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	20	2,837.08	5,772.57
(ii) Lease Liabilities	21	2,751.24	3,400.68
(iii) Trade Payables	22		
(a) Total Outstanding dues of micro enterprises and small enterprises		13.85	179.35
(b) Total Outstanding dues of creditors other than micro enterprises and small enterprises		21,969.14	20,943.03
(iv) Other Financial Liabilities	23	2,506.21	2,645.59
		<b>30,077.52</b>	32,941.22
(b) Other Current Liabilities	24	5,033.89	4,960.76
(c) Provisions	25	1,223.86	1,219.33
<b>Total Current Liabilities</b>		<b>36,335.27</b>	39,121.31
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,00,176.88</b>	1,88,910.96
<b>Significant accounting policies</b>	35		

The notes referred to above form an integral part of the standalone financial statements.

**As per our report of even date attached.**

**For B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

**Rishabh Kumar**

Partner

Membership No : 402877

**Hiten V. Parekh**

Managing Director

DIN : 00037550

**Paresh B. Mehta**

Chief Financial Officer

Membership No : 44670

**For and on Behalf of the Board of Directors of Nilkamal Limited**

**CIN : L25209DN1985PLC000162**

**Manish V. Parekh**

Joint Managing Director

DIN : 00037724

**Nayan S. Parekh**

Executive Director

DIN: 00037597

**Priti P. Dave**

Company Secretary

Membership No : 19469

**Standalone Statement of Profit and Loss for the year ended 31<sup>st</sup> March, 2023**

Particulars	Note	For the Year ended	
		31 <sup>st</sup> March 2023	31 <sup>st</sup> March 2022
(₹ in lakhs)			
<b>I. Revenue from Operations</b>	26	<b>3,07,931.23</b>	2,65,579.88
<b>II. Other Income</b>	27	<b>1,184.69</b>	1,881.93
<b>III. Total Income (I+II)</b>		<b>3,09,115.92</b>	2,67,461.81
<b>IV. Expenses:</b>			
Cost of Materials Consumed		<b>1,34,506.23</b>	1,22,158.47
Purchases of Stock in Trade		<b>53,215.90</b>	48,351.84
Changes in inventories of Finished Goods, Stock in Trade and Work-in-Progress	28	<b>(2,236.29)</b>	(9,210.10)
Employee Benefits Expense	29	<b>21,572.85</b>	18,886.46
Finance Costs	30	<b>3,657.46</b>	2,839.40
Depreciation and Amortisation Expenses	1	<b>11,230.53</b>	9,960.15
Other Expenses	31	<b>70,840.04</b>	63,643.66
<b>Total Expenses</b>		<b>2,92,786.72</b>	2,56,629.88
<b>V. Profit Before Tax (III-IV)</b>		<b>16,329.20</b>	10,831.93
<b>VI. Tax Expense:</b>			
Current Tax	34	<b>3,913.07</b>	2,637.86
Deferred Tax Charge / (Credit)	34	<b>224.27</b>	(37.19)
<b>Total Tax Expenses</b>		<b>4,137.34</b>	2,600.67
<b>VII. Profit for the year (V-VI)</b>		<b>12,191.86</b>	8,231.26
<b>VIII. Other Comprehensive Income:</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurements of defined benefit asset		<b>32.13</b>	228.46
Income Tax effect on above		<b>(8.08)</b>	(57.50)
<b>Items that will be reclassified subsequently to profit or loss</b>			
Effective portion of losses on hedging instrument in a cash flow hedge		<b>62.57</b>	64.53
Income Tax effect on above		<b>(11.80)</b>	(20.19)
<b>Other Comprehensive Income for the year, net of income tax</b>		<b>74.82</b>	215.30
<b>Total Comprehensive Income ( VII + VIII)</b>		<b>12,266.68</b>	8,446.56
<b>IX. Earnings per equity share of ₹ 10 each</b> (Previous Year ₹ 10 each)	52		
(1) Basic (in ₹)		<b>81.70</b>	55.16
(2) Diluted (in ₹)		<b>81.70</b>	55.16
<b>Significant accounting policies</b>	35		

The notes referred to above form an integral part of the standalone financial statements.

**As per our report of even date attached.**

**For B S R & Co. LLP**  
Chartered Accountants  
Firm's Registration No: 101248W/W-100022

**Rishabh Kumar**  
Partner  
Membership No : 402877

**Hiten V. Parekh**  
Managing Director  
DIN : 00037550

**Paresh B. Mehta**  
Chief Financial Officer  
Membership No : 44670

**For and on Behalf of the Board of Directors of Nilkamal Limited**  
CIN : L25209DN1985PLC000162

**Manish V. Parekh**  
Joint Managing Director  
DIN : 00037724

**Nayan S. Parekh**  
Executive Director  
DIN: 00037597

**Priti P. Dave**  
Company Secretary  
Membership No : 19469

Mumbai  
20<sup>th</sup> May, 2023

Mumbai  
20<sup>th</sup> May, 2023

**Standalone Cash Flow Statement for the year ended 31<sup>st</sup> March, 2023**

(₹ in lakhs)

	<b>For the Year ended 31st March 2023</b>	For the Year ended 31st March, 2022
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Profit before tax for the year</b>	<b>16,329.20</b>	10,831.93
<b>Adjustments for :</b>		
Depreciation and amortisation	<b>11,230.53</b>	9,960.15
Forex Loss / (Profit) on Forward Contract	<b>77.24</b>	(24.39)
Profit on sale of Property, Plant and Equipment	<b>(224.56)</b>	(310.15)
Non-cash expenses adjustment for Gratuity	<b>32.13</b>	228.46
Finance Costs	<b>3,657.46</b>	2,839.42
Provision/Write back for doubtful debts and advances	<b>136.51</b>	(356.22)
Bad Debts Written off	<b>73.04</b>	79.37
Interest Income	<b>(285.03)</b>	(380.24)
Gain on Cancellation of Lease	<b>(209.09)</b>	(81.92)
Dividend Income on Equity Securities	<b>(210.00)</b>	-
Profit on valuation of Investment	<b>(0.82)</b>	(0.47)
Unrealised Foreign Currency Loss	<b>21.89</b>	2.36
	<b>14,299.30</b>	11,956.37
<b>Operating Profit before Working Capital changes</b>	<b>30,628.50</b>	22,788.30
Working capital adjustments:		
Decrease / (Increase) in Inventories	<b>1,012.56</b>	(16,914.85)
Increase in Trade Receivables	<b>(12,063.77)</b>	(75.54)
Decrease/(Increase) in Other Receivables	<b>1,599.72</b>	(670.17)
Increase in Trade Payables	<b>862.26</b>	2,699.85
Increase in Other Liabilities & Provisions	<b>1,249.09</b>	1,156.16
	<b>(7,340.14)</b>	(13,804.55)
<b>Cash generated from operation</b>	<b>23,288.36</b>	8,983.75
Direct Taxes Paid (Net of Refund)	<b>(3,882.73)</b>	(2,500.96)
	<b>(3,882.73)</b>	(2,500.96)
<b>Net cash from operating activities (A)</b>	<b>19,405.63</b>	6,482.79
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest Received	<b>220.25</b>	379.17
Dividends Received	<b>379.95</b>	-
Proceeds from Sale of Property, Plant and Equipment	<b>1,575.86</b>	1,065.27
Acquisition of Property, Plant and Equipment	<b>(19,575.40)</b>	(16,585.44)
Redemption of Mutual fund	<b>0.82</b>	1,000.52
Investment in fixed deposits (Net)	<b>9.78</b>	5,346.15
<b>Net cash used in investing activities (B)</b>	<b>(17,388.73)</b>	(8,794.33)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Receipt of Long term Borrowings	<b>6,137.06</b>	737.15
Repayment of Long term Borrowings	<b>(1,744.12)</b>	(1,691.35)
Increase in Short Term borrowings (Net)	<b>(507.40)</b>	1,215.23
Increase in Commercial Paper	<b>(2,500.00)</b>	2,500.00
Increase in Non Convertible Debentures	-	9,900.00
Expenses of Non Convertible Debentures	-	(69.77)
Interest paid	<b>(2,219.23)</b>	(1,289.97)
Principle Amount paid towards Lease Liability	<b>(2,643.26)</b>	(2,336.91)
Interest paid towards Lease Liability	<b>(1,444.86)</b>	(1,513.75)
Dividends paid	<b>(2,238.38)</b>	(1,492.25)
<b>Net cash flow (used in) / from financing activities (C)</b>	<b>(7,160.20)</b>	5,958.38
<b>Net (decrease) / increase in cash and cash equivalents (A + B + C)</b>	<b>(5,143.30)</b>	3,646.84
Cash and Cash Equivalents as at the beginning of the year	<b>5,821.28</b>	2,174.44
<b>Cash and cash equivalents as at the end of the year</b>	<b>677.98</b>	5,821.28
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>(5,143.30)</b>	3,646.84

**Standalone Cash Flow Statement for the year ended 31<sup>st</sup> March, 2023 (Continued)**

**Notes to the cash flow statement**

1	(₹ in lakhs)	
	<b>For the Year ended 31st March 2023</b>	For the Year ended 31st March, 2022
Components of cash and cash equivalents		
(a) Balance in Current Accounts	<b>491.10</b>	2,924.33
(b) Cheques on Hand	<b>2.96</b>	0.03
(c) Cash on Hand	<b>84.39</b>	185.71
(d) Bank Deposits with original maturity of 3 months or less	<b>99.53</b>	2,711.21
<b>Cash and cash equivalents</b>	<b><u>677.98</u></b>	<u>5,821.28</u>
2 Debt reconciliation statement in accordance with Ind AS 7		
<b>Opening balances</b>		
Long-term borrowing (Refer Note 15)	<b>11,695.91</b>	2,854.05
Current maturities of Long term borrowings (Refer Note 20)	<b>1,839.08</b>	1,782.52
Short-term borrowing (Refer Note 20)	<b><u>3,933.49</u></b>	<u>218.26</u>
	<b>17,468.48</b>	4,854.83
<b>Movements</b>		
Long-term borrowing	<b>4,408.87</b>	8,898.43
Short-term borrowing	<b><u>(3,007.40)</u></b>	<u>3,715.23</u>
	<b>1,401.47</b>	12,613.66
<b>Closing balances</b>		
Long-term borrowing (Refer Note 15)	<b>16,032.87</b>	11,695.91
Current maturities of Long term Borrowings (Refer Note 20)	<b>1,910.99</b>	1,839.08
Short-term borrowing (Refer Note 20)	<b><u>926.09</u></b>	<u>3,933.49</u>
	<b><u>18,869.95</u></b>	<u>17,468.48</u>
3 The Cash Flow statement has been prepared under the "Indirect Method" as set out in Accounting Standard (Ind AS -7) Statement of Cash Flows .		

**As per our report of even date attached.**

**For B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

**Rishabh Kumar**

Partner

Membership No : 402877

**Hiten V. Parekh**

Managing Director

DIN : 00037550

**Paresh B. Mehta**

Chief Financial Officer

Membership No : 44670

**For and on Behalf of the Board of Directors of  
Nilkamal Limited**

**CIN : L25209DN1985PLC000162**

**Manish V. Parekh**

Joint Managing Director

DIN : 00037724

**Nayan S. Parekh**

Executive Director

DIN: 00037597

**Priti P. Dave**

Company Secretary

Membership No : 19469

Mumbai  
20<sup>th</sup> May, 2023

Mumbai  
20<sup>th</sup> May, 2023



## Statement of Changes in Equity

Standalone Statement of Changes in Equity (SOCIE) for the year ended 31<sup>st</sup> March, 2023

## (a) Equity share capital

Particulars	(₹ in Lakhs)	
	31st March, 2023	31st March, 2022
Balance at the beginning	1,492.25	1,492.25
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of previous reporting period	-	-
Changes in Equity Share Capital during the year	-	-
<b>Balance as at the year end</b>	<b>1,492.25</b>	<b>1,492.25</b>

## (b) Other equity

Particulars	Reserves & Surplus			Other Reserve	Total
	Retained Earnings	Securities Premium	General Reserve		
<b>Balance at April 1, 2021</b>	65,351.38	6,448.96	35,000.00	(91.32)	1,06,709.02
Profit for the year	8,231.26	-	-	-	8,231.26
Other comprehensive income for the year	170.97	-	-	44.34	215.31
<b>Total comprehensive income for the year</b>	<b>8,402.23</b>	-	-	<b>44.34</b>	<b>8,446.57</b>
Final dividend declared and paid	(1,492.25)	-	-	-	(1,492.25)
<b>Balance at March 31, 2022</b>	<b>72,261.36</b>	<b>6,448.96</b>	<b>35,000.00</b>	<b>(46.98)</b>	<b>1,13,663.34</b>
Profit for the year	12,191.86	-	-	-	12,191.86
Other comprehensive income for the year	24.05	-	-	50.77	74.82
<b>Total comprehensive income for the year</b>	<b>12,215.91</b>	-	-	<b>50.77</b>	<b>12,266.68</b>
Final Dividend paid	(2,238.38)	-	-	-	(2,238.38)
<b>Balance at March 31, 2023</b>	<b>82,238.89</b>	<b>6,448.96</b>	<b>35,000.00</b>	<b>3.79</b>	<b>1,23,691.64</b>

As per our report of even date attached.

## For B S R &amp; Co. LLP

Chartered Accountants

Firm's Registration No: 101248/WW-100022

## Rishabh Kumar

Partner

Membership No : 402877

Mumbai

20<sup>th</sup> May, 2023

## For and on Behalf of the Board of Directors of Nilkamal Limited

CIN : L25209DN1985PLC000162

## Hiten V. Parekh

Managing Director

DIN : 00037550

## Manish V. Parekh

Joint Managing Director

DIN : 00037724

## Nayan S. Parekh

Executive Director

DIN : 00037597

## Paresh B. Mehta

Chief Financial Officer

Membership No : 0044670

## Priti P. Dave

Company Secretary

Membership No : 19469

Mumbai

20<sup>th</sup> May, 2023

1 Property, Plant and Equipment											
	Freehold Land	Leasehold Land	Building	Plant and Equipments	Furniture and Fixtures	Vehicles	Office Equipments	Lease Equipments	Leasehold Improvements	Right of Use Assets (see note below)	Total
	(₹ in lakhs)										
<b>Gross Block :</b>											
Balance as at 1st April 2021	1,118.19	419.27	17,410.02	46,787.01	4,293.49	294.86	2,443.40	691.43	1,510.47	22,038.09	97,006.23
Additions	362.20	-	3,552.06	9,214.12	609.71	25.80	448.96	305.49	68.36	2,237.47	16,824.17
Adjustments	-	-	-	33.13	(7.15)	-	(25.98)	-	-	-	-
Disposals	9.30	-	203.74	445.57	87.31	93.82	40.77	-	35.48	172.23	1,088.22
Balance as at 31st March 2022	1,471.09	419.27	20,758.34	55,588.69	4,808.74	226.84	2,825.61	996.92	1,543.35	24,103.33	1,12,742.18
<b>Balance as at 1st April 2022</b>	<b>1,471.09</b>	<b>419.27</b>	<b>20,758.34</b>	<b>55,588.69</b>	<b>4,808.74</b>	<b>226.84</b>	<b>2,825.61</b>	<b>996.92</b>	<b>1,543.35</b>	<b>24,103.33</b>	<b>1,12,742.18</b>
<b>Additions</b>	<b>2,197.11</b>	<b>2.66</b>	<b>1,572.98</b>	<b>14,062.35</b>	<b>633.63</b>	<b>27.86</b>	<b>366.78</b>	<b>407.10</b>	<b>76.00</b>	<b>2,055.97</b>	<b>21,402.44</b>
<b>Adjustments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>51.85</b>	<b>-</b>	<b>-</b>	<b>(49.89)</b>	<b>-</b>	<b>(1.96)</b>	<b>-</b>	<b>-</b>
<b>Disposals</b>	<b>66.61</b>	<b>-</b>	<b>121.86</b>	<b>280.10</b>	<b>44.50</b>	<b>75.87</b>	<b>130.52</b>	<b>-</b>	<b>137.07</b>	<b>1,953.06</b>	<b>2,809.59</b>
<b>Balance as at 31st March 2023</b>	<b>3,601.59</b>	<b>421.93</b>	<b>22,209.46</b>	<b>69,422.79</b>	<b>5,397.87</b>	<b>178.83</b>	<b>3,011.98</b>	<b>1,404.02</b>	<b>1,480.32</b>	<b>24,206.24</b>	<b>1,31,335.03</b>
<b>Depreciation :</b>											
Balance as at 1st April 2021	-	14.21	3,271.33	20,803.42	2,383.84	136.45	1,814.33	35.60	1,160.26	5,837.45	35,456.89
Depreciation for the year	-	2.98	773.46	5,111.49	337.50	26.72	334.67	161.37	95.28	3,027.26	9,870.73
Adjustments	-	-	-	20.20	(0.44)	-	(19.76)	-	-	-	-
Disposals	-	-	27.04	237.34	67.44	48.15	38.59	-	25.30	135.75	579.61
Balance as at 31st March 2022	-	17.19	4,017.75	25,697.77	2,653.46	115.02	2,090.65	196.97	1,230.24	8,728.96	44,748.01
<b>Balance as at 1st April 2022</b>	<b>-</b>	<b>17.19</b>	<b>4,017.75</b>	<b>25,697.77</b>	<b>2,653.46</b>	<b>115.02</b>	<b>2,090.65</b>	<b>196.97</b>	<b>1,230.24</b>	<b>8,728.96</b>	<b>44,748.01</b>
<b>Depreciation for the year</b>	<b>-</b>	<b>3.01</b>	<b>855.58</b>	<b>6,335.56</b>	<b>397.28</b>	<b>20.47</b>	<b>348.57</b>	<b>220.54</b>	<b>50.36</b>	<b>2,922.66</b>	<b>11,154.03</b>
<b>Adjustments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>20.23</b>	<b>-</b>	<b>-</b>	<b>(18.27)</b>	<b>-</b>	<b>(1.96)</b>	<b>-</b>	<b>-</b>
<b>Disposals</b>	<b>-</b>	<b>-</b>	<b>18.59</b>	<b>151.79</b>	<b>26.32</b>	<b>47.75</b>	<b>94.79</b>	<b>-</b>	<b>84.39</b>	<b>1,034.66</b>	<b>1,458.29</b>
<b>Balance as at 31st March 2023</b>	<b>-</b>	<b>20.20</b>	<b>4,854.74</b>	<b>31,901.77</b>	<b>3,024.42</b>	<b>87.74</b>	<b>2,326.16</b>	<b>417.51</b>	<b>1,194.25</b>	<b>10,616.96</b>	<b>54,443.75</b>
<b>Net Block :</b>											
As at 31st March 2022	1,471.09	402.08	16,740.59	29,890.92	2,155.28	111.82	734.96	799.95	313.11	15,374.37	67,994.17
<b>As at 31st March 2023</b>	<b>3,601.59</b>	<b>401.73</b>	<b>17,354.72</b>	<b>37,521.02</b>	<b>2,373.45</b>	<b>91.09</b>	<b>685.82</b>	<b>986.51</b>	<b>286.07</b>	<b>13,589.28</b>	<b>76,891.28</b>

**Notes :-**

- a) Leasehold land acquisition value includes ₹ 0.01 lakh (Previous Year ₹ 0.01 lakh) paid by way of subscription of shares for membership of co-operative housing society.
- b) Title deeds not held in the name of the Company

Relevant line item in Balance Sheet	Description of item of property	Gross carrying value (₹ in Lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
Property plant and equipments	Freehold Land	0.68	Nilkamal Crates and Bins	No	01-11-2007	Pending completion of the relevant formalities of one Free hold Land, one Lease hold Land and ten offices which vested in the Company pursuant to the scheme of amalgamation, such assets continue to be in the name of the erstwhile amalgamated companies.
Property plant and equipments	Buildings	122.93	Stackwell Marketing services Pvt. Ltd.	No	01-11-2007	
Property plant and equipments	Leasehold Land	252.00	Nilkamal Storage System Pvt. Ltd.	No	01-10-2022	

- c) Capital work-in-progress

31st March 2023	Amount of CWIP for period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>Capital work-in-progress</b>	<b>2,076.96</b>	-	<b>(f) 142.56</b>	-	<b>2,219.52</b>
<b>Projects temporarily suspended</b>	-	-	-	-	-

31st March 2022	Amount of CWIP for period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Capital work-in-progress	2,447.48	49.22	(f) 142.56	-	2,639.26
Projects temporarily suspended	-	-	-	-	-

- d) For Capital commitment with regards to property plant and equipment refer note 36 (b).
- e) For Assets on hypothecation as security against borrowing refer note 39.
- f) Capitalisation pending due to pending approval from relevant authority.

## g) Details of Right of Use

(₹ in lakhs)

	Land & Building	Computer Server	Vehicles	Total
<b>Gross Block :</b>				
Balance as at 1st April, 2021	20,911.77	399.55	731.83	22,043.15
Additions	1,955.06	-	277.35	2,232.41
Disposals	167.14	-	5.09	172.23
Balance as at 31st March, 2022	22,699.69	399.55	1,004.09	24,103.33
<b>Balance as at 1st April, 2022</b>	<b>22,699.69</b>	<b>399.55</b>	<b>1,004.09</b>	<b>24,103.33</b>
<b>Additions</b>	<b>1,940.68</b>	<b>-</b>	<b>115.29</b>	<b>2,055.97</b>
<b>Adjustment</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Disposals</b>	<b>1,553.51</b>	<b>399.55</b>	<b>-</b>	<b>1,953.06</b>
<b>Balance as at 31st March, 2023</b>	<b>23,086.86</b>	<b>-</b>	<b>1,119.38</b>	<b>24,206.24</b>
<b>Amortisation</b>				
Balance as at 1st April, 2021	5,171.01	247.28	386.91	5,805.20
Amortisation for the year	2,781.64	117.76	160.11	3,059.51
Disposals / Adjustments	131.97	-	3.78	135.75
Balance as at 31st March, 2022	7,820.68	365.04	543.24	8,728.96
<b>Balance as at 1st April, 2022</b>	<b>7,820.68</b>	<b>365.04</b>	<b>543.24</b>	<b>8,728.96</b>
<b>Amortisation for the year</b>	<b>2,755.25</b>	<b>34.51</b>	<b>132.90</b>	<b>2,922.66</b>
<b>Disposals / Adjustments</b>	<b>635.11</b>	<b>399.55</b>	<b>-</b>	<b>1,034.66</b>
<b>Balance as at 31st March, 2023</b>	<b>9,940.82</b>	<b>-</b>	<b>676.14</b>	<b>10,616.96</b>
<b>Net Block :</b>				
As at 31st March, 2022	14,879.01	34.51	460.85	15,374.37
<b>As at 31st March, 2023</b>	<b>13,146.04</b>	<b>-</b>	<b>443.24</b>	<b>13,589.28</b>

**Notes :-**

- a) The Company incurred ₹ 1,514.13 lakhs for the year ended 31st March, 2023 (Previous year ₹ 1,105.86 lakhs) towards expenses relating to short-term leases and leases of low-value assets. The total cash outflow for leases is ₹ 5,607.37 lakhs for the year ended 31st March, 2023 (Previous year ₹ 4,955.70 lakhs), including cash outflow of short-term leases and leases of low-value assets. Interest on lease liabilities is ₹ 1,444.86 lakhs (Previous year ₹ 1,513.75 lakhs) for the year.
- b) The Company's leases comprise of land and buildings, plant and equipment and computer server. The Company leases land and buildings for manufacturing, retail stores and warehouse facilities..
- c) Maturity analysis of Undiscounted Contractual Future lease Outflow are as follows..

(₹ in lakhs)

Period	31st March, 2023	31st March, 2022
Within one year	<b>3,805.05</b>	4,128.25
One to Five years	<b>10,221.24</b>	9,882.84
More than Five years	<b>28,864.82</b>	15,924.54

1a Other Intangible Assets	Computer Software	(₹ in lakhs) Total
<b>Gross Block :</b>		
Balance as at 1st April 2021	536.97	536.97
Additions	140.50	140.50
Disposals	-	-
Balance as at 31st March 2022	<u>677.47</u>	<u>677.47</u>
<b>Balance as at 1st April 2022</b>	<b>677.47</b>	<b>677.47</b>
<b>Additions</b>	<b>39.53</b>	<b>39.53</b>
<b>Disposals</b>	<b>-</b>	<b>-</b>
<b>Balance as at 31st March 2023</b>	<b><u>717.00</u></b>	<b><u>717.00</u></b>
<b>Depreciation :</b>		
Balance as at 1st April 2021	443.83	443.83
Amortisation for the year	89.42	89.42
Disposals / Adjustments	-	-
Balance as at 31st March 2022	<u>533.25</u>	<u>533.25</u>
<b>Balance as at 1st April 2022</b>	<b>533.25</b>	<b>533.25</b>
<b>Amortisation for the year</b>	<b>76.50</b>	<b>76.50</b>
<b>Adjustments</b>	<b>-</b>	<b>-</b>
<b>Disposals / Adjustments</b>	<b>-</b>	<b>-</b>
<b>Balance as at 31st March 2023</b>	<b><u>609.75</u></b>	<b><u>609.75</u></b>
<b>Net Block :</b>		
As at 31st March 2022	144.22	144.22
<b>As at 31st March 2023</b>	<b><u>107.25</u></b>	<b><u>107.25</u></b>

(₹ in lakhs)

<b>As at</b>	As at
<b>31st March, 2023</b>	31st March, 2022

2 Investments in Subsidiaries and Joint Ventures (Valued at cost unless stated otherwise)		
<b>Investments (Unquoted)</b>		
<b>Investment in Equity instruments</b>		
<b>(a) Investment in Subsidiary Companies</b>		
(i) 1,520,000 (Previous year - 1,520,000) Equity Shares of SLR 10/- each of Nilkamal Eswaran Plastics Private Limited, Srilanka, fully paid up	<b>93.62</b>	93.62
(ii) 1 (Previous year - 1) Equity share of DHS 185,000/- each of Nilkamal Crates and Bins, FZE, fully paid up	<b>19.65</b>	19.65
(iii) 99 (Previous year - 99) Equity share of ₹ 10/- each of Nilkamal Foundation, fully paid up	<b>0.01</b>	0.01
<b>(b) Investments in Joint Ventures</b>		
(i) 105,000 (Previous year - 105,000) Equity Shares of ₹10/- each of Cambro Nilkamal Private Limited, fully paid up	<b>200.50</b>	200.50
<b>Total</b>	<b><u>313.78</u></b>	<b><u>313.78</u></b>
<b>Aggregate value of unquoted investments</b>	<b>313.78</b>	313.78

		(₹ in lakhs)	
		As at 31st March, 2023	As at 31st March, 2022
<b>3</b>	<b>Other Non-Current Investments (Refer Note 48)</b>		
	<b>Unquoted</b>		
	<b>(a) Investments - Others</b>	<b>42.82</b>	42.82
	225,370 (Previous year - 225,370) Equity Shares of ₹ 10/ each of Beta Wind Farm Private Limited fully paid up		
	<b>(b) Investment in Government Securities</b>		
	National Savings Certificates	<b>0.32</b>	0.32
	(Pledged with Government Authorities)		
	<b>Total</b>	<b>43.14</b>	43.14
	<b>Aggregate value of unquoted investments (non current)</b>	<b>43.14</b>	43.14
<b>4</b>	<b>Non-Current Loans</b>		
	<i>Unsecured, Considered good</i>		
	(a) Employee Loans	<b>317.74</b>	273.34
	<b>Total</b>	<b>317.74</b>	273.34
	There are no loans or advances in the nature of loans granted to promoters, Directors, KMPs and their related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are:		
	(a) repayable on demand; or		
	(b) without specifying any terms or period of repayment		
<b>5</b>	<b>Other Non-Current Financial Assets</b>		
	<i>Unsecured, considered good</i>		
	(a) Bank Deposits with more than 12 months maturity	<b>87.28</b>	58.90
	(b) Derivative Assets	<b>185.43</b>	200.10
	(c) Security Deposit		
	(a) With other than related parties	<b>1,612.71</b>	1,523.03
	(b) With related parties (Refer Note 42)	<b>720.00</b>	720.00
	<b>Total</b>	<b>2,605.42</b>	2,502.03
<b>6</b>	<b>Other Non-Current Assets</b>		
	<i>Unsecured, considered good</i>		
	<b>To parties other than related parties :</b>		
	(a) Capital Advances	<b>1,632.96</b>	2,824.25
	(b) Advances other than capital advances		
	Deposit with Government Authorities	<b>947.50</b>	955.71
	<b>Total</b>	<b>2,580.46</b>	3,779.96
	The Company has not given any advances to directors of the Company either severally or jointly with any other persons or advances to firm or any other companies respectively in which any director is partner or a member.		
<b>7</b>	<b>Inventories</b>		
	<b>(Valued at the lower of cost and net realisable value)</b>		
	(a) Raw Material (including Goods in transit ₹ 297.37 lakhs (Previous year - ₹ 880.31 lakhs))	<b>15,793.35</b>	20,028.56
	(b) Work-in-Progress	<b>5,536.75</b>	5,595.99
	(c) Finished Goods	<b>17,275.59</b>	17,629.69
	(d) Stock in Trade (including Goods in transit ₹ 844.26 lakhs (Previous year - ₹ 929.88 lakhs))	<b>20,499.69</b>	17,850.06
	(e) Stores and Spares	<b>4,393.02</b>	3,372.39
	(f) Packing Material	<b>656.85</b>	691.12
	<b>Total</b>	<b>64,155.25</b>	65,167.81
	For Inventories on hypothecation as security against borrowing refer note 39.		
	During the year an amount of ₹ 554.14 lakhs (Previous year - ₹ 442.37 lakhs) was charged to the statement of profit and loss on account of Damage and Slow Moving Inventory.		

		(₹ in lakhs)	
		As at	As at
		31st March, 2023	31st March, 2022
<b>8</b>	<b>Trade Receivables (Refer Note 33A)</b>		
(a)	Considered good - Secured	4,370.97	2,391.88
(b)	Considered good - Unsecured	37,975.73	28,043.76
(c)	With significant increase in credit risk	-	-
(d)	Credit impaired	1,096.73	960.22
		<u>43,443.43</u>	<u>31,395.86</u>
	Less: Provision for Loss Allowance	(1,096.73)	(960.22)
	<b>Total</b>	<u><u>42,346.70</u></u>	<u><u>30,435.64</u></u>
	For Trade receivables on hypothecation as security against borrowing (Refer note 39)		
	Trade receivables (unsecured considered good) includes ₹ 415.04 lakhs (Previous year - ₹ 295.75 lakhs) due from subsidiaries and joint venture companies. (Refer Note 42)		
<b>9</b>	<b>Cash and Cash Equivalents</b>		
(a)	Cash on Hand	84.39	185.71
(b)	Cheques on Hand	2.96	0.03
(c)	Balance with Banks in Current Accounts	491.10	2,924.33
(d)	Bank Deposits with original maturity of 3 months or less	99.53	2,711.21
	<b>Total</b>	<u><u>677.98</u></u>	<u><u>5,821.28</u></u>
<b>10</b>	<b>Bank Balances other than Cash and Cash Equivalents</b>		
(a)	Bank Deposits with original maturity of 3-12 months	146.75	184.91
(b)	Earmarked Balance with Banks *	165.19	59.27
	<b>Total</b>	<u><u>311.94</u></u>	<u><u>244.18</u></u>
	* The above includes unclaimed dividend of ₹ 55.19 lakhs (previous year ₹ 59.27 lakhs) and amount transferred to CSR project expenditure account for ongoing projects ₹ 110.00 lakhs (previous ₹ Nil)		
<b>11</b>	<b>Other Current Financial Assets</b>		
(a)	Interest Receivable	4.78	7.91
(b)	Discount Receivable	689.99	458.48
(c)	Dividend Receivable from Related Parties	-	250.24
(d)	Unsecured, Considered good		
	To Parties other than related parties :		
	Security Deposit	819.29	789.66
(e)	Credit impaired		
	Security Deposits Considered Doubtful	52.05	52.05
	Less: Provision for Loss Allowance	(52.05)	(52.05)
(f)	Other Receivables	33.12	102.21
	<b>Total</b>	<u><u>1,547.18</u></u>	<u><u>1,608.50</u></u>
	Other receivables (unsecured considered good) includes ₹ 4.81 lakhs (Previous year - ₹ 265.46 lakhs) due from subsidiaries and joint venture companies. (Refer Note 42)		
<b>12</b>	<b>Other Current Assets</b>		
	Unsecured, Considered good		
	<b>To parties other than related Parties</b>		
(a)	Advance to Vendors	2,017.00	3,195.65
(b)	Advance for Expenses	160.35	184.27
(c)	Balances with authorities	1,662.01	2,137.28
(d)	Prepaid Expenses	567.96	601.99
(e)	Employee Loans	22.13	30.59
(f)	Prepaid Gratuity (Refer Note 50)	179.19	363.86
(g)	Deposit	8.79	-
(h)	Others	228.79	260.73
	<b>Total</b>	<u><u>4,846.22</u></u>	<u><u>6,774.37</u></u>

		(₹ in lakhs)	
		As at	As at
		<u>31st March, 2023</u>	<u>31st March, 2022</u>
<b>13</b>	<b>Equity Share Capital</b>		
	<b>Authorised</b>		
	27,000,000 (Previous year - 22,000,000) Equity Shares of ₹ 10/- each	<b>2,700.00</b>	2,200.00
	3,000,000 (Previous year - 3,000,000) Preference Shares of ₹ 10/- each	<b>300.00</b>	300.00
	<b>Total</b>	<b><u>3,000.00</u></b>	<b><u>2,500.00</u></b>
	The authorised equity share capital of the Company was increased to 2,70,00,000 equity shares of ₹ 10 each from 2,20,00,000 equity shares of ₹ 10 each pursuant to approval of the Scheme of Amalgamation of Nilkamal Storage Systems Private Limited vide orders of National Company Law Tribunal, Mumbai bench and Ahmedabad bench with effect from the Appointed Date, i.e., 1 October 2022. (Refer Note 46)		
	<b>Issued, Subscribed and Fully Paid-up</b>		
	1,49,22,525 Equity Shares of ₹ 10/- each	<b>1,492.25</b>	1,492.25
	(Previous year - 1,49,22,525 Equity Shares of ₹ 10/- each) (Refer Note 38)		
	<b>Total</b>	<b><u>1,492.25</u></b>	<b><u>1,492.25</u></b>
<b>14</b>	<b>Other Equity</b>		
	<b>(a) Retained Earnings</b>		
	At the commencement of the year	<b>72,261.36</b>	65,351.38
	Add : Profit for the year	<b>12,191.86</b>	8,231.26
	Add : Other Comprehensive Income for the year	<b>24.05</b>	170.97
	<b>Appropriations</b>		
	Final Dividend 31st March, 2022 ₹ 15 per share (31st March 2021 ₹ 10 per share)	<b>(2,238.38)</b>	(1,492.25)
		<b><u>82,238.89</u></b>	<b><u>72,261.36</u></b>
	<b>(b) Securities Premium</b>		
	At the commencement and at the end of the year	<b>6,448.96</b>	6,448.96
		<b><u>6,448.96</u></b>	<b><u>6,448.96</u></b>
	<b>(c) General Reserve</b>		
	At the commencement of the year	<b>35,000.00</b>	35,000.00
	Add: Transferred from Retained Earnings	-	-
	At the end of the year	<b><u>35,000.00</u></b>	<b><u>35,000.00</u></b>
	<b>(d) Items of Other Comprehensive Income</b>		
	<b>i) Cash Flow Hedge Reserve</b>		
	At the commencement of the year	<b>(46.98)</b>	(91.32)
	Add : Net gain / (loss) recognised on cash flow hedge (Refer Note 40)	<b>50.77</b>	44.34
	At the end of the year	<b>3.79</b>	(46.98)
	<b>Total Other Equity</b>	<b><u>1,23,691.64</u></b>	<b><u>1,13,663.34</u></b>

**Nature and purpose of reserves**

**1) 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 investors. This includes remeasurement of defined benefit plans arising due to actuarial valuation of gratuity, that will not be routed through Statement of Profit and Loss subsequently.

**2) Securities premium**

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.



**3) General reserve**

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

**4) Cash flow hedge reserve**

For hedging foreign currency exposure risk, the Company uses forward contracts swaps which is also designated as cash flow hedges. To the extent these hedges are effective; the change in fair value of the hedging instrument is recognised in the cash flow hedging reserve. Amount recognised in the cash flow hedging reserve is reclassified to profit or loss when the hedged item affects profit or loss.

	As at <b>31st March, 2023</b>	(₹ in lakhs) As at 31st March, 2022
<b>15 Borrowings - Non-Current Financial Liabilities</b>		
<b>Secured Loan (For Security and terms of repayment : Refer Note 39)</b>		
<b>Term Loan from Banks</b>		
(i) Rupee Loans	<b>6,186.71</b>	737.15
(ii) Foreign Currency Loans	-	1,128.53
(iii) Non Convertible Debenture	<b>9,846.16</b>	9,830.23
<b>Total</b>	<b>16,032.87</b>	11,695.91
* Current maturities of Long Term Borrowings disclosed under Borrowings Current Financial Liabilities : (Refer Note 20)	<b>* 1,910.99</b>	* 1,839.08
<b>16 Lease Liabilities</b>		
Lease Liabilities (Refer Note 1 (g) (c))	<b>13,490.38</b>	14,560.05
<b>Total</b>	<b>13,490.38</b>	14,560.05
<b>17 Other Non-Current Financial Liabilities</b>		
Security Deposit Received	<b>7,223.47</b>	6,720.43
<b>Total</b>	<b>7,223.47</b>	6,720.43
<b>18 Non-Current Provisions</b>		
<b>Provision for employee benefits (Refer Note 50)</b>		
Compensated Absences	<b>508.52</b>	499.33
<b>Total</b>	<b>508.52</b>	499.33
<b>19 Deferred Tax Liabilities (Net) (Refer note 34)</b>		
Major components of deferred tax assets and liabilities arising on account of timing differences are:		
<b>Deferred Tax Liabilities :</b>		
Depreciation and Amortisation	<b>5,979.68</b>	6,162.15
Allowances under Income Tax Act	<b>212.00</b>	212.00
	<b>6,191.68</b>	6,374.15
<b>Deferred Tax Assets :</b>		
Disallowances under Income Tax Act	<b>4,789.20</b>	5,215.81
	<b>4,789.20</b>	5,215.81
<b>Deferred Tax Liabilities (Net)</b>	<b>1,402.48</b>	1,158.34

	As at 31st March, 2023	(₹ in lakhs) As at 31st March, 2022
<b>20 Borrowings-Current Financial Liabilities</b>		
<b>Secured Loan (For Security and terms of repayment : Refer Note 39)</b>		
<b>Working Capital Loan from Banks</b>		
Rupee Loans	926.09	1,433.49
Commercial Paper	-	2,500.00
<b>Current maturities of Long-Term borrowings</b>		
Rupee Loans	687.50	-
Foreign Currency Loan (Refer Note 39)	1,223.49	1,839.08
<b>Total</b>	<b>2,837.08</b>	<b>5,772.57</b>
<b>21 Lease Liabilities</b>		
Lease Liabilities (Refer note 1(g) (c))	2,751.24	3,400.68
<b>Total</b>	<b>2,751.24</b>	<b>3,400.68</b>
<b>22 Trade Payables (Refer note 33B)</b>		
(a) Total Outstanding dues of micro enterprises and small enterprises (Refer Note 41)	13.85	179.35
(b) Total Outstanding dues of creditors other than micro enterprises and small enterprises	21,969.14	20,943.03
<b>Total</b>	<b>21,982.99</b>	<b>21,122.38</b>
<b>23 Other Current Financial Liabilities</b>		
(a) Book Overdrafts	16.39	3.57
(b) Interest accrued but not due on borrowings	60.13	66.76
(c) Unclaimed Dividends	55.19	59.27
(d) Payable for purchase of property, plant and equipment	707.85	1,589.80
(e) Employee Benefits payable	1,556.65	926.19
(f) Unspent CSR Expenses	110.00	-
<b>Total</b>	<b>2,506.21</b>	<b>2,645.59</b>
There are no amount due for payment to Investor Education and Protection Fund under Section 125 O of the Companies Act, 2013 as at 31st March 2023 (Previous year ₹ Nil)		
<b>24 Other Current Liabilities</b>		
(a) Advance from Customers	3,172.12	3,786.82
(b) Statutory Dues		
(i) Sales Tax / Goods and services tax	1,269.27	542.17
(ii) Tax deducted at source	433.97	464.79
(iii) Employee related dues	158.53	148.69
	<b>1,861.77</b>	<b>1,155.65</b>
(c) Other Payable	-	18.29
<b>Total</b>	<b>5,033.89</b>	<b>4,960.76</b>
<b>25 Current Provisions</b>		
<b>(a) Provision for Employee Benefits (Refer Note 50)</b>		
(i) Compensated Absences	453.21	463.94
	<b>453.21</b>	<b>463.94</b>
<b>(b) Others Provisions</b>		
(i) Provision For Product Warranties (Refer Note 37)	664.17	638.91
(ii) Provision Others (Refer Note 37)	106.48	116.48
<b>Total</b>	<b>1,223.86</b>	<b>1,219.33</b>

	For the year ended 31st March, 2023	For the year ended 31st March, 2022
(₹ in Lakhs)		
<b>26 Revenue from Operations (Refer note 32)</b>		
<b>(a) Sale of Products</b>		
(i) Domestic	<b>2,95,955.60</b>	2,55,217.31
(ii) Export	<b>6,822.65</b>	5,531.65
	<b>3,02,778.25</b>	2,60,748.96
<b>(b) Sale of Services</b>	<b>1,978.73</b>	1,067.31
<b>(c) Other Operating Revenue</b>		
(i) Sale of Scrap	<b>1,322.12</b>	1,214.04
(ii) Technical and Management Fees	<b>490.35</b>	332.93
(iii) Erection Charges	<b>991.87</b>	1,981.25
(iv) Others	<b>369.91</b>	235.39
<b>Revenue from Operations</b>	<b>3,07,931.23</b>	2,65,579.88
<b>27 Other Income</b>		
(a) Interest Income	<b>285.03</b>	380.24
(b) Dividend Income from Joint Ventures	<b>210.00</b>	752.95
(c) Other Non- Operating Income		
(i) Gain on Sale of Investments	<b>0.82</b>	0.47
(ii) Gain on Cancellation / Modification of Lease	<b>209.09</b>	81.92
(iii) Foreign Exchange Gain (net)	<b>255.19</b>	-
(iv) Profit on property, plant and equipment Sold / Discarded (Net)	<b>224.56</b>	310.14
(v) Excess Provision/ Write back for Doubtful Debts and Advances	-	356.21
<b>Total</b>	<b>1,184.69</b>	1,881.93
<b>28 Changes in Inventories of Finished Goods, Traded Goods and Work-in-Progress</b>		
<b>Opening Stock</b>		
Work in Progress	<b>5,595.99</b>	4,125.49
Finished Goods	<b>17,629.69</b>	11,984.61
Stock in Trade	<b>17,850.06</b>	15,755.54
	<b>41,075.74</b>	31,865.64
<b>Closing Stock</b>		
Work in Progress	<b>5,536.75</b>	5,595.99
Finished Goods	<b>17,275.59</b>	17,629.69
Stock in Trade	<b>20,499.69</b>	17,850.06
	<b>43,312.03</b>	41,075.74
<b>Total</b>	<b>(2,236.29)</b>	(9,210.10)
<b>29 Employee Benefits Expense</b>		
(a) Salary, Wages and Bonus	<b>19,276.34</b>	17,022.04
(b) Contribution to Provident and Other funds (Refer Note 50)	<b>972.55</b>	906.86
(c) Workmen and Staff Welfare Expenses	<b>1,323.96</b>	957.56
<b>Total</b>	<b>21,572.85</b>	18,886.46
<b>30 Finance Costs</b>		
(a) Interest on Financial Liabilities	<b>2,122.97</b>	1,221.64
(b) Interest Expense on Lease Liabilities	<b>1,444.86</b>	1,513.74
(c) Other Borrowing Costs	<b>89.63</b>	104.02
<b>Total</b>	<b>3,657.46</b>	2,839.40

	(₹ in lakhs)	
	For the year ended 31st March, 2023	For the year ended 31st March, 2022
<b>31 Other Expenses</b>		
(a) Stores, Spare Parts Consumed	3,976.34	3,708.54
(b) Power and Fuel	6,303.75	4,997.17
(c) Repairs :		
(i) Building	169.84	333.90
(ii) Machinery	207.31	305.51
(iii) Others	1,464.65	1,253.65
(d) Labour Charges	17,082.59	14,080.80
(e) Rent	1,514.13	1,105.86
(f) Rates and Taxes	485.49	533.29
(g) Insurance	691.06	540.47
(h) Postage and Telephone Expenses	878.56	663.75
(i) Packing Material Consumed	2,128.29	3,111.29
(j) Travelling and Conveyance	2,093.57	1,667.23
(k) Commission	2,927.37	2,145.29
(l) Advertisements and Sales Promotion Expense	4,573.63	3,366.29
(m) Computer Expenses	1,577.86	1,192.91
(n) Transportation and Forwarding Charges	18,044.49	16,763.04
(o) Security and Guards	732.41	621.81
(p) House Keeping Expenses	203.37	453.08
(q) Legal and Professional Fees	1,590.71	1,752.71
(r) Vehicle Expenses	764.39	676.74
(s) Printing and Stationery	169.93	134.02
(t) Board Meeting Fees	48.95	45.83
(u) Bad Debts written off	73.04	79.37
(v) Provision for Doubtful Debts and Advances	136.51	-
(w) Corporate Social Responsibility Expenses (Refer Note 45)	278.40	323.72
(x) Errection Charges	1,726.96	2,671.32
(y) Payment to Auditors		
- Audit Fees	52.00	52.00
- For Other Services	11.65	5.11
- Reimbursement of Expenses	6.98	1.46
(z) Foreign Exchange Loss (Net)	-	142.31
(aa) Bank Charges	321.60	240.64
(ab) Miscellaneous Expenses	604.21	683.00
<b>Total</b>	<b>70,840.04</b>	<b>63,643.66</b>

**32 Revenue from Contract from Customer****A. Revenue Streams**

The Company generates revenue primarily from the sale of Plastic articles and Life style Furniture, Furnishings and Accessories to its customers. Other sources of revenue include Sale of services and Technical management fees.

	31st March 2023	31st March 2022
<b>Revenue from Contracts with Customers</b>		
Sale of Goods	3,02,778.25	2,60,748.96
Sale of Services	1,978.73	1,067.31
<b>Other Operating revenue</b>		
Sale of Scrap	1,322.12	1,214.04
Technical and Management Fees	490.35	332.93
Erection Charges	991.87	1,981.25
Others	369.91	235.39
<b>Total revenue</b>	<b>3,07,931.23</b>	<b>2,65,579.88</b>

**B. Disaggregation of revenue from contracts with customers**

In the following table, revenue from contracts with customers is disaggregated by primary geographical market, major products and service lines and timing of revenue recognition.

	Product Category				Total
	Plastics		Life style Furniture, Furnishings and Accessories		
	31st March, 2023	31st March, 2022	31st March, 2023	31st March, 2022	
<b>Primary geographical markets</b>					
Domestic Revenue	2,78,376.45	2,42,398.14	22,732.13	17,650.09	3,01,108.58
Export Revenue	6,822.65	5,531.65	-	-	6,822.65
	<b>2,85,199.10</b>	<b>2,47,929.79</b>	<b>22,732.13</b>	<b>17,650.09</b>	<b>3,07,931.23</b>
<b>Revenue types</b>					
Sale of products	2,80,207.72	2,43,140.95	22,570.53	17,608.01	3,02,778.25
Sale of Services	1,824.00	1,067.31	154.73	-	1,978.73
Sale of Scrap	1,309.48	1,204.04	12.64	10.00	1,322.12
Technical and Management Fees	490.35	332.93	-	-	490.35
Erection Charges	991.87	1,981.25	-	-	991.87
Others	375.68	203.31	(5.77)	32.08	369.91
	<b>2,85,199.10</b>	<b>2,47,929.79</b>	<b>22,732.13</b>	<b>17,650.09</b>	<b>3,07,931.23</b>
<b>Timing of revenue recognition</b>					
Products Transferred	2,85,199.10	2,47,929.79	22,732.13	17,650.09	3,07,931.23
<b>Revenue from contracts with customers</b>	<b>2,85,199.10</b>	<b>2,47,929.79</b>	<b>22,732.13</b>	<b>17,650.09</b>	<b>3,07,931.23</b>
<b>External revenue as reported</b>	<b>2,85,199.10</b>	<b>2,47,929.79</b>	<b>22,732.13</b>	<b>17,650.09</b>	<b>3,07,931.23</b>

**C. Reconciliation of Revenue from operation with Contract price**

	Year ended	
	31st March, 2023	31st March, 2022
Contract Price	3,30,269.07	2,82,871.22
Less: Sales Returns	4,021.29	3,415.77
Schemes and Discounts	18,316.55	13,875.57
<b>Total Revenue from Operation</b>	<b>3,07,931.23</b>	<b>2,65,579.88</b>

**D. Contract balances**

The following table provides information about receivables from contracts with customers.

	Note	31st March, 2023	31st March, 2022
Advance from customer, which are included in 'Other Current Liabilities' Receivables, which are included in 'trade receivables'	24	3,172.12	3,786.82
	8	42,346.70	30,435.64

(₹ in lakhs)

(₹ in lakhs)

(₹ in lakhs)

**33 Additional Regulatory Information**

**A. Trade Receivables ageing :**

(₹ in lakhs)

Particulars	as at 31st March, 2023							Total
	Unbilled	Not Due	Less than 6 months	6 months to 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed Trade Receivables - Considered Good	-	17,708.64	20,882.62	2,693.91	904.22	153.64	37.74	42,380.77
Undisputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-	-	-
Undisputed Trade Receivables - Credit Impaired	-	-	-	58.48	462.44	121.64	267.13	909.69
Disputed Trade Receivables - Considered Good	-	-	-	-	-	-	16.10	16.10
Disputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-	-	-
Disputed Trade Receivables - Credit Impaired	-	-	-	2.97	4.49	12.15	117.26	136.87
	-	17,708.64	20,882.62	2,755.36	1,371.15	287.43	438.23	43,443.43
Less : Allowance for Credit Loss	-	-	-	61.87	479.80	139.17	415.88	1,096.73
<b>Total Trade Receivables</b>	-	<b>17,708.64</b>	<b>20,882.62</b>	<b>2,693.49</b>	<b>891.35</b>	<b>148.26</b>	<b>22.35</b>	<b>42,346.70</b>

(₹ in lakhs)

Particulars	as at 31st March, 2022							Total
	Unbilled	Not Due	Less than 6 months	6 months to 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed Trade Receivables - Considered Good	-	13,510.42	14,783.39	1,292.12	730.38	113.77	27.10	30,457.18
Undisputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-	-	-
Undisputed Trade Receivables - Credit Impaired	-	-	-	73.69	129.15	165.93	138.63	507.40
Disputed Trade Receivables - Considered Good	-	-	-	-	-	-	21.34	21.34
Disputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-	-	-
Disputed Trade Receivables - Credit Impaired	-	-	7.54	21.85	102.64	104.57	173.34	409.94
	-	13,510.42	14,790.93	1,387.66	962.17	384.27	360.41	31,395.86
Less : Allowance for Credit Loss	-	-	7.54	96.38	233.23	277.53	345.54	960.22
<b>Total Trade Receivables</b>	-	<b>13,510.42</b>	<b>14,783.39</b>	<b>1,291.28</b>	<b>728.95</b>	<b>106.73</b>	<b>14.87</b>	<b>30,435.64</b>

**B. Trade Payables ageing :**

(₹ in lakhs)

Particulars	as at 31st March, 2023						Total
	Unbilled	Not Due	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
Outstanding dues to MSME	-	10.34	3.51	-	-	-	13.85
Others	-	15,831.70	5,463.19	173.29	193.80	307.16	21,969.14
Disputed dues MSME	-	-	-	-	-	-	-
Disputed dues Others	-	-	-	-	-	-	-
<b>Total Trade Payables</b>	-	<b>15,842.04</b>	<b>5,466.70</b>	<b>173.29</b>	<b>193.80</b>	<b>307.16</b>	<b>21,982.99</b>

(₹ in lakhs)

Particulars	as at 31st March, 2022						Total
	Unbilled	Not Due	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
Outstanding dues to MSME	-	153.86	25.49	-	-	-	179.35
Others	-	16,169.58	4,284.35	145.38	114.27	229.45	20,943.03
Disputed dues MSME	-	-	-	-	-	-	-
Disputed dues Others	-	-	-	-	-	-	-
<b>Total Trade Payables</b>	-	<b>16,323.44</b>	<b>4,309.84</b>	<b>145.38</b>	<b>114.27</b>	<b>229.45</b>	<b>21,122.38</b>

**C. Other Statutory Information :**

- i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- ii) The Company has not advanced or loaned or invested funds to any other person(s) or entity(is), including foreign entities (Intermediaries) with the understanding that the Intermediary 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 to or on behalf of the Ultimate Beneficiaries.  
The Company has not received any fund from any person(s) or entity(is), 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 Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- v) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- vi) The Company is not declared as willful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof or other lender in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India.
- vii) The Company has complied with the number of layers for its holding in downstream companies prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017
- viii) The Company has not revalued any of its Property, Plant and Equipment (including Right-of-Use Assets) during the year.

**ix) Relationship with Struck off Companies**

(₹ in lakhs)

Name Of the Struck off companies	Nature of Transactions	Transactions during The year ended 31st March 2023	Balance outstanding at the end of the year as at March 31, 2023	Relationship with the Struck off company, if any, to bedisclosed
Event Plus Management Pvt Ltd	Sale	<b>0.31</b>	-	Customer
Toshansh Global	Sale	<b>0.76</b>	-	Customer
Matrix Plus Pvt.Ltd.	Sale	<b>1.57</b>	-	Customer

(₹ in lakhs)

Name Of the Struck off companies	Nature of Transactions	Transactions during The year ended 31st March 2022	Balance outstanding at the end of the year as at March 31, 2022	Relationship with the Struck off company, if any, to bedisclosed
Maxin Hydro Dynamic India	Purchase	0.21	-	Vendor
Octel Cloud Solutions Pvt Ltd	Purchase	0.23	(0.03)	Vendor
Neno Technical Services Pvt Ltd	Trade Payable		(0.00)	Vendor
Sunshine Tapes India Pvt Ltd	Trade Payable		(0.42)	Vendor
Deepa Roadlines Private Limited	Trade Payable		(0.08)	Vendor
Track Logistics Services Pvt Ltd	Trade Payable		0.05	Vendor
Prajapati Logistics Pvt. Ltd.	Trade Payable		0.26	Vendor
Beacon Courier Services	Trade Payable		(0.04)	Vendor

**D. Ratios :**

The followings are analytical ratios for the year ended ;

Particulars	Numerator	Denominator	31st March, 2023	31st March, 2022	Variance (%)	Reason for Variance
Current Ratio (in times)	Current Assets	Current Liabilities	3.15	2.83	11.44%	Improved due to increase in Trade Receivables
Debt- Equity Ratio	(Non-Current Borrowings + Current Borrowings)	Total Shareholder's Equity	0.15	0.15	-0.63%	
Debt Service Coverage Ratio	(PAT + Depreciation and Amortization Expense (excluding lease amortisation expense) + Interest cost on Borrowings + (Profit)/ Loss on sale of Fixed assets)	(Interest cost on Borrowings + Principal repayments made during the period for Long Term Borrowings)	7.00	6.62	5.79%	
Return on Equity (ROE)	Net profit after taxes	Average Shareholder's equity	10.15%	7.37%	37.72%	Due to Increase in Profit
Inventory Turnover (In times)	Sale of Products	Average Inventory	4.68	4.72	-0.81%	
Trade Receivables Turnover Ratio (in Times)	Gross Revenue from Operations	Average Trade Receivables	9.96	14.78	-32.59%	Due to better collection
Trade Payables Turnover Ratio	Purchases of Goods	Average Trade Payables	8.20	9.53	-13.98%	
Net Capital Turnover Ratio	Net Sales	Working Capital	3.94	3.72	6.05%	
Net Profit Ratio (%)	Profit after Tax	Revenue from Operation	3.97%	3.10%	28.07%	Due to Increase in Profit
Return on Capital Employed (ROCE)	Earnig before Interest and Taxes	(Net worth + Total Debts + Deffered Tax Liabilities)	13.74%	10.22%	34.46%	Due to Increase in Profit and borrowings



**34 Tax expenses****(a) Amounts recognised in profit and loss**

	Year ended 31st March, 2023	Year ended 31st March, 2022
<b>Current income tax</b>	<b>3,916.49</b>	2,644.09
<b>Adjustment in respect of current income tax of previous year</b>	<b>(3.42)</b>	(6.23)
<b>Deferred income tax liability / (asset), net</b>		
Origination and reversal of temporary differences	<b>224.27</b>	(37.19)
<b>Deferred tax (credit) / expense</b>	<b>224.27</b>	(37.19)
<b>Tax expense for the year</b>	<b>4,137.34</b>	2,600.67

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

	(₹ in lakhs)					
	Year ended 31st March, 2023			Year ended 31st March, 2022		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
<b>Items that will not be reclassified to profit or loss</b>						
Remeasurements of defined benefit liability (asset)	<b>32.13</b>	<b>(8.08)</b>	<b>24.05</b>	228.46	(57.50)	170.96
<b>Items that will be reclassified to profit or loss</b>						
Effective portion of Loss on hedging instrument in a cash flow hedge	<b>62.57</b>	<b>(11.80)</b>	<b>50.77</b>	64.53	(20.19)	44.34
	<b>94.70</b>	<b>(19.88)</b>	<b>74.82</b>	292.99	(77.69)	215.30

**(c) Reconciliation of effective tax rate**

	Year ended 31st March, 2023	Year ended 31st March, 2022
<b>Profit before tax</b>	<b>16,329.20</b>	10,831.93
Tax using the Company's domestic tax rate	<b>25.17%</b>	25.17%
Reduction in tax rate	<b>0.00%</b>	0.00%
<b>Tax effect of:</b>		
Tax impact of income not subject to tax	<b>0.00%</b>	-1.75%
Tax effects of amounts which are not deductible for taxable income	<b>0.43%</b>	0.77%
Adjustment for current tax of prior period	<b>-0.02%</b>	-0.11%
Effect of different tax rate	<b>0.00%</b>	-0.28%
Others	<b>-0.24%</b>	0.21%
	<b>25.34%</b>	24.01%

The applicable Indian corporate statutory rate for the year ended 31st March, 2023 is 25.168% and 2022 is 25.168%.

34 Tax expenses (Continued)  
(d) Movement in deferred tax balances

	31st March, 2023					
	Net balance 1st April, 2022	Recognised in profit or loss	Recognised in OCI	Charge in respect of earlier years	Net	Deferred tax asset tax liability
<b>Deferred tax asset / (liabilities)</b>						
Property, plant and equipment	(6,162.14)	182.46	-	-	(5,979.68)	(5,979.68)
Employee benefits	288.57	3.74	(8.08)	-	284.23	284.23
Provision for Doubtful Debts / Advances	241.66	21.74	-	-	263.40	263.40
Other provisions	4,473.57	(432.21)	(11.80)	-	4,029.57	(316.69)
<b>Tax assets (Liabilities)</b>	<b>(1,158.34)</b>	<b>(224.27)</b>	<b>(19.88)</b>	<b>-</b>	<b>(1,402.48)</b>	<b>(6,296.37)</b>
Set off tax						
<b>Net tax assets / (liabilities)</b>	<b>(1,158.34)</b>	<b>(224.27)</b>	<b>(19.88)</b>	<b>-</b>	<b>(1,402.48)</b>	<b>(6,296.37)</b>

	31st March, 2022					
	Net balance 1st April, 2021	Recognised in profit or loss	Recognised in OCI	Charge in respect of earlier years	Net	Deferred tax asset tax liability
<b>Deferred tax asset / (liabilities)</b>						
Property, plant and equipment	(6,443.20)	289.54	-	(8.48)	(6,162.14)	(6,162.14)
Employee benefits	435.87	(89.80)	(57.50)	-	288.57	288.57
Provision for Doubtful Debts / Advances	353.88	(112.22)	-	-	241.66	241.66
Other provisions	4,535.61	(53.05)	(20.19)	11.20	4,473.57	(316.69)
<b>Tax assets (Liabilities)</b>	<b>(1,117.84)</b>	<b>34.47</b>	<b>(77.69)</b>	<b>2.72</b>	<b>(1,158.34)</b>	<b>(6,478.83)</b>
Set off tax						
<b>Net tax assets / (liabilities)</b>	<b>(1,117.84)</b>	<b>34.47</b>	<b>(77.69)</b>	<b>2.72</b>	<b>(1,158.34)</b>	<b>(6,478.83)</b>

- (1) The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority..
- (2) Management judgment is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

**35 Significant accounting policies****a) Basis of preparation of Financial Statements:**

The Financial Statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) to comply with the section 133 of the Companies Act 2013("the 2013 Act"), read with Rule 3 of the Companies (Indian Accounting Standards) Rules 2015, and Companies (Indian Accounting Standards) Rules, 2016. The financial statements were authorised for issue by the Company's Board of Directors on 20<sup>th</sup> May 2023.

All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalent, the Company has ascertained the operating cycle to be 12 months.

**Functional and presentation currency:**

These standalone financial statements are presented in Indian rupees, which is the Company's functional currency. All amounts have been rounded off to two decimal places to the nearest lakh, unless otherwise indicated.

**Historical cost convention:**

The standalone financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities (including derivative instrument) that are measured at fair value;
- defined benefit plans – plan assets measured at fair value.

**b) Use of Estimates and Judgements:**

The preparation of financial statements in accordance with Ind AS requires use of estimates and assumptions for some items, which might have an effect on their recognition and measurement in the balance sheet and statement of profit and loss. The actual amounts realised may differ from these estimates.

Estimates and assumptions are required in particular for:

- **Determination of the estimated useful lives of Property Plant and Equipment**

Useful lives of property plant and equipment are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II for plant and machinery and dies and moulds, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

- **Recognition and measurement of defined benefit obligations**

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations.

- **Recognition of deferred tax assets and liabilities**

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilized.

- **Recognition and measurement of other provisions**

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the amount included in other provisions.

- **Discounting of long-term financial assets / liabilities**

All financial assets / liabilities are required to be measured at fair value on initial recognition. In case

of financial liabilities / assets which are required to subsequently be measured at amortised cost, interest is accrued using the effective interest method.

- **Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker. The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

- **Fair value of financial instruments**

Derivatives are carried at fair value. Derivatives includes foreign currency forward contracts and interest rate swaps. Fair value of foreign currency forward contracts are determined using the fair value reports provided by respective bankers. Fair value of interest rate swaps are determined with respect to current market rate of interest.

- **Measurement of fair values**

The Company's accounting policies and disclosures require the measurement of fair values for financial instruments.

The Company has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- *Level 1*: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- *Level 2*: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- *Level 3*: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

c) **Standards issued but not yet effective**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA issued the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

- Ind AS 1 - Presentation of Financial Statements The amendments require companies to disclose the material accounting policies rather than significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general-purpose financial statements.
- Ind AS 12 - Income Taxes The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences.
- Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty.

The Company is assessing the impact of these changes and will accordingly incorporate the same in the financial statements for the year ending March 31, 2024.

**d) Property, plant and equipment:**

- **Recognition and measurement**

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

The cost of an item of property, plant and equipment comprises:

Its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.

Any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

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

Items such as spare parts, stand-by equipments and servicing that meets the definition of property, plant and equipment are capitalised at cost and depreciated over the useful life.

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

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Capital work in progress is stated at cost and includes the cost of the assets that are not ready for their intended use at the Balance Sheet date.

- **Subsequent expenditure**

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably.

**e) Depreciation:**

- Depreciation on property plant and equipment is provided on the straight-line method over the useful lives of assets as prescribed under Part C of Schedule II of the Companies Act, 2013 except for plant and machinery and Dies and moulds which is based on technical evaluation. Management believes that these useful lives best represent the period over which management expects to use these assets. Hence the useful life for plant and machinery of 10 years and for Dies and Moulds of 6 years for continuous running is different from the useful life as prescribed under Part C of Schedule II of the Companies Act 2013;

Useful life of property plant and equipment are reviewed at each balance sheet date and adjusted prospectively, if appropriate.

- Cost of leasehold land is amortised over the period of lease;
- Depreciation on addition to assets or on sale /discardment of assets, is calculated pro rata from the date of such addition or upto the date of such sale/discardment, as the case may be;
- Assets like mobile phones, telephone instruments, etc. are fully depreciated in the year of purchase / acquisition;
- Individual assets except assets given on lease acquired for less than ₹15,000/- are depreciated entirely in the year of acquisition.

**f) Intangible Fixed Assets :**

Intangible assets, which are acquired by the Company and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses.

All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

**g) Goodwill:**

Goodwill that arises on a business combination is not amortised but it is tested for impairment annually or more frequently if events or changes in circumstances indicate that the asset may be impaired, and is carried at cost less accumulated impairment losses.

**h) Amortisation:**

Software (Intangible assets) are amortised over their estimated useful lives on a straight line basis but not exceeding the period of 36 months.

Useful life of Intangible assets are reviewed at each balance sheet date and adjusted prospectively, if appropriate.

**i) 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. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts and, interest rate swaps and currency options; and embedded derivatives in the host contract.

Financial instruments also covers contracts to buy or sell a non-financial item that can be settled net in cash or another financial instrument, or by exchanging financial instruments, as if the contracts were financial instruments, with the exception of contracts that were entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the entity's expected purchase, sale or usage requirements.

Derivatives are currently recognized at fair value on the date on which the derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

**Cash Flow Hedges**

The Company uses derivative financial instrument such as forward contracts and cross currency interest rate swaps to hedge its foreign currency risks and interest rate risks. Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured 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 the Statement of Profit and Loss, except for the effective portion of cash flow hedge, which is recognised in Other Comprehensive Income and accumulated in Cash Flow Hedge Reserve included in the Reserves and Surplus while any ineffective portion is recognised immediately in the Statement of Profit and Loss.

For the purpose of hedge accounting, hedges are classified as:

Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability.

Cash flow hedges when hedging exposure to variability in cash flows that is either attributable to particular risk associated with a recognised asset or liability.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes identification of the hedging instrument, the hedged item or transaction, the nature of the risk being hedged and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedge accounting is discontinued from the last testing date when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. Cumulative gain or loss on such hedging instrument recognised in Cash Flow Hedge Reserve is retained there until the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in Cash Flow Hedge Reserve is transferred to Statement of Profit and Loss for the year.

**Financial Assets****Classification**

The Company shall classify financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

**Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, 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. 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 that the Company commits to purchase or sell the asset.

**Debt instruments at amortised cost**

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) 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. This category generally applies to trade and other receivables. For more information on receivables, refer to Note 48.

**Equity investments**

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to 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 profit and loss.

**Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) 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 (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) 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.

**Impairment of financial assets**

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

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.

- b) Trade receivables - The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. Trade receivables are tested for impairment on a specific basis after considering the sanctioned credit limits, security like letters of credit, security deposit collected etc. and expectations about future cash flows.

### Financial liabilities

#### Classification

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

#### Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

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.

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

#### 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 or 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 realise the assets and settle the liabilities simultaneously.

#### j) Valuation of Inventories:

Inventories of Raw Materials, Packing Materials, Stores and Spares, Work-in Progress, Traded goods and Finished goods are valued 'at cost and net realisable value' whichever is lower. Cost comprises all cost of purchase, appropriate direct production overheads and other costs incurred in bringing the inventories to their present location and condition. Cost formulae used is 'Weighted Average Cost'. Due allowance is estimated and made for defective and obsolete items, wherever necessary, based on the past experience of the Company. 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. Raw materials and other supplies held for use in the production of inventories are not written down below cost except in case where material prices have declined and it is estimated that the cost of the finished product will exceed its net realisable value.

#### k) Employee Benefits:

##### Short Term Employee Benefits

All employee benefits payable within twelve months of rendering the service are recognised in the period in which the employee renders the related service.

##### Post Employment / Retirement Benefits

Contribution to Defined Contribution Plans such as Provident Fund, Employees' State Insurance Corporation, etc., are charged to the Statement of Profit and Loss as incurred.

Defined Benefit Plans – The present value of the obligation under such plans is determined based on an actuarial valuation by an independent actuary at the end of each year, using the Projected Unit Credit Method. In the case of gratuity, which is funded, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on net basis.



Remeasurement of net defined benefit liability, which comprises actuarial gains and losses and the return on plan assets (excluding interest) and the effect of the asset ceiling (if any excluding interest), are recognized immediately in other comprehensive income.

### **Other Long Term Employee Benefits**

#### **Compensated Absences**

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year-end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year-end. Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year-end are treated as other long-term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

#### **l) Foreign Exchange Transactions:**

Transactions in foreign currencies are translated into the respective functional currencies of the Company at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Foreign currency differences are generally recognised in profit or loss. Non-monetary items that are measured based on historical cost in a foreign currency are translated using the exchange rate as at the date of the transaction.

#### **m) Borrowing Costs:**

Borrowing costs that are directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of that asset till the date it is ready for its intended use or sale. Other borrowing costs are recognised as an expense in the period in which they are incurred.

#### **n) Revenue Recognition:**

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

Revenue is recognised on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services. The performance obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms.

Revenue is measured based on transaction price allocated to that performance obligation, after deduction of any discounts, sales incentives / schemes and any taxes or duties collected on behalf of the government such as goods and services tax, etc. Accumulated experience is used to estimate the provision for such discounts and sales incentives / schemes. Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur.

Dividend income is recognized in statement of profit and loss only when the right to receive payment is established.

Export incentives receivable under various schemes are accounted on accrual basis.

Interest income is recognized using the effective interest rate method.

#### **o) Leases:**

At the inception it is assessed, whether a contract is a lease or contains a lease. A contract is a lease or contains a lease if it 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, Company assesses whether the contract involves the use of an identified asset. Use may be specified explicitly or implicitly.

- Use should be physically distinct or represent substantially all of the capacity of a physically distinct asset.

- If the supplier has a substantive substitution right, then the asset is not identified.
- Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use
- Company has the right to direct the use of the asset.
- In cases where the usage of the asset is predetermined, the right to direct the use of the asset is determined when Company has the right to use the asset or Company designed the asset in a way that predetermines how and for what purpose it will be used.

At the commencement or modification of a contract, that contains a lease component, Company allocates the consideration in the contract, to each lease component, on the basis of its relative standalone prices. For leases of property, it is elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

#### **As a Lessee:**

Company recognizes a right-of-use asset and a lease liability at the lease commencement date.

#### **Right-of-use asset (ROU):**

The right-of-use asset is initially measured at cost. Cost comprises of the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, any initial direct costs incurred by the lessee, an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located less any lease incentives received.

After the commencement date, a lessee shall measure the right-of-use asset applying cost model, which is Cost less any accumulated depreciation and any accumulated impairment losses and also adjusted for certain re-measurements of the lease liability.

Right-of-use asset is depreciated using straight-line method from the commencement date to the end of the lease term. If the lease transfers the ownership of the underlying asset to the Company at the end of the lease term or the cost of the right-of-use asset reflects Company will exercise the purchase option, ROU will be depreciated over the useful life of the underlying asset, which is determined based on the same basis as property, plant and equipment.

#### **Lease liability:**

Lease liability is initially measured at the present value of lease payments that are not paid at the commencement date. Discounting is done using the implicit interest rate in the lease, if that rate cannot be readily determined, then using Company's incremental borrowing rate. Incremental borrowing rate is determined based on entity's borrowing rate adjusted for terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprises of fixed payments (including in substance fixed payments), variable lease payments that depends on an index or a rate, initially measured using the index or rate at the commencement date, amount expected to be payable under a residual value guarantee, the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

Lease liability is measured at amortised cost using the effective interest method. Lease liability is re-measured when there is a change in the lease term, a change in its assessment of whether it will exercise a purchase, extension or termination option or a revised in-substance fixed lease payment, a change in the amounts expected to be payable under a residual value guarantee and a change in future lease payments arising from change in an index or rate.

When the lease liability is re-measured, corresponding adjustment is made to the carrying amount of the right-of-use asset. If the carrying amount of the right-of-use asset has been reduced to zero it will be recorded in statement of profit and loss.

Right-of-use asset is presented under "Property Plant and Equipment" and lease liabilities are presented under "Financial liabilities" in the balance sheet.

Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

#### **Lessor**

At the commencement or modification of a contract, that contains a lease component, Company allocates the consideration in the contract, to each lease component, on the basis of its relative standalone prices.

At the inception of the lease, it is determined whether it is a finance lease or an operating lease. If the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset, then it is a financial lease, otherwise it is an operating lease.

If the lease arrangement contains lease and non-lease components, then the consideration in the contract is allocated using the principles of IND AS 115. The Company tests for the impairment losses at the year end. Payment received under operating lease is recognised as income on straight line basis, over the lease term.

The accounting policies applicable to the Company as a lessor, in the comparative period, were not different from IND AS 116.

**p) Business combinations**

Business combinations 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. The Company recognizes 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 standalone statement of profit and loss. Transaction costs are expensed in the standalone statement of profit and loss as incurred, other than those incurred in relation to the issue of debt or equity securities which are directly adjusted in other equity. 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 standalone statement of profit and loss.

**Common Control:**

Business combinations involving entities that are ultimately controlled by the same part(ies) before and after the business combination are considered as Common control entities and are accounted using the pooling of interest method as follows:

- The assets and liabilities of the combining entities are reflected at their carrying amounts.
- No adjustments are made to reflect the fair values, or recognise new assets or liabilities. Adjustments are made to harmonise accounting policies.
- The financial information in the financial statements in respect of prior periods is restated as if the business combination has occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.

The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee or is adjusted against general reserve, security premium, capital redemption reserve and retained earnings. The identity of the reserves are preserved and the reserves of the transferor become the reserves of the transferee.

The difference if any, between the amounts recorded as share capital plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves.

**q) Impairment of non-financial assets**

The carrying values of assets/cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods which no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets, such reversal is not recognised.

r) **Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with remaining 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 and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

s) **Taxation:**

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

i) **Current tax**

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

Current tax assets and liabilities are offset only if, the Company:

- a) has a legally enforceable right to set off the recognised amounts; and
- b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Uncertain Tax position:

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate. The provision is estimated based on one of two methods, the expected value method (the sum of the probability weighted amounts in a range of possible outcomes) or the single most likely amount method, depending on which is expected to better predict the resolution of the uncertainty.

ii) **Deferred tax**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries and associates to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available, against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognized deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

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

Deferred tax asset / liabilities in respect of on temporary differences, which originate and reverse during the tax holiday period are not recognised. Deferred tax assets / liabilities in respect of temporary differences that originate during the tax holiday period but reverse after the tax holiday period are recognised.

t) **Government Grants:**

Grants received from the government are recognized at their fair value where there is reasonable assurance that the grant will be received and the Company will comply with the conditions.

Government grants related to income are deferred and recognized in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and netted off with the expense in the statement of profit and loss.

Government grants related to purchase of property plant and equipment are recognised by deducting the grant from the carrying amount of the property plant and equipment in which case the grant is recognised in profit or loss as a reduction of depreciation charged.

u) **Provisions, Contingent Assets and Contingent Liabilities:**

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events, but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent Assets are not recognised till the realization of the income is virtually certain. However, the same are disclosed in the financial statements where an inflow of economic benefits is probable.

v) **Earnings per share**

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

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

**36. Contingent Liabilities and commitments to the extent not provided for in respect of:**

a) **Contingent liabilities :-**

1) **Claims against the company not acknowledged as debts:**

(₹ in lakhs)

Sr.no.	Particulars	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
i)	Excise and Service Tax matters	287.26	579.90
ii)	Sales Tax matters *	92.37	895.60
iii)	Stamp Duty on Imports	26.08	-
iv)	On account of Cross Subsidy Surcharge on electricity	9.38	9.38

\* Includes ₹ Nil lakhs (Previous Year ₹ 842.32 lakhs) paid in full against the disputed Sales Tax liability under the Kerala General Sales Tax Act, 1963.

Note: The Excise and Service Tax and Sales Tax demands are being contested by the Company at various levels. The Company has been legally advised that it has a good case and the demands by the authorities are not tenable. Future cash flows in respect of these are determinable only on receipt of judgements / decisions pending with various forums/ authorities.

**b) Commitments**

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) ₹ 4,562.17 lakhs (Previous year ₹ 6,670.90 lakhs).

**37. Provision for warranty and other provisions**

	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2022
	Warranty Provision	Other Provisions	Warranty Provision	Other Provisions
Opening Balance	638.91	116.48	618.78	40.00
Additions	596.79	-	538.94	106.48
Utilisations / Reversals	571.54	10.00	518.81	30.00
Closing Balance	664.16	106.48	638.91	116.48

Provision is estimated for expected warranty claim in respect of products sold during the year based on past experience regarding defective claim of products and cost of rectification or replacement. It is expected that most of this cost will be incurred over next 12 months which is as per warranty terms.

Other provisions are provisions in respect of probable claims, the outflow of which would depend on the cessation of the respective events.

**38. Share capital**

**a) Rights, preferences and restrictions attached to Equity Shares:** The Company has only one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

**b) Details of equity shares held by shareholders holding more than 5% of the aggregate equity shares in the Company:**

Name of the Shareholder	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	No. of shares held	% of Holding	No. of shares held	% of Holding
Hiten V. Parekh	1,801,738	12.07%	1,801,258	12.07%
Manish V. Parekh	1,516,043	10.16%	1,515,563	10.16%
Nayan S. Parekh	2,202,344	14.76%	2,201,704	14.75%
Nilkamal Builders Private Limited	1,464,000	9.81%	1,464,000	9.81%
Heirloom Finance Private Limited	912,000	6.11%	912,000	6.11%

**c) Reconciliation of number of equity shares outstanding as at the beginning and closing of the year**

Particulars	2022-23		2021-22	
	Number	₹ (in Lakhs)	Number	₹ (in Lakhs)
Shares outstanding at the beginning of the year	14,922,525	1,492.25	14,922,525	1,492.25
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	14,922,525	1,492.25	14,922,525	1,492.25

## d) Details of Shareholding of Promoters of Nilkamal Limited:-

Name of the Promoter	Shareholding at the end of the year 31.03.2023		Shareholding at the end of the year 31.03.2022		% change in shareholding during the year
	No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company	
Hiten V. Parekh	1,801,738	12.07	18,01,258	12.07	0
Nayan S. Parekh	2,202,344	14.76	22,01,704	14.75	0.01
Manish V. Parekh	1,516,043	10.16	15,15,563	10.16	0
Nilkamal Builders Private Limited	14,64,000	9.81	14,64,000	9.81	0
Heirloom Finance Private Limited	9,12,000	6.11	9,12,000	6.11	0
Purvi N. Parekh	4,35,124	2.92	4,35,124	2.92	0
Manju M. Parekh	3,92,796	2.63	3,92,796	2.63	0
Mihir H. Parekh	2,31,900	1.55	2,31,900	1.55	0
Eashan M. Parekh	1,31,900	0.88	1,31,900	0.88	0
Dhanay Nayan Parekh	1,31,900	0.88	1,31,900	0.88	0
Vamanrai V. Parekh	1,32,900	0.89	1,32,900	0.89	0
Sharad V. Parekh	1,20,800	0.81	1,20,800	0.81	0
Smriti H. Parekh	7,101	0.05	7,101	0.05	0
Priyanka H. Parekh	50,000	0.34	50,000	0.34	0
Natasha Manish Parekh	50,000	0.34	50,000	0.34	0
Dhaniti Nayan Parekh	50,000	0.34	50,000	0.34	0
Shrimant Holdings Pvt. Ltd.	500	0.00	500	0.00	0

## 39. Borrowings:

## (A) Secured loans:

## (a) Working Capital loans:

Working capital facilities of ₹ 926.09 Lakhs (Previous year ₹ 1,433.49 Lakhs) from Banks are secured on first pari passu basis by way of hypothecation of current assets (inventories and trade receivables) of the Company, second pari passu charge by way of equitable mortgage on the Company's immovable property. Working Capital Loans repayable on Demand having Interest Rate from 6.21 % to 8.89 % p.a. (Previous Year 4.85% p.a to 8.90% p.a).

## (b) Foreign Currency Term loans:

Foreign currency term loans of ₹ 1,223.49 Lakhs (Previous year ₹ 2,967.61 Lakhs) from the Banks are secured on first pari passu basis by way of equitable mortgage created on Company's all moveable properties. These loans are repayable in equal quarterly installment, last installments due on February 2024 as per repayment schedules, having interest rate from 3 months LIBOR +1.05% to 1.38% p.a. which are reset periodically.

## (c) Rupee Term loans:

Rupee term loans of ₹ 6,874.21 Lakhs (Previous year ₹ 737.15 Lakhs) from the Banks are secured on hypothecation of Company's moveable properties. These loans are repayable in equal quarterly installment, last installments due on March 2028 as per repayment schedules, having interest rate from 8.30% p.a. to 8.65% p.a.

## (d) Non Convertible Debentures:

Non Convertible Debentures of ₹ 9,900 Lakhs (Previous year ₹ 9,900 Lakhs) from the Bank are secured on first pari passu basis by way of equitable mortgage created on Company's moveable properties Plant and Machinery, Furniture and Fixtures. These debentures are repayable in two bullet payments ₹ 5,000 lakhs due on 8<sup>th</sup> March 2025 & ₹ 4900 lakhs due 8<sup>th</sup> March 2027, having interest rate of 6.8% and 7.4% respectively.

(B) Commercial Paper balance outstanding at year end ₹ Nil lakhs (Previous Year ₹ 2,500 lakhs). Maximum balance outstanding during the year ₹ 2,500 lakhs (Previous Year ₹ 7,500 lakhs).

**40. Derivative Instruments outstanding as at Balance Sheet date:****(a) Forward Contracts against imports:**

Forward contracts to buy USD 31.50 Lakhs and EURO 5.74 Lakhs (Previous Year USD 32.24 Lakhs and EURO 2 Lakhs) amounting to ₹ 3,108.99 lakhs (Previous Year ₹ 1,827.29 lakhs).

**(b) USD Floating rate/INR Floating rate cross-currency interest rate swap (CCIRS):**

Outstanding USD/INR Floating rate cross-currency interest rate swap USD 14.89 Lakhs (Previous year USD 39.15 lakhs) amounting to ₹ 1,223.49 Lakhs (Previous Year ₹ 2,967.61 lakhs).

The above contracts have been undertaken to hedge against the foreign exchange exposures arising from foreign currency loan and interest there on, resulting net gain recognized in Cash flow Hedge Reserve of ₹ 50.77 lakhs (Previous Year loss of ₹ 44.34 lakhs)

**41. Dues to micro and small suppliers**

Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came into force from 2<sup>nd</sup> October 2006, as amended on 1<sup>st</sup> June,2020, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with the management, there are no outstanding dues as at 31<sup>st</sup> March,2022 to the Micro and Small enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006 except as stated below.

Particulars	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Principal amount remaining unpaid to any supplier as at the year end	13.85	179.35
Interest due thereon	-	-
Amount of interest paid by the Company in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the MSMED	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year	-	-



**42 Related Party Disclosures:**

Names of related parties and description of relationship

I	Subsidiaries where control exists	Nilkamal Eswaran Plastics Private Limited Nilkamal Eswaran Marketing Private Limited Nilkamal Crates and Bins, FZE. Nilkamal Foundation ( a Section 8 Company)
II	Joint Ventures	Cambro Nilkamal Private Limited
III	Key Management Personnel	Mr. Vamanrai V. Parekh, Chairman Emeritus Mr. Sharad V. Parekh, Chairman Mr. Hiten V. Parekh, Managing Director Mr. Manish V. Parekh, Joint Managing Director Mr. Nayan S. Parekh, Executive Director Mr. Mihir H. Parekh, Non Executive Director (effective from 16 <sup>th</sup> June, 2022 and previously designated as Executive Director)
		<b>Independent Directors:</b>
		Mr. K. R. Ramamoorthy
		Mr. Mahendra V. Doshi
		Mr. Mufazzal S. Federal
		Mr. S. K. Palekar
		Ms. Hiroo Mirchandani
		Mr. Krishnamurthi Venkataraman
IV	Relatives of Key Management Personnel	Mr. Mihir H. Parekh Mr. Eashan M. Parekh Ms. Natasha M. Parekh Mr. Dhanay N. Parekh
V	Enterprise owned or significantly influenced by key Management Personnel or their relatives, where transactions have taken place	Nilkamal Crates & Containers M. Tech Industries Raga Plast Private Limited

**42. Related Party Disclosures (Continued)** (₹ in lakhs)

	Subsidiaries		Joint Venture		Key Management Personnel		Relatives of Key Management Personnel		Enterprises owned or significantly influenced by key management personnel or their relatives		Total		Subsidiaries		Joint Venture		Key Management Personnel		Relatives of Key Management Personnel		Enterprises owned or significantly influenced by key management personnel or their relatives		Total	
	2022-23	2022-23	2022-23	2022-23	2022-23	2022-23	2022-23	2022-23	2022-23	2022-23	2022-23	2022-23	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22
Sales of Finished Goods / Others	839.83	2717.16	-	-	-	-	-	-	530.82	4,087.81	635.60	1,908.82	-	-	-	-	-	-	-	-	-	309.79	2,854.21	
Sales of Fixed Assets	17.07	-	-	-	-	-	-	-	-	17.07	50.63	-	-	-	-	-	-	-	-	-	-	-	50.63	
Purchases of raw materials, Intermediaries and finished goods	4.19	139.43	-	-	-	-	-	-	2557.33	2700.95	15.59	103.29	-	-	-	-	-	-	-	-	3,261.58	3,380.48		
Paid for services and labour charges	-	-	-	-	-	-	-	-	181.63	181.63	-	-	-	-	-	-	-	-	-	-	123.32	123.32		
Technical and Management Fees received	13.77	578.89	-	-	-	-	-	-	-	592.66	36.03	369.49	-	-	-	-	-	-	-	-	-	-	405.52	
Dividend received	-	210.00	-	-	-	-	-	-	-	210.00	385.45	367.50	-	-	-	-	-	-	-	-	-	-	752.95	
Rent paid	-	-	-	-	-	-	-	-	325.01	325.01	-	-	-	-	-	-	-	-	-	-	318.64	318.64		
Remuneration to Directors	-	-	-	-	-	-	-	-	-	1,189.27	-	-	968.76	-	-	-	-	-	-	-	-	-	968.76	
Salary Paid	-	-	-	-	-	-	-	26.48	-	26.48	-	-	-	-	-	-	-	-	-	28.87	-	28.87		
Corporate Social Responsibility Expenses (CSR)	25.00	-	-	-	-	-	-	-	-	25.00	-	-	-	-	-	-	-	-	-	-	-	-	-	
Board & Audit Committee sitting fees	-	-	-	-	-	-	-	-	-	46.95	-	-	47.75	-	-	-	-	-	-	-	-	-	47.75	
Rent Received	2.96	12.49	-	-	-	-	-	-	-	15.45	-	19.57	-	-	-	-	-	-	-	-	-	-	19.57	
Reimbursement of Expenses	-	16.96	-	-	-	-	-	-	-	16.96	-	12.28	-	-	-	-	-	-	-	-	-	-	12.28	
<b>Balances Outstanding at the year end:</b>																								
Deposits Receivable	-	-	-	-	-	-	-	-	720.00	720.00	-	-	-	-	-	-	-	-	-	-	720.00	720.00		
Trade and Other Receivables	30.85	389.00	-	-	-	-	-	-	9.96	429.81	392.87	168.34	-	-	-	-	-	-	-	-	-	-	561.21	
Other Payables	-	2.40	-	-	-	-	-	-	47.72	50.11	-	4.28	-	-	-	-	-	-	-	-	37.05	41.33		

**Note:** 1. The remuneration paid to key managerial personal excludes gratuity and compensated absences as the provision is computed for the Company as a whole and separate figures are not available.  
 2. Above transaction with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured.

**43. Information on Joint Ventures:****Jointly Controlled Entities:**

Name of the Joint Venture	Country of Incorporation	Percentage of Ownership Interest
Cambro Nilkamal Private Limited	India	50

Investment in Joint Ventures have been accounted at cost in the standalone financial statements.

**44.** In accordance with IND AS 108 – Operating Segment, segment information has been given in the Consolidated Financial Statement of Nilkamal Limited and therefore no separate disclosure on segment information is given in these financial statements.

**45. Corporate Social Responsibility:**

As required by Section 135 of Companies Act, 2013 and rules therein, a corporate social responsibility committee has been formed by the Company. The Company has spent the following amount during the year towards corporate social responsibility (CSR) for activities listed under schedule VII of the Companies Act, 2013

(₹ in lakhs)

	Particulars	2022-23	2021-22
i)	Amount required to be spent by the company during the year.	<b>277.55</b>	323.53
ii)	Amount of expenditure incurred	<b>278.40</b>	323.72
iii)	Shortfall at the end of the year	-	-
iv)	Total of previous years' shortfall	-	-
v)	Reason for above shortfalls	<b>NA</b>	NA
vi)	Nature of CSR activities	Contribution towards infrastructure of educational & medical Activities	Contribution towards infrastructure of educational & medical Activities
vii)	Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per Ind AS 24, Related Party Disclosures	<b>25.00</b>	-
viii)	Where a provision is made with respect to a liability incurred by entering into contractual obligation, the movements in the provision during the year	<b>110.00</b>	-

**46. Amalgamation of wholly owned subsidiary, Nilkamal Storage Systems Private Limited:**

The National Company Law Tribunal ('NCLT'), Mumbai Bench and National Company Law Tribunal, Ahmedabad Bench vide their orders dated on 8 February 2023 and 3 March 2023 respectively, approved the Scheme approved the Scheme of Amalgamation ('the Scheme') of Nilkamal Storage Systems Private Limited ('NSSPL') ('transferor company') with the Company. The order of NCLT Mumbai Bench and Ahmedabad Bench were received by the Company on 15 March 2023 and 12 April 2023, respectively. The Scheme became effective upon filing with the Registrar of Companies on 22 April 2023 with an Appointed Date of 1 October 2022.

- In terms of the Scheme, the whole of the undertaking of NSSPL as a going concern stands transferred to and vested in the Company with effect from the Appointed Date.
- NSSPL was engaged in the business of manufacturing of Metal Racking and Storage systems.
- The said amalgamation was accounted for under the "Pooling of Interest" method as prescribed under Ind AS 103 'Business Combinations' for amalgamation of companies under common control.

Since NSSPL was a wholly owned subsidiary, the said amalgamation was accounted for under the "Pooling of Interest" method as prescribed under Appendix C of Ind AS 103 'Business Combinations' for amalgamation of companies under common control. While applying Pooling of Interest method, the Company has recorded all assets, liabilities and reserves attributable to the wholly owned subsidiary at their carrying values as appearing in the consolidated financial statements of the Company as per guidance given in ITFG Bulletin 9. The previous year figures and current year have been restated considering that the amalgamation has taken place from the first day of the earliest period presented i.e., 1st April, 2021 as required under Appendix C of Ind AS 103.

The entire business and undertaking of NSSPL including all the assets, liabilities and reserves as a going concern were transferred to and vested in the Company.

NSSPL was a wholly owned subsidiary of the Company and accordingly, no consideration was payable pursuant to the Scheme. The equity shares held by the Company in the wholly owned subsidiary were cancelled and no shares were issued to effect the amalgamation.

All inter-company balances and transactions were eliminated.

The amalgamation resulted in transfer of assets, liabilities and changes in reserves in accordance with the terms of the Scheme at the values given below as at 1<sup>st</sup> April, 2021 cancellation of investment held by the Company in NSSPL of ₹ 7331.13 Lakhs.

(₹ in lakhs)

Particulars	Amount
Assets	<b>12,635.56</b>
Liabilities	<b>2,424.10</b>
<b>Net Assets</b>	<b>10,211.46</b>

**47. Proposed Dividend:**

The Board of Directors at its meeting held on 20th May, 2023 have recommended a payment of final dividend of ₹ 20 (₹ Twenty only) per equity share of face value of ₹ 10 each for the financial year ended 31st March, 2023. The same amounts to ₹ 2984.51 lakhs and the same is subject to approval at the ensuing Annual General Meeting of the Company, hence is not recognised as a liability as at 31<sup>st</sup> March, 2023.

**48 Financial instruments – Fair values and risk management**

**A. Accounting classification and fair values**

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(₹ in lakhs)

31st March, 2023	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>								
<b>Non Current</b>								
Unquoted Equity Shares *	42.82	-	0.32	43.14	-	-	-	-
Employee Loans	-	-	317.74	317.74	-	-	-	-
Security Deposits	-	-	2,332.71	2,332.71	-	-	-	-
Other financial assets	-	-	87.28	87.28	-	-	-	-
Derivative asset	-	185.43	-	185.43	-	185.43	-	185.43
<b>Current</b>								
Trade receivables	-	-	42,346.70	42,346.70	-	-	-	-
Cash and cash equivalents	-	-	677.98	677.98	-	-	-	-
Other bank balances	-	-	311.94	311.94	-	-	-	-
Loans	-	-	-	-	-	-	-	-
Other Current Financial Assets	-	-	1,547.18	1,547.18	-	-	-	-
	42.82	185.43	47,621.85	47,850.10	-	185.43	-	185.43
<b>Financial liabilities</b>								
<b>Non Current</b>								
Borrowings	-	-	16,032.87	16,032.87	-	-	-	-
Lease liabilities	-	-	13,490.38	13,490.38	-	-	-	-
Other financial liabilities	-	-	7,223.47	7,223.47	-	-	-	-
<b>Current</b>								
Borrowings	-	-	2,837.08	2,837.08	-	-	-	-
Lease liabilities	-	-	2,751.24	2,751.24	-	-	-	-
Trade and other payables	-	-	21,982.99	21,982.99	-	-	-	-
Other financial liabilities	-	-	2,506.21	2,506.21	-	-	-	-
	-	-	66,824.24	66,824.24	-	-	-	-

## 48 Financial instruments – Fair values and risk management (Continued)

## A. Accounting classification and fair values (Continued)

(₹ in lakhs)

31st March, 2022	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>								
<b>Non Current</b>								
Unquoted Equity Shares *	42.82	-	0.32	43.14	-	-	-	-
Employee Loans	-	-	273.34	273.34	-	-	-	-
Security Deposits	-	-	2,243.03	2,243.03	-	-	-	-
Other financial assets	-	-	58.90	58.90	-	-	-	-
Derivative asset	-	200.10	-	200.10	-	200.10	-	200.10
<b>Current</b>								
Trade receivables	-	-	30,435.64	30,435.64	-	-	-	-
Cash and cash equivalents	-	-	5,821.28	5,821.28	-	-	-	-
Other bank balances	-	-	244.18	244.18	-	-	-	-
Loans	-	-	-	-	-	-	-	-
Other Current Financial Assets	-	-	1,608.50	1,608.50	-	-	-	-
	42.82	200.10	40,685.19	40,928.11	-	200.10	-	200.10
<b>Financial liabilities</b>								
<b>Non Current</b>								
Borrowings	-	-	11,695.91	11,695.91	-	-	-	-
Lease liabilities	-	-	14,560.05	14,560.05	-	-	-	-
Other financial liabilities	-	-	6,720.43	6,720.43	-	-	-	-
<b>Current</b>								
Borrowings	-	-	5,772.57	5,772.57	-	-	-	-
Lease liabilities	-	-	3,400.68	3,400.68	-	-	-	-
Trade and other payables	-	-	21,122.38	21,122.38	-	-	-	-
Other financial liabilities	-	-	2,645.59	2,645.59	-	-	-	-
	-	-	65,917.61	65,917.61	-	-	-	-

\* The fair value in respect of the unquoted equity investments is equal to the cost of the investments as per the contractual agreements.

## B. Measurement of fair values

## Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 1 and Level 2 fair values, as well as the significant unobservable inputs used.

## Financial instruments measured at fair value

Type	Valuation technique
Forward contracts	The fair value is determined using forward exchange rates at the reporting date.
Interest rate swaps	Present value of the estimated future cash flows based on observable yield curves.

## C. Financial risk management

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

- Credit risk ;
- Liquidity risk ; and
- Market risk

## i. Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's Risk Management framework. The Board of Directors have adopted an Enterprise Risk Management Policy framed by the Company, which identifies the risk and lays down the risk minimization

**48 Financial instruments – Fair values and risk management (Continued)**

procedures. The Management reviews the Risk management policies and systems on a regular basis to reflect changes in market conditions and the Company's activities, and the same is reported to the Board of Directors periodically. Further, the Company, in order to deal with the future risks, has in place various methods / processes which have been imbibed in its organizational structure and proper internal controls are in place to keep a check on lapses, and the same are been modified in accordance with the regular requirements.

The Audit Committee oversees how Management monitors compliance with the Company's Risk Management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assisted in its oversight role by the internal auditors.

**ii. Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and loans and advances.

The carrying amount of following financial assets represents the maximum credit exposure:

**Trade receivables and loans and advances.**

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer in which it operates. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

The Risk Management Committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. Further for domestic sales, the company segments the customers into Distributors and Others for credit monitoring.

The Company maintains security deposits for sales made to its distributors. For other trade receivables, the company individually monitors the sanctioned credit limits as against the outstanding balances. Accordingly, the Company makes specific provisions against such trade receivables wherever required and monitors the same at periodic intervals.

The Company monitors each loans and advances given and makes any specific provision wherever required.

The Company establishes an allowance for impairment that represents its estimate of expected losses in respect of trade receivables and loans and advances.

**Impairment**

At 31<sup>st</sup> March , 2023, the ageing of trade receivables was as follows.

	Carrying amount (₹ in lakhs)	
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Neither past due nor impaired	<b>17,708.64</b>	13,510.42
Past due 1-90 days	<b>18,106.76</b>	12,068.99
Past due 91-180 days	<b>2,775.86</b>	2,721.94
Past due 181-365 days	<b>2,755.36</b>	1,387.66
Past due 366 days	<b>2,096.81</b>	1,706.85
	<b>43,443.43</b>	31,395.86

Management believes that the unimpaired amounts which are past due are collectible in full.

**48 Financial instruments – Fair values and risk management (Continued)**

	<b>Trade receivables Impairments</b>	<b>Loans</b>
Balance as at 1 <sup>st</sup> April , 2021	1,316.43	52.05
Impairment loss recognised	297.49	-
Balance written back	(592.93)	-
Amounts written off	(60.77)	-
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>960.22</b>	<b>52.05</b>
<b>Impairment loss recognised</b>	<b>526.93</b>	-
<b>Balance written back</b>	<b>(328.25)</b>	-
<b>Amounts written off</b>	<b>(62.17)</b>	-
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>1,096.73</b>	<b>52.05</b>

**Cash and cash equivalents and other Bank balances**

The Company held cash and cash equivalents and other bank balances of ₹ 989.92 lakhs as on 31 March 2023 (Previous year ₹ 6,065.46 lakhs). The cash and cash equivalents are held with bank counterparties with good credit ratings.

**Derivatives**

The derivatives are entered into with bank counterparties with good credit ratings.

**Loans and Other financial assets:**

The Company held loans and other financial assets of ₹ 4,470.34 lakhs as on March 31, 2023 (Previous year ₹ 4,383.87 lakhs). The loans and other financial assets are in nature of rent deposit paid to landlords, bank deposits with maturity more than twelve months and others and are fully recoverable.

**iii. Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

As of 31st March, 2023 and 31st March, 2022 the Company had unutilized credit limits from banks of ₹25,073.91 lakhs and ₹ 22,066.51 lakhs respectively.

**Maturity profile of financial liabilities**

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

(₹ in lakhs)

<b>31st March, 2023</b>	<b>Carrying amount</b>	<b>Contractual cash flows</b>					
		<b>Total</b>	<b>Less than 6 months</b>	<b>6-12 months</b>	<b>1-2 years</b>	<b>2-5 years</b>	<b>More than 5 years</b>
<b>Non-derivative financial liabilities</b>							
Non convertible debenture	9,846.16	9,846.16	-	-	-	9,846.16	-
Working Capital Borrowings	926.09	926.09	926.09	-	-	-	-
Trade and other payables	18,874.00	18,874.00	18,874.00	-	-	-	-
Lease Liabilities	16,241.62	16,241.62	1,372.17	1,379.07	2,546.66	4,163.23	6,780.49
Other financial liabilities	9,380.42	9,380.42	2,446.08	747.63	3,000.00	3,186.71	-
<b>Derivative financial liabilities</b>							
Cross currency interest rate swaps	1,223.49	1,223.49	1,223.49	-	-	-	-
Forward exchange contracts used for hedging							
- Outflow	3,108.99	3,108.99	3,108.99	-	-	-	-

## 48 Financial instruments – Fair values and risk management (Continued)

(₹ in lakhs)

31st March, 2022	Contractual cash flows						
	Carrying amount	Total	Less than 6 months	6-12 months	1-2 years	2-5 years	More than 5 years
<b>Non-derivative financial liabilities</b>							
Non convertible debenture	9,830.23	9,830.23	-	-	-	9,830.23	-
Working Capital Borrowings	3,933.49	3,933.49	3,933.49	-	-	-	-
Trade and other payables	19,295.09	19,295.09	19,295.09	-	-	-	-
Lease Liabilities	17,960.73	17,960.73	1,766.82	1,633.86	2,908.41	4,544.07	7,107.57
Other financial liabilities	3,382.74	3,382.74	2,645.59	-	500.00	237.15	-
<b>Derivative financial liabilities</b>							
Interest rate swaps	2,967.61	2,967.61	919.54	919.54	1,128.53	-	-
Forward exchange contracts used for hedging							
- Outflow	1,827.29	1,827.29	1,827.29	-	-	-	-

The gross inflows/(outflows) disclosed in the above table represent the contractual undiscounted cash flows relating to the financial liabilities which are not usually closed out before contractual maturity. The disclosure shows net cash flow amounts for derivatives that are net cash-settled and gross cash inflow and outflow amounts for derivatives that have simultaneous gross cash settlement.

## iv. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. We are exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of our investments. Thus, our exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currency. The objective of market risk management is to avoid excessive exposure in our foreign currency revenues and costs.

## Currency risk

The Company is exposed to currency risk on account of its borrowings and other payables in foreign currency. The functional currency of the Company is Indian Rupee. The Company uses forward exchange contracts to hedge its currency risk, most with a maturity of less than one year from the reporting date.



**48 Financial instruments – Fair values and risk management (Continued)****Exposure to currency risk (Exposure in different currencies converted to functional currency i.e. INR)**

The currency profile of financial assets and financial liabilities as at 31st March, 2023 and 31st March, 2022 are as below:

(₹ in lakhs)				
<b>31st March, 2023</b>	<b>USD</b>	<b>EURO</b>	<b>GBP</b>	<b>CNY</b>
<b>Financial assets</b>				
Trade and other receivables	<b>1,587.91</b>	<b>1,031.76</b>	<b>7.10</b>	-
Less: Forward contracts	-	-	-	-
	<b>1,587.91</b>	<b>1,031.76</b>	<b>7.10</b>	-
<b>Financial liabilities</b>				
Trade and other payables	<b>1,539.79</b>	<b>12.92</b>	<b>8.90</b>	-
Forecasted Purchase	<b>1,569.20</b>	-	-	-
Less: Forward contracts	<b>(3,108.99)</b>	-	-	-
	-	<b>12.92</b>	<b>8.90</b>	-
Net Exposure	<b>1,587.91</b>	<b>1,018.84</b>	<b>(1.80)</b>	-
<b>31st March, 2022</b>	<b>USD</b>	<b>EURO</b>	<b>GBP</b>	<b>CNY</b>
<b>Financial assets</b>				
Trade and other receivables	3,130.11	326.55	32.40	-
Less: Forward contracts	-	-	-	-
	3,130.11	326.55	32.40	-
<b>Financial liabilities</b>				
Trade and other payables	2,939.03	61.57	-	-
Less: Forward contracts	(1,827.29)	-	-	-
	1,111.74	61.57	-	-
Net Exposure	2,018.37	264.98	32.40	-

The following significant exchange rates have been applied during the year.

INR	Year-end spot rate	
	31st March, 2023	31st March, 2022
USD 1	<b>82.18</b>	75.80
EUR1	<b>89.14</b>	84.20
CNY	<b>11.97</b>	11.95
GBP1	<b>101.42</b>	99.48

**Sensitivity analysis**

A reasonably possible strengthening (weakening) of the foreign Currency against the Indian Rupee at 31st March would have affected the measurement of financial instruments denominated in foreign currencies and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Effect in INR	31st March, 2023		31st March, 2022	
	Profit or loss		Profit or loss	
	Strengthening	Weakening	Strengthening	Weakening
USD - 3% Movement	<b>47.64</b>	<b>(47.64)</b>	60.55	(60.55)
EUR - 3% Movement	<b>30.57</b>	<b>(30.57)</b>	7.95	(7.95)
CNY - 3% Movement	-	-	-	-
GBP - 3% Movement	<b>(0.05)</b>	<b>0.05</b>	0.97	(0.97)
	<b>78.15</b>	<b>(78.15)</b>	69.47	(69.47)

**48 Financial instruments – Fair values and risk management (Continued)****Interest rate risk**

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

**Exposure to interest rate risk**

Company's interest rate risk arises from borrowings. The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

(₹ in lakhs)

	<b>31st March, 2023</b>	31st March, 2022
<b>Borrowings</b>		
Fixed rate borrowings	<b>16,032.87</b>	13,067.38
Variable rate borrowings	<b>2,837.08</b>	4,401.10
Less: Interest rate Swaps	<b>(1,223.49)</b>	(2,967.61)
Total	<b>17,646.46</b>	14,500.87

**Cash flow sensitivity analysis for variable-rate instruments**

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

(₹ in lakhs)

Particulars	<b>Profit or (loss)</b>	
	<b>100 bp increase</b>	<b>100 bp decrease</b>
<b>31st March, 2023</b>		
Variable-rate instruments	<b>(28.37)</b>	<b>28.37</b>
Interest rate swaps	<b>12.23</b>	<b>(12.23)</b>
<b>Cash flow sensitivity (net)</b>	<b>(16.14)</b>	<b>16.14</b>
31st March, 2022		
Variable-rate instruments	(44.01)	44.01
Interest rate swaps	29.68	(29.68)
Cash flow sensitivity (net)	(14.33)	14.33

The risk estimates provided assume a parallel shift of 100 basis points interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

**49 Capital Management**

For the purpose of the Company's capital management, capital includes issued capital and other equity reserves. The primary objective of the Company's Capital Management is to maximise shareholders value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Company monitors capital using debt to equity ratio.

(₹ in lakhs)

	<b>As at 31st March, 2023</b>	As at 31st March, 2022
Non-Current Borrowings	<b>16,032.87</b>	11,695.91
Current Borrowings	<b>2,837.08</b>	5,772.57
<b>Gross Debt</b>	<b>18,869.95</b>	17,468.48
Total equity	<b>1,25,183.89</b>	1,15,155.59
Adjusted Gross debt to equity ratio	<b>0.15</b>	0.15

**50 Employee Benefits**

The Company contributes to the following post-employment defined benefit plans in India.

**(i) Defined Contribution Plans:**

The contributions to the Provident Fund and Family Pension Fund of certain employees are made to a Government administered Provident Fund and there are no further obligations beyond making such contribution.

The Company recognised ₹ 972.55 lakhs for year ended 31 March 2023 (Previous year ₹ 906.86 lakhs) provident fund contributions in the Statement of Profit and Loss.

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

**(ii) Defined Benefit Plan:****A. Gratuity**

The Company participates in the Employees Gratuity scheme, a funded defined benefit plan for qualifying employees. Gratuity is payable to all eligible employees on death or on separation / termination in terms of the provisions of the Payment of Gratuity Act, 1972.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at March 31, 2023. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

(₹ in lakhs)

Particulars	Gratuity	
	31st March, 2023	31st March, 2022
Defined benefit obligation	<b>2,193.70</b>	2,145.30
Fair value of Plan Assets at the end of the year	<b>(2,372.89)</b>	(2,509.16)
Net Obligation at the end of the year	<b>(179.19)</b>	(363.86)

**B. Movement in net defined benefit (asset) liability**

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components

(₹ in lakhs)

	Gratuity					
	Defined benefit obligation		Fair value of plan assets		Net defined benefit (asset) liability	
	31st March, 2023	31st March, 2022	31st March, 2023	31st March, 2022	31st March, 2023	31st March, 2022
Opening balance	<b>2,145.30</b>	2,068.87	<b>2,509.16</b>	2,391.60	<b>(363.86)</b>	(322.73)
Included in profit or loss	-	-	<b>178.24</b>	158.62	<b>(178.24)</b>	(158.62)
Current service cost	<b>236.26</b>	233.58	-	-	<b>236.26</b>	233.58
Past service cost	-	-	-	-	-	-
Interest cost (income)	<b>158.79</b>	140.69	-	-	<b>158.79</b>	140.69
	<b>2,540.35</b>	2,443.14	<b>2,687.40</b>	2,550.22	<b>(147.05)</b>	(107.08)
Included in OCI						
Remeasurement loss (gain):						
Actuarial loss (gain) arising from:	-	-	-	-	-	-
Demographic assumptions	-	-	-	-	-	-
Financial assumptions	<b>(120.12)</b>	(55.71)	-	-	<b>(120.12)</b>	(55.71)
Experience adjustment	<b>(25.48)</b>	(95.82)	-	73.39	<b>(25.48)</b>	(169.21)
Return on plan assets excluding interest income	-	-	<b>(113.47)</b>	3.55	<b>113.47</b>	(3.55)
	<b>2,394.75</b>	2,291.61	<b>2,573.93</b>	2,627.16	<b>(179.19)</b>	(335.55)
<b>Other</b>						
Contributions paid by the employer	-	-	-	-	-	-
Benefits paid	<b>(201.04)</b>	(146.31)	<b>(201.04)</b>	(118.00)	-	(28.31)
Closing balance	<b>2,193.70</b>	2,145.30	<b>2,372.89</b>	2,509.16	<b>(179.19)</b>	(363.86)
<b>Represented by</b>						
Net defined benefit asset					<b>(2,372.89)</b>	(2,509.16)
Net defined benefit liability					<b>2,193.70</b>	2,145.30
					<b>(179.19)</b>	(363.86)

**(ii) Defined Benefit Plan: (Continued)****C. Plan assets**

Plan assets comprise the following:

(₹ in lakhs)

	31st March, 2023	31st March, 2022
Fund managed by Insurance Company	2,372.89	2,509.16
	2,372.89	2,509.16

**D. Defined benefit obligations****i. Actuarial assumptions**

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

(₹ in lakhs)

	31st March, 2023	31st March, 2022
Discount rate	7.40% p.a.	6.50% p.a.
Expected Rate of Return on Plan Assets	7.40% p.a.	6.50% p.a.
Salary escalation rate	6.00% p.a.	6.00% p.a.
Employee Turnover	5.00% to 1 % p.a.	5.00% to 1 % p.a.
Mortality rate	Indian Assured Lives Mortality (2012-14) Ult.	Indian Assured Lives Mortality (2012-14) Ult.

Assumptions regarding future mortality have been based on published statistics and mortality tables.

**ii. Sensitivity analysis**

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation as follows.

	31st March, 2023		31st March, 2022	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	2,016.57	2,401.86	1,961.41	2,359.11
Future salary growth (1% movement)	2,402.68	2,012.78	2,358.67	1,958.47
Rate of employee turnover (1% movement)	2,214.47	2,173.95	2,156.12	2,133.28

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

**Expected future cash flows**

The expected future cash flows in respect of gratuity as at March 31, 2023 were as follows.

**Expected contribution**

The expected contributions for defined benefit plan for the next financial year will be in line with the contribution for the year ended March 31, 2023, i.e. ₹ 311.62 lakhs.

**Expected future benefit payments**

(₹ in lakhs)

31st March, 2024	127.92
31st March, 2025	151.95
31st March, 2026	157.80
31st March, 2027	187.91
Thereafter	1,568.12

**Compensated Absences:**

The Compensated Absences is payable to all eligible employees for each day of accumulated leave on death or on resignation. Compensated Absences debited to Statement of Profit and Loss during the year amounts to ₹ 244.54 lakhs (Previous year ₹ 236.22 lakhs) and is included in Note 29 - 'Employee benefits expenses'. Accumulated non-current provision for leave encashment aggregates ₹ 508.52 lakhs (Previous year ₹ 499.33 lakhs) and current provision aggregates ₹ 453.21 lakhs (Previous year ₹ 463.94 lakhs).

**51 Hedge accounting**

The Company's risk management policy is to hedge its estimated foreign currency exposure in respect of highly probable forecast purchases and foreign currency borrowings. The Company uses forward exchange contracts to hedge its currency risk and cross currency interest rate swap to hedge its interest rate and currency risk related to foreign currency borrowings. Such contracts are generally designated as cash flow hedges.

The Company determines the existence of an economic relationship between the hedging instrument and hedged item based on the currency, amount and timing of their respective cash flows. The Company assesses whether the derivative designated in each hedging relationship is expected to be and has been effective in offsetting changes in the cash flows of the hedged item using the hypothetical derivative method.

**a. Disclosure of effects of hedge accounting on financial position****Cash flow hedge - Forward exchange contracts****31st March, 2023**

(₹ in lakhs)

Type of hedge and risks	Currency	Nominal Value (Currency in lakhs)	Carrying amount of hedging instrument (in INR)		Line item in the statement of financial position where the hedging instrument is included	Maturity date	Hedge ratio	Weighted Average strike price/ rate	Changes in fair value of the hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness
			Assets	Liabilities						
<b>Cash flow hedge</b>										
Forward and Option contracts	USD	31.50	2.70	0.36	Liabilities Other current financial liabilities	May-23	1:1	82.66	0.36	(0.36)
	EURO	5.74	-	-				88.46	-	-
<b>Cross Currency Interest Rate Swap</b>	USD	14.89	183.09	-	Other current financial liabilities and Other non-current financial liabilities	March 2023 to February 2024	1:1		183.09	(183.09)

**31st March, 2022**

(₹ in lakhs)

Type of hedge and risks	Currency	Nominal Value (Currency in lakhs)	Carrying amount of hedging instrument (in INR)		Line item in the statement of financial position where the hedging instrument is included	Maturity date	Hedge ratio	Weighted Average strike price/ rate	Changes in fair value of the hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness
			Assets	Liabilities						
<b>Cash flow hedge</b>										
Forward and Option contracts	USD	32.24	-	23.98	Liabilities Other current financial liabilities	May-22	1:1	75.74	(23.98)	23.98
	EURO	2.00	0.17	0.13				84.36	0.04	(0.04)
<b>Cross Currency Interest Rate Swap</b>	USD	39.15	224.04	-	Other current financial liabilities and Other non-current financial liabilities	March 2023 to February 2024	1:1		224.04	(224.04)

**b. Disclosure of effects of hedge accounting on financial performance** (₹ in lakhs)

31st March, 2023	Change in the value of the hedging instrument recognised in OCI	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit or loss because of the reclassification
Cash flow hedge	50.77	-	46.98	Foreign exchange loss
31st March, 2022	Change in the value of the hedging instrument recognised in OCI	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit or loss because of the reclassification
Cash flow hedge	44.34	-	91.32	Foreign exchange loss

**c. The following table provides a reconciliation by risk category of components of equity and analysis of OCI items, net of tax, resulting from cash flow hedge accounting**

**Movements in cash flow hedging reserve**

(₹ in lakhs)

<b>Balance at 1st April 2021</b>	<b>(91.32)</b>
Add : Changes in the fair value of effective portion of outstanding cash flow derivative (net of settlement)	64.53
Less : Amounts reclassified to profit or loss	-
Less: Deferred tax	(20.19)
<b>As at 31st March, 2022</b>	<b>(46.98)</b>
Add : Changes in the fair value of effective portion of outstanding cash flow derivative (net of settlement)	62.57
Less : Amounts reclassified to profit or loss	-
Less: Deferred tax	(11.80)
<b>As at 31st March, 2023</b>	<b>3.79</b>

**52 Earnings per share (EPS)**

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

**i. Profit attributable to Equity holders of Company**

(₹ in lakhs)

	31st March, 2023	31st March, 2022
Profit attributable to equity holders of the Company:		
Continuing operations	12,191.86	8,231.26
Profit attributable to equity holders of the Company for basic earnings	12,191.86	8,231.26
Profit attributable to equity holders of the Company adjusted for the effect of dilution	12,191.86	8,231.26

## ii. Weighted average number of ordinary shares

	31st March, 2023	31st March, 2022
Issued ordinary shares at 1st April	1,49,22,525	1,49,22,525
<b>Weighted average number of shares at the year end for basic and Diluted EPS</b>	<b>1,49,22,525</b>	1,49,22,525

## Basic and Diluted earnings per share

(Amount in ₹)

	31st March, 2023	31st March, 2022
<b>Basic earnings per share</b>	<b>81.70</b>	55.16
<b>Diluted earnings per share</b>	<b>81.70</b>	55.16

## As per our report of even date attached.

## For B S R &amp; Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022

**Rishabh Kumar**

Partner

Membership No : 402877

**Hiten V. Parekh**

Managing Director

DIN : 00037550

**Paresh B. Mehta**

Chief Financial Officer

Membership No : 44670

Mumbai

20<sup>th</sup> May, 2023

## For and on Behalf of the Board of Directors of

## Nilkamal Limited

CIN : L25209DN1985PLC000162

**Manish V. Parekh**

Joint Managing Director

DIN : 00037724

**Nayan S. Parekh**

Executive Director

DIN: 00037597

**Priti P. Dave**

Company Secretary

Membership No : 19469

Mumbai

20<sup>th</sup> May, 2023

**Independent Auditor's Report  
To the Members of Nilkamal Limited  
Report on the Audit of Consolidated Financial Statements**

**Opinion**

We have audited the consolidated financial statements of Nilkamal Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), and its joint venture, which comprise the consolidated balance sheet as at 31 March 2023, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of such subsidiaries, and joint venture as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, and its joint venture as at 31 March 2023, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

**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 SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, and its joint venture in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub paragraph (a) of the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements. is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

**Key Audit Matters**

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

Refer Note 36(o) of significant accounting policies and Note 33 in the consolidated financial statements.

<b>The key audit matter</b>	<b>How the matter was addressed in our audit</b>
<p>Revenue of the Company comprises of sale of varied products related to material handling, plastic moulded products and mattresses through different channels of sales with varied customers at different contractual price points and terms; and sale of furniture through its retail outlets.</p> <p>The Company recognises revenue from sale of goods when control of the goods has been transferred and when there are no longer any unfulfilled obligations to the customer and the amount of revenue can be measured reliably and recovery of the consideration is probable.</p> <p>The Company focuses on revenue as a key performance measure which could create incentive for revenue to be recognised even with any of the above conditions not being met.</p> <p>Considering the above facts of the Company, the volume of transactions, cash collections at the retail store that need to be deposited in bank and the number of locations across India, we have identified existence and completeness of revenue from sale of products as a key audit matter.</p>	<p>In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence:</p> <ul style="list-style-type: none"> <li>- Evaluated the Company's accounting policies for revenue recognition, in terms of applicable accounting standards.</li> <li>- Tested the design, implementation and operating effectiveness of the Company's general IT controls and Key IT/manual controls. These are in respect of the Company's controls which govern timing of recognition of revenue including creation of new customers in system.</li> <li>- Tested, by selecting statistical samples, underlying documentation and records i.e. invoices, acknowledge delivered receipts and collection receipts for sales transactions recorded throughout the year and at year end to determine the existence of revenue.</li> <li>- Tested, by selecting statistical samples, the underlying documentation related to credit notes such as invoices and approval of sales return.</li> <li>- Performed cut - off procedures at year end by verifying underlying invoices, acknowledge delivered receipts, the transit time to deliver the goods and its revenue recognition.</li> <li>- Tested, by selecting statistical samples, of Daily Cash Report and checking the deposit of daily cash received in bank.</li> </ul>



**Other Information**

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the financial statements and auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements**

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its joint venture in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group and of its joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group and of its joint venture are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its joint venture are responsible for overseeing the financial reporting process of each company.

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are

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

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements of such entities or business activities within the Group and its joint venture to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (a) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

### Other Matters

- (a) We did not audit the financial statements of four subsidiaries, whose financial statements reflect total assets (before consolidation adjustments) of ₹ 5,158.98 lakhs as at 31 March 2023, total revenues (before consolidation adjustments) of ₹ 6,218.90 lakhs and net cash inflows (before consolidation adjustments) amounting to ₹ 604.92 lakhs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit and other comprehensive income of ₹ 773.35 lakhs and ₹ 773.35 lakhs respectively for the year ended 31 March 2023, in respect of one joint venture, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and joint venture is based solely on the audit reports of the other auditors.

Certain of these subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

### 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 Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. (A) As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such subsidiaries, and joint venture as were audited by other auditor(s), as noted in the "Other Matters" paragraph, we report, to the extent applicable, that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiaries and its joint venture incorporated in India, none of the directors of the Group companies and joint venture incorporated in India is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) In our opinion, proper books of accounts as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary and joint venture incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, and joint venture, as noted in the "Other Matters" paragraph:
- a) The consolidated financial statements disclose the impact of pending litigations as at 31 March 2023 on the consolidated financial position of the Group, and its joint venture. Refer Note 37(A) to the consolidated financial statements.
  - b) The Group, and its joint venture did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2023.
  - c) There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company or its subsidiaries and joint venture incorporated in India during the year ended 31 March 2023.
  - d) (i) The management has represented that, to the best of its knowledge and belief, as disclosed in Note 34(C) (ii) of the consolidated financial statements, 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 Holding Company or its subsidiaries, and joint venture incorporated in India 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 Holding Company or its subsidiaries and joint venture incorporated in India or
    - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
  - (ii) The management has represented, that, to the best of its knowledge and belief, as disclosed in the Note 34 (C) (ii) of the consolidated financial statements, no funds have been received by the Holding Company or its subsidiaries and joint venture incorporated in India from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its subsidiaries and joint venture incorporated in India 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 Parties or
    - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries

- (iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries and joint venture incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditors notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
- e) The dividend declared during the year by the Holding Company, its subsidiaries and joint venture company incorporated in India is in compliance with Section 123 of the Act.
- (C) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:  
In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiaries and joint venture incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company and its subsidiaries and its joint venture to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiaries and its joint venture 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.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

**Rishabh Kumar**

Partner

Membership No. 402877

ICAI UDIN: 23402877BGYGDI3105

Place: Mumbai

Date: 20 May 2023

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**Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of Nilkamal Limited for the year ended 31 March 2023**

**(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

In our opinion and according to the information and explanations given to us, there are no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order, 2020 reports of the companies incorporated in India and included in the consolidated financial statements:

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

**Rishabh Kumar**

Partner

Membership No. 402877

ICAI UDIN: 23402877BGYGDI3105

Place: Mumbai

Date: 20 May 2023

**Annexure B to the Independent Auditor's Report on the consolidated financial statements of Nilkamal Limited for the year ended 31 March 2023****Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act****(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)****Opinion**

In conjunction with our audit of the consolidated financial statements of Nilkamal Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2023, we have audited the internal financial controls with reference to financial statements of the Holding Company and such companies incorporated in India under the Act which is its subsidiary company and joint venture, as of that date.

In our opinion and based on the consideration of reports of the other auditors on internal financial controls with reference to financial statements of subsidiary and joint venture, as were audited by the other auditors, the Holding Company, its subsidiaries and joint venture, have, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

**Management's and Board of Directors' Responsibilities for Internal Financial Controls**

The respective Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the respective company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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 Act.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were 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 statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the relevant subsidiary and joint venture in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements.

**Meaning of Internal Financial Controls with Reference to Financial Statements**

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with

authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

**Inherent Limitations of Internal Financial Controls with Reference to Financial Statements**

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Other Matters**

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to 1 subsidiary and 1 joint venture, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of this matter.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

**Rishabh Kumar**

Partner

Membership No. 402877

ICAI UDIN: 23402877BGYGDI3105

Place: Mumbai

Date: 20 May 2023

CONSOLIDATED BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2023

			(₹ in lakhs)	
		Note	As at 31st March 2023	As at 31st March 2022
<b>I.</b>	<b>ASSETS</b>			
<b>1</b>	<b>Non-current Assets</b>			
	(a) Property, Plant and Equipment	1	77,452.07	68,656.82
	(b) Capital Work-in-Progress	1	2,219.52	2,639.25
	(c) Goodwill		675.60	675.60
	(d) Intangible assets	1	107.59	144.91
	(e) Investment in Joint venture	2	2,636.74	2,073.49
	(f) Financial Assets			
	(i) Investments	3	102.29	43.14
	(ii) Loans	4	326.55	276.44
	(iii) Others Financial Assets	5	2,605.42	2,502.04
	(g) Other Non-current Assets	6	2,580.46	3,804.96
	<b>Total Non-current Assets</b>		<b>88,706.24</b>	<b>80,816.65</b>
<b>2</b>	<b>Current Assets</b>			
	(a) Inventories	7	65,604.97	66,129.99
	(b) Financial Assets			
	(i) Investments	8	457.56	1,424.98
	(ii) Trade Receivables	9	43,342.43	31,391.21
	(iii) Cash and Cash Equivalents	10	1,995.68	6,534.04
	(iv) Bank Balances other than cash and cash equivalents	11	408.52	304.18
	(v) Other Financial Assets	12	1,557.47	1,375.45
	(c) Current Tax Assets (Net)		541.39	498.69
	(d) Other Current Assets	13	4,922.84	6,853.38
	<b>Total Current Assets</b>		<b>1,18,830.86</b>	<b>1,14,511.92</b>
	<b>TOTAL ASSETS</b>		<b>2,07,537.10</b>	<b>1,95,328.57</b>
<b>II.</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>Equity</b>			
	(a) Equity Share Capital	14	1,492.25	1,492.25
	(b) Other Equity	15	1,29,929.29	1,18,659.04
	<b>Total Equity attributable to Equity Holders of the Company</b>		<b>1,31,421.54</b>	<b>1,20,151.29</b>
<b>2</b>	Non-controlling Interests		75.22	70.69
	<b>Total Equity</b>		<b>1,31,496.76</b>	<b>1,20,221.98</b>
<b>3</b>	<b>Non-current liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	16	16,032.87	11,695.91
	(ii) Lease Liabilities	17	13,490.38	14,560.05
	(iii) Other Financial Liabilities	18	7,226.13	6,720.44
	(b) Provisions	19	615.70	666.73
	(c) Deferred Tax Liabilities (Net)	20	1,534.67	1,222.14
	<b>Total Non-current Liabilities</b>		<b>38,899.75</b>	<b>34,865.27</b>
<b>4</b>	<b>Current Liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	21	2,837.08	5,772.57
	(ii) Lease Liabilities	22	2,751.24	3,400.68
	(iii) Trade Payables	23		
	(a) Total Outstanding dues of micro enterprises and small enterprises		13.85	179.35
	(b) Total Outstanding dues of creditors other than micro enterprises and small enterprises		22,539.10	21,920.22
	(iv) Other Financial Liabilities	24	2,506.21	2,645.59
	(b) Other Current Liabilities	25	5,219.89	5,123.73
	(c) Provisions	26	1,223.86	1,152.85
	(d) Current Tax Liabilities (Net)		49.36	46.33
	<b>Total Current Liabilities</b>		<b>37,140.59</b>	<b>40,241.32</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,07,537.10</b>	<b>1,95,328.57</b>
	Significant accounting policies	36		

The notes referred to above form an integral part of the consolidated financial statements.

## As per our report of even date attached.

## For B S R &amp; Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022

## Rishabh Kumar

Partner

Membership No : 402877

## Hiten V. Parekh

Managing Director

DIN : 00037550

## Paresh B. Mehta

Chief Financial Officer

Membership No : 44670

## For and on Behalf of the Board of Directors of Nilkamal Limited

CIN : L25209DN1985PLC000162

## Manish V. Parekh

Joint Managing Director

DIN : 00037724

## Nayan S. Parekh

Executive Director

DIN: 00037597

## Priti P. Dave

Company Secretary

Membership No : 19469

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2023

Particulars	Note	(₹ in lakhs)	
		For the year ended 31st March 2023	For the year ended 31st March 2022
<b>I.</b> Revenue from operations	27	<b>3,13,087.69</b>	2,73,008.93
<b>II.</b> Other Income	28	<b>1,102.31</b>	1,186.42
<b>III. Total Income (I+II)</b>		<b>3,14,190.00</b>	2,74,195.35
<b>IV. Expenses:</b>			
Cost of Materials Consumed		<b>1,35,042.75</b>	1,25,207.22
Purchases of Stock in Trade		<b>56,031.34</b>	49,946.69
Changes in inventories of Finished Goods, Stock in Trade and Work-in-Progress	29	<b>(2,617.49)</b>	(9,031.59)
Employee Benefits Expense	30	<b>22,163.97</b>	19,671.59
Finance Costs	31	<b>3,658.45</b>	2,839.88
Depreciation and Amortisation Expenses	1	<b>11,338.51</b>	10,102.06
Other Expenses	32	<b>71,645.67</b>	65,081.33
<b>Total Expenses</b>		<b>2,97,263.20</b>	2,63,817.18
<b>V. Profit Before share of Profit of Equity accounted Investee and Income Tax (III - IV)</b>		<b>16,926.80</b>	10,378.17
<b>VI.</b> Shares of Profit in Joint Ventures (net of Tax)		<b>773.35</b>	569.69
<b>VII. Profit Before Tax (V + VI)</b>		<b>17,700.15</b>	10,947.86
<b>VIII. Income Tax Expense:</b>			
Current tax	35	<b>4,007.81</b>	2,743.39
Deferred tax Charge / (Credit)	35	<b>292.58</b>	(137.74)
<b>Total Tax Expenses</b>		<b>4,300.39</b>	2,605.65
<b>IX. Profit for the year (VII - VIII)</b>		<b>13,399.76</b>	8,342.21
<b>X. Other Comprehensive Income:</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurements of defined benefit asset		<b>32.13</b>	228.46
Income Tax effect on above		<b>(8.09)</b>	(57.50)
<b>Items that will be reclassified subsequently to profit or loss</b>			
Effective portion of (losses) on hedging instrument in a cash flow hedge		<b>62.57</b>	80.22
Income tax Effect on Above		<b>(11.80)</b>	(20.19)
Exchange Differences in translation of foreign subsidiaries		<b>37.31</b>	(829.19)
Share of Other Comprehensive income in Joint Venture		-	(0.12)
<b>Total Other Comprehensive Income for the year, Net of Income Tax</b>		<b>112.12</b>	(598.32)
<b>XI. Total Comprehensive Income (IX + X)</b>		<b>13,511.88</b>	7,743.89
<b>Profit for the year attributable to :</b>			
Equity Shareholder of the Company		<b>13,394.86</b>	8,335.01
Non-Controlling Interests		<b>4.90</b>	7.20
<b>Other Comprehensive income (net of tax) attributable to:</b>			
Equity Shareholder of the Company		<b>112.12</b>	(598.32)
Non-Controlling Interests		-	-
<b>Total Comprehensive income attributable to:</b>		<b>13,506.98</b>	7,736.69
Equity Shareholder of the Company		<b>4.90</b>	7.20
<b>XII. Earnings per equity share of ₹ 10 each (Previous Year ₹10 each)</b>	52		
(1) Basic (in ₹)		<b>89.76</b>	55.86
(2) Diluted (in ₹)		<b>89.76</b>	55.86
Weighted average number of equity shares outstanding		<b>1,49,22,525</b>	1,49,22,525
<b>Significant accounting policies</b>	36		

The notes referred in above form an integral part of the Consolidated financial statements.

## As per our report of even date attached.

## For B S R &amp; Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022

## Rishabh Kumar

Partner

Membership No : 402877

## Hiten V. Parekh

Managing Director

DIN : 00037550

## Paresh B. Mehta

Chief Financial Officer

Membership No : 44670

## For and on Behalf of the Board of Directors of

Nilkamal Limited

CIN : L25209DN1985PLC000162

## Manish V. Parekh

Joint Managing Director

DIN : 00037724

## Nayan S. Parekh

Executive Director

DIN: 00037597

## Priti P. Dave

Company Secretary

Membership No : 19469

Mumbai  
20<sup>th</sup> May, 2023Mumbai  
20<sup>th</sup> May, 2023



**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED ENDED 31<sup>ST</sup> MARCH 2023**

(₹ in lakhs)

	<b>For the Year ended on 31 March, 2023</b>	For the Year ended on 31 March, 2022
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax	<b>16,926.80</b>	10,378.17
Adjustments for :		
Depreciation and Amortisation	<b>11,338.51</b>	10,102.06
Forex (Profit)/Loss on Forward Contract	<b>77.24</b>	(8.70)
Profit on Fixed Assets sold / discarded (Net)	<b>(225.01)</b>	(278.46)
Non-cash expenses adjustment for Gratuity	<b>32.13</b>	228.46
Finance Costs	<b>3,658.45</b>	2,839.88
Interest Income	<b>(509.41)</b>	(464.43)
Gain on Cancellation of Lease	<b>(209.09)</b>	(81.92)
Provision for doubtful debts and advances	<b>136.51</b>	(355.77)
Bad Debts Written off	<b>72.13</b>	86.40
Profit on valuation of Investment	<b>(0.82)</b>	(0.47)
Unrealised Foreign Exchange Loss	<b>(58.49)</b>	2.33
	<b>14,312.15</b>	<u>12,069.38</u>
<b>Operating Profit before Working Capital changes</b>	<b>31,238.95</b>	<u>22,447.55</u>
Adjustments for :		
(Increase) in Trade Receivables	<b>(12,089.09)</b>	(310.86)
Decrease / (Increase) in Other Receivables	<b>1,667.39</b>	(370.17)
Decrease / (Increase) in Inventories	<b>525.02</b>	(16,334.10)
Increase in Trade Payables	<b>455.03</b>	2,824.13
Increase in Other Payables & Provisions	<b>1,251.25</b>	1,168.17
	<b>(8,190.40)</b>	<u>(13,022.83)</u>
Direct Taxes Paid (Net of Refund)	<b>(4,047.48)</b>	(2,518.15)
	<b>(4,047.48)</b>	<u>(2,518.15)</u>
<b>Net Cash Inflow from Operating Activities (A)</b>	<b>19,001.07</b>	<u>6,906.57</u>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Addition to Fixed Assets, Capital Work-in-Progress and Capital Advances	<b>(19,584.58)</b>	(16,409.98)
Sale of Fixed Assets	<b>1,579.68</b>	820.84
Redemption of Mutual fund	<b>0.82</b>	1,000.52
Investment in Shares	<b>(59.15)</b>	-
Investment in Fixed deposits	<b>940.62</b>	5,023.53
Share of profit from Joint Venture	<b>210.10</b>	367.63
Interest Received	<b>454.62</b>	309.19
<b>Net Cash Outflow from Investing Activities (B)</b>	<b>(16,457.88)</b>	<u>(8,888.27)</u>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Receipt of Long term Borrowings	<b>6,137.06</b>	737.15
(Repayment) of Long term Borrowings	<b>(1,744.12)</b>	(1,691.35)
Increase/ (Decrease) in Short Term borrowings (Net)	<b>(507.41)</b>	1,215.23
Increase/(Decrease) in Commercial Paper	<b>(2,500.00)</b>	2,500.00
Increase in Non Convertible Debentures	<b>15.93</b>	9,900.00
Expenses of Non Convertible Debentures	<b>-</b>	(69.77)
Finance Costs	<b>(2,220.22)</b>	(1,290.45)
Principle Amount paid towards Lease Liability	<b>(2,643.26)</b>	(2,336.18)
Interest paid towards Lease Liability	<b>(1,444.86)</b>	(1,513.74)
Dividend paid	<b>(2,238.38)</b>	(1,492.25)
<b>Net Cash Inflow/(Outflow) from Financing Activities (C)</b>	<b>(7,145.26)</b>	<u>5,958.64</u>
<b>D. Change In Foreign Currency Fluctuation Reserve Arising On Consolidation (D)</b>	<b>63.71</b>	<u>(551.06)</u>
<b>E. Net Increase in Cash and Cash Equivalents (A+B+C+D)</b>	<b>(4,538.36)</b>	<u>3,425.88</u>
Cash and Cash Equivalents as at the beginning of the year	<b>6,534.04</b>	3,108.16
<b>Cash and Cash Equivalents as at the year end</b>	<b>1,995.68</b>	<u>6,534.04</u>
<b>Net (decrease) / increase in Cash and Cash Equivalents</b>	<b>(4,538.36)</b>	<u>3,425.88</u>

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED ENDED 31<sup>ST</sup> MARCH 2023 (CONTD.)

	(₹ in lakhs)	
	For the Year ended on 31 March, 2023	For the Year ended on 31 March, 2022
<b>1. Components of cash and cash equivalents (Refer Note 10)</b>		
(a) Cash on Hand	85.75	188.57
(b) Remittance in Transit	2.96	0.03
(c) Balance in Current Accounts	1,455.76	3,347.89
(d) Bank Deposits with original maturity of 3 months or less	451.21	2,711.21
(e) Balance with Bank in margin money	-	286.34
<b>Cash and cash Equivalents</b>	<b>1,995.68</b>	<b>6,534.04</b>
<b>2. Debt reconciliation statement in accordance with Ind AS 7</b>		
Opening balances		
Long-term borrowing including derivative liability (Refer Note 16)	11,765.68	2,854.05
Current Maturity of Long term Borrowings (Refer Note 21)	1,839.08	1,782.52
Short-term borrowing (Refer Note 21)	3,933.49	218.26
	<b>17,538.25</b>	
<b>Movements (net)</b>		4,854.83
Long-term borrowing	4,408.87	8,968.19
Short-term borrowing	(3,007.40)	3,715.23
	<b>1,401.47</b>	
<b>Closing balances</b>		12,683.42
Long-term borrowing including derivative liability (Refer Note 16)	16,102.64	11,765.68
Current Maturity of Long term Borrowings (Refer Note 21)	1,910.99	1,839.08
Short-term borrowing (Refer Note 21)	926.09	3,933.49
	<b>18,939.72</b>	<b>17,538.25</b>
<b>3.</b> The Cash Flow statement has been prepared under the "Indirect Method" as set out in Accounting Standard (Ind As -7) Statement of Cash Flows.		

**As per our report of even date attached.****For B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

**Rishabh Kumar**

Partner

Membership No : 402877

**Hiten V. Parekh**

Managing Director

DIN : 00037550

**Paresh B. Mehta**

Chief Financial Officer

Membership No : 44670

Mumbai  
20<sup>th</sup> May, 2023Mumbai  
20<sup>th</sup> May, 2023**For and on Behalf of the Board of Directors of****Nilkamal Limited****CIN : L25209DN1985PLC000162****Manish V. Parekh**

Joint Managing Director

DIN : 00037724

**Nayan S. Parekh**

Executive Director

DIN: 00037597

**Priti P. Dave**

Company Secretary

Membership No : 19469

### Statement of Changes in Equity for the year ended 31<sup>st</sup> March, 2023

#### (a) Equity share capital

Particulars	(₹ in Lakhs)	
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Balance at the beginning	1,492.25	1,492.25
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of previous reporting period	-	-
Changes in Equity Share Capital during the year	-	-
Balance as at	1,492.25	1,492.25

#### (b) Other Equity

Particulars	(₹ in Lakhs)						Total		
	Retained Earnings	Securities Premium	General Reserve	Share of Profit in Joint Venture	Foreign Currency Translation Reserves	Other Reserve Effective portion of cash flow hedges		Attributable to Equity Shareholders of the Company	Attributable to Non Controlling Interests
<b>Balance at April 1, 2021</b>	71,168.54	6,448.96	35,032.04	365.95	(478.93)	(91.31)	1,12,445.25	104.43	1,12,549.68
Profit for the year	8,335.01	-	-	-	-	-	8,335.01	7.20	8,342.21
Other comprehensive income for the year	170.84	-	-	-	-	44.33	215.17	-	215.17
<b>Total comprehensive income for the year</b>	8,505.85	-	-	-	-	44.33	8,550.18	7.20	8,557.38
Final Dividend declared and paid	(1,492.25)	-	-	-	-	-	(1,492.25)	-	(1,492.25)
Foreign Currency Monetary Item Translation Difference Account	-	-	-	-	(844.14)	-	(844.14)	(40.94)	(885.08)
<b>Balance at March 31, 2022</b>	<b>78,182.14</b>	<b>6,448.96</b>	<b>35,032.04</b>	<b>365.95</b>	<b>(1,323.07)</b>	<b>(46.98)</b>	<b>1,18,659.04</b>	<b>70.69</b>	<b>1,18,729.73</b>
<b>Profit for the year</b>	<b>13,394.86</b>	-	-	-	-	-	<b>13,394.86</b>	<b>4.90</b>	<b>13,399.76</b>
Other comprehensive income for the year	24.04	-	-	-	-	50.77	74.81	-	74.81
<b>Total comprehensive income for the year</b>	<b>13,418.90</b>	-	-	-	-	<b>50.77</b>	<b>13,469.67</b>	<b>4.90</b>	<b>13,474.57</b>
Final Dividend paid	(2,238.38)	-	-	-	-	-	(2,238.38)	-	(2,238.38)
Foreign Currency Monetary Item Translation Difference Account	-	-	-	-	38.96	-	38.96	(0.37)	38.59
<b>Balance at March 31, 2023</b>	<b>89,362.66</b>	<b>6,448.96</b>	<b>35,032.04</b>	<b>365.95</b>	<b>(1,284.11)</b>	<b>3.79</b>	<b>1,29,929.29</b>	<b>75.22</b>	<b>1,30,004.51</b>

As per our report of even date attached.

#### For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248WW/100022

#### Rishabh Kumar

Partner

Membership No : 402877

Mumbai

20<sup>th</sup> May, 2023

#### For and on Behalf of the Board of Directors of Nilkamal Limited

CIN : L25209DN1985PLC000162

#### Hiten V. Parekh

Managing Director

DIN : 00037550

Mumbai

20<sup>th</sup> May, 2023

#### Manish V. Parekh

Joint Managing Director

DIN : 00037724

#### Nayan S. Parekh

Executive Director

DIN : 00037597

#### Paresh B. Mehta

Chief Financial Officer

Membership No : 0044670

#### Priti P. Dave

Company Secretary

Membership No : 19469

Particulars	Property, Plant and Equipment										Intangible Assets Software	TOTAL	
	Freehold Land	Leasehold Land	Buildings	Plant and Equipments	Furniture and Fixtures	Office Equipments	Vehicle	Leasehold Improvements	Lease Equipments	Right of Use (See note F below)			Total
<b>Gross Block</b>													
Balance as at 1st April, 2021	1,212.41	419.27	18,030.60	47,785.40	4,339.10	2,485.61	471.89	1,510.48	691.43	22,038.09	98,984.28	575.79	99,560.07
Addition during the year	362.20	-	3,552.06	9,276.13	609.71	454.89	25.80	68.36	305.49	2,237.47	16,892.11	141.40	17,033.51
Adjustments	-	-	-	33.13	(7.15)	(25.98)	-	-	-	-	-	-	-
Disposal	9.30	-	203.74	479.29	87.31	42.46	96.71	35.48	-	172.23	1,126.52	-	1,126.52
Exchange Translation	(28.11)	-	(185.11)	(350.77)	(2.40)	(10.77)	(36.25)	-	-	-	(613.41)	(11.58)	(624.99)
Balance as at 31st March, 2022	1,537.20	419.27	21,193.81	56,264.60	4,851.95	2,861.29	364.73	1,543.36	996.92	24,103.33	1,14,136.46	705.61	1,14,842.07
<b>Balance as at 1st April, 2022</b>	<b>1,537.20</b>	<b>419.27</b>	<b>21,193.81</b>	<b>56,264.60</b>	<b>4,851.95</b>	<b>2,861.29</b>	<b>364.73</b>	<b>1,543.36</b>	<b>996.92</b>	<b>24,103.33</b>	<b>1,14,136.46</b>	<b>705.61</b>	<b>1,14,842.07</b>
<b>Addition during the year</b>	<b>2,197.11</b>	<b>2.66</b>	<b>1,572.98</b>	<b>14,085.55</b>	<b>642.59</b>	<b>368.86</b>	<b>27.86</b>	<b>76.00</b>	<b>407.10</b>	<b>2,055.99</b>	<b>21,436.71</b>	<b>39.52</b>	<b>21,476.23</b>
Adjustments	-	-	-	51.85	-	(49.89)	-	(1.96)	-	-	-	-	-
Disposal	66.61	-	121.86	282.66	45.08	135.41	89.46	137.07	-	1,953.06	2,831.21	-	2,831.21
Exchange Translation	(2.45)	-	(16.12)	(32.75)	2.60	(0.58)	0.96	-	-	-	(48.34)	(1.04)	(49.38)
<b>Balance as at 31st March, 2023</b>	<b>3,665.25</b>	<b>421.93</b>	<b>22,628.81</b>	<b>70,086.60</b>	<b>5,452.06</b>	<b>3,044.27</b>	<b>304.09</b>	<b>1,480.33</b>	<b>1,404.02</b>	<b>24,206.26</b>	<b>1,32,693.62</b>	<b>744.09</b>	<b>1,33,437.71</b>
<b>Amortisation:</b>													
Balance as at 1st April, 2021	-	14.20	3,440.15	21,354.59	2,403.97	1,849.36	235.71	1,160.26	35.40	5,837.45	36,331.09	482.28	36,813.37
Amortisation for the year	-	2.98	793.55	5,211.41	342.00	339.37	38.96	95.28	161.37	3,027.26	10,012.18	89.88	10,102.06
Adjustments	-	-	-	20.20	(0.44)	(19.76)	-	-	-	-	-	-	-
Disposal / Adjustments	-	-	27.04	239.15	67.44	40.28	49.19	25.30	-	135.75	584.15	-	584.15
Exchange Translation	-	-	(50.35)	(203.06)	(1.34)	(9.56)	(15.17)	-	-	-	(279.48)	(11.46)	(290.94)
Balance as at 31st March, 2022	-	17.18	4,156.31	26,143.99	2,676.75	2,119.13	210.31	1,230.24	196.77	8,728.96	45,479.64	560.70	46,040.34
<b>Balance as at 1st April, 2022</b>	<b>-</b>	<b>17.18</b>	<b>4,156.31</b>	<b>26,143.99</b>	<b>2,676.75</b>	<b>2,119.13</b>	<b>210.31</b>	<b>1,230.24</b>	<b>196.77</b>	<b>8,728.96</b>	<b>45,479.64</b>	<b>560.70</b>	<b>46,040.34</b>
<b>Amortisation for the year</b>	<b>-</b>	<b>3.01</b>	<b>874.34</b>	<b>6,408.59</b>	<b>402.14</b>	<b>351.99</b>	<b>28.04</b>	<b>50.36</b>	<b>220.54</b>	<b>2,922.68</b>	<b>11,261.69</b>	<b>76.82</b>	<b>11,338.51</b>
Adjustment	-	-	-	20.23	-	(18.27)	-	(1.96)	-	-	-	-	-
Disposal / Adjustments	-	-	18.59	153.13	26.79	99.68	59.30	84.39	-	1,034.66	1,476.54	-	1,476.54
Exchange Translation	-	-	(5.13)	(20.99)	1.29	(0.54)	2.13	-	-	-	(23.24)	(1.02)	(24.26)
<b>Balance as at 31st March, 2023</b>	<b>-</b>	<b>20.19</b>	<b>5,006.93</b>	<b>32,398.69</b>	<b>3,053.39</b>	<b>2,352.63</b>	<b>181.18</b>	<b>1,194.25</b>	<b>417.31</b>	<b>10,616.98</b>	<b>55,241.55</b>	<b>636.50</b>	<b>55,878.05</b>
<b>NET BOOK VALUE</b>													
<b>As at 31st March 2023</b>	<b>3,665.25</b>	<b>401.74</b>	<b>17,621.88</b>	<b>37,687.91</b>	<b>2,398.67</b>	<b>691.64</b>	<b>122.91</b>	<b>286.08</b>	<b>986.71</b>	<b>13,589.28</b>	<b>77,452.07</b>	<b>107.59</b>	<b>77,559.66</b>
As at 31st March 2022	1,537.20	402.09	17,037.50	30,120.61	2,175.20	742.16	154.42	313.12	800.15	15,374.37	68,656.82	144.91	68,801.73

**Notes :-**

- a) Leasehold Land acquisition value includes ₹ 0.01 lakhs (previous year : ₹ 0.01 lakhs) paid by way of subscription of shares for membership of co-operative housing society..
- b) Title deeds not held in the name of the Holding Company.

Relevant line item in Balance Sheet	Description of item of property	Gross carrying value (₹ in Lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
Property plant and equipments	Freehold Land	0.68	Nilkamal Crates and Bins	No	01/11/2007	Pending completion of the relevant formalities of one Free hold Land, one Lease hold Land and ten offices which vested in the Company pursuant to the scheme of amalgamation, such assets continue to be in the name of the erstwhile amalgamated companies.
Property plant and equipments	Buildings	122.93	Stackwell Marketing services Pvt. Ltd.	No	01/11/2007	
Property plant and equipments	Free Hold Land	252.00	Nilkamal Storage Systems Pvt Ltd.	No	01/10/2022	

c) **Capital work-in-progress** (₹ in lakhs)

2022-23	Amount of CWIP for period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>Capital work-in-progress</b>	<b>2,076.96</b>	-	* 142.56	-	<b>2,219.52</b>
<b>Projects temporarily suspended</b>	-	-	-	-	-

(₹ in lakhs)

2021-22	Amount of CWIP for period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Capital work-in-progress	2,447.47	49.22	* 142.56	-	2,639.25
Projects temporarily suspended	-	-	-	-	-

d) For capital commitment with regards to property plant and equipment (Refer note 37 (b))

e) For Assets on hypothecation as security against borrowing (Refer note 40)

f) \* Capitalisation pending due to pending approval from relevant authority.

g) **Details of Right of Use** (₹ in lakhs)

	Land & Building	Computer Server	Vehicles	Total
<b>Gross Block :</b>				
Balance as at 1st April, 2021	20,903.51	399.55	735.03	22,038.09
Additions	1,960.12	-	277.35	2,237.47
Disposals	167.14	-	5.09	172.23
Balance as at 31st March, 2022	<u>22,696.49</u>	<u>399.55</u>	<u>1,007.29</u>	<u>24,103.33</u>
<b>Balance as at 1st April, 2022</b>	<b>22,696.49</b>	<b>399.55</b>	<b>1,007.29</b>	<b>24,103.33</b>
<b>Additions</b>	<b>1,940.68</b>	<b>-</b>	<b>115.29</b>	<b>2,055.97</b>
<b>Disposals</b>	<b>1,553.51</b>	<b>399.55</b>	<b>-</b>	<b>1,953.06</b>
<b>Balance as at 31st March, 2023</b>	<u><b>23,083.66</b></u>	<u><b>-</b></u>	<u><b>1,122.58</b></u>	<u><b>24,206.24</b></u>
<b>Amortisation</b>				
Balance as at 1st April, 2021	5,201.29	247.28	388.88	5,837.45
Amortisation for the year	2,748.40	117.76	161.10	3,027.26
Disposals / Adjustments	131.97	-	3.78	135.75
Balance as at 31st March, 2022	<u>7,817.72</u>	<u>365.04</u>	<u>546.20</u>	<u>8,728.96</u>
<b>Balance as at 1st April, 2022</b>	<b>7,817.72</b>	<b>365.04</b>	<b>546.20</b>	<b>8,728.96</b>
<b>Amortisation for the year</b>	<b>2,755.25</b>	<b>34.51</b>	<b>132.90</b>	<b>2,922.66</b>
<b>Disposals / Adjustments</b>	<b>635.11</b>	<b>399.55</b>	<b>-</b>	<b>1,034.66</b>
<b>Balance as at 31st March, 2023</b>	<u><b>9,937.86</b></u>	<u><b>-</b></u>	<u><b>679.10</b></u>	<u><b>10,616.96</b></u>
<b>Net Block :</b>				
<b>As at 31st March, 2023</b>	<u><b>13,145.80</b></u>	<u><b>-</b></u>	<u><b>443.48</b></u>	<u><b>13,589.28</b></u>
As at 31st March, 2022	14,878.77	34.51	461.09	15,374.37

**Notes :-**

- a) The Group ₹ 1,584.33 lakhs for the year ended 31st March, 2023 (Previous year ₹ 1,164.64 lakhs) towards expenses relating to short-term leases and leases of low-value assets. The total cash outflow for leases is ₹ 5,677.57 lakhs for the year ended 31st March, 2023 (Previous year ₹ 5,014.49 lakhs), including cash outflow of short-term leases and leases of low-value assets. Interest on lease liabilities is ₹ 1,444.86 lakhs (Previous year ₹ 1,513.75 lakhs) for the year.
- b) The Group's leases mainly comprise of land and buildings and Plant and equipment. The Group leases land and buildings for manufacturing and warehouse facilities. The Group also has leases for equipment.
- c) Maturity analysis Undiscounted Contractual Future lease Outflow are as follows.

(₹ in lakhs)

Period	2022-23	2021-22
Within one year	<b>3,805.05</b>	4,128.25
One to Five years	<b>10,221.24</b>	9,882.84
More than Five years	<b>28,864.82</b>	15,924.54

		(₹ in lakhs)	
		As at 31st March 2023	As at 31st March 2022
<b>2</b>	<b>Investments in Joint Venture</b>		
	<b>(Valued at cost unless stated otherwise)</b>		
	<b>Investment (Unquoted)</b>		
	<b>(i) Investment in Equity instruments of Joint Ventures</b>		
	(i) 105,000 (Previous year - 105,000) Equity Shares of ₹ 10 each of Cambro Nilkamal Private Limited, fully paid up	200.50	200.50
	Add : Shares of Profit in Joint Ventures	2,436.24	1,872.99
	<b>Total</b>	<b>2,636.74</b>	<b>2,073.49</b>
	<b>Aggregate value of unquoted other investments</b>	<b>2,636.74</b>	<b>2,073.49</b>
<b>3</b>	<b>Other Non-Current investments</b>		
	<b>Unquoted</b>		
	<b>(a) Investment - Others (measured at fair value through profit and loss)</b>		
	225,370 (Previous year - 225,370) Equity Shares of ₹ 10 each of Beta Wind Farm Private Limited fully paid up	42.82	42.82
	<b>(b) Investment in Government Securities (measured at amortised cost)</b>		
	National Savings Certificates (Pledged with Government authorities)	0.32	0.32
	<b>(c) Investments - Quoted Share - at cost</b>		
	<b>Investments in Shares (By Overseas subsidiary at Sri Lanka)</b>		
	5,00,000 (Previous year Nil) Equity Shares of Dailog Axiata PLC fully paid up	11.78	-
	50,000 (Previous year Nil) Equity Shares of Hemas Holding PLC fully paid up	7.63	-
	40,000 (Previous year Nil) Equity Shares of John Keells PLC fully paid up	13.95	-
	1,20,000 (Previous year Nil) Equity Shares of Teejay Lanka PLC fully paid up	9.70	-
	50,000 (Previous year Nil) Equity Shares of Melstacorp PLC fully paid up	6.38	-
	15,000 (Previous year Nil) Equity Shares of Hatton National Bank PLC fully paid up	4.59	-
	35,000 (Previous year Nil) Equity Shares of Aitken Spence Holding PLC fully paid up	5.12	-
	<b>Total</b>	<b>59.15</b>	<b>-</b>
	<b>Aggregate value of unquoted other investments</b>	<b>102.29</b>	<b>43.14</b>
	<b>Aggregate value of quoted other investments</b>	<b>43.14</b>	<b>43.14</b>
	<b>Aggregate value of quoted other investments</b>	<b>58.72</b>	<b>-</b>
<b>4</b>	<b>Non-Current Loans</b>		
	<i>Unsecured, Considered good</i>		
	<b>(a) Employee Loans</b>	<b>326.55</b>	276.44
	<b>Total</b>	<b>326.55</b>	<b>276.44</b>

There are no loans or advances in the nature of loans granted to promoters, Directors, KMPs and their related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are:

- (a) repayable on demand; or
- (b) without specifying any terms or period of repayment

		(₹ in lakhs)	
		As at 31st March 2023	As at 31st March 2022
<b>5</b>	<b>Other Non-Current Financial Assets</b>		
	<i>Unsecured, Considered good</i>		
	(a) Bank Deposits with more than 12 months maturity	87.28	58.90
	(b) Derivative Assets	185.43	200.10
	(c) Security Deposit		
	(a) With other than related parties	1,612.71	1,523.04
	(b) With related parties (Refer Note 43)	720.00	720.00
	<b>Total</b>	<b>2,605.42</b>	<b>2,502.04</b>
<b>6</b>	<b>Other Non-Current assets</b>		
	<i>Unsecured, Considered good</i>		
	<b>To parties other than related parties :</b>		
	(a) Capital Advances	1,632.96	2,849.25
	(b) Advance other than capital advances		
	Deposit with Government Authorities	947.50	955.71
	<b>Total</b>	<b>2,580.46</b>	<b>3,804.96</b>
The Group has not given any advances to directors of the Company either severally or jointly with any other persons or advances to firm or any other companies respectively in which any director is partner or a member.			
<b>7</b>	<b>Inventories</b>		
	<b>(Valued at the lower of cost and net realisable value)</b>		
	(a) Raw Material (including Goods in Transit ₹ 321.49 lakhs (Previous year ₹ 904.87 lakhs))	16,165.14	20,293.52
	(b) Work in Progress	5,556.75	5,641.60
	(c) Finished Goods	17,403.59	17,780.30
	(d) Stock in Trade (including Goods in Transit ₹ 877.61 lakhs (Previous year ₹ 944.98 lakhs))	21,419.34	18,340.30
	(e) Stores and Spares	4,393.02	3,372.39
	(f) Packing Material	667.13	701.88
	<b>Total</b>	<b>65,604.97</b>	<b>66,129.99</b>
During the year an amount of ₹ 874.38 lakhs (Previous year ₹ 626.96 lakhs) was charges to the Statement of Profit and loss on account of damage and Slow Moving Inventory.			
For inventories on hypothecation as security against borrowing (Refer note 40)			
<b>8</b>	<b>Current Investments</b>		
	<b>Investment in Mutual Funds (Refer Note 48)</b>		
	<b>Non Traded (Unquoted)</b>		
	(a) Sri Lankan Government Treasury Investment	457.56	1,424.98
	<b>Total</b>	<b>457.56</b>	<b>1,424.98</b>
	<b>Aggregate value of non quoted investments</b>	<b>457.56</b>	<b>1,424.98</b>
<b>9</b>	<b>Trade Receivables (Refer Note 34A)</b>		
	(a) Considered good - Secured	4,502.21	2,521.22
	(b) Considered good - Unsecured	38,840.22	28,869.99
	(c) With significant increase in credit risk		
	(d) Credit impaired	1,101.31	966.87
	Less: Provision for Loss allowance	(1,101.31)	(966.87)
	<b>Total</b>	<b>43,342.43</b>	<b>31,391.21</b>
For Trade receivable on hypothecation as security against borrowing (Refer note 40)			



	As at <b>31st March 2023</b>	(₹ in lakhs) As at 31st March 2022
<b>10 Cash and Cash Equivalents</b>		
(a) Cash on Hand	<b>85.75</b>	188.57
(b) Cheques on Hand	<b>2.96</b>	0.03
(c) Balance with banks in Current Accounts	<b>1,455.76</b>	3,347.89
(d) Bank Deposits with original maturity of 3 months or less	<b>451.21</b>	2,711.21
(e) Balance with Bank in margin money	-	286.34
<b>Total</b>	<b>1,995.68</b>	<b>6,534.04</b>
<b>11 Bank Balances other than Cash and Cash Equivalents</b>		
(a) Bank Deposits with original maturity of 3 - 12 months	<b>243.33</b>	244.91
(b) Earmarked Balance with Banks *	<b>165.19</b>	59.27
<b>Total</b>	<b>408.52</b>	<b>304.18</b>
* The above includes unclaimed dividend of ₹ 55.19 lakhs (previous year ₹ 59.72 lakhs) and amount transferred to CSR project expenditure account for ongoing projects ₹ 110.00 lakhs (previous year ₹ Nil)		
<b>12 Other Current Financial Assets</b>		
<b>(a) Unsecured, Considered good</b>		
<b>To parties other than related parties :</b>		
Security Deposit	<b>819.29</b>	818.66
<b>(b) With significant increase in Credit Risk</b>		
<b>(c) Credit impaired</b>		
Security Deposits Considered Doubtful	<b>52.05</b>	52.05
Less: Provision for Loss Allowance	<b>(52.05)</b>	(52.05)
(d) Interest Receivable	<b>19.24</b>	10.93
(e) Discount Receivable	<b>689.99</b>	458.48
(f) Other Receivable	<b>28.95</b>	87.38
<b>Total</b>	<b>1,557.47</b>	<b>1,375.45</b>
<b>13 Other Current Assets</b>		
<b>To parties other than related parties</b>		
(a) Advances to Vendors	<b>2,019.66</b>	3,227.85
(b) Advances for Expenses	<b>160.35</b>	184.27
(c) Balance with authorities	<b>1,679.78</b>	2,159.55
(d) Prepaid Expenses	<b>593.42</b>	625.43
(e) Employee Loans	<b>22.13</b>	31.62
(f) Deposit	<b>39.51</b>	-
(g) Prepaid Gratuity (Refer Note 50)	<b>179.19</b>	363.86
(h) Other Receivable	<b>228.80</b>	260.80
<b>Total</b>	<b>4,922.84</b>	<b>6,853.38</b>

	As at 31st March 2023	(₹ in lakhs) As at 31st March 2022
<b>14 Equity Share Capital</b>		
<b>Authorised</b>		
2,70,00,000 (Previous year - 22,000,000) Equity Shares of ₹ 10 each	<b>2,700.00</b>	2,200.00
3,000,000 (Previous year - 3,000,000) Preference Shares of ₹ 10 each	<b>300.00</b>	300.00
<b>Total</b>	<b>3,000.00</b>	2,500.00
The authorised equity share capital of the Company was increased to 2,70,00,000 equity shares of ₹ 10 each from 2,20,00,000 equity shares of ₹ 10 each pursuant to approval of the Scheme of Amalgamation of Nilkamal Storage Systems Private Limited vide orders of National Company Law Tribunal, Mumbai bench and Ahmedabad bench with effect from the Appointed Date, i.e., 1 October 2022. (Refer Note 46)		
<b>Issued, Subscribed and Fully Paid up</b>		
14,922,525 Equity Shares of ₹ 10 each (Previous year - 14,922,525 Equity Shares of ₹ 10 each) (Refer Note 39)	<b>1,492.25</b>	1,492.25
<b>Total</b>	<b>1,492.25</b>	1,492.25
<b>15 Other Equity</b>		
<b>a. Retained earnings</b>		
At the Commencement of the year	<b>78,182.14</b>	71,168.54
Add: Profit for the year	<b>13,394.86</b>	8,335.01
Add : Other Comprehensive Income for the year	<b>24.04</b>	170.96
Add : Other Comprehensive Income of Joint Venture	-	(0.12)
<b>Less: Appropriations</b>		
Final Dividend 31st March, 2022 ₹ 15 per share (31st March 2021 ₹ 10 per share)	<b>(2,238.38)</b>	(1,492.25)
	<b>89,362.66</b>	78,182.14
<b>b. Securities Premium</b>		
At the Commencement and at the end of the year	<b>6,448.96</b>	6,448.96
<b>c. General Reserve</b>		
At the Commencement of the year	<b>35,032.04</b>	35,032.04
Add: Transferred from Retain earnings	-	-
At the end of the year	<b>35,032.04</b>	35,032.04
<b>d. Exchange Differences in translation of foreign operations</b>		
At the Commencement of the year	<b>(1,323.07)</b>	(478.93)
Add/(Less): Exchange Difference during the year	<b>38.96</b>	(844.14)
At the end of the year	<b>(1,284.11)</b>	(1,323.07)
<b>e. Share of Joint Venture</b>		
At the Commencement and at the end of the year	<b>365.95</b>	365.95
<b>f. Cash Flow Hedge Reserve</b>		
At the commencement of the year	<b>(46.98)</b>	(91.31)
Add : Net gain/(loss) recognised on Cash Flow Hedge (Refer Note 51)	<b>50.77</b>	44.33
At the end of the year	<b>3.79</b>	(46.98)
<b>Total Other Equity</b>	<b>1,29,929.29</b>	1,18,659.04

**1 ) 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 investors. This includes remeasurement of defined benefit plans arising due to actuarial valuation of gratuity, that will not be routed through Statement of profit and loss subsequently.

**2) Securities premium**

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

**3) General reserve**

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

**4) Cash flow hedge reserve**

For hedging interest rate risk, the Group uses interest rate swaps which is also designated as cash flow hedges. To the extent these hedges are effective; the change in fair value of the hedging instrument is recognised in the cash flow hedging reserve. Amount recognised in the cash flow hedging reserve is reclassified to profit or loss when the hedged item affects profit or loss.

		(₹ in lakhs)	
		As at 31st March 2023	As at 31st March 2022
<b>16</b>	<b>Borrowings - Non-current Financial Liabilities</b>		
	<b>Secured Loan (for security and terms of repayment Refer Note 40)</b>		
	Term Loan from banks		
	(i) Rupee Loans	6,186.71	737.15
	(ii) Foreign Currency Loans	-	1,128.53
	(iii) Non Convertible Debenture	9,846.16	9,830.23
	<b>Total</b>	<b>16,032.87</b>	<b>11,695.91</b>
	* Current maturities of Long Term Borrowings disclosed under borrowings in Current financial Liabilities (Refer note 21)	<b>* 1,910.99</b>	1,839.08
<b>17</b>	<b>Lease Liabilities</b>		
	Lease liabilities (Refer Note 1 (g) (c))	13,490.38	14,560.05
	<b>Total</b>	<b>13,490.38</b>	<b>14,560.05</b>
<b>18</b>	<b>Other Non-current Financial Liabilities</b>		
	Security Deposit Received	7,226.13	6,720.44
	<b>Total</b>	<b>7,226.13</b>	<b>6,720.44</b>
<b>19</b>	<b>Non-current Provisions</b>		
	<b>Provision For Employee Benefits (Refer Note 50)</b>		
	(a) Gratuity	107.19	167.40
	(b) Compensated Absences	508.51	499.33
	<b>Total</b>	<b>615.70</b>	<b>666.73</b>
<b>20</b>	<b>Deferred Tax Liabilities (Net) (Refer Note 35)</b>		
	Major components of deferred tax assets and liabilities on account of timing differences are:		
	<b>Deferred Tax Liabilities :</b>		
	Depreciation	6,132.91	6,278.38
	Allowances under Income Tax Act, 1961	212.00	212.00
		<b>6,344.91</b>	<b>6,490.38</b>
	<b>Deferred Tax Assets:</b>		
	Disallowances under Income Tax Act, 1961	4,810.24	5,268.24
		<b>4,810.24</b>	<b>5,268.24</b>
	<b>Deferred Tax Liabilities (Net)</b>	<b>1,534.67</b>	<b>1,222.14</b>

		(₹ in lakhs)	
		As at 31st March 2023	As at 31st March 2022
<b>21</b>	<b>Borrowings - Current Financial Liabilities</b>		
	<b>Secured Loans (for securities and terms of prepayment (Refer Note 40))</b>		
	<b>Working Capital Loan from Banks</b>		
	Rupee Loans	926.09	1,433.49
	Commercial Paper	-	2,500.00
	<b>Current maturities of Long-Term borrowings</b>		
	Rupee Loans	687.50	-
	Foreign Currency Loan (Refer Note 40)	1,223.49	1,839.08
	<b>Total</b>	<b>2,837.08</b>	<b>5,772.57</b>
<b>22</b>	<b>Lease Liabilities</b>		
	Lease Liabilities (Refer Note 1 (g) (c))	2,751.24	3,400.68
	<b>Total</b>	<b>2,751.24</b>	<b>3,400.68</b>
<b>23</b>	<b>Trade Payables (Refer Note 34B)</b>		
	(a) Total Outstanding dues of micro enterprises and small enterprises (Refer note 42)	13.85	179.35
	(b) Total Outstanding dues of creditors other than micro enterprises and small enterprises	22,539.10	21,920.22
	<b>Total</b>	<b>22,552.95</b>	<b>22,099.57</b>
<b>24</b>	<b>Other Current Financial Liabilities</b>		
	(a) Book overdraft	16.39	3.57
	(b) Interest accrued but not due on borrowings	60.13	66.76
	(c) Unclaimed Dividends	55.19	59.27
	(d) Payable for purchase of Property, Plant and Equipments	707.85	1,589.80
	(e) Employee Benefits Payable	1,556.65	926.19
	(f) Unspent CSR Expenses	110.00	-
	<b>Total</b>	<b>2,506.21</b>	<b>2,645.59</b>
	There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 O of the Companies Act, 2013 as at 31st March 2023 (Previous year ₹ Nil)		
<b>25</b>	<b>Other Current Liabilities</b>		
	(a) Advance from Customers	3,309.71	3,812.99
	(b) Statutory Dues :		
	(i) Sales Tax / Goods and Service Tax	1,293.30	586.66
	(ii) Excise and Service Tax	-	66.48
	(iii) Tax Deducted at Source	433.97	464.79
	(iv) Employee Related Dues	158.53	148.69
	(c) Other Payables	24.38	44.12
	<b>Total</b>	<b>5,219.89</b>	<b>5,123.73</b>
<b>26</b>	<b>Current Provisions</b>		
	<b>(a) Provision For Employee Benefits (Refer note 50)</b>		
	(i) Compensated Absences	453.21	463.94
	<b>(b) Others Provisions</b>		
	(i) Provision For Product Warranties (Refer Note 38)	664.17	638.91
	(ii) Provision for Others (Refer Note 38)	106.48	50.00
	<b>Total</b>	<b>1,223.86</b>	<b>1,152.85</b>

(₹ in lakhs)

	For the year ended 31st March, 2023	For the year ended 31st March, 2022
<b>27 Revenue from Operations (Refer note 33)</b>		
<b>(a) Sale of Products</b>		
(i) Domestic	3,01,188.54	2,63,000.51
(ii) Export	6,749.19	5,205.47
	<b>3,07,937.73</b>	2,68,205.98
<b>(b) Sale of Services</b>	<b>1,978.73</b>	1,067.31
<b>(c) Other Operating Revenue</b>		
(i) Sale of Scrap	1,332.88	1,222.09
(ii) Technical and Management Fees	476.57	296.90
(iii) Erection charges	991.87	1,981.25
(iv) Others	369.91	235.40
<b>Revenue from Operations</b>	<b>3,13,087.69</b>	2,73,008.93
<b>28 Other Income</b>		
(a) Interest Income	509.41	466.17
(b) Other Non-operating Income		
(i) Gain on Sales of Investments	-	0.47
(ii) Gain on Cancellation/Modification of Lease	209.08	81.92
(iii) Gain on Revaluation of Investment	0.82	-
(iv) Profit on Property, Plant and Equipments sold/ discarded (net)	225.01	278.46
(v) Excess Write back for Doubtful Debts and Advances	-	355.77
(vi) Others	157.99	3.63
<b>Total</b>	<b>1,102.31</b>	1,186.42
<b>29 Changes in Inventories of Finished Goods, Traded Goods and Work-in-Progress</b>		
<b>Opening Stock</b>		
Work-in-Progress	5,641.59	4,142.01
Finished Goods	17,780.30	12,208.39
Stock in Trade	18,340.30	16,380.20
	<b>41,762.19</b>	32,730.60
<b>Closing Stock</b>		
Work-in-Progress	5,556.75	5,641.59
Finished Goods	17,403.59	17,780.30
Stock in Trade	21,419.34	18,340.30
	<b>44,379.68</b>	41,762.19
<b>Total</b>	<b>(2,617.49)</b>	(9,031.59)
<b>30 Employee Benefits Expense</b>		
(a) Salary, Wages and Bonus	19,797.71	17,720.20
(b) Contribution to Provident and Other funds (Refer note 50)	1,037.85	963.95
(c) Workmen and Staff Welfare Expenses	1,328.41	987.44
<b>Total</b>	<b>22,163.97</b>	19,671.59
<b>31 Finance Costs</b>		
(a) Interest on Financial Liabilities	1,405.42	1,174.88
(b) Interest on non convertible debentures	718.54	47.24
(c) Interest Expense on Lease Liabilities	1,444.86	1,513.74
(d) Other Borrowing Costs	89.63	104.02
<b>Total</b>	<b>3,658.45</b>	2,839.88

	(₹ in lakhs)	
	For the year ended 31st March, 2023	For the year ended 31st March, 2022
<b>32 Other Expenses</b>		
(a) Stores, Spare Parts Consumed	3,980.80	3,723.97
(b) Power and Fuel	6,354.00	5,105.54
(c) <b>Repairs:</b>		
(i) Building	170.76	337.93
(ii) Machinery	225.22	335.59
(iii) Others	1,483.58	1,293.34
(d) Erection Charges	1,726.96	2,671.32
(e) Labour Charges	17,088.97	14,106.74
(f) Rent	1,584.33	1,164.64
(g) Rates and Taxes	490.93	542.05
(h) Insurance	711.08	562.49
(i) Postage and Telephone Expenses	898.82	682.80
(j) Packing Material Consumed	2,145.13	3,172.90
(k) Travelling and Conveyance	2,116.36	1,693.73
(l) Commission	2,928.22	2,143.78
(m) Advertisements and Sales Promotion	4,599.06	3,496.35
(n) Computer Expenses	1,579.44	1,195.48
(o) Transportation and Forwarding Charges	18,167.69	16,967.22
(p) Security and Guards	744.93	641.20
(q) House Keeping Expenses	203.37	453.08
(r) Legal and Professional Fees	1,606.87	1,764.21
(s) Vehicle Expenses	829.19	730.13
(t) Printing and Stationary	172.44	136.26
(u) Board Meeting Fees	48.95	45.83
(v) Bad Debts written off/(back)	72.13	86.40
(w) Provision for Doubtful Debts and Advances	136.51	-
(x) Corporate Social Responsibility Expenses (Refer note 45)	500.40	323.72
(y) Foreign Exchange Loss (Net)	-	265.75
(z) Bank Charges	329.13	245.26
(aa) Miscellaneous Expenses	750.40	1,193.62
<b>Total</b>	<b>71,645.67</b>	<b>65,081.33</b>

**33 Revenue from Contract from Customer****A. Revenue Streams**

The Group generates revenue primarily from the sale of Plastic articles and Life style furniture, Furnishings and Accessories to its customers. Other sources of revenue include Sale of services and Technical management fees.

	(₹ in lakhs)	
	31st March 2023	31st March 2022
<b>Revenue from Contracts with Customers</b>		
Sale of Goods	3,07,937.73	2,68,205.98
Sale of Services	1,978.73	1,067.31
<b>Other Operating revenue</b>		
Sale of Scrap	1,332.88	1,222.09
Technical and Management Fees	476.57	296.90
Erection Charges	991.87	1,981.25
Others	369.91	235.40
<b>Total revenue</b>	<b>3,13,087.69</b>	<b>2,73,008.93</b>

**B. Disaggregation of revenue from contracts with customers**

In the following table, revenue from contracts with customers is disaggregated by primary geographical market, major products and service lines and timing of revenue recognition.

	Product Category				Total
	Plastics		Life style Furniture, Furnishings and Accessories		
	31st March, 2023	31st March, 2022	31st March, 2023	31st March, 2022	
<b>Primary geographical markets</b>					
Domestic Revenue	2,83,606.37	2,50,153.37	22,732.13	17,650.09	3,06,338.50
Export Revenue	6,749.19	5,205.47	-	-	6,749.19
	<b>2,90,355.56</b>	<b>2,55,358.84</b>	<b>22,732.13</b>	<b>17,650.09</b>	<b>3,13,087.69</b>
<b>Revenue types</b>					
Sale of products	2,84,375.33	2,48,616.72	22,570.53	17,608.01	3,06,945.86
Sale of Services	1,824.00	1,067.31	154.73	-	1,978.73
Sale of Scrap	1,320.24	1,212.09	12.64	10.00	1,332.88
Technical and Management Fees	476.57	296.90	-	-	476.57
Erection Charges	991.87	1,981.25	-	-	991.87
Others	1,367.55	2,184.57	(5.77)	32.08	1,361.78
	<b>2,90,355.56</b>	<b>2,55,358.84</b>	<b>22,732.13</b>	<b>17,650.09</b>	<b>3,13,087.69</b>
<b>Timing of revenue recognition</b>					
Products Transferred	2,90,355.56	2,55,358.84	22,732.13	17,650.09	3,13,087.69
<b>Revenue from contracts with Customers</b>	<b>2,90,355.56</b>	<b>2,55,358.84</b>	<b>22,732.13</b>	<b>17,650.09</b>	<b>3,13,087.69</b>
<b>External revenue as reported</b>	<b>2,90,355.56</b>	<b>2,55,358.84</b>	<b>22,732.13</b>	<b>17,650.09</b>	<b>3,13,087.69</b>

**C. Reconciliation of Revenue from operation with Contract price**

	(₹ in lakhs)	
	Year ended	Year ended
	31st March, 2023	31st March, 2022
Contract Price	3,35,470.07	2,90,844.51
Less: Sales Returns	4,021.29	3,415.76
Schemes and Discounts	18,361.09	14,419.82
<b>Total Revenue from Operation</b>	<b>3,13,087.69</b>	<b>2,73,008.93</b>

**D. Contract balances**

The following table provides information about receivables from contracts with customers

	(₹ in lakhs)	
	Note	31st March, 2022
Advance from Customer, which are included in 'other current liabilities'	25	3,309.71
Receivables, which are included in 'trade receivables'	9	43,342.43
		31,391.21

**34 Additional Regulatory Information**

**A. Trade Receivables ageing:**

Particulars	As at 31st March, 2023							Total
	Unbilled	Not Due	Less than 6 months	6 months to 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed Trade Receivables - Considered Good	-	17,708.64	21,873.92	2,699.98	905.16	155.18	38.21	43,381.09
Undisputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-	-	-
Undisputed Trade Receivables - Credit Impaired	-	-	-	58.48	462.44	121.64	267.13	909.69
Disputed Trade Receivables - Considered Good	-	-	-	-	-	-	16.10	16.10
Disputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-	-	-
Disputed Trade Receivables - Credit Impaired	-	-	-	2.97	4.49	12.15	117.26	136.87
	-	17,708.64	21,873.92	2,761.42	1,372.09	288.97	438.70	44,443.74
Less : Allowance for Credit Loss	-	-	-	63.51	480.70	140.71	416.39	1,101.31
<b>Total Trade Receivables</b>	-	<b>17,708.64</b>	<b>21,873.92</b>	<b>2,697.91</b>	<b>891.38</b>	<b>148.26</b>	<b>22.31</b>	<b>43,342.43</b>

Particulars	As at 31st March, 2022							Total
	Unbilled	Not Due	Less than 6 months	6 months to 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed Trade Receivables - Considered Good	-	13,810.45	15,434.51	1,295.07	729.34	106.99	14.85	31,391.21
Undisputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-	-	-
Undisputed Trade Receivables - Credit Impaired	-	-	-	76.84	132.84	174.99	150.93	535.60
Disputed Trade Receivables - Considered Good	-	-	-	-	-	-	-	-
Disputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-	-	-
Disputed Trade Receivables - Credit Impaired	-	-	7.55	21.85	102.64	104.57	194.66	431.27
	-	13,810.45	15,442.06	1,393.76	964.82	386.55	360.44	32,358.08
Less : Allowance for Credit Loss	-	-	7.55	98.69	235.48	279.56	345.59	966.87
<b>Total Trade Receivables</b>	-	<b>13,810.45</b>	<b>15,434.51</b>	<b>1,295.07</b>	<b>729.34</b>	<b>106.99</b>	<b>14.85</b>	<b>31,391.21</b>



**B. Trade Payables ageing :**

Particulars	As at 31st March, 2023						Total
	Unbilled	Not Due	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
Outstanding dues to MSME	-	10.34	3.51	-	-	-	13.85
Others	-	15,831.71	6,031.38	174.95	193.80	307.26	22,539.10
Disputed dues MSME	-	-	-	-	-	-	-
Disputed dues Others	-	-	-	-	-	-	-
<b>Total Trade Payables</b>	-	<b>15,842.05</b>	<b>6,034.89</b>	<b>174.95</b>	<b>193.80</b>	<b>307.26</b>	<b>22,552.95</b>

Particulars	Year ended 31st March, 2022						Total
	Unbilled	Not Due	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
Outstanding dues to MSME	-	153.86	25.49	-	-	-	179.35
Others	-	16,266.32	5,164.17	145.51	114.27	229.95	21,920.22
Disputed dues MSME	-	-	-	-	-	-	-
Disputed dues Others	-	-	-	-	-	-	-
<b>Total Trade Payables</b>	-	<b>16,420.18</b>	<b>5,189.66</b>	<b>145.51</b>	<b>114.27</b>	<b>229.95</b>	<b>22,099.57</b>

**C. Other Statutory Information :**

- i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property
- ii) The Group has not advanced or loaned or invested funds to any other person(s) or entity(is), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: (a) directly or indirectly lender invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.  
  
The Group has not received any fund from any person(s) or entity(is), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- iii) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- iv) The Group does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- v) The Group is not declared as willful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof or other lender in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India.
- vi) The Group has complied with the number of layers for its holding in downstream companies prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017
- vii) The Group has not revalued any of its Property, Plant and Equipment (including Right-of-Use Assets) during the year.

viii) Relationship with Struck off Companies

(₹ in lakhs)

Name Of the Struck off companies	Nature of Transactions	Transactions during The year ended 31st March 2023	Balance outstanding at the end of the year as at March 31, 2023	Relationship with the Struck off company, if any, to be disclosed
Event plus management pvt ltd	Sales	0.31	-	Customer
Toshansh Global Pvt Ltd	Sales	0.76	-	Customer
Matrix plus pvt.ltd.	Sales	1.57	-	Customer

(₹ in lakhs)

Name Of the Struck off companies	Nature of Transactions	Transactions during The year ended 31st March 2022	Balance outstanding at the end of the year as at March 31, 2022	Relationship with the Struck off company, if any, to be disclosed
Maxin Hydro Dynamic India	Purchase	0.21	-	Vendor
Octel Cloud Solutions Pvt Ltd	Purchase	0.23	(0.03)	Vendor
Neno Technical Services Pvt Ltd	Trade Payable	-	(0.00)	Vendor
Sunshine Tapes India Pvt Ltd	Trade Payable	-	(0.42)	Vendor
Deepa Roadlines Private Limited	Trade Payable	-	(0.08)	Vendor
Track Logistics Services Pvt Ltd	Trade Payable	-	0.05	Vendor
Prajapati Logistics Pvt. Ltd.	Trade Payable	-	0.26	Vendor
Beacon Courier Services	Trade Payable	-	(0.04)	Vendor

35 Tax expense

(a) Amounts recognised in profit and loss in Statement of Profit and Loss

(₹ in lakhs)

	Year ended 31st March, 2023	Year ended 31st March, 2022
<b>Current income tax</b>	<b>4,046.16</b>	2,748.75
<b>Adjustment in respect of current income tax of previous year</b>	<b>(38.35)</b>	(5.36)
<b>Deferred income tax liability / (asset), net</b>		
Origination and reversal of temporary differences	<b>292.58</b>	(137.74)
Deferred tax charge / (credit)	<b>292.58</b>	(137.74)
<b>Tax expense for the year</b>	<b>4,300.39</b>	2,605.65

(b) Amounts recognised in other comprehensive income

(₹ in lakhs)

Particulars	Year ended 31 March 2023			Year ended 31 March 2022		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
<b>Items that will not be reclassified to profit or loss</b>						
Remeasurements of defined benefit liability (asset)	<b>32.13</b>	<b>(8.09)</b>	<b>24.04</b>	228.46	(57.50)	170.96
<b>Items that will be reclassified to profit or loss</b>						
Effective portion of Gain/(Loss) on hedging instrument in a cash flow hedge	<b>62.57</b>	<b>(11.80)</b>	<b>50.77</b>	80.22	(20.19)	60.03
Exchange Differences in translation of foreign subsidiaries	<b>37.31</b>	-	<b>37.31</b>	(829.19)	-	(829.19)
<b>Share of Comprehensive Income Jointly Controlled entity</b>	-	-	-	(0.12)	-	(0.12)
	<b>132.01</b>	<b>(19.89)</b>	<b>112.12</b>	<b>(520.63)</b>	<b>(77.69)</b>	<b>(598.32)</b>

## (c) Reconciliation of effective tax rate

	Year ended 31st March, 2023	(₹ in lakhs) Year ended 31st March, 2022
<b>Profit before tax</b>	<b>16,926.80</b>	10,378.17
Tax using the Company's domestic tax rate	<b>25.17%</b>	25.17%
Reduction in tax rate		
<b>Tax effect of:</b>		
Tax impact of income not subject to tax	<b>-1.27%</b>	-1.89%
Tax effects of amounts which are not deductible for taxable income	<b>0.86%</b>	1.40%
Adjustment for current tax of prior period	<b>-0.04%</b>	-0.06%
Effect of different tax rate	<b>-0.33%</b>	-0.58%
Others	<b>1.02%</b>	1.05%
	<b>25.41%</b>	25.11%

The applicable Indian corporate statutory rate for the year ended 31 March 2023 and 31 March 2022 is 25.168% and 25.168% respectively.

## (d) Movement in deferred tax balances

(₹ in lakhs)

	31st March, 2023						
	Net balance 1st April, 2022	Recognised in profit or loss	Recognised in OCI	Charge in respect of earlier years	Net	Deferred tax asset	Deferred tax liability
<b>Deferred tax asset/ (liabilities)</b>							
Property, plant and equipment	(6,278.38)	145.47		-	(6,132.91)	-	(6,132.91)
Employee benefits	288.57	3.75	(8.09)	-	284.23	284.23	-
Provision for Doubtful Debts / Advances	241.66	21.74	-	-	263.40	263.40	-
Other provisions	4,526.01	(463.54)	(11.80)	-	4,050.61	4,050.61	-
<b>Tax assets (Liabilities)</b>	<b>(1,222.14)</b>	<b>(292.58)</b>	<b>(19.89)</b>	<b>-</b>	<b>(1,534.67)</b>	<b>4,598.24</b>	<b>(6,132.91)</b>
<b>Set off tax</b>							
<b>Net tax assets / (liabilities)</b>	<b>(1,222.14)</b>	<b>(292.58)</b>	<b>(19.89)</b>	<b>-</b>	<b>(1,534.67)</b>	<b>4,598.24</b>	<b>(6,132.91)</b>

## (e) Movement in deferred tax balances

(₹ in lakhs)

	31st March, 2022						
	Net balance 1st April, 2021	Recognised in profit or loss	Recognised in OCI	Charge in respect of earlier years	Net	Deferred tax asset	Deferred tax liability
<b>Deferred tax asset / (liabilities)</b>							
Property, plant and equipment	(6,443.20)	173.30	-	(8.48)	(6,278.38)	-	(6,278.38)
Employee benefits	302.67	43.40	(57.50)	-	288.57	288.57	-
Provision for Doubtful Debts / Advances	331.31	(69.46)	(20.19)	-	241.66	241.66	-
Other provisions	4,536.17	(21.36)	-	11.20	4,526.01	4,526.01	-
<b>Tax assets (Liabilities)</b>	<b>(1,273.05)</b>	<b>125.88</b>	<b>(77.69)</b>	<b>2.72</b>	<b>(1,222.14)</b>	<b>5,056.24</b>	<b>(6,278.38)</b>
<b>Set off tax</b>							
<b>Net tax assets / (liabilities)</b>	<b>(1,273.05)</b>	<b>125.88</b>	<b>(77.69)</b>	<b>2.72</b>	<b>(1,222.14)</b>	<b>5,056.24</b>	<b>(6,278.38)</b>

- The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.
- Management judgment is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

### 36. Significant accounting policies

#### a) *Basis of preparation of consolidated Financial Statements:*

The Consolidated Financial Statements comprise the financial statements of Nilkamal Limited ("the holding Company") and its subsidiaries ("the holding Company and its subsidiaries together referred as the Group") and the group's interest in joint ventures. Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) to comply with the section 133 of the Companies Act 2013 ("the Act"), and read with Rule 3 of the Companies (Indian Accounting Standards) Rules 2015 and Companies (Indian Accounting Standards) Rules 2016. The financial statements were authorised for issue by the Holding Company's Board of Directors on 20<sup>th</sup> May, 2023.

All the assets and liabilities have been classified as current or non current as per the Group's normal operating cycle and other criteria set out in Schedule III to the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalent, the Group has ascertained the operating cycle to be 12 months.

#### b) *Principles of Consolidation:*

The consolidated financial statements comprise the financial statements of Nilkamal Limited ("the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred as "the Group") and the group's interest in joint ventures.

#### **Subsidiaries**

Subsidiaries are all entities (including special purpose entities) that are controlled by the Company. Control exists when the Company is exposed to, or has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive. The financial statements of subsidiaries are included in these consolidated financial statements from the date that control commences until the date that control ceases. The financial statements of the Company and its subsidiaries have been consolidated using uniform accounting policies for like transactions and other events in similar circumstances as mentioned in those policies.

Upon loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in the Consolidated Statement of Profit and Loss. If the Company retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, it is accounted for as an equity accounted investee depending on the level of influence retained.

#### **Joint ventures (equity accounted investees)**

Joint arrangements are those arrangements over which the Company has joint control, established by contractual agreement and requiring unanimous consent for strategic financial and operating decisions. Investments in jointly controlled entities are accounted for using the equity method (equity accounted investees) and are initially recognised at cost. The carrying value of the Company's investment includes goodwill identified on acquisition, net of any accumulated impairment losses. The Company does not consolidate entities where the non-controlling interest ("NCI") holders have certain significant participating rights that provide for effective involvement in significant decisions in the ordinary course of business of such entities. Investments in such entities are accounted by the equity method of accounting. When the Company's share of losses exceeds its interest in an equity accounted investee, the carrying amount of that interest (including any long-term investments) is reduced to zero and the recognition of further losses is discontinued except to the extent that the Company has an obligation or has made payments on behalf of the investee.

#### **Transactions eliminated on consolidation:**

The financial statements of the subsidiaries and the joint ventures used for the purpose of consolidation are drawn upto the same reporting date as that of the Holding Company, i.e. 31<sup>st</sup> March, 2023.

The Subsidiary Companies and Joint ventures considered in the consolidated financial statements are:

Name of the Company	Country of Incorporation	% of Ownership held as at 31 <sup>st</sup> March, 2023	% of Ownership held as at 31 <sup>st</sup> March, 2022
<b>Subsidiaries:</b>			
Nilkamal Eswaran Plastics Private Limited	Sri Lanka	96.28%	96.28%
Nilkamal Eswaran Marketing Private Limited	Sri Lanka	96.28%	96.28%
Nilkamal Crates and Bins FZE	Ajman, UAE,	100%	100%
Nilkamal Foundation *	India	99%	99%
Nilkamal Storage System Private Limited (Refer Note no. 46)	India	-	100%
<b>Joint Ventures:</b>			
Cambro Nilkamal Private Limited	India	50%	50%

"Non-controlling interest" represents the amount of equity attributable to Non-controlling shareholders at the date on which investment in the subsidiary is made and its share of movements in the equity since the date the parent subsidiary relationship comes into existence.

\* These companies are private companies limited by shares formed under section 8 of the Companies Act, 2013. No dividend can be proposed and paid to the shareholder by these companies. In the event of winding up or dissolution of these companies, after the satisfaction of all its debts and liabilities, any property whatsoever shall be given or transferred to some other institution(s) having object similar to the objects of these companies, to be determined by the members of this company at or before the time of dissolution or in default thereof by the High Court. The carrying amount of the assets and liabilities included within the consolidated financial statements to which these restrictions apply is ₹ 10.98 lakhs (previous year ₹ 230.84 lakhs) and ₹ 0.18 lakhs (previous year ₹ 0.18 lakhs).

#### Functional and presentation currency

These consolidated financial statements are presented in Indian rupees in lakhs, which is the Holding Company's functional currency. All amounts have been rounded off to two decimal places to the nearest lakh, unless otherwise indicated.

The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances.

#### Historical cost convention

The Consolidated financial statements have been prepared on a historical cost basis, except for the following:

- certain consolidated financial assets and liabilities (including derivative instrument) that are measured at fair value;
- defined benefit plans – plan assets measured at fair value

#### c) Use of Estimates and Judgements:

The preparation of consolidated financial statements in accordance with Ind AS requires use of estimates and assumptions for some items, which might have an effect on their recognition and measurement in the consolidated balance sheet and consolidated statement of profit and loss. The actual amounts realised may differ from these estimates.

Estimates and assumptions are required in particular for:

The preparation of financial statements in accordance with Ind AS requires use of estimates and assumptions for some items, which might have an effect on their recognition and measurement in the balance sheet and statement of profit and loss. The actual amounts realised may differ from these estimates.

Estimates and assumptions are required in particular for:

#### • Determination of the estimated useful lives of Property, plant and equipment

Useful lives of Property plant and equipment are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II for plant and machinery and dies and moulds, they are based on technical advice, taking into

account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

- **Recognition and measurement of defined benefit obligations**

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations.

- **Recognition of deferred tax assets and liabilities**

Deferred tax assets and liabilities are recognised for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilised business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilised.

- **Recognition and measurement of other provisions**

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the amount included in other provisions.

- **Discounting of long-term financial assets / liabilities**

All financial assets / liabilities are required to be measured at fair value on initial recognition. In case of financial liabilities/assets which are required to subsequently be measured at amortised cost, interest is accrued using the effective interest method.

- **Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker. The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the consolidated financial statements of the Group as a whole.

- **Fair value of financial instruments**

Derivatives are carried at fair value. Derivatives includes foreign currency forward contracts and interest rate swaps. Fair value of foreign currency forward contracts are determined using the fair value reports provided by respective bankers. Fair value of interest rate swaps are determined with respect to current market rate of interest.

### **Measurement of fair values**

The Group's accounting policies and disclosures require the measurement of fair values for financial instruments.

The Group has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

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

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

**Level 2 :** inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

**Level 3 :** inputs for the asset or liability that are not based on observable market data (unobservable inputs).

- If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.
- The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

**d) Standards issued but not yet effective:**

Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA issued the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

- Ind AS 1 - Presentation of Financial Statements The amendments require companies to disclose the material accounting policies rather than significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general-purpose financial statements.
- Ind AS 12 - Income Taxes The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences.
- Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in financial statements that are subject to measurement uncertainty”. Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty.

The Company is assessing the impact of these changes and will accordingly incorporate the same in the financial statements for the year ending March 31, 2024.

**e) Property, plant and equipment:**

**i. Recognition and measurement**

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

The cost of an item of property, plant and equipment comprises:

- Its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- Any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

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

Items such as spare parts, stand-by equipments and servicing that meets the definition of property, plant and equipment are capitalised at cost and depreciated over the useful life

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

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Capital work in progress is stated at cost and includes the cost of the assets that are not ready for their intended use at the Balance Sheet date.

**Subsequent expenditure**

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

**f) Depreciation**

- Depreciation on property, plant and equipment is provided on the straight-line method over the useful lives of assets as prescribed under Part C of Schedule II of the Companies Act, 2013 except for plant and machinery and Dies and moulds which is based on technical evaluation. Management believes that these useful lives best represent the period over which management expects to use these assets. Hence the useful life for plant and machinery of 10 years and for Dies and Moulds of 6 years for continuous running is different from the useful life as prescribed under Part C of Schedule II of the Companies Act 2013;
- Useful life of property plant and equipment are reviewed at each balance sheet date and adjusted prospectively, if appropriate
- Cost of leasehold land is amortised over the period of lease;
- Depreciation on addition to assets or on sale /discardment of assets, is calculated pro rata from the date of such addition or upto the date of such sale/discardment, as the case may be;
- Assets like mobile phones, telephone instruments, etc. are fully depreciated in the year of purchase / acquisition;
- Individual assets except assets given on lease acquired for less than ₹ 15,000/- are depreciated entirely in the year of acquisition.

**g) Intangible Fixed Assets**

Intangible Fixed assets, which are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses.

All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

**h) Goodwill on Consolidation**

Goodwill that arises on a business combination is not amortised but it is tested for impairment annually or more frequently if events or changes in circumstances indicate that the asset may be impaired, and is carried at cost less accumulated impairment losses.

**i) Amortisation**

Software (Intangible assets) are amortised over their estimated useful lives on a straight-line basis but not exceeding the period of 36 months.

Useful life of Intangible assets are reviewed at each balance sheet date and adjusted prospectively, if appropriate

**j) 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. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts and, interest rate swaps and currency options; and embedded derivatives in the host contract.

Financial instruments also covers contracts to buy or sell a non-financial item that can be settled net in cash or another financial instrument, or by exchanging financial instruments, as if the contracts were financial instruments, with the exception of contracts that were entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the entity's expected purchase, sale or usage requirements.

Derivatives are currently recognised at fair value on the date on which the derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

**Cash Flow Hedges**

The Group uses derivative financial instrument such as forward contracts and cross currency interest rate swaps to hedge its foreign currency risks and interest rate risks. Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured 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 the Statement of Profit and Loss, except for the effective portion of cash flow hedge, which is recognised in Other Comprehensive Income and accumulated in Cash Flow Hedge Reserve included in the Reserves and Surplus while any ineffective portion is recognised immediately in the Statement of Profit and Loss.



For the purpose of hedge accounting, hedges are classified as:

Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability.

Cash flow hedges when hedging exposure to variability in cash flows that is either attributable to particular risk associated with a recognised asset or liability.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes identification of the hedging instrument, the hedged item or transaction, the nature of the risk being hedged and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedge accounting is discontinued from the last testing date when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. Cumulative gain or loss on such hedging instrument recognised in Cash Flow Hedge Reserve is retained there until the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in Cash Flow Hedge Reserve is transferred to consolidated statement of Profit and Loss for the year.

### **Financial assets**

#### **Classification**

The Group shall classify financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

#### **Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, 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. 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 that the Group commits to purchase or sell the asset.

#### **Debt instruments at amortised cost**

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) 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. This category generally applies to trade and other receivables. For more information on receivables, (Refer note 48).

#### **Equity investments**

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group decides to classify the same either as at FVOCI or FVTPL. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to profit and loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the 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 Group's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Group 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 (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group 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 Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group 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 Group 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 Group could be required to repay.

**Impairment of financial assets**

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

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.
- b) Trade receivables - The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. Trade receivables are tested for impairment on a specific basis after considering the sanctioned credit limits, security like letters of credit, security deposit collected etc. and expectations about future cash flows.

- **Financial liabilities**

**Classification**

The Group classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

**Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

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.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

**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 consolidated statement of profit or loss.

**Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated 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 realise the assets and settle the liabilities simultaneously.

**k) Valuation of Inventories:**

Inventories of Raw Materials, Packing Materials, Stores and Spares, Work-in Progress, Traded goods and Finished goods are valued 'at cost and net realisable value' whichever is lower. Cost comprises all cost of purchase, appropriate direct production overheads and other costs incurred in bringing the inventories to their present location and condition. Cost formulae used is 'Weighted Average Cost'. Due allowance is estimated and made for defective and obsolete items, wherever necessary, based on the past experience of the Group. 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. Raw materials and other supplies held for use in the production of inventories are not written down below cost except in case where material prices have declined and it is estimated that the cost of the finished product will exceed its net realisable value.

**l) Employee Benefits:**

All employee benefits payable within twelve months of rendering the service are recognised in the period in which the employee renders the related service.

Contribution to Defined Contribution Plans such as Provident Fund, Employees' State Insurance Corporation, etc., are charged to the consolidated Statement of Profit and Loss as incurred.

Defined Benefit Plans – The present value of the obligation under such plans, is determined based on an actuarial valuation by an independent actuary at the end of each year, using the Projected Unit Credit Method. In the case of gratuity, which is funded, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on net basis.

Remeasurement of net defined benefit liability, which comprises actuarial gains and losses and the return on plan assets (excluding interest) and the effect of the asset ceiling (if any excluding interest), are recognised immediately in other comprehensive income.

**Other Long Term Employee Benefits****Compensated Absences**

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end. Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Group's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the consolidated Statement of Profit and Loss in the year in which they arise.

**m) Foreign Exchange Transactions:**

Transactions in foreign currencies are translated into the respective functional currencies of the Group at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Foreign currency differences are generally recognised in profit or loss. Non-monetary items that are measured based on historical cost in a foreign currency are not translated using the exchange rate at the date of the transactions.

**Translation of financial statements of foreign entities**

On consolidation, the assets and liabilities of foreign operations are translated into ₹ (Indian Rupees) at the exchange rate prevailing at the reporting date and their statements of profit and loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the group uses monthly closing rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in Foreign Currency Translation Reserve. On disposal of a foreign operation, the component of Foreign Currency Translation Reserve relating to that particular foreign operation is reclassified to Consolidated Statement of Profit and Loss.

**n) Borrowing Costs:**

Borrowing costs that are directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of that asset till the date it is ready for its intended use or sale.

Other borrowing costs are recognised as an expense in the period in which they are incurred.

**o) Revenue Recognition:**

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

Revenue is recognised on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services. The performance obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms.

Revenue is measured based on transaction price allocated to that performance obligation, after deduction of any discounts, sales incentives / schemes and any taxes or duties collected on behalf of the government such as goods and services tax, etc. Accumulated experience is used to estimate the provision for such discounts and sales

incentives / schemes. Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur.

Dividend income is recognised in statement of profit and loss only when the right to receive payment is established.

Export incentives receivable under various schemes are accounted on accrual basis.

Interest income is recognised using the effective interest rate method.

**p) Leases**

At the inception it is assessed, whether a contract is a lease or contains a lease. A contract is a lease or contains a lease if it 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, Company assesses whether the contract involves the use of an identified asset. Use may be specified explicitly or implicitly.

- Use should be physically distinct or represent substantially all of the capacity of a physically distinct asset.
- If the supplier has a substantive substitution right, then the asset is not identified.
- Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use
- Company has the right to direct the use of the asset.
- In cases where the usage of the asset is predetermined the right to direct the use of the asset is determined when Company has the right to use the asset or Company designed the asset in a way that predetermines how and for what purpose it will be used.

At the commencement or modification of a contract, that contains a lease component, Company allocates the consideration in the contract, to each lease component, on the basis of its relative standalone prices. For leases of property, it is elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

**As a Lessee:**

Company recognises a right-of-use asset and a lease liability at the lease commencement date.

**Right-of-use asset (ROU):**

The right-of-use asset is initially measured at cost. Cost comprises of the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, any initial direct costs incurred by the lessee, an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located less any lease incentives received.

After the commencement date, a lessee shall measure the right-of-use asset applying cost model, which is cost less any accumulated depreciation and any accumulated impairment losses and also adjusted for certain re-measurements of the lease liability.

Right-of-use asset is depreciated using straight-line method from the commencement date to the end of the lease term. If the lease transfers the ownership of the underlying asset to the Company at the end of the lease term or the cost of the right-of-use asset reflects Company will exercise the purchase option, ROU will be depreciated over the useful life of the underlying asset, which is determined based on the same basis as property, plant and equipment.

**Lease liability:**

Lease liability is initially measured at the present value of lease payments that are not paid at the commencement date. Discounting is done using the implicit interest rate in the lease, if that rate cannot be readily determined, then using Company's incremental borrowing rate. Incremental borrowing rate is determined based on entity's borrowing rate adjusted for terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprises of fixed payments (including in substance fixed payments), variable lease payments that depends on an index or a rate, initially measured using the index or rate at the commencement date, amount expected to be payable under a residual value guarantee, the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

Lease liability is measured at amortised cost using the effective interest method. Lease liability is re-measured when there is a change in the lease term, a change in its assessment of whether it will exercise a purchase, extension or termination option or a revised in-substance fixed lease payment, a change in the amounts expected to be payable under a residual value guarantee and a change in future lease payments arising from change in an index or rate.

When the lease liability is re-measured corresponding adjustment is made to the carrying amount of the right-of-use asset. If the carrying amount of the right-of-use asset has been reduced to zero it will be recorded in statement of profit and loss.

Right-of-use asset is presented under "Property Plant and Equipment" and lease liabilities are presented under "Financial liabilities" in the balance sheet.

Company has elected not to recognise right-of-use assets and lease liabilities for short term leases. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

**Lessor**

At the commencement or modification of a contract, that contains a lease component, Company allocates the consideration in the contract, to each lease component, on the basis of its relative standalone prices.

At the inception of the lease, it is determined whether it is a finance lease or an operating lease. If the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset, then it is a financial lease, otherwise it is an operating lease.

If the lease arrangement contains lease and non-lease components, then the consideration in the contract is allocated using the principles of IND AS 115. The Company tests for the impairment losses at the year end. Payment received under operating lease is recognised as income on straight line basis, over the lease term.

The accounting policies applicable to the Company as a lessor, in the comparative period, were not different from IND AS 116.

**q) Business Combination:**

*The Group applies the acquisition method in accounting for business combinations. The consideration transferred by the Group to obtain control of a business is calculated as the sum of the fair values of assets transferred and liabilities assumed as at the acquisition date i.e. date on which it obtains control of the acquire, which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition-related costs are recognised in the statement of profit and loss as incurred, except to the extent related to the issue of debt or equity securities.*

*Where the consideration transferred exceeds the fair value of the net assets acquired and liabilities assumed, the excess is recorded as goodwill. Alternatively, in case of bargain purchase wherein the*

consideration transferred is lower than the fair value of the net identifiable assets and liabilities assumed, the difference as a gain in other comprehensive income and accumulate the gain in equity as capital reserve

Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values on acquisition-date.

Intangible Assets acquired in a Business Combination and recognised separately from Goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a Business Combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

**r) Impairment of non-financial assets**

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired.

The carrying values of assets/cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods which no longer exists or may have decreased, such reversal of impairment loss is recognised in the consolidated Statement of Profit and Loss, to the extent the amount was previously charged to the consolidated Statement of Profit and Loss. In case of revalued assets, such reversal is not recognised. An impairment loss in respect of goodwill is not subsequently reversed.

**s) Cash and cash equivalents**

Cash and cash equivalent in the consolidated balance sheet comprise cash at banks and on hand 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 consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

**t) Taxation**

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

**i. Current tax**

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

Current tax assets and liabilities are offset only if, the Group:

- a)** has a legally enforceable right to set off the recognised amounts; and
- b)** intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Uncertain Tax position:

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate. The provision is estimated based on one of two methods, the expected value method (the sum of the probability weighted amounts in a range of

possible outcomes) or the single most likely amount method, depending on which is expected to better predict the resolution of the uncertainty.

## ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries and associates to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

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

Deferred tax asset / liabilities in respect of on temporary differences which originate and reverse during the tax holiday period are not recognised. Deferred tax assets / liabilities in respect of temporary differences that originate during the tax holiday period but reverse after the tax holiday period are recognised.

## u) Government Grants:

Grants received from the government are recognised at their fair value where there is reasonable assurance that the grant will be received and the Group will comply with the conditions.

Government grants related to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and netted off with the expense in the consolidated statement of profit and loss.

Government grants related to purchase of property plant and equipment are recognised by deducting the grant from the carrying amount of the property plant and equipment in which case the grant is recognised in profit or loss as a reduction of depreciation charged.

## v) Provisions, Contingent Assets and Contingent Liabilities:

A provision is recognised when the Group has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events, but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent Assets are not recognised till the realisation of the income is virtually certain. However, the same are disclosed in the financial statements where an inflow of economic benefits is probable.

**w) Earnings per share**

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

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

**37. Contingent Liabilities and commitments to the extent not provided for in respect of:****a) Contingent liabilities :-****1) Claims against the Company not acknowledged as debits:**

(₹ in lakhs)			
Sr.no.	Particulars	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
i)	Excise and Service Tax matters	<b>320.78</b>	646.08
ii)	Sales Tax matters *	<b>92.37</b>	895.60
iii)	Stamp duty on imports	<b>26.08</b>	-
iv)	On account of Cross Subsidy Surcharge on electricity	<b>9.38</b>	9.38

\*Includes ₹ Nil lakhs (Previous year ₹ 842.32 lakhs) paid in full against the disputed Sales Tax liability under the Kerala General Sales Tax Act, 1963.

Note: The Excise and Service Tax and Sales Tax demands are being contested by the Company at various levels. The Company has been legally advised that it has a good case and the demands by the authorities are not tenable. Future cash flows in respect of these are determinable only on receipt of judgements / decisions pending with various forums/ authorities.

**b) Commitments**

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) ₹ 4,562.17 lakhs (Previous year ₹ 6,757.23 lakhs).

**38. Provision for warranty and other provisions:**

(₹ in lakhs)

	31 <sup>st</sup> March, 2023		31 <sup>st</sup> March, 2022	
	Warranty Provision	Other Provisions	Warranty Provision	Other Provisions
Opening Balance	<b>638.91</b>	<b>50.00</b>	618.78	40.00
Additions	<b>596.79</b>	<b>66.48</b>	538.94	40.00
Utilisations / Reversals	<b>(571.54)</b>	<b>(10.00)</b>	(518.81)	(30.00)
Closing Balance	<b>664.16</b>	<b>106.48</b>	638.91	50.00

Provision is estimated for expected warranty claim in respect of products sold during the year based on past experience regarding defective claim of products and cost of rectification or replacement. It is expected that most of this cost will be incurred over next 12 months which is as per warranty terms.

Other provisions are provisions in respect of probable claims, the outflow of which would depend on the cessation of the respective events.

**39. Share capital**

**(a) Rights, preferences and restrictions attached to Equity Shares:** The Company has only one class of equity shares having a value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.



**(b) Details of equity shares held by shareholders holding more than 5% of the aggregate equity shares in the Company:**

Name of the Shareholder	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	No. of shares held	% of Holding	No. of shares held	% of Holding
Hiten V. Parekh	1,801,738	12.07	1,801,258	12.07
Manish V. Parekh	15,16,043	10.16	1,515,563	10.16
Nayan S. Parekh	22,02,344	14.76	2,201,704	14.75
Nilkamal Builders Private Limited	1,464,000	9.81	1,464,000	9.81
Heirloom Finance Private Limited	912,000	6.11	912,000	6.11

**(c) Reconciliation of number of equity shares outstanding as at the beginning and closing of the year**

Particulars	2022-23		2021-22	
	Number	(₹ in lakhs)	Number	(₹ in lakhs)
Shares outstanding at the beginning of the year	14,922,525	1,492.25	14,922,525	1,492.25
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	14,922,525	1,492.25	14,922,525	1,492.25

**d) Details of Shareholding of Promoters of Nilkamal Limited:-**

Name of the Promoter	Shareholding at the end of the year 31.03.2023		Shareholding at the end of the year 31.03.2022		% change in shareholding during the year
	No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company	
Hiten V. Parekh	1,801,738	12.07	18,01,258	12.07	-
Nayan S. Parekh	2,202,344	14.76	22,01,704	14.75	0.01
Manish V. Parekh	1,516,043	10.16	15,15,563	10.16	-
Nilkamal Builders Private Limited	14,64,000	9.81	14,64,000	9.81	-
Heirloom Finance Private Limited	9,12,000	6.11	9,12,000	6.11	-
Purvi N. Parekh	4,35,124	2.92	4,35,124	2.92	-
Manju M. Parekh	3,92,796	2.63	3,92,796	2.63	-
Mihir H. Parekh	2,31,900	1.55	2,31,900	1.55	-
Eashan M. Parekh	1,31,900	0.88	1,31,900	0.88	-
Dhanay Nayan Parekh	1,31,900	0.88	1,31,900	0.88	-
Vamanrai V. Parekh	1,32,900	0.89	1,32,900	0.89	-
Sharad V. Parekh	1,20,800	0.81	1,20,800	0.81	-
Smriti H. Parekh	7,101	0.05	7,101	0.05	-
Priyanka H. Parekh	50,000	0.34	50,000	0.34	-
Natasha Manish Parekh	50,000	0.34	50,000	0.34	-
Dhaniti Nayan Parekh	50,000	0.34	50,000	0.34	-
Shrimant Holdings Pvt. Ltd.	500	0.00	500	0.00	-

**40. Borrowings:****(A) Secured loans:****(a) Working Capital loans:**

Working capital facilities of ₹ 926.09 lakhs (Previous year ₹ 1,433.49 lakhs) from Banks are secured on first pari passu basis by way of hypothecation of current assets (inventories and trade receivables) of the Company, second pari passu charge by way of equitable mortgage on the Company's immoveable

property. Working Capital Loans repayable on Demand having Interest Rate from 6.21% to 8.89% p.a. (Previous Year 4.85% p.a to 8.90% p.a).

**(b) Foreign Currency Term Loans:**

Foreign currency term loans of ₹ 1,223.49 lakhs (Previous year ₹ 2,967.61 lakhs) from the Banks are secured on first pari passu basis by way of equitable mortgage created on Company's all moveable properties. These loans are repayable in equal quarterly installment, last installments due in February 2024 as per repayment schedules, having interest rate from 3 months LIBOR +1.05% to 1.38% p.a. which are reset periodically.

**(c) Rupee Term loans:**

Rupee term loans of ₹ 6,874.21 Lakhs (Previous year ₹ 737.15 Lakhs) from the Banks are secured on hypothecation of Company's moveable properties. These loans are repayable in equal quarterly installment, last installments due on March 2028 as per repayment schedules, having interest rate from 8.30% p.a.to 8.65% p.a.

**(d) Non-Convertible Debentures:**

Non-Convertible Debentures of ₹ 9,900.00 lakhs (Previous year ₹ 9,900.00 lakhs) from the Bank are secured on first pari passu basis by way of equitable mortgage created on Company's moveable properties Plant and Machinery, Furniture and Fixtures. These debentures are repayable in two bullet payments ₹ 5,000.00 lakhs (Previous year ₹ 5,000 lakhs) due on 8<sup>th</sup> March 2025 and ₹ 4,900.00 lakhs (Previous year ₹ 4,900.00 lakhs) due 8<sup>th</sup> March 2027, having interest rate of 6.8% and 7.4% respectively.

**(B)** Commercial Paper balance outstanding at year end ₹ Nil lakhs (Previous year ₹ 2,500.00 lakhs). Maximum balance outstanding during the year ₹ 2,500 lakhs (Previous Year ₹ 7,500.00 lakhs).

**41. Derivative Instruments outstanding at the Balance Sheet date:**

**(a) Forward Contracts against imports:**

Forward contracts to buy USD 31.50 lakhs and EURO 5.74 lakhs (Previous Year USD 32.24 lakhs and EURO 2.00 lakhs) amounting to ₹ 3,108.99 lakhs (Previous Year ₹ 1,827.29 lakhs).

**(b) USD Floating rate/INR Floating rate cross-currency interest rate swap (CCIRS):**

Outstanding USD/INR Floating rate cross-currency interest rate swap USD 14.89 lakhs (Previous year USD 39.15 lakhs) amounting to ₹ 1,223.49 lakhs (Previous Year ₹ 2,967.61 lakhs).

The above contracts have been undertaken to hedge against the foreign exchange exposures arising from foreign currency loan and interest there on, resulting net gain recognized in Cash flow Hedge Reserve of ₹ 50.77 lakhs (Previous Year loss of ₹ 44.33 lakhs)

**42. Dues to micro and small suppliers**

Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came into force from 2<sup>nd</sup> October 2006, as amended on 1<sup>st</sup> June,2020, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with the management, there are no outstanding dues as at 31<sup>st</sup> March,2022 to the Micro and Small enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006 except stated as below.

Particulars	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Principal amount remaining unpaid to any supplier as at the year end	13.85	179.50
Interest due thereon	-	-
Amount of interest paid by the Company in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the MSMED	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year	-	-

**43. Related Party Disclosures:**

Names of related parties and description of relationship

I	Subsidiaries where control exists	Nilkamal Eswaran Plastics Private Limited Nilkamal Eswaran Marketing Private Limited Nilkamal Crates and Bins, FZE. Nilkamal Foundation (a Section 8 Company)
II	Joint Ventures	Cambro Nilkamal Private Limited
III	Key Management Personnel	Mr. Vamanrai V. Parekh, Chairman Emeritus Mr. Sharad V. Parekh, Chairman Mr. Hiten V. Parekh, Managing Director Mr. Manish V. Parekh, Joint Managing Director Mr. Nayan S. Parekh, Executive Director Mr. Mihir H. Parekh, Non Executive Director (effective from 16 <sup>th</sup> June, 2022 and previously designated as Executive Director)
		<b>Independent Directors:</b>
		Mr. K. R. Ramamoorthy
		Mr. Mahendra V. Doshi
		Mr. Mufazzal S. Federal
		Mr. S. K. Palekar
		Ms. Hiroo Mirchandani
		Mr. Krishnamurthi Venkataraman
IV	Relatives of Key Management Personnel	Mr. Mihir H. Parekh Mr. Eashan M. Parekh Ms. Natasha M. Parekh Mr. Dhanay N. Parekh
V	Enterprise owned or significantly influenced by key Management Personnel or their relatives, where transactions have taken place	Nilkamal Crates & Containers M. Tech Industries Raga Plast Private Limited

## 43. Related Party Disclosures (Continued)

	2022-23					2021-22				
	Joint Venture	Key Management Personnel	Relatives of Key Management Personnel	Enterprises owned or significantly influenced by key management personnel or their relatives	Total	Joint Venture	Key Management Personnel	Relatives of Key Management Personnel	Enterprises owned or significantly influenced by key management personnel or their relatives	Total
Sales of Finished Goods / Others	2,717.16	-	-	530.82	3,247.98	1,908.82	-	-	309.79	2,218.61
Purchases of raw materials, intermediaries and finished goods	139.43	-	-	2,557.33	2,696.76	103.29	-	-	3,261.58	3,364.58
Paid for services and labour charges	-	-	-	181.63	181.63	-	-	-	123.32	123.32
Received for services and labour charges	-	-	-	-	-	18.38	-	-	-	18.38
Deputation Charges	-	-	-	-	-	-	-	-	-	-
Technical and Management Fees received	578.89	-	-	-	578.89	369.49	-	-	-	369.49
Dividend received	210.00	-	-	-	210.00	367.50	-	-	-	367.50
Purchase of fixed assets	-	-	-	-	-	-	-	-	-	-
Rent paid	-	-	-	325.01	325.01	-	-	-	318.64	318.64
Remuneration to Directors	-	1,189.27	-	-	1,189.27	-	-	968.76	-	968.76
Salary Paid	-	-	26.48	-	26.48	-	-	28.87	-	28.87
Corporate Social Responsibility (CSR) Expenses	-	-	-	-	-	-	-	-	-	-
Board and Audit Committee sitting fees	-	46.95	-	-	46.95	-	47.75	-	-	47.75
Reimbursement of Expenses	16.96	-	-	-	16.96	12.28	-	-	-	12.28
Rent Received	12.49	-	-	-	12.49	19.57	-	-	-	19.57
<b>Balances Outstanding at the year end:</b>										
Deposits Receivable	-	-	-	720.00	720.00	-	-	-	720.00	720.00
Trade and Other Receivables	389.00	-	-	9.96	398.96	168.34	-	-	-	168.34
Other Payables	2.40	-	-	47.72	50.11	4.28	-	-	37.05	41.33

**Note:** 1. The remuneration paid to key managerial personal excludes gratuity and compensated absences as the provision is computed for the Holding Company as a whole and separate figures are not available.

2. Above transaction with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured.

**44. Information on Joint Ventures:****Jointly Controlled Entities:**

Name of the Joint Venture	Country of Incorporation	Percentage of Ownership Interest
Cambro Nilkamal Private Limited	India	50

Investment in Joint Ventures have been accounted at Equity method cost in the consolidated financial statements.

**45. Corporate Social Responsibility:**

As required by Section 135 of Companies Act, 2013 and rules therein, a corporate social responsibility committee has been formed by the Company. The Company has spent the following amount during the year towards corporate social responsibility (CSR) for activities listed under schedule VII of the Companies Act, 2013

(₹ in lakhs)

		2022-23	2021-22
i)	Amount required to be spent by the company during the year.	277.55	323.53
ii)	Amount of expenditure incurred	278.40	323.72
iii)	Shortfall at the end of the year	-	-
iv)	Total of previous years' shortfall	-	-
v)	Reason for above shortfalls	NA	NA
vi)	Nature of CSR activities	<b>Contribution towards Infrastructure of educational &amp; Medical Activities</b>	Project for reconstruction and modernization of Government school
vii)	Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per Ind AS 24, Related Party Disclosures	25.00	-
viii)	Where a provision is made with respect to a liability incurred by entering into contractual obligation, the movements in the provision during the year	110.00	-

**46. Amalgamation of wholly owned subsidiary, Nilkamal Storage Systems Private Limited with the Holding Company:**

The National Company Law Tribunal ('NCLT'), Mumbai Bench and National Company Law Tribunal, Ahmedabad Bench vide their orders dated on 8 February 2023 and 3 March 2023 respectively, approved the Scheme approved the Scheme of Amalgamation ('the Scheme') of Nilkamal Storage Systems Private Limited ('NSSPL') ('transferor company') with the Holding Company. The order of NCLT Mumbai Bench and Ahmedabad Bench were received by the Company on 15 March 2023 and 12 April 2023, respectively. The Scheme became effective upon filing with the Registrar of Companies on 22 April 2023 with an Appointed Date of 1 October 2022.

- In terms of the Scheme, the whole of the undertaking of NSSPL as a going concern stands transferred to and vested in the Holding Company with effect from the Appointed Date.
- NSSPL was engaged in the business of manufacturing of Metal Racking and Storage systems.
- The said amalgamation was accounted for under the "Pooling of Interest" method as prescribed under Ind AS 103 'Business Combinations' for amalgamation of companies under common control.

Since NSSPL was a wholly owned subsidiary, the said amalgamation was accounted for under the "Pooling of Interest" method as prescribed under Appendix C of Ind AS 103 'Business Combinations' for amalgamation of companies under common control. While applying Pooling of Interest method, the Holding Company has recorded all assets, liabilities and reserves attributable to the wholly owned subsidiary at their carrying values as appearing in the consolidated financial statements of the Holding Company as per guidance given in ITFG Bulletin 9. The previous year figures and current year have been restated considering that the amalgamation has taken place from the first day of the earliest period presented i.e., 1st April, 2021 as required under Appendix C of Ind AS 103.

The entire business and undertaking of NSSPL including all the assets, liabilities and reserves as a going concern were transferred to and vested in the Holding Company.

NSSPL was a wholly owned subsidiary of the Holding Company and accordingly, no consideration was payable pursuant to the Scheme. The equity shares held by the Holding Company in the wholly owned subsidiary were cancelled and no shares were issued to effect the amalgamation.

All inter-company balances and transactions were eliminated in the standalone financial statements of the Holding Company.

The amalgamation resulted in transfer of assets, liabilities and changes in reserves in accordance with the terms of the Scheme at the values given below as at October 1, 2022 and cancellation of investment held by the Holding Company in NSSPL of ₹ 7331.13 Lakhs.

(₹ in lakhs)

Particulars	Amount
Assets	<b>12,635.56</b>
Liabilities	<b>2,424.10</b>
<b>Net assets</b>	<b>10,211.46</b>

#### 47. Proposed Dividend:

The Board of Directors at its meeting held on 20<sup>th</sup> May, 2023 have recommended a payment of final dividend of ₹ 20 (₹ Twenty Only) per equity share of face value of ₹ 10 each for the financial year ended 31st March, 2023. The same amounts to ₹ 2,984.50 lakhs which is subject to approval at the ensuing Annual General Meeting of the Company and hence is not recognised as a liability as at 31<sup>st</sup> March, 2023.

#### 48 Financial instruments – Fair values and risk management

##### A. Accounting classification and fair values

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(₹ in lakhs)

March 31, 2023	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>								
<b>Non Current</b>								
Unquoted Equity Shares *	42.82	-	59.47	102.29	42.82	-	-	42.82
Employees Loans	-	-	326.55	326.55	-	-	-	-
Security Deposits	-	-	2,332.71	2,332.71	-	-	-	-
Other financial assets	-	-	87.28	87.28	-	-	-	-
Derivative Asset	-	185.43	-	185.43	-	185.43	-	185.43
<b>Current</b>								
Trade receivables	-	-	43,342.43	43,342.43	-	-	-	-
Cash and cash equivalents	-	-	1,995.68	1,995.68	-	-	-	-
Current Investments	457.56	-	-	457.56	457.56	-	-	457.56
Other bank balances	-	-	408.52	408.52	-	-	-	-
Loans	-	-	819.29	819.29	-	-	-	-
Other Current Financial Assets	-	-	738.18	738.18	-	-	-	-
	<b>500.38</b>	<b>185.43</b>	<b>50,110.11</b>	<b>50,795.92</b>	<b>500.38</b>	<b>185.43</b>	<b>-</b>	<b>685.81</b>
<b>Financial liabilities</b>								
<b>Non Current</b>								
Long Term Borrowings	-	-	16,032.87	16,032.87	-	-	-	-
Lease Liabilities	-	-	13,490.38	13,490.38	-	-	-	-
Other Non-Current financial liabilities	-	-	7,226.13	7,226.13	-	-	-	-
<b>Current</b>								
Current Borrowings	-	-	2,837.08	2,837.08	-	-	-	-
Current Lease Liabilities	-	-	2,751.24	2,751.24	-	-	-	-
Trade and other payables	-	-	22,552.95	22,552.95	-	-	-	-
Other Current financial liabilities	-	-	2,506.21	2,506.21	-	-	-	-
	<b>-</b>	<b>-</b>	<b>67,396.86</b>	<b>67,396.86</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**48 Financial instruments – Fair values and risk management (Continued)****A. Accounting classification and fair values (Continued)**

(₹ in lakhs)

March 31, 2022	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>								
<u>Non current</u>								
Unquoted Equity Shares *	42.82	-	0.32	43.14	-	-	-	-
Loans to Employees	-	-	276.44	276.44	-	-	-	-
Security Deposits	-	-	2,243.04	2,243.04	-	-	-	-
Other financial assets	-	-	58.90	58.90	-	-	-	-
Derivative Asset	-	200.10	-	200.10	-	200.10	-	200.10
<u>Current</u>								
Trade receivables	-	-	31,391.21	31,391.21	-	-	-	-
Cash and cash equivalents	-	-	6,534.04	6,534.04	-	-	-	-
Current Investments	1,424.98	-	-	1,424.98	1,424.98	-	-	1,424.98
Other bank balances	-	-	304.18	304.18	-	-	-	-
Other Current Financial Assets	-	-	1,375.45	1,375.45	-	-	-	-
	1,467.80	200.10	42,183.58	43,851.48	1,424.98	200.10	-	1,625.08
<b>Financial Liabilities</b>								
<u>Non current</u>								
Long term borrowings	-	-	11,695.91	11,695.91	-	-	-	-
Lease Liabilities	-	-	14,560.05	14,560.05	-	-	-	-
Other Non-Current financial liabilities	-	-	6,720.44	6,720.44	-	-	-	-
<u>Current</u>								
Short term borrowings	-	-	5,772.57	5,772.57	-	-	-	-
Current Lease Liabilities	-	-	3,400.68	3,400.68	-	-	-	-
Trade and other payables	-	-	22,099.57	22,099.57	-	-	-	-
Other Current financial liabilities	-	-	2,645.59	2,645.59	-	-	-	-
	-	-	66,894.81	66,894.81	-	-	-	-

\* The fair value in respect of the unquoted equity investments is equal to the cost of the investments as per the contractual agreements.

**B. Measurement of fair values****Valuation techniques and significant unobservable inputs**

The following tables show the valuation techniques used in measuring Level 1 and Level 2 fair values, as well as the significant unobservable inputs used

**Financial instruments measured at fair value**

Type	Valuation technique
Forward contracts	The fair value is determined using forward exchange rates at the reporting date.
Interest rate swaps	Present value of the estimated future cash flows based on observable yield curves.

**C. Financial risk management**

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

- Credit risk ;
- Liquidity risk ; and
- Market risk

**48 Financial instruments – Fair values and risk management (Continued)****i. Risk management framework**

The Holding Company's Board of Directors has overall responsibility for the establishment and oversight of the Group's Risk Management Policy framework. The Board of Directors have adopted an Enterprise Risk Management Policy framed by the Group, which identifies the risk and lays down the risk minimisation procedures. The Movement reviews the Risk Management Policies and systems on a regular basis to reflect changes in market conditions and the Group's activities, and the same is reported to the Board of Directors periodically. Further, the Group, in order to deal with the future risks, has in place various methods / processes which have been imbibed in its organisational structure and proper internal controls are in place to keep a check on lapses, and the same are been modified in accordance with the regular requirements.

The audit committee oversees how management monitors compliance with the Group's Risk Management Policies and procedures, and reviews the adequacy of the Risk Management framework in relation to the risks faced by the Group. The audit committee is assisted in its oversight role by internal auditors.

**ii. Credit risk**

Credit risk is the risk of financial loss to the group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the group's receivables from customers and loans and advances.

The carrying amount of following financial assets represents the maximum credit exposure:

**Trade receivables and loans and advances.**

The group's exposure to credit risk is influenced mainly by the individual characteristics of each customer in which it operates. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the group grants credit terms in the normal course of business.

The Risk Management Committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the group's standard payment and delivery terms and conditions are offered. Further for domestic sales, the group segments the customers into Distributors and Others for credit monitoring.

The group maintains security deposits for sales made to its distributor. For other trade receivables, the company individually monitors the sanctioned credit limits as against the outstanding balances. Accordingly, the group makes specific provisions against such trade receivables wherever required and monitors the same at periodic intervals.

The group monitors each loans and advances given and makes any specific provision wherever required.

The group establishes an allowance for impairment that represents its estimate of expected losses in respect of trade receivables and loans and advances.

**Impairment**

At 31st March, 2022, the ageing of trade receivables was as follows:

(₹ in lakhs)

	<b>31 March, 2023</b>	31 March, 2022
Neither past due nor impaired	<b>17,959.26</b>	13,810.45
Past due 1–90 days	<b>18,847.45</b>	13,427.49
Past due 91–180 days	<b>2,777.53</b>	2,014.57
Past due 181–365 days	<b>2,760.68</b>	1,393.76
Past due 365 days	<b>2,098.82</b>	1,711.81
	<b>44,443.74</b>	32,358.08

Management believes that the unimpaired amounts which are past due are collectible in full.



## 48 Financial instruments – Fair values and risk management (Continued)

(₹ in lakhs)

	Trade receivables Impairments	Loans and advances
Balance as at 1st April, 2021	1,337.93	52.05
Impairment loss recognised	297.49	-
Balance written back	(607.85)	-
Amounts written off	(60.70)	-
<b>Balance as at 31st March, 2022</b>	<b>966.87</b>	<b>52.05</b>
<b>Impairment loss recognised</b>	<b>526.93</b>	-
<b>Balance written back</b>	<b>(330.18)</b>	-
<b>Amounts written off</b>	<b>(62.31)</b>	-
<b>Balance as at 31st March, 2023</b>	<b>1,101.31</b>	<b>52.05</b>

**Cash and cash equivalents:**

The Group held Cash and Cash equivalents of ₹ 2,404.20 lakhs (Previous year: ₹ 6,838.22 lakhs) as on 31st March 2023. The cash and cash equivalents are held with bank counterparties with good credit ratings.

**Derivatives:**

The derivatives are entered into with bank. Counterparties with good credit rating.

**Loans and Advances:**

The Group held loan and advances of ₹ 4,489.44 lakhs as on 31st March 2023 (Previous year: ₹ 4,153.93 lakhs). The loans and advances are in nature of rent deposit paid to landlords, bank deposits with maturity more than Twelve months and others, the same are fully recoverable.

iii. **Liquidity risk**

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

As of 31 March, 2023 and 31 March, 2022 the Group had unutilized credit limits from banks of ₹ 26,116.99 lakhs and ₹ 23,109.59 lakhs respectively.

**Maturity profile of financial liabilities**

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

(₹ in lakhs)

31st March 2023	Contractual cash flows						
	Carrying amount	Total	Less than 6 months	6-12 months	1-2 years	2-5 years	More than 5 years
<b>Non-derivative financial liabilities</b>							
Non convertible Debenture	9,846.16	9,846.16				9,846.16	
Working Capital Borrowings	926.09	926.09	926.09	-	-	-	-
Trade and other payables	19,443.96	19,443.96	19,443.96	-	-	-	-
Lease Liabilities	16,241.62	16,241.62	1,372.17	1,379.07	2,546.66	4,163.23	6,780.49
Other financial liabilities	9,380.42	9,380.42	2,446.08	747.63	3,000.00	3,186.71	-
<b>Derivative financial liabilities</b>							
Cross currency interest rate swaps	1,223.49	1,223.49	1,223.49	-	-	-	-
Forward exchange contracts used for hedging							
- Outflow	3,108.99	3,108.99	3,108.99	-	-	-	-

**48 Financial instruments – Fair values and risk management (Continued)** (₹ in lakhs)

31st March 2022	Contractual cash flows						
	Carrying amount	Total	Less than 6 months	6-12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities							
Non convertible Debenture	9,830.23	9,830.23	-			9,830.23	
Working Capital Borrowings	3,933.49	3,933.49	3,933.49	-	-	-	-
Trade and other payables	20,272.28	20,272.28	20,272.28	-	-	-	-
Lease Liabilities	17,960.73	17,960.73	1,766.82	1,633.86	2,908.41	4,544.07	7,107.57
Other financial liabilities	3,382.74	3,382.74	2,645.59	-	500.00	237.15	-
Derivative financial liabilities							
Cross currency interest rate swaps	2,967.61	2,967.61	919.54	919.54	1,128.53	-	-
Forward exchange contracts used for hedging							
- Outflow	1,827.29	1,827.29	1,827.29	-	-	-	-

The gross inflows/(outflows) disclosed in the above table represent the contractual undiscounted cash flows relating to the financial liabilities which are not usually closed out before contractual maturity. The disclosure shows net cash flow amounts for derivatives that are net cash-settled and gross cash inflow and outflow amounts for derivatives that have simultaneous gross cash settlement.

**iv. Market risk**

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Group's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. We are exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of our investments. Thus, our exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currency. The objective of market risk management is to avoid excessive exposure in our foreign currency revenues and costs.

**Currency risk**

The Group is exposed to currency risk on account of its borrowings and other payables in foreign currency. The functional currency of the Group is Indian Rupee (₹). The Group uses forward exchange contracts to hedge its currency risk, most with a maturity of less than one year from the reporting date.

**Exposure to currency risk (Exposure in different currencies converted to functional currency i.e. INR)**

The currency profile of financial assets and financial liabilities as at March 31, 2023, March 31, 2022 are as below:

## 48 Financial instruments – Fair values and risk management (Continued)

	31st March, 2023		
	USD	EURO	GBP
<b>Financial assets:</b>			
Trade and Other Receivables	1,617.78	1,031.76	7.10
Cash and Cash Equivalents	-	-	-
	<b>1,617.78</b>	<b>1,031.76</b>	<b>7.10</b>
<b>Financial liabilities:</b>			
Trade and Other Payables	2,034.15	12.92	8.90
Forecasted purchase	1,074.84	-	-
Less: Forward contracts	(3,108.99)	-	-
	-	12.92	8.90
<b>Net Exposure</b>	<b>1,617.78</b>	<b>1,018.84</b>	<b>(1.80)</b>

	31st March, 2022		
	USD	EURO	GBP
<b>Financial assets:</b>			
Trade and Other Receivables	2,956.10	326.55	32.40
Less: Forward contracts	-	-	-
	<b>2,956.10</b>	<b>326.55</b>	<b>32.40</b>
<b>Financial liabilities:</b>			
Trade and Other Payables	2,911.03	61.57	-
Less: Forward contracts	(1,811.59)	-	-
	1,099.44	61.57	-
<b>Net Exposure</b>	<b>1,856.66</b>	<b>264.98</b>	<b>32.40</b>

The following significant exchange rates have been applied during the year.

(₹ in lakhs)

	Year-end spot rate	
	31st March, 2023	31st March, 2022
Indian Rupee (₹)		
USD 1	82.18	75.80
EUR1	89.14	84.20
GBP1	101.42	99.48

**Sensitivity analysis**

A reasonably possible strengthening (weakening) of the Foreign Currency against the Indian Rupee (₹) at 31st March would have affected the measurement of financial instruments denominated in foreign currencies and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

	31st March, 2023		31st March, 2022	
	Profit or (loss)		Profit or (loss)	
Effect in INR	Strengthening	Weakening	Strengthening	Weakening
USD - 3% Movement	48.53	(48.53)	55.70	(55.70)
EUR - 3% Movement	30.57	(30.57)	7.95	(7.95)
GBP - 3% Movement	(0.05)	0.05	0.97	(0.97)
	<b>79.04</b>	<b>(79.04)</b>	64.62	(64.62)

**Interest rate risk:**

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

**48 Financial instruments – Fair values and risk management (Continued)****Exposure to interest rate risk**

Group's interest rate risk arises from borrowings. The interest rate profile of the Group's interest-bearing financial instruments as reported to the management of the Group is as follows:

	(₹ in lakhs)	
	<b>31st March, 2023</b>	31st March, 2022
<b>Borrowings</b>		
Fixed rate borrowings	<b>16,032.87</b>	13,458.76
Variable rate borrowings	<b>2,837.08</b>	4,401.10
Less: Interest rate swap	<b>(1,223.49)</b>	(2,967.61)
Total	<b>17,646.46</b>	14,892.25

**Fair value sensitivity analysis for fixed-rate instruments**

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

The Group manages its cash flow interest rate risk by using floating-to-fixed interest rate swaps. Under these swaps, the Group agrees with other parties to exchange, the difference between fixed contract rates and floating rates interest amounts calculated by reference to the agreed notional principal amounts

**Cash flow sensitivity analysis for variable-rate instruments**

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

	(₹ in lakhs)	
	<b>Profit or (loss)</b>	
<b>31st March, 2023</b>	<b>100 bp increase</b>	<b>100 bp decrease</b>
<b>Variable-rate instruments</b>	<b>(28.37)</b>	<b>28.37</b>
<b>Interest rate swaps</b>	<b>12.23</b>	<b>(12.23)</b>
<b>Cash flow sensitivity (net)</b>	<b>(16.14)</b>	<b>16.14</b>
31st March, 2022		
Variable-rate instruments	(48.55)	48.55
Interest rate swaps	46.37	(46.37)
Cash flow sensitivity (net)	(2.18)	2.18

The risk estimates provided assume a parallel shift of 100 basis points interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

**49 Capital Management**

For the purpose of the Group's capital management, capital includes issued capital and other equity reserves. The primary objective of the Group's Capital Management is to maximise shareholders value. The Group manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Group monitors capital using debt to equity ratio.

	(₹ in lakhs)	
	<b>As at 31st March, 2023</b>	As at 31st March, 2022
Non-Current Borrowings	<b>16,032.87</b>	11,695.91
Current Borrowings	<b>2,837.08</b>	5,772.57
<b>Gross Debt</b>	<b>18,869.95</b>	17,468.48
Total Equity	<b>1,31,421.54</b>	1,20,151.29
Adjusted Gross debt to equity ratio	<b>0.14</b>	0.15

**50 Employee Benefits**

The Group contributes to the following post-employment defined benefit plans in India.

**(i) Defined Contribution Plans:**

The contributions to the Provident Fund and Family Pension Fund of certain employees are made to a Government administered Provident Fund and there are no further obligations beyond making such contribution.

The Group recognised ₹ 1037.85 lakhs (Previous year: ₹ 963.95 lakhs) Provident fund contributions in the Statement of Profit and Loss.

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

**(ii) Defined Benefit Plan:****A. Gratuity**

The Group participates in the Employees Gratuity scheme, a funded defined benefit plan for qualifying employees. Gratuity is payable to all eligible employees on death or on separation / termination in terms of the provisions of the respective applicable Gratuity rules.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at 31st March, 2023. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

(₹ in lakhs)

	Gratuity	
	31st March, 2023	31st March, 2022
Defined benefit obligation	<b>2,300.89</b>	2,312.69
Fair value of Plan Assets at the end of the year	<b>(2,372.89)</b>	(2,509.14)
<b>Net Obligation at the end of the year</b>	<b>(72.00)</b>	(196.45)

**B. Movement in net defined benefit (asset) liability**

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components :

(₹ in lakhs)

	Gratuity					
	Defined benefit obligation		Fair value of plan assets		Net defined benefit (asset) liability	
	31st March, 2023	31st March, 2022	31st March, 2023	31st March, 2022	31st March, 2023	31st March, 2022
<b>Opening balance</b>	<b>2,312.69</b>	2,282.55	<b>2,509.14</b>	2,391.59	<b>(196.45)</b>	(109.04)
Included in statement of profit and loss	-	-	<b>178.24</b>	158.62	<b>(178.24)</b>	(158.62)
Current service cost	<b>282.43</b>	210.80	-	-	<b>282.43</b>	210.80
Interest cost (income)	<b>103.28</b>	119.08	-	-	<b>103.28</b>	119.08
	<b>2,698.40</b>	2,612.43	<b>2,687.38</b>	2,550.21	<b>11.02</b>	62.22
<b>Included in OCI</b>						
Remeasurement loss (gain):	-	-	-	-	-	-
Financial assumptions	<b>(120.08)</b>	(92.03)	-	-	<b>(120.08)</b>	(92.03)
Experience adjustment	<b>(25.52)</b>	(59.49)	-	73.39	<b>(25.52)</b>	(132.88)
Return on plan assets excluding interest income	-	-	<b>(113.47)</b>	3.55	<b>113.47</b>	(3.55)
	<b>2,552.80</b>	2,460.91	<b>2,573.91</b>	2,627.15	<b>(21.11)</b>	(166.24)
<b>Other</b>						
Contributions paid by the employer		-	-	-	-	-
Benefits paid	<b>(251.90)</b>	(148.21)	<b>(201.02)</b>	(118.01)	<b>(50.88)</b>	(30.20)
Closing balance	<b>2,300.89</b>	2,312.69	<b>2,372.89</b>	2,509.14	<b>(72.00)</b>	(196.45)
<b>Represented by</b>						
Defined benefit asset					<b>(2,372.89)</b>	(2,509.14)
Defined benefit liability					<b>2,300.89</b>	2,312.69
Net defined benefit (asset)/liabilities					<b>(72.00)</b>	(196.45)

**(ii) Defined Benefit Plan: (Continued)****C. Plan assets**

Plan assets comprise the following:

(₹ in lakhs)

	31 March 2023	31 March 2022
Fund managed by Insurance Group	2,372.89	2,509.14

**D. Defined benefit obligations****i. Actuarial assumptions**

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

	31 March 2023	31 March 2022
Discount rate	7.40% p.a.- 18% p.a.	6.80% p.a.- 15.25% p.a.
Expected Rate of Return on Plan Assets	7.40%	6.80%p.a.
Salary escalation rate	6.00%p.a.- 15.00% p.a.	6.00%p.a.- 12.00% p.a.
Employee Turnover	16.00%p.a.- 1.00% p.a.	12.00%p.a.- 1.00% p.a.
Mortality rate	Indian Assured Lives Mortality (2012-14) Ult.	Indian Assured Lives Mortality (2012-14) Ult.

Assumptions regarding future mortality have been based on published statistics and mortality tables

**ii. Sensitivity analysis**

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	31 March, 2023		31 March, 2022	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	2,016.57	2,401.86	1,961.41	2,359.11
Future salary growth (1% movement)	2,402.68	2,012.78	2,358.67	1,958.47
Rate of employee turnover (1% movement)	2,214.47	2,173.95	2,156.12	2,133.28

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

**Expected future cash flows**

The expected future cash flows in respect of gratuity as at March 31, 2023 were as follows:

**Expected contribution**

The expected contributions for defined benefit plan for the next financial year will be in line with the contribution for the year ended 31st March 2023 ₹ 311.62 lakhs (Previous Year ₹ 278.58 lakhs).

**Expected future benefit payments**

(₹ in lakhs)

31st March, 2024	127.92
31st March, 2025	151.95
31st March, 2026	157.80
31st March, 2027	187.91
Thereafter	1,568.12

**Compensated Absences:**

The Compensated Absences is payable to all eligible employees for each day of accumulated leave on death or on resignation. Compensated Absences debited to Statement of Profit and Loss during the year amounts to ₹ 272.28 lakhs (Previous year ₹ 262.46 lakhs) and is included in Note 30 - 'Employee benefits expenses'. Accumulated non-current provision for leave encashment aggregates ₹ 508.51 lakhs (Previous year ₹ 499.33 lakhs) and current provision aggregates ₹ 453.21 lakhs (Previous year ₹ 463.94 lakhs).

**51 Hedge accounting**

The Group's risk management policy is to hedge its estimated foreign currency exposure in respect of highly probable forecast purchases and foreign currency borrowings. The Holding Company uses forward exchange contracts to hedge its currency risk and cross currency interest rate swap to hedge its interest rate and currency risk related to foreign currency borrowings. Such contracts are generally designated as cash flow hedges.

The Holding Company determines the existence of an economic relationship between the hedging instrument and hedged item based on the currency, amount and timing of their respective cash flows. The Company assesses whether the derivative designated in each hedging relationship is expected to be and has been effective in offsetting changes in the cash flows of the hedged item using the hypothetical derivative method.

**a. Disclosure of effects of hedge accounting on financial position****i) Cash flow hedge - Forward exchange contracts****31st March, 2023**

(₹ in lakhs)

Type of hedge and risks	Currency	Nominal Value	Carrying amount of hedging instrument (in INR)		Line item in the statement of financial position where the hedging instrument is included	Maturity date	Hedge ratio	Weighted Average strike price/ rate	Changes in fair value of the hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness
			Assets	Liabilities						
Cash flow hedge Forward and Option contracts	USD	31.50	2.70	0.36	Liabilities	May-23	1:1	82.66	0.36	(0.36)
	CNY	5.74	-	-	Other current financial liabilities			88.46	-	-
Cross Currency Interest Rate Swap	USD	14.89	183.09	-	Other current financial liabilities and Other non-current financial liabilities	March 2023 to February 2024	1:1		183.09	(183.09)

**31st March, 2022**

(₹ in lakhs)

Type of hedge and risks	Currency	Nominal Value	Carrying amount of hedging instrument (in INR)		Line item in the statement of financial position where the hedging instrument is included	Maturity date	Hedge ratio	Weighted Average strike price/ rate	Changes in fair value of the hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness
			Assets	Liabilities						
Cash flow hedge Forward and Option contracts	USD	32.24	-	23.98	Liabilities	May-22	1:1	75.74	(23.98)	23.98
	CYN	2.00	0.17	0.13	Other current financial liabilities			84.36	0.04	(0.04)
Cross Currency Interest Rate Swap	USD	39.15	224.04	-	Other current financial liabilities and Other non-current financial liabilities	March 2023 to February 2024	1:1		224.04	(224.04)

**b. Disclosure of effects of hedge accounting on financial performance** (₹ in lakhs)

31st March, 2023	Change in the value of the hedging instrument recognised in OCI	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit or loss because of the reclassification
Cash flow hedge	50.77	-	46.99	Foreign exchange loss
31st March, 2022	Change in the value of the hedging instrument recognised in OCI	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit or loss because of the reclassification
Cash flow hedge	44.33	-	91.32	Foreign exchange loss

**c. The following table provides a reconciliation by risk category of components of equity and analysis of OCI items, net of tax, resulting from cash flow hedge accounting Movements in cash flow hedging reserve** (₹ in lakhs)

Balance at 1 April 2022	(91.32)
Add : Changes in the fair value of effective portion of outstanding cash flow derivative (net of settlement)	64.52
Less : Amounts reclassified to profit or loss	-
Less: Deferred tax	(20.19)
<b>As at March 31, 2022</b>	<b>(46.99)</b>
Add : Changes in the fair value of effective portion of outstanding cash flow derivative (net of settlement)	62.57
Less : Amounts reclassified to profit or loss	-
Less: Deferred tax	(11.80)
<b>As at March 31, 2023</b>	<b>3.78</b>

**52 Earnings per share (EPS)**

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Holding Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

**i. Profit attributable to Equity holders of Company** (₹ in lakhs)

	31st March, 2023	31st March, 2022
Profit attributable to equity holders of the Company:		
Continuing operations	13,394.86	8,335.01
<b>Profit attributable to equity holders of the Company for basic earnings</b>	<b>13,394.86</b>	8,335.01
<b>Profit attributable to equity holders of the Company adjusted for the effect of dilution</b>	<b>13,394.86</b>	8,335.01

**ii. Weighted average number of ordinary shares**

	31st March, 2023	31st March, 2022
Issued ordinary shares at April 1	1,49,22,525	1,49,22,525
<b>Weighted average number of shares at 31st March for basic and Diluted EPS</b>	<b>1,49,22,525</b>	1,49,22,525

**Basic and Diluted earnings per share in ₹** (Amount in ₹)

	31st March, 2023	31st March, 2022
<b>Basic earnings per share</b>	<b>89.76</b>	55.86
<b>Diluted earnings per share</b>	<b>89.76</b>	55.86



**53 SEGMENT INFORMATION****Segment Wise Revenue, Results and Other Information****A Business Segment:**

The Group has organized businesses into 2 categories viz Plastics and Lifestyle Furniture, Furnishings and Accessories. Accordingly the Group has reported its segmental results for these categories.

(₹ in lakhs)

Sr. No.	Particulars	2022-23			2021-22		
		Plastics	Lifestyle Furniture, Furnishings & Accessories	Total	Plastics	Lifestyle Furniture, Furnishings & Accessories	Total
1	<b>Revenue from Operations</b>	<b>2,92,696.11</b>	<b>22,732.13</b>	<b>3,15,428.24</b>	2,56,668.19	17,650.09	2,74,318.28
	Less: Inter Segment Revenue	<b>2,340.55</b>	-	<b>2,340.55</b>	1,309.35		1,309.35
	Net Revenue from Operations	<b>2,90,355.56</b>	<b>22,732.13</b>	<b>3,13,087.69</b>	2,55,358.84	17,650.09	2,73,008.93
2	<b>Segment Result before Tax &amp; interest</b>	<b>21,065.93</b>	<b>584.16</b>	<b>21,650.09</b>	14,439.51	(322.59)	14,116.32
	Less: Unallocated expense(Net of Unallocated Income)			<b>1,064.84</b>			898.27
	Operating Profit			<b>20,585.25</b>			13,218.05
	Less: Finance Costs			<b>3,658.45</b>			2,839.88
	Add/(Less): Prior Period Adjustment			-			-
	Profit Before Tax			<b>16,926.80</b>			10,378.17
	Less: Provision for Taxes(Net)			<b>4,300.39</b>			2,605.65
	<b>Net Profit after Tax before share of profit of Joint ventures</b>			<b>12,626.41</b>			7,772.52
	<b>Share of net profit / (loss) from Joint venture accounted for using equity method</b>			<b>773.35</b>			569.69
	<b>Profit for the Year</b>			<b>13,399.76</b>			8,342.21
<b>Less; Non Controlling Interests</b>			<b>4.90</b>			7.20	
<b>Profit for the Year</b>			<b>13,394.86</b>			8,335.01	
3	<b>Other Information</b>						
	Segment Assets	<b>1,85,682.34</b>	<b>15,420.63</b>	<b>2,01,102.97</b>	1,68,302.22	15,877.79	1,84,180.01
	Add: Unallocated Assets			<b>6,434.13</b>			11,148.45
	<b>Total Assets</b>			<b>2,07,537.10</b>			1,95,328.46
	Segment Liabilities	<b>44,870.55</b>	<b>10,512.21</b>	<b>55,382.76</b>	44,125.44	12,057.45	56,182.89
	Add: Minority Interest	<b>75.22</b>	-	<b>75.22</b>	70.69	-	70.69
		<b>44,945.77</b>	<b>10,512.21</b>	<b>55,457.98</b>	44,196.13	12,057.45	56,253.58
	Add: Unallocated Liabilities			<b>20,657.58</b>			18,923.70
	<b>Total liabilities</b>			<b>76,115.56</b>			75,177.28
	Capital Expenditure	<b>18,967.89</b>	<b>32.62</b>	<b>19,000.51</b>	15,585.48	8.04	15,593.52
Depreciation and Amortisation	<b>10,016.93</b>	<b>1,321.58</b>	<b>11,338.51</b>	8,805.79	1,296.27	10,102.06	
Significant Non Cash Expenses other than Depreciation and Amortisation	<b>917.39</b>	<b>599.60</b>	<b>1,516.99</b>	612.63	631.75	1,244.38	

**B Geographical Segment:**

Although the Group's operations are managed by product area, we provide additional information based on geographies.

(₹ in lakhs)

Sr. No.	Particulars	Year Ended 31st March, 2023			Year Ended 31st March, 2022		
		India	Rest of The World	Total	India	Rest of The World	Total
1	Segment Revenue (Net Sales)	3,00,870.63	12,217.06	3,13,087.69	2,59,985.86	13,023.07	2,73,008.93
2	Carrying cost of Segment Assets	1,97,251.10	3,851.87	2,01,102.97	1,80,804.01	3,376.00	1,84,180.01

**Revenue from Major Customers**

The Group is not reliant on revenues from transactions with any single external customer and does not receive 10% or more of its revenues from transactions with any single external customer.

**54 Investment in Joint Ventures**

Name of the Joint Venture	Country of Incorporation	Percentage of Ownership Interest
Cambro Nilkamal Private Limited	India	50

The Holding Company has no material Joint Ventures as at 31st March, 2022. The aggregate summarized financial information in respect of the Holding Company's immaterial Joint Ventures that is accounted for using the equity method is set forth below.

(₹ in lakhs)

Particulars	31st March, 2023	31st March, 2022
Carrying amount of the Company's interest in Joint Ventures	2,636.74	2,073.49
Company's share of profit/(loss) in Joint Ventures	773.35	569.69
Company's share of other comprehensive income in Joint Ventures	-	(0.12)
Company's share of total comprehensive income in Joint Ventures	773.35	569.57

**54. Additional Information to be given as required under Schedule III of to the 2013, of enterprises consolidated as Subsidiary and Joint Venture**  
(₹ in lakhs)

Sr. No.	Name of the Entity	31st March, 2023				31st March, 2022													
		Net Assets i.e Total Assets Minus Total Liabilities		Share in Profit		Share in Other Comprehensive Income		Share in Total Comprehensive Income											
		As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated Total Comprehensive Income											
	<b>Parent</b>																		
	Nilkamal Limited	94.97%	1,24,886.59	89.48%	11,989.81	66.72%	74.81	89.29%	12,064.61	95.53%	1,14,850.15	89.17%	7,438.91	-38.61%	230.99	99.04%	7,669.90		
	<b>Foreign Subsidiaries</b>																		
1	Nilkamal Eswaran Plastics Private Limited	1.42%	1,869.33	1.22%	162.97	-10.71%	(12.01)	1.12%	150.96	1.43%	1,719.78	3.45%	287.79	136.83%	(818.66)	-6.86%	(530.87)		
2	Nilkamal Eswaran Marketing Private Limited	0.09%	116.54	0.16%	21.75	2.34%	2.62	0.18%	24.37	0.08%	92.17	0.13%	11.11	5.07%	(30.32)	-0.25%	(19.21)		
3	Nilkamal Grates and Bins FZE	1.45%	1,901.63	4.96%	664.62	41.65%	46.70	5.26%	711.32	0.99%	1,187.24	3.82%	318.57	-3.31%	19.79	4.37%	338.36		
	<b>Indian Subsidiaries</b>																		
	Nilkamal Foundation	0.01%	10.71	-1.62%	(217.64)	0.00%	-	-1.61%	(217.64)	0.19%	228.36	-3.49%	(291.06)			-3.76%	(291.06)		
	<b>Non-controlling Interest</b>																		
1	Nilkamal Eswaran Plastics Private Limited	0.03%	41.58	0.05%	6.26	0.00%	-	0.05%	6.26	0.03%	35.80	0.12%	9.71			0.13%	9.71		
2	Nilkamal Eswaran Marketing Private Limited	0.03%	33.53	0.01%	0.84	0.00%	-	0.01%	0.84	0.03%	32.58	0.01%	0.43			0.01%	0.43		
3	Nilkamal Foundation	0.00%	0.11	-0.02%	(2.20)	0.00%	-	-0.02%	(2.20)	0.00%	2.31	-0.04%	(2.94)			-0.04%	(2.94)		
	<b>Joint Venture</b>																		
	Cambro Nilkamal Private Limited (investment as per equity method)	2.01%	2,636.74	5.77%	773.35	0.00%	-	5.72%	773.35	1.72%	2,073.59	6.83%	569.69	0.02%	(0.12)	7.36%	569.57		
		100.00%	1,31,496.76	100.00%	13,399.76	100.00%	112.12	100.00%	13,511.87	100.00%	1,20,221.98	100.00%	8,342.21	100.00%	(598.32)	100.00%	7,743.89		

The above figures are after eliminating intra group transactions and intra group balances as at 31st March, 2023 and 31st March, 2022 respectively.

**As per our report of even date attached.**

**For B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248/W/W-100022

**For and on Behalf of the Board of Directors of**

**Nilkamal Limited**

CIN : L25209DN1985PLC000162

**Rishabh Kumar**

Partner

Membership No : 402877

Mumbai

20<sup>th</sup> May, 2023

**Hiten V. Parekh**

Managing Director

DIN : 00037550

Mumbai

20<sup>th</sup> May, 2023

**Manish V. Parekh**

Joint Managing Director

DIN : 00037724

Mumbai

20<sup>th</sup> May, 2023

**Nayan S. Parekh**

Executive Director

DIN : 00037597

Mumbai

20<sup>th</sup> May, 2023

**Pareesh B. Mehta**

Chief Financial Officer

Membership No : 0044670

Mumbai

20<sup>th</sup> May, 2023

**Priti P. Dave**

Company Secretary

Membership No : 19469

Mumbai

20<sup>th</sup> May, 2023

**Salient features of the financial statements of Subsidiaries / Joint Ventures**

[Pursuant to the first proviso to sub-section (3) of Section 129 read with rules 5 of the Companies (Accounts) Rules, 2014 - AOC -1]

**Part "A" : Subsidiaries**

(₹ in lakhs)

Sr. No.	Name of the Subsidiaries	Nilkamal Eswaran Plastics Private Limited, Sri Lanka	Nilkamal Eswaran Marketing Private Limited, Sri Lanka	Nilkamal Crates and Bins - FZE (Ajman - UAE)	Nilkamal Foundation
1	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	1st April 2022 to 31st March 2023	1st April 2022 to 31st March 2023	1st April 2022 to 31st March 2023	1st April 2022 to 31st March 2023
2	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	1 SLR= ₹ 0.24145	1 SLR= ₹ 0.24145	1 AED= ₹ 22.16743	INR
3	Share Capital	36.70	0.00	41.01	0.01
4	Reserve and Surplus	1,832.63	116.54	1,860.62	10.70
5	Total Assets	2,384.65	157.63	2,605.70	11.00
6	Total Liabilities (Excluding Minority interest)	342.94	7.55	704.07	0.18
7	Investment other than investment in Subsidiary	59.15	-	-	-
8	Turnover, Income and Other Income	1,879.06	69.88	4,393.83	27.49
9	Profit Before Taxation	318.72	35.21	664.62	(219.84)
10	Provision for Taxation (includes Deferred Tax)	149.44	16.87	-	-
11	Profit after Tax	169.28	18.34	664.62	(219.84)
12	Dividend	-	-	-	-
13	% of shareholding	96.28%	96.28%	100.00%	99.00%

**Part "B" : Joint Ventures**

(₹ in lakhs)

Sr. No.	Name of Joint Ventures	Cambro Nilkamal Private Limited, India
1	Latest audited Balance Sheet Date	31st March 2023
2	Shares of Associate/Joint Ventures held by the company on the year end	50.00%
3	No. of Share fully paid up of ₹ 10 each	2,10,000
4	Amount of Investment in Associates/Joint Venture	200.50
5	Extend of Holding %	50.00%
6	Description of how there is significant influence	Joint Venture
7	Reason why the Joint Venture is not consolidated	Consolidated
8	Net worth attributable to Shareholding as per latest audited Balance Sheet (₹ in lakhs)	2,636.74
9	Profit for the year	
	a Consider in Consolidation	773.35
	b Not consider in Consolidation	Nil

**For and on Behalf of the Board of Directors of Nilkamal Limited**

CIN : L25209DN1985PLC000162

**Hiten V. Parekh**  
Managing Director  
DIN : 00037550

**Manish V. Parekh**  
Joint Managing Director  
DIN : 0003772

**Nayan S. Parekh**  
Executive Director  
DIN : 00037597

**Paresh B. Mehta**  
Chief Financial Officer  
Membership No : 0044670

**Priti P. Dave**  
Company Secretary  
Membership No : 19469

## Performance at a glance

(₹ In lakhs)

Particulars	2018-19	2019-20	2020-21	2021-22	2022-23
Net Sales	2,30,418	2,08,147	1,88,803	2,65,580	3,07,931
Profit Before Tax	15,868	15,820	13,903	10,832	16,329
Profit After Tax	11,123	12,201	10,342	8,231	12,192
Share Capital	1,492	1,492	1,492	1,492	1,492
Reserves and Surplus	86,946	93,866	1,03,829	1,13,663	1,23,692
Shareholder's Funds	88,438	95,359	1,05,321	1,15,156	1,25,184
Loan Funds	5,872	6,635	4,637	17,468	18,870
Total Capital Employed	94,311	1,01,993	1,09,958	1,32,624	1,44,054
Long Term Liabilities and Provisions	6,242	18,704	22,172	21,780	21,222
Deffered Tax Liability	1,780	872	850	1,158	1,402
Gross Block	97,316	1,22,651	1,34,387	1,55,187	1,72,795
Net Block	39,703	56,995	60,937	71,453	79,894
Investments	2,572	7,688	7,688	357	357
Long Term Loans and Advances and other Current non current Assets	5,153	5,396	4,885	6,555	5,504
Net Current Assets	54,905	51,490	59,470	77,197	80,925

## RATIO

Financial Performance %	2018-19	2019-20	2020-21	2021-22	2022-23
Domestic Turnover/Total Revenue	97.05	96.98	96.88	97.23	97.41
Exports/Total Revenue	2.22	2.50	2.36	2.07	2.21
Other Income/Total Revenue	0.74	0.52	0.76	0.59	0.31
Raw Material/Total Revenue	58.50	54.60	55.36	60.31	60.01
Overheads/Total Revenue	24.18	23.90	23.13	23.80	22.92
Interest/Total Revenue	0.68	1.23	1.22	1.06	1.18
Profit Before Tax/Total Revenue	6.84	7.56	7.31	4.05	5.28
Depreciation//Total Revenue	2.14	2.73	3.10	2.59	2.69
Net Profit After Tax /Net Sales	4.83	5.86	5.48	3.10	3.96
Return on Capital Employed	18.41	16.71	13.52	9.42	12.82
Return on Net Worth	13.23	13.28	10.31	7.37	10.15

## Balance Sheet Ratios

Debtors Turnover (days)	43	43	43	35	37
Inventory Turnover	60	67	81	77	78
Current Ratio	3.53	3.06	3.01	2.83	3.15
Asset Turnover	5.80	3.65	3.10	3.72	3.85
Debt-Equity	0.07	0.07	0.04	0.15	0.15

## Per Share Data - Rs.

EPS	74.54	81.76	69.31	55.16	81.70
CEPS	107.80	142.42	131.40	121.91	156.96
Book Value	592.65	639.03	705.79	771.69	838.89

## Shareholder Statistics

DPS	13	15	15	15	20
Dividend (%)	130	150	150	150	200
Dividend Payout (Rs)	2,259	4,245	2,238	2,238	2,985
Dividend Payout (%)	20	35	22	27	24





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