

Ref:- CHO/2024-25/BSE

Date: 6th September, 2024

To,

The Manager (Listing),

Corporate Relationship Department,

BSE Limited,

Phiroze Jeejeebhoy Towers,

Dalal Street, Mumbai-400 001

Scrip Code: 530545

Scrip ID: COSCO

Sub: Annual Report of Cosco (India) Limited for the financial year 2023-24.

Dear Sir,

Pursuant to Regulation 34 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, please find enclosed herewith, the Annual Report of the Company for the financial year 2023-24 including notice of 45th AGM of the members of Cosco (India) Limited.

The said Notice along with the Annual Report for the financial year 2023-24 has been sent electronically to the members whose e-mail addresses are registered with the Registrar and Share Transfer Agent ("RTA") of the Company i.e., Skyline Financial Services Private Limited, the Company and the Depositories viz. the National Securities Depository Limited and Central Depository Services (India) Limited. The Notice convening the AGM along with the Annual Report has also been uploaded on the Company's website at www.cosco.in.

This is for your information and records.

Thanking You,

Yours faithfully,

FOR COSCO (INDIA) LIMITED

Sudha Singh

Sudha Singh

(Company Secretary & Compliance Officer)

Encl. as above



BOARD OF DIRECTORS

DEVINDER KUMAR JAIN
NARINDER KUMAR JAIN
ARUN JAIN
MANISH JAIN
PANKAJ JAIN
NEERAJ JAIN
TEJAL JAIN
VINEET BHUTANI
GAUTAM MACKER
ANURAG GUPTA
SUDHIR KALRA
VIVEK SHARMA

MANAGING DIRECTOR AND CEO
MANAGING DIRECTOR
WHOLE TIME DIRECTOR AND CFO
WHOLE TIME DIRECTOR
WHOLE TIME DIRECTOR
WHOLE TIME DIRECTOR
INDEPENDENT DIRECTOR
INDEPENDENT DIRECTOR
INDEPENDENT DIRECTOR
INDEPENDENT DIRECTOR
INDEPENDENT DIRECTOR
INDEPENDENT DIRECTOR

REGISTERED OFFICE

COSCO (INDIA) LIMITED
(CIN: L25199DL1980PLC010173)
2/8 ROOP NAGAR,
DELHI-110 007
E-MAIL: MAIL@COSCO.IN

BRANCH OFFICES

- 244, BASTI GUZAN, NEAR BABRIK CHOWK, JALANDHAR-144 002 (PUNJAB)
- BLDG. No.: A-9, GALA No.: 16, 17, 18 & 19, GROUND FLOOR, HARIHAR COMPLEX DAPODE, NEAR MANKOLI NAKA, TALUKA: BHIWANDI, DISTT.: THANE-421302 (MAHARASHTRA)

WORKS

1688-2/31, RAILWAY ROAD
NEAR RAILWAY STATION
GURUGRAM-122 001 (HARYANA)
E-MAIL: GURGAON@COSCO.IN

AUDITORS

M/S MADAN & ASSOCIATES
CHARTERED ACCOUNTANTS
1003 KAILASH BUILDING
K.G. MARG, NEW DELHI-110 001

BANKERS

BANK OF INDIA
KOTAK MAHINDRA BANK LTD.

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COSCO (INDIA) LIMITED (CIN: L25199DL1980PLC010173)

Registered Office: 2/8, Roop Nagar, Delhi-110 007;

Website: www.cosco.in; Email: mail@cosco.in; Tel: 91-11-23843000; Fax: 91-11-23846000

NOTICE OF ANNUAL GENERAL MEETING

(Pursuant to Section 101 of the Companies Act, 2013)

Notice is hereby given that the Forty-Fifth Annual General Meeting of the Members of Cosco (India) Limited (CIN: L25199DL1980PLC010173) will be held on Monday, the 30th September, 2024 at 12.00 Noon through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS:

Item 1

Adoption of Financial Statements

To receive, consider and adopt the Audited Financial Statements for the Financial Year ended on 31st March, 2024 which includes Balance Sheet as at 31st March, 2024, Statement of Profit and Loss, Cash Flow Statement of the Company and Statement of changes in Equity for the year ended 31st March, 2024 along with Notes annexed thereto and the Reports of the Directors' and the Auditors' thereon.

Item 2

Appointment of Mr. Arun Jain (DIN: 01054316) as a director, liable to retire by rotation

To appoint a Director in place of Mr. Arun Jain (DIN: 01054316), who retires by rotation and, being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

Item 3

Reappointment of Shri Devinder Kumar Jain as Managing Director

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

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment(s) of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the time being in force, and in accordance with the Articles of Association of the Company, approvals and recommendations of the Nomination and Remuneration Committee, and Board of Directors, the approval of the Company, be and is hereby accorded to the reappointment of Shri Devinder Kumar Jain (DIN: 00191539) as Managing Director of the Company in the whole time employment of the Company for a period of Three (3) years with effect from 16th March, 2025 till 15th March, 2028 as per the terms, conditions and remuneration set forth herein.

Remuneration

- i. Salary ₹ 4,95,000 per month w.e.f. 01.04.2024 for the current year ending 31st March 2025 and ₹ 5,35,000 per month w.e.f. 01.04.2025 and thereafter with an annual increment of ₹ 40,000 per month w.e.f. 01.04.2026.
- ii. House Rent Allowance 50% of Salary.

Perquisites

Shri Devinder Kumar Jain shall also be eligible to the following perquisites:

Part A : (Not to be included in ceiling on remuneration):

- i. Contribution to Provident Fund, Contribution to Provident Fund, Superannuation or Annuity fund to the extent these either singly or put together are not taxable under the

| | |
|--------------------------------|--|
| Superannuation or Annuity Fund | Income Tax Act including any statutory modification(s) or re-enactment thereof. |
| ii. Gratuity | Gratuity payable at a rate not exceeding half month's salary for each completed year of service. |
| iii. Leave encashment | As permissible under The Companies Act 2013 and Schedule V and Rules framed thereunder. |

Part B : (To be included in ceiling on remuneration):

| | |
|---------------------------------|--|
| i. Furniture & Furnishing | The Company will provide furniture and furnishing for the residential accommodation subject to ceiling of ₹ 1 Lakh per annum. |
| ii. Medical & Hospitalization | Actual Medical expenses including hospitalization for self and dependent members of family. |
| iii. Accident Insurance Premium | Annual subject to ceiling of ₹ 10,000 per annum. |
| iv. Leave Travel Concession | For self and family as permissible in the Income Tax Act and Rules. |
| v. Car with Driver | Shall be provided for use for Company's Business. In case driver is not provided then the Company shall reimburse the actual expenses incurred by the Director for engaging a driver. |
| vi. Telephone(s) | Telephone(s) shall be provided at the residence for the benefit of Company's business, the cost of which shall be borne/paid by the Company. Mobile Phone (s) to be provided for Company's business use. |
| vii. Club(s) Fees & Expenses | Fees and expenses for self and family subject to a maximum of ₹ 1Lakh per annum. |

The perquisite value of above perquisites if so specified, shall be computed as per provisions of the Companies Act, 2013 read with Rules framed there under. Otherwise the same shall be taken as per Income Tax Act and Rules/Company Rules / other applicable Statutory provisions in force from time to time as the case may be.

Explanation: Family means the spouse, the dependent children and dependent parents of the appointee.

RESOLVED FURTHER THAT in the event of inadequacy or absence of Profit in any financial year, the remuneration payable to Shri Devinder Kumar Jain shall be governed by Section II of Part II of Schedule V of the Companies Act, 2013, or any statutory amendment/modification(s) thereof.

RESOLVED FURTHER THAT in the event of any statutory amendment(s) or modification(s) in the Companies Act, 2013 and/or Schedule V of the Companies Act, 2013, the Board of Directors and/or Committee thereof be and is hereby authorized to alter and vary and/or restructure the remuneration including the Salary, perquisites, allowances etc. within such prescribed limits or ceiling without any further Resolution or consent or reference to the members in General Meeting, subject however to the provisions of Section 197 of the Companies Act, 2013 and subject further to the same falling within the powers of the Nomination and Remuneration Committee and Board.

RESOLVED FURTHER THAT his term of office shall not be liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds, things and matters as may be necessary to give effect to the above Resolution(s).”

Item 4

Reappointment of Shri Narinder Kumar Jain as Managing Director

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

“**RESOLVED THAT** pursuant to the provisions of Section 196, 197, 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements)

Regulations, 2015, including any statutory modification(s) or re-enactment(s) of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the time being in force, and in accordance with the Articles of Association of the Company, approvals and recommendations of the Nomination and Remuneration Committee, and Board of Directors, the approval of the Company, be and is hereby accorded to the reappointment of Shri Narinder Kumar Jain (DIN: 00195619) as Managing Director of the Company in the whole time employment of the Company for a period of Three (3) years with effect from 16th March, 2025 till 15th March, 2028 as per the terms, conditions and remuneration set forth herein.

Remuneration

- | | |
|--------------------------|--|
| i. Salary | ₹ 4,95,000 per month w.e.f. 01.04.2024 for the current year ending 31 st March 2025 and ₹ 5,35,000 per month w.e.f. 01.04.2025 and thereafter with an annual increment of ₹ 40,000 per month w.e.f. 01.04.2026. |
| ii. House Rent Allowance | 50% of Salary. |

Perquisites

Shri Narinder Kumar Jain shall also be eligible to the following perquisites:

Part A : (Not to be included in ceiling on remuneration):

- | | |
|---|--|
| i. Contribution to Provident Fund, Superannuation or Annuity Fund | Contribution to Provident Fund, Superannuation or Annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act including any statutory modification(s) or re-enactment thereof. |
| ii. Gratuity | Gratuity payable at a rate not exceeding half month's salary for each completed year of service. |
| iii. Leave encashment | As permissible under The Companies Act 2013 and Schedule V and Rules framed thereunder. |

Part B : (To be included in ceiling on remuneration):

- | | |
|---------------------------------|--|
| i. Furniture & Furnishing | The Company will provide furniture and furnishing for the residential accommodation subject to ceiling of ₹ 1 Lakh per annum. |
| ii. Medical & Hospitalization | Actual Medical expenses including hospitalization for self and dependent members of family. |
| iii. Accident Insurance Premium | Annual Premium subject to ceiling of ₹ 10,000 per annum. |
| iv. Leave Travel Concession | For self and family as permissible in the Income Tax Act and Rules. |
| v. Car with Driver | Shall be provided for use for Company's Business. In case driver is not provided then the Company shall reimburse the actual expenses incurred by the Director for engaging a driver. |
| vi. Telephone(s) | Telephone(s) shall be provided at the residence for the benefit of Company's business, the cost of which shall be borne/paid by the Company. Mobile Phone (s) to be provided for Company's business use. |
| vii. Club(s) Fees & Expenses | Fees and expenses for self and family subject to a maximum of ₹ 1 Lakh per annum. |

The perquisite value of above perquisites if so specified, shall be computed as per provisions of the Companies Act, 2013 read with Rules framed there under. Otherwise the same shall be taken as per Income Tax Act and Rules/Company Rules / other applicable Statutory provisions in force from time to time as the case may be.

Explanation: Family means the spouse, the dependent children and dependent parents of the appointee.

RESOLVED FURTHER THAT in the event of inadequacy or absence of Profit in any financial year, the remuneration payable to Shri Narinder Kumar Jain shall be governed by Section II of Part II of Schedule V of the Companies Act, 2013, or any statutory amendment/modification(s) thereof.

RESOLVED FURTHER THAT in the event of any statutory amendment(s) or modification(s) in the Companies Act, 2013 and/or Schedule V of the Companies Act, 2013, the Board of Directors and/or Committee thereof be and is hereby authorized to alter and vary and/or restructure the remuneration including the Salary, perquisites, allowances etc. within such prescribed limits or ceiling without any further Resolution or consent or reference to the members in General Meeting, subject however to the provisions of Section 197 of the Companies Act, 2013 and subject further to the same falling within the powers of the Nomination and Remuneration Committee and Board.

RESOLVED FURTHER THAT his term of office shall not be liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds, things and matters as may be necessary to give effect to the above Resolution(s)."

NOTES

1. Pursuant to the General Circular Nos. 14/2020 dated April 8, 2020 and 17/2020 dated April 13, 2020, in relation to "Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013", General Circular Nos. 20/2020 dated May 5, 2020, 10/2022 dated December 28, 2022 and subsequent circulars issued in this regard, the latest being 09/2023 dated September 25, 2023 in relation to "Clarification on holding of Annual General Meeting ('AGM') through Video Conferencing (VC) or Other Audio Visual Means (OAVM)", (collectively referred to as "MCA Circulars") the Company is convening the 45th AGM through Video Conferencing ('VC')/Other Audio Visual Means ('OAVM'), without the physical presence of the Members at a common venue. Further, the Securities and Exchange Board of India ('SEBI'), vide its Circulars dated May 12, 2020, January 15, 2021, May 13, 2022, January 5, 2023 and October 7, 2023 ('SEBI Circulars') and other applicable circulars issued in this regard, has provided relaxations from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). In compliance with the provisions of the Companies Act, 2013 ('the Act'), the Listing Regulations and MCA Circulars, the 45th AGM of the Company is being held through VC/OAVM on Monday, September 30, 2024 at 12:00 Noon IST.

The facility to attend the 45th AGM of the Company through Video Conference/Other Audio Visual means, in compliance with the provisions of MCA Circular as mentioned above by members/shareholders on the date of the AGM will be provided by Company's Registrars and Share Transfer Agents, M/s. Skyline Financial Services Private Limited.

2. **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. However, the Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.**
3. As per Regulation 40 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), securities of listed companies can be transferred only in dematerialised form with effect from 1st April, 2019, except in case of transmission or transposition of securities. Further, SEBI vide its Circular dated 25th January, 2022, has mandated that securities shall be issued only in dematerialised mode while processing duplicate/ unclaimed suspense/ renewal/ exchange/ endorsement/ sub-division/ consolidation/ transmission/ transposition service requests received from physical securities holders. In view of the above and to eliminate risk associated with physical shares and to avail various benefits of dematerialisation, Members are advised to dematerialise their shares held in physical form. Members are accordingly requested to get in touch with any Depository Participant having registration with SEBI to open a Demat account. Members may also visit website of depositories viz. National Securities Depository Limited at <https://nsdl.co.in/faqs/faq.php> or Central Depository Services (India) Limited at <https://www.cdslindia.com/Investors/open-demat.html> for further understanding the demat procedure.

Members can contact the Company or Company's Registrars and Share Transfer Agents, M/s Skyline Financial Services Private Limited for assistance in this regard.

4. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
5. In compliance with the aforesaid MCA and SEBI Circulars, Notice of the AGM along with the Annual Report 2023-24 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 2023-24 will also be available on the Company's website www.cosco.in, websites of the Stock Exchange i.e. BSE Limited at www.bseindia.com and on the website of NSDL <https://www.evoting.nsdl.com>.
6. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
7. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, PAN, mandates, nomination, power of attorney, bank details, bank account number, MICR code, IFSC, etc. ;:
 - (a) For shares held in electronic form: to their Dps.
 - (b) For shares held in physical form: The following details/documents should be sent to the Company's RTA
 - (i) Form ISR-1 along with supporting documents.

The said form is available on the website of the Company at <https://www.cosco.in/investors/holder-of-physical-securities> and on the website of the Company RTA Skyline Financial Services Pvt. Ltd. https://www.skylinerta.com/downloads_page.php
 - (ii) Cancelled cheque in original, bearing the name of the Member or first holder, in case shares are held jointly.
 - (iii) Bank attested legible copy of the first page of the Bank Passbook/Bank Statement bearing the names of the account holders, address, same bank account number and type as on the cheque leaf and full address of the bank branch.
 - (iv) Self-attested copy of the PAN Card of all the holders; and
 - (v) Self-attested copy of any document (such as Aadhaar Card, Driving License, Election Identity Card, Passport) in support of the address of the first holder as registered with the Company. To mitigate unintended challenges on account of freezing of folios, SEBI vide its Circular No. SEBI/HO/MIRSD/POD-1/P/ CIR/2023/181 dated November 17, 2023, has done away with the provision regarding freezing of folios not having PAN, KYC, and Nomination details. Further, Members are requested to refer to process detailed on https://www.skylinerta.com/downloads_page.php and proceed accordingly.

The Company has dispatched a letter to the Members holding shares in physical form in relation to the above referred SEBI Circular. Members who hold shares in dematerialised form and wish to update their PAN, KYC, Bank details and Nomination, are requested to contact their respective DPs. Further, Members holding shares in physical form are requested to ensure that their PAN is linked to Aadhaar Card.

SEBI vide Circular Nos. SEBI/HO/OIAE/OIAE_IAD-1/P/ CIR/2023/131 dated July 31, 2023, and SEBI/HO/OIAE/OIAE_IAD 1/P/CIR/2023/135 dated August 4, 2023, read with Master Circular No. SEBI/HO/OIAE/OIAE_IAD- 1/P/ CIR/2023/145 dated July 31, 2023 (updated as on August 11, 2023), has established a common Online Dispute Resolution Portal ('ODR Portal') for resolution of disputes arising in the Indian Securities Market. Pursuant to above-mentioned circulars, post exhausting the option to resolve their grievances with the RTA / Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal at <https://smartodr.in/login> .

8. Brief resume of Directors proposed to be appointed/re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and relevant provisions of the Companies Act, 2013 are annexed hereto read with the 'Report on Corporate

Governance –Annexure C1 to the Directors' Report'. The Company is in receipt of relevant disclosures/consents from the Directors pertaining to their appointment/reappointment. A Statement pursuant to section 102 of the Act forms a part of this Notice.

9. Members who have not registered their e-mail address so far are requested to register their e-mail address (or change, if any therein) with your Depository Participant (where shares are held in dematerialized form) or by sending an email to the Registrar and Share Transfer Agents, M/s Skyline Financial Services Pvt Ltd. stating clearly their name, folio no. if they are holding shares in physical form / DP Id & Client Id if they are holding shares in dematerialized form for receiving all communications including Annual Report, Notices, etc. from the Company electronically.

Members are requested to note that the Company's shares are under compulsory electronic trading for all investors. Members are, therefore, requested to dematerialise their shareholding to avoid inconvenience. Members whose shares are in electronic mode are requested to inform change of address and updates of bank account(s) to their respective Depository Participants.

10. All relevant documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company during normal office hours on all working days except Sundays and Holidays between 10.00 A.M. – 01.00 P.M. up to the date of the Annual General Meeting of the Company.
11. Register of Members and the Transfer Books for Equity Shares of the Company shall remain closed from 24th September, 2024 to 30th September, 2024 (Both days inclusive) for the purpose of ascertaining the names of Members.
12. Please send all correspondence including requests for transfer/transmission/Demat of Shares, change of address etc. to the Registrar and Share Transfer Agents, M/s Skyline Financial Services Pvt. Ltd., D – 153 A, 1st Floor, Okhla Industrial Area, Phase – I, New Delhi – 110020. Ph. 011-40450193 to 197, Fax: +91 11 26812682 E-mail ID:admin@skylinerta.com.
13. (i) Members seeking any information with regard to accounts or operations are requested to write to the Company latest by 20th September, 2024 through email on mail@cosco.in and sudha@cosco.in. The same will be replied by the Company suitably.
- (ii) **Transfer of Unclaimed / Unpaid amounts to the Investor Education and Protection Fund (IEPF):** Pursuant to the provisions of Section 124 of the Act, Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") read with the relevant circulars and amendments thereto, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund ("IEPF"), constituted by the Central Government.

During the Financial Year 2022-23 as per the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") 44,455 Equity Shares and an amount of Rs. 76,248 being unclaimed/unpaid dividend of the Company was transferred in October, 2022 to IEPF.

Pursuant to the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), the Company has uploaded the details of unpaid and unclaimed dividend amounts and Shares transferred to the IEPF Authority on the website of the Company at <https://www.cosco.in> and also on the website of the MCA at <http://www.iepf.gov.in/>.

Members whose unclaimed dividends/shares are transferred to the IEPF Authority can claim the same by making an online application to the IEPF Authority in the prescribed Form No. IEPF-5 by following the refund procedure as mentioned in detailed on the website of IEPF Authority <http://www.iepf.gov.in/IEPF/refund.html>.

14. Voting Process :

The Company has appointed C.S Mr. Ravi Sharma, (Membership No. 4468) Partner of M/s. R S M & Co, Practising Company Secretaries, Add :- 2E/207, 2nd floor, Caxton House Jhandewalan Extension, New Delhi 110 055; As scrutinizer to scrutinize the e-voting during the AGM and remote e-voting process in a fair and transparent manner. Members may note that the VC/OAVM facility provided by Skyline Financials Services Private Limited, allows participation of at least 1,000 Members on a first-come-first-served basis. The large shareholders (i.e. 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. can attend the AGM without any restriction on account of first-come-first-served principle. Members can join the AGM in the VC/OAVM mode 15 minutes before the scheduled time of the commencement of the meeting by following the procedure as mentioned in the notice.

14.1 E-Voting Facility: In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 and 21 of Companies (Management and Administration) Rules, 2014 as Amended by The Companies (Management and Administration) Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), read with SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December, 2020, Members are provided with the facility to cast their vote electronically, through e-voting services provided by NSDL on all resolutions set forth in this Notice, through remote e-voting and e-voting at the AGM.

The Instructions for Members for Remote E-Voting and Joining Annual General Meeting are as under:-

The remote e-voting period begins on 26th September, 2024 at 09:00 A.M. and ends on 29th September, 2024 at 05:00 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. 23rd September, 2024, 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 23rd September, 2024.

Cast 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. | 1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “ Beneficial Owner ” icon under “ Login ” which is available under ‘ IDeAS ’ 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 “ Access to e-Voting ” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL 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 & voting during the meeting. |

| Type of shareholders | Login Method |
|--|---|
| | <p>2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com_Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3. 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. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider 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.</p> <p>4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: center; align-items: center; gap: 20px;"> <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: center; align-items: center; gap: 20px; margin-top: 10px;">   </div> |
| <p>Individual Shareholders holding securities in demat mode with CDSL</p> | <p>1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password.</p> <p>2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & 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.</p> <p>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.</p> |

| | |
|--|---|
| <p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p> | <p>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p> <p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. 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.</p> |
|--|---|

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

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. 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 evoting@nsdl.com or call at.: 022-4886 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 helpdesk.evoting@cdslindia.com 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. Log-in to NSDL e-Voting website

| |
|--|
| <ol style="list-style-type: none"> 1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. 2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. 3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically. |
|--|

4. Your User ID details are given below :

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

5. Password details for shareholders other than Individual shareholders are given below:
- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - 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.
 - How to retrieve your 'initial password'?
 - 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'.
 - If your email ID is not registered, please follow steps mentioned below in **Process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:
- Click on “Forgot User Details/Password?”(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - Physical User Reset Password?” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join Annual General Meeting on NSDL e-Voting system.

- 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.
- Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the Annual 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.

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 contact@csrsm.com with a copy marked to evoting@nsdl.com. 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" display 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 "Forget User Details/Password? Or "Physical User Reset Password? Option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Question(FAQs) for Shareholders and e-Voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on :: 022-4886 7000 or send a request at evoting@nsdl.co.in or contact Ms. Pallavi Mhatre Senior Manager National Securities Depository Limited, Trade World, 'A' Wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013, Contact No: 022 - 4886 7000 at the designated e-mail id- evoting@nsdl.com, who will also address the grievances connected with voting by electronic means. Members may also write to the Company Secretary at the Company's e-mail address mail@cosco.in; sudha@cosco.in.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of email 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 mail@cosco.in; sudha@cosco.in.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account Statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to mail@cosco.in; sudha@cosco.in. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.com 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.

The Instructions for Members for e-Voting on the day of the Annual General Meeting 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. Members who need assistance before or during the AGM can contact Ms. Pallavi Mhatre Senior Manager

National Securities Depository Limited, Trade World, 'A' Wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013, Contact No: 022 - 4886 7000 at the designated e-mail id- evoting@nsdl.com .

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 General 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. 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 sudha@cosco.in till September 28, 2024 (12:00 Noon IST). Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The same will be replied by the company suitably. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
 6. Any person, 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 of 23rd September, 2024 may obtain the login ID and password by sending a request to Company's Registrar & Share Transfer Agent at admin@skylinerta.com or NSDL at evoting@nsdl.com However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.
 7. You can also update your mobile number and email ID in the user profile details of the folio which may be used for sending future communication.
- 14.2 The Voting rights of members shall be in proportion to their shares in the paid up equity share capital of the Company as on cut-off date. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting or voting at the AGM through e-voting.
- 14.3 The Scrutinizer shall, immediately after the completion of the scrutiny of the e-voting (votes cast during the AGM and votes cast through remote e-voting), within 2 working days from the conclusion of the AGM, submit a consolidated Scrutinizer's report of the total votes cast in favour and against the resolution(s), invalid votes, if any, and whether the resolution(s) has/have been carried or not, to the Chairman or a person authorized by him in writing.
- 14.4 The Results of voting along with the report of the Scrutinizer shall be placed on the website of the Company www.cosco.in and on the website of NSDL, immediately after the declaration of result by the Chairman of the meeting or a person authorized by him. The results shall also be communicated to the stock exchange BSE Ltd. where the shares of the Company are listed. Subject to the receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting i.e. September 30, 2024.

15. As per the provision of Section 72 of the Companies Act, 2013, the facility for making nomination is available for the Members in respect of the Shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The said form can be downloaded from the Company's website www.cosco.in Members holding shares in physical form may submit the same to Registrar and Share Transfer Agent of the Company, viz. M/s Skyline Financial Services Pvt. Ltd., Add: D – 153 A, 1st Floor, Okhla Industrial Area, Phase – I, New Delhi – 110 020. Members holding shares in electronic form may submit the same to their respective depository participants.

By order of the Board of Directors

Devinder Kumar Jain

(DIN: 00191539)

Managing Director and CEO

Registered Office:
2/8, Roop Nagar,
Delhi -110 007

Place: Delhi
Date: 30th May, 2024

I. DETAILS IN TERMS OF REGULATION 36 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

Item No. 2

In terms of Section 152(6) of the Companies Act, 2013, Mr. Arun Jain (DIN: 01054316) shall retire by rotation at the forthcoming AGM and being eligible offers himself for re-appointment. Mr. Arun Jain was appointed as a Whole-time Director of the Company designated as "Executive Director" for a period of three consecutive years with effect from 1st October, 2023. As per the terms of his appointment, his re-appointment at the 45th AGM as a director retiring by rotation would not constitute break in his appointment as a Whole-time Director, designated as "Executive Director".

Mr. Arun Jain aged 58 years, holds qualification of B.E., and M. Tech. and has vast experience of more than 32 years of Industrial Relation & Management, Financial Management and Research & Development of Rubber & Polymer Products.

He has held senior management position during his career. He joined Cosco (India) Limited in 2007 and held position of responsibility as CFO, streamlining Production Process and carrying on R&D activities.

Mr. Arun Jain is not debarred from holding the office of Director by virtue of any SEBI order or order by any other competent authority.

Shri Devinder Kumar Jain – Managing Director and CEO, Mr. Manish Jain Whole Time Director, Mr. Arun Jain and his relatives (to the extent of their shareholding in the Company, if any) are concerned or interested in the said Resolution(s). None of the other Directors and Key Managerial Personnel of the Company and their relatives are in any way concerned or interested, financially or otherwise, in the resolution set out at Item No. 2 of the accompanying Notice of the 45th AGM.

Upon his re-appointment as a director, Mr. Arun Jain shall continue to hold office as a Whole-time Director. Accordingly, the Board of Directors recommends his re-appointment to the members for their approval by way of an Ordinary Resolution as set out at Item No. 2 of the accompanying Notice of the 45th AGM.

II. EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 3

Shri Devinder Kumar Jain, aged about 86 years, is B.Sc. Graduate. He has vast experience of more than 63 years in Operational Management, Production Process, Business Planning, Development and Sourcing of new products. The Board of Directors feel that the experience of Shri Devinder Kumar Jain will be of immense help to the Company.

Shri Devinder Kumar Jain was re-appointed as Managing Director in the Annual General Meeting of the Shareholders held on 30th September, 2021 for a period of 3 years w.e.f. 16th March, 2022.

The Board at their meeting held on 30.05.2024 recommends the reappointment of Shri Devinder Kumar Jain as Managing Director of the Company for the further period of Three (3) years w.e.f. 16th March, 2025 upon the remuneration, terms & conditions as set out in the Resolutions(s) and which Nomination & Remuneration Committee has approved. The Board recommends the Resolution(s) for your approval.

Shri Devinder Kumar Jain satisfies all the conditions set out in Part-1 of Schedule V and under sub-section (3) of section 196 of the Companies Act, 2013 for being eligible for his re-appointment. He is not disqualified for being appointed as Directors in terms of section 164 of the Companies Act, 2013.

Shri Devinder Kumar Jain is not debarred from holding the office of Director by virtue of any SEBI order or order by any other competent authority.

Further, pursuant to SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the fees or compensation payable to Executive Directors who are promoters or members of the promoter group, shall be subject to the approval of the shareholders by Special Resolution(s) in General Meeting, if the annual remuneration payable to such Executive Director exceeds ₹ 5 Crore or 2.5% of the net profits of the Company, whichever is higher; or where there is more than one such director, the aggregate annual remuneration to such directors exceeds 5% of the net profits of the Company. The approval of the members to the proposed special resolution(s) set out at Item No. 3 of this Notice shall also meet the requirements of SEBI LODR mentioned above.

The Company, as on date, is not in default in payment of dues to any bank or public financial institution or to any other secured financial creditor, and accordingly their prior approval is not required for approving the proposed Special Resolutions(s).

The Board of Directors at their meetings held on May 30th, 2024, have considered this proposal and recommended/ approved the remuneration proposed to be paid to the managerial personnel, subject to approval of the Members by way of Special Resolution(s).

Mr. Arun Jain, Mr. Manish Jain-Whole Time Director(s), Shri Narinder Kumar Jain- Managing Director and Shri Devinder Kumar Jain –Managing Director and CEO, and his relatives (to the extent of their shareholding in the Company, if any) are concerned or interested in the said Resolution(s). None of the Other Directors/Key Management Person(s) or their relatives are in any way is concerned or interested in the Resolution(s) set out at Item No. 3.

The above may be treated as written memorandum setting out terms of re-appointment of Shri Devinder Kumar Jain under section 190 of the Companies Act, 2013.

Item No. 4

Shri Narinder Kumar Jain, aged about 83 years, is Graduate and Diploma in International Marketing. He has vast experience of more than 58 years in Marketing and Financial Planning and Management, Formulating Business Strategies and Public relation. The Board of Directors feel that the rich experience of Shri Narinder Kumar Jain will be of immense help to the Company.

Shri Narinder Kumar Jain was re-appointed as Managing Director in the Annual General Meeting of the Shareholders held on 30th September, 2021 for a period of 3 years w.e.f. 16th March, 2022.

The Board at their meeting held on 30.05.2024 recommends the reappointment of Shri Narinder Kumar Jain as Managing Director of the Company for the further period of Three (3) years w.e.f. 16th March, 2025 upon the remuneration, terms & conditions as set out in the Resolutions(s) and which Nomination & Remuneration Committee has approved. The Board recommends the Resolution(s) for your approval.

Shri Narinder Kumar Jain satisfies all the conditions set out in Part-1 of Schedule V and under sub-section (3) of section 196 of the Companies Act, 2013 for being eligible for his re-appointment. He is not disqualified for being appointed as Directors in terms of section 164 of the Companies Act 2013.

Shri Narinder Kumar Jain is not debarred from holding the office of Director by virtue of any SEBI order or order by any other competent authority.

Further, pursuant to SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the fees or compensation payable to Executive Directors who are promoters or members of the promoter group, shall be subject to the approval of the shareholders by Special Resolution(s) in General Meeting, if the annual remuneration payable to such Executive Director exceeds ₹ 5 Crore or 2.5% of the net profits of the Company, whichever is higher; or where there is more than one such director, the aggregate annual remuneration to such directors exceeds 5% of the net profits of the Company. The approval of the members to the proposed special resolution(s) set out at Item No. 3 of this Notice shall also meet the requirements of SEBI LODR mentioned above.

The Company, as on date, is not in default in payment of dues to any bank or public financial institution or to any other secured financial creditor, and accordingly their prior approval is not required for approving the proposed Special Resolutions(s).

The Board of Directors at their meetings held on May 30th, 2024, have considered this proposal and recommended/ approved the remuneration proposed to be paid to the managerial personnel, subject to approval of the Members by way of Special Resolution(s).

Shri Devinder Kumar Jain- Managing Director, Mr. Neeraj Jain-Whole Time Director, and Shri Narinder Kumar Jain –Managing Director, and his relatives (to the extent of their shareholding in the Company, if any) are concerned or interested in the said Resolution(s).None of the Other Directors/Key Management Person(s) or his relatives are in any way is concerned or interested in the Resolution(s) set out at Item No. 4.

The above may be treated as written memorandum setting out terms of re-appointment of Shri Narinder Kumar Jain under section 190 of the Companies Act, 2013.

By order of the Board of Directors

Devinder Kumar Jain
(DIN: 00191539)
Managing Director and CEO

Registered Office:
2/8, Roop Nagar,
Delhi -110 007

Place: Delhi
Date: 30th May, 2024

Statement forming part of Notice of 45th Annual General Meeting issued to the Shareholders of the Company pursuant to the requirements of Part II Section II of Schedule V to the Companies Act, 2013, Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 for Re-appointment and approval of Managerial Remuneration payable to the Managing Director(s) as per Agenda Items Nos. 3 & 4.

I. General Information:

| 1 | Nature of industry | The Company manufactures Sports Balls and deals in Sports Goods and Fitness Equipment's & allied items. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|---|--|---------------------------------------|--|--------------------------|--|--------------|--------------|--------------------|--|--------------------------------------|---------------------------------------|-------------------------|--|-----------|-----------|--------------|--|-------|-------|----------------------|--|------------------|------------------|-------------------|--|--|--|--------------------------------|--|----------|----------|--------------------------------|--|----------|----------|---|--|---------|----------|------------------------------|--|----------|----------|---------------------|--|--------|--------|--|--|--------|--------|--------------------|--|----------|----------|-----------------------|--|------------------|------------------|--------------------------|--|---------------|--------------|----------------------|--|--|--|-------------|--|--------|-------|---------------------------|--|--------|------|--------------|--|------|---------|--|--|---------------|--------------|---|--|--|--|--|--|------|------|--|--|--------|--------|---|--|-------------|-------------|--|--|---------------|--------------|---------------------------|--|--|--|------------------|--|--------|--------|-----------------|--|----------|----------|---------------------|--|-----------------|-----------------|---|--|-----------------|-----------------|--|--|-------|-------|--|--|--|--|--------------------------|--|----------|----------|-----------|--|--|--|---|--|-------|-------|--|--|-----------------|-----------------|-------------------------|--|------|------|--|--|------------|------------|
| 2 | Date or expected date of commencement of commercial production | Existing Company. Already in commercial production. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 3 | In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus | NotApplicable | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 4 | Financial performance based on given indicators | <table border="1"> <thead> <tr> <th colspan="2">FINANCIAL RESULTS</th> <th>(₹ in Lakhs)</th> <th>(₹ in Lakhs)</th> </tr> <tr> <th colspan="2">Particulars</th> <th>Current Year ended 31.03.2024</th> <th>Previous Year ended 31.03.2023</th> </tr> </thead> <tbody> <tr> <td>Revenue from operations</td> <td></td> <td>17,655.17</td> <td>15,251.52</td> </tr> <tr> <td>Other income</td> <td></td> <td>94.51</td> <td>66.79</td> </tr> <tr> <td>Total revenue</td> <td></td> <td>17,749.68</td> <td>15,318.31</td> </tr> <tr> <td colspan="4">Expenses :</td> </tr> <tr> <td>(a) Cost of materials consumed</td> <td></td> <td>3,412.67</td> <td>3,251.29</td> </tr> <tr> <td>(b) Purchase of stock-in-trade</td> <td></td> <td>7,319.66</td> <td>6,934.96</td> </tr> <tr> <td>(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade</td> <td></td> <td>(41.03)</td> <td>(688.45)</td> </tr> <tr> <td>(d) Employee benefit expense</td> <td></td> <td>1,983.67</td> <td>1,826.29</td> </tr> <tr> <td>(e) Financial costs</td> <td></td> <td>523.13</td> <td>514.78</td> </tr> <tr> <td>(f) Depreciation and amortisation expenses</td> <td></td> <td>237.58</td> <td>191.95</td> </tr> <tr> <td>(g) Other expenses</td> <td></td> <td>3,844.94</td> <td>3,196.99</td> </tr> <tr> <td>Total expenses</td> <td></td> <td>17,280.62</td> <td>15,227.81</td> </tr> <tr> <td>Profit before tax</td> <td></td> <td>469.06</td> <td>90.50</td> </tr> <tr> <td colspan="4">Tax expenses:</td> </tr> <tr> <td>Current tax</td> <td></td> <td>150.05</td> <td>36.98</td> </tr> <tr> <td>Earlier year tax expenses</td> <td></td> <td>(5.39)</td> <td>2.40</td> </tr> <tr> <td>Deferred tax</td> <td></td> <td>3.61</td> <td>(16.93)</td> </tr> <tr> <td>Profit after tax for the period</td> <td></td> <td>320.79</td> <td>68.05</td> </tr> <tr> <td colspan="4">Other Comprehensive Income net of Income tax</td> </tr> <tr> <td>i) Items that will not be reclassified to profit or (loss)</td> <td></td> <td>5.81</td> <td>4.00</td> </tr> <tr> <td>ii) Income tax relating to items that will not be reclassified to profit or (loss)</td> <td></td> <td>(1.46)</td> <td>(1.01)</td> </tr> <tr> <td>Other Comprehensive Income for the year net of Tax</td> <td></td> <td>4.35</td> <td>2.99</td> </tr> <tr> <td>Total Comprehensive income for the year</td> <td></td> <td>325.14</td> <td>71.04</td> </tr> <tr> <td colspan="4">Shareholders funds</td> </tr> <tr> <td>a) Share capital</td> <td></td> <td>416.10</td> <td>416.10</td> </tr> <tr> <td>b) Other equity</td> <td></td> <td>4,564.67</td> <td>4,239.43</td> </tr> <tr> <td>Total Equity</td> <td></td> <td>4,980.67</td> <td>4,655.54</td> </tr> <tr> <td>Long term borrowings (unsecured)</td> <td></td> <td>1,450.00</td> <td>1,450.00</td> </tr> <tr> <td>Long term borrowings from Bank (secured)</td> <td></td> <td>98.60</td> <td>93.96</td> </tr> <tr> <td colspan="4">Short term borrowings from Banks (secured)</td> </tr> <tr> <td>a) Working capital loans</td> <td></td> <td>2,035.85</td> <td>1,780.56</td> </tr> <tr> <td>b) Others</td> <td></td> <td></td> <td></td> </tr> <tr> <td>(Current maturity of long term borrowings from Banks)</td> <td></td> <td>59.65</td> <td>44.79</td> </tr> <tr> <td>Short term borrowings - Unsecured</td> <td></td> <td>1,976.06</td> <td>1,874.56</td> </tr> <tr> <td>Investments-non current</td> <td></td> <td>0.05</td> <td>0.05</td> </tr> <tr> <td></td> <td></td> <td>Nil</td> <td>Nil</td> </tr> </tbody> </table> | | | FINANCIAL RESULTS | | (₹ in Lakhs) | (₹ in Lakhs) | Particulars | | Current Year ended 31.03.2024 | Previous Year ended 31.03.2023 | Revenue from operations | | 17,655.17 | 15,251.52 | Other income | | 94.51 | 66.79 | Total revenue | | 17,749.68 | 15,318.31 | Expenses : | | | | (a) Cost of materials consumed | | 3,412.67 | 3,251.29 | (b) Purchase of stock-in-trade | | 7,319.66 | 6,934.96 | (c) Changes in inventories of finished goods, work-in-progress and stock-in-trade | | (41.03) | (688.45) | (d) Employee benefit expense | | 1,983.67 | 1,826.29 | (e) Financial costs | | 523.13 | 514.78 | (f) Depreciation and amortisation expenses | | 237.58 | 191.95 | (g) Other expenses | | 3,844.94 | 3,196.99 | Total expenses | | 17,280.62 | 15,227.81 | Profit before tax | | 469.06 | 90.50 | Tax expenses: | | | | Current tax | | 150.05 | 36.98 | Earlier year tax expenses | | (5.39) | 2.40 | Deferred tax | | 3.61 | (16.93) | Profit after tax for the period | | 320.79 | 68.05 | Other Comprehensive Income net of Income tax | | | | i) Items that will not be reclassified to profit or (loss) | | 5.81 | 4.00 | ii) Income tax relating to items that will not be reclassified to profit or (loss) | | (1.46) | (1.01) | Other Comprehensive Income for the year net of Tax | | 4.35 | 2.99 | Total Comprehensive income for the year | | 325.14 | 71.04 | Shareholders funds | | | | a) Share capital | | 416.10 | 416.10 | b) Other equity | | 4,564.67 | 4,239.43 | Total Equity | | 4,980.67 | 4,655.54 | Long term borrowings (unsecured) | | 1,450.00 | 1,450.00 | Long term borrowings from Bank (secured) | | 98.60 | 93.96 | Short term borrowings from Banks (secured) | | | | a) Working capital loans | | 2,035.85 | 1,780.56 | b) Others | | | | (Current maturity of long term borrowings from Banks) | | 59.65 | 44.79 | Short term borrowings - Unsecured | | 1,976.06 | 1,874.56 | Investments-non current | | 0.05 | 0.05 | | | Nil | Nil |
| FINANCIAL RESULTS | | (₹ in Lakhs) | (₹ in Lakhs) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Particulars | | Current Year ended 31.03.2024 | Previous Year ended 31.03.2023 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Revenue from operations | | 17,655.17 | 15,251.52 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Other income | | 94.51 | 66.79 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total revenue | | 17,749.68 | 15,318.31 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Expenses : | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (a) Cost of materials consumed | | 3,412.67 | 3,251.29 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (b) Purchase of stock-in-trade | | 7,319.66 | 6,934.96 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (c) Changes in inventories of finished goods, work-in-progress and stock-in-trade | | (41.03) | (688.45) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (d) Employee benefit expense | | 1,983.67 | 1,826.29 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (e) Financial costs | | 523.13 | 514.78 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (f) Depreciation and amortisation expenses | | 237.58 | 191.95 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (g) Other expenses | | 3,844.94 | 3,196.99 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total expenses | | 17,280.62 | 15,227.81 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Profit before tax | | 469.06 | 90.50 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Tax expenses: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Current tax | | 150.05 | 36.98 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Earlier year tax expenses | | (5.39) | 2.40 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Deferred tax | | 3.61 | (16.93) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Profit after tax for the period | | 320.79 | 68.05 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Other Comprehensive Income net of Income tax | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| i) Items that will not be reclassified to profit or (loss) | | 5.81 | 4.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| ii) Income tax relating to items that will not be reclassified to profit or (loss) | | (1.46) | (1.01) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Other Comprehensive Income for the year net of Tax | | 4.35 | 2.99 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total Comprehensive income for the year | | 325.14 | 71.04 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Shareholders funds | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| a) Share capital | | 416.10 | 416.10 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| b) Other equity | | 4,564.67 | 4,239.43 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total Equity | | 4,980.67 | 4,655.54 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Long term borrowings (unsecured) | | 1,450.00 | 1,450.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Long term borrowings from Bank (secured) | | 98.60 | 93.96 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Short term borrowings from Banks (secured) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| a) Working capital loans | | 2,035.85 | 1,780.56 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| b) Others | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (Current maturity of long term borrowings from Banks) | | 59.65 | 44.79 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Short term borrowings - Unsecured | | 1,976.06 | 1,874.56 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Investments-non current | | 0.05 | 0.05 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | Nil | Nil | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 5 | Foreign investments or collaborators, if any | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

II. Information about the Appointees whose remuneration terms have been revised.

(i) Shri Devinder Kumar Jain –Managing Director and CEO

| 1 | Background details | | <p>1.1 D.O.B 9th June, 1938, 1.2 Age 86 years 1.3 Qualification B.Sc. 1.4 Experience 63 years of experience</p> | | | | | | | | | | | | | | | |
|---------------|--|------------------------------------|---|---|--|--|--|--|--------|-----|------------------------------------|-----------------|---|-----------|-----------|--------|----------|--------|
| 2 | Past Remuneration | | <p>Remuneration paid during FY 2023–24:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="5" style="text-align: right;">Amount in (₹)</th> </tr> <tr> <th style="width: 20%;">Salary</th> <th style="width: 20%;">HRA</th> <th style="width: 20%;">PF (Employer's Contribution)</th> <th style="width: 20%;">Medical Exp.</th> <th style="width: 20%;">Car Perk (Valued as per Income Tax Rules)</th> </tr> </thead> <tbody> <tr> <td style="text-align: right;">54,60,000</td> <td style="text-align: right;">27,30,000</td> <td style="text-align: right;">21,600</td> <td style="text-align: right;">2,04,633</td> <td style="text-align: right;">39,600</td> </tr> </tbody> </table> <p>Other Perks and Allowances (not included above) :</p> <p>i) Gratuity payable at a rate not exceeding half month's salary for each completed year of service ii) Leave encashment; iii) Telephones provided for official use.</p> | Amount in (₹) | | | | | Salary | HRA | PF (Employer's Contribution) | Medical Exp. | Car Perk (Valued as per Income Tax Rules) | 54,60,000 | 27,30,000 | 21,600 | 2,04,633 | 39,600 |
| Amount in (₹) | | | | | | | | | | | | | | | | | | |
| Salary | HRA | PF (Employer's Contribution) | Medical Exp. | Car Perk (Valued as per Income Tax Rules) | | | | | | | | | | | | | | |
| 54,60,000 | 27,30,000 | 21,600 | 2,04,633 | 39,600 | | | | | | | | | | | | | | |
| 3 | Recognition or awards | | --- | | | | | | | | | | | | | | | |
| 4 | Job profile and his suitability | | Managing Director and CEO of the Company, Operational Management, Business Planning, Development and Sourcing of new products. Managing the affairs of the Company effectively for the last many years. | | | | | | | | | | | | | | | |
| 5 | Remuneration proposed | | As per details given in the main body of the Resolution(s) | | | | | | | | | | | | | | | |
| 6 | Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin) | | The proposed remuneration is justified in consideration of the responsibilities shouldered by him and it commensurates with the nature and size of the Company. No Industry specific comparative data available. | | | | | | | | | | | | | | | |
| 7 | Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any. | | Promoter Director Cum Shareholder of the Company. Related to Shri Narinder Kumar Jain - Managing Director, Mr. Manish Jain and Mr. Arun Jain Whole Time Director(s) of the Company. | | | | | | | | | | | | | | | |
| 8 | Date of First appointment in the Board of the Company | | 25/01/1980 | | | | | | | | | | | | | | | |
| 9 | Details of Other Directorships, Membership/ Chairmanship of Committees of Boards/ other Public Limited Company | | None in any other Public Limited Company. | | | | | | | | | | | | | | | |
| 10 | No. of Meetings of the Board Attended During FY 2023-24. | | 4 | | | | | | | | | | | | | | | |
| 11 | Number of Shares held in the Company | | 1,46,820 Equity Shares held in his Individual capacity. | | | | | | | | | | | | | | | |

(ii) Shri Narinder Kumar Jain – Managing Director

| 1 | Background details | <p>1.1 D.O.B 5th July, 1941 1.2 Age 83 Years 1.3 Qualification Graduate and Diploma in International Marketing 1.4 Experience 58 years of experience</p> | | | | | | | | | | |
|-----------|--|--|-----------------|---|------------------------------------|-----------------|---|-----------|-----------|--------|----------|--------|
| 2 | Past Remuneration | <p>Remuneration paid during FY 2023–24:</p> <p style="text-align: right;">Amount in (₹)</p> <table border="1" data-bbox="596 510 1228 713"> <thead> <tr> <th>Salary</th> <th>HRA</th> <th>PF (Employer's Contribution)</th> <th>Medical Exp.</th> <th>Car Perk (Valued as per Income Tax Rules)</th> </tr> </thead> <tbody> <tr> <td>54,60,000</td> <td>27,30,000</td> <td>21,600</td> <td>2,78,836</td> <td>39,600</td> </tr> </tbody> </table> <p>Other Perks and Allowances (not included above) :</p> <p>i) Gratuity payable at a rate not exceeding half month's salary for each completed year of service ii) Leave encashment; iii) Telephones provided for official use.</p> | Salary | HRA | PF (Employer's Contribution) | Medical Exp. | Car Perk (Valued as per Income Tax Rules) | 54,60,000 | 27,30,000 | 21,600 | 2,78,836 | 39,600 |
| Salary | HRA | PF (Employer's Contribution) | Medical Exp. | Car Perk (Valued as per Income Tax Rules) | | | | | | | | |
| 54,60,000 | 27,30,000 | 21,600 | 2,78,836 | 39,600 | | | | | | | | |
| 3 | Recognition or awards | --- | | | | | | | | | | |
| 4 | Job profile and his suitability | Marketing and Financial Planning and Management, Formulating Business Strategies, Public relation. Well experienced in Management, Marketing and Finance. | | | | | | | | | | |
| 5 | Remuneration proposed | As per details given in the main body of the Resolution(s). | | | | | | | | | | |
| 6 | Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin) | The proposed remuneration is justified in consideration of the responsibilities shouldered by him and it commensurates with the nature and size of the Company. No Industry specific comparative data available. | | | | | | | | | | |
| 7 | Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any. | Promoter Director Cum Shareholder of the Company. Related to Shri Devinder Kumar Jain –Managing Director and CEO, and Mr. Neeraj Jain- Whole Time Director of the Company. | | | | | | | | | | |
| 8 | Date of First appointment in the Board of the Company | 29/09/1989 | | | | | | | | | | |
| 9 | Details of Other Directorships, Membership/ Chairmanship of Committees of Boards /other Public Limited Companies | None in any other Public Limited Company. | | | | | | | | | | |
| 10 | Number of Meetings of the Board Attended during FY 2023-24 | 4 | | | | | | | | | | |
| 11 | Number of Shares held in the Company | 1,53,707 Equity Shares held in his Individual capacity. | | | | | | | | | | |

III. OTHER INFORMATION

| | | |
|---|---|---|
| 1 | Reasons of inadequate profits | <p>Though the performance of the company during the year ended 31.03.2024 was progressive with better profitability, the Profits remained inadequate due to the following reasons :</p> <ul style="list-style-type: none"> > Competition in Domestic Markets; > Stagnancy in Exports; > Significant Increase in Employee Benefit Expense; > Brand infringement by grey market operator; |
| 2 | Steps taken or proposed to be taken for improvement. | <ul style="list-style-type: none"> i. Forming strategies to expand and Strengthen the Marketing network to capitalize on 'Cosco' Brand name; ii. Development and expansion through addition of new products & designs to scale up new product lines; iii. Cost control & Cost cutting in respect of manufactured products, product re-engineering and sourcing good quality products range at competitive prices ; iv. Remedial measures to check grey market by changing packing and designs . v. Steps taken for domestic production of some products for Import substitution; vi. Carrying Research and Development in continuity for better and new product(s) development; |
| 3 | Expected increase in productivity and profit in measurable terms. | <p>Sales Turnover during the current year 2024-25 is expected to increase by about 10% and profits likely to rise by more than 25%.</p> <p>Online marketing of products will also help to increase sales in future. The Company expects to earn more than 3% net profit before Tax.</p> |

IV. DISCLOSURES:

| | | |
|---|--|--|
| 1 | All the elements of remuneration package such as salary, benefits, bonuses, stock Options, pension, etc. of all the directors; | Details of Remuneration packages of Shri Devinder Kumar Jain and Shri Narinder Kumar Jain requiring Shareholders approval by Special Resolution(s) is given in the Resolutions under Agenda items No. 3 & 4. |
| 2 | Details of Fixed Component and performance linked incentives along with the performance criteria; | No performance linked incentives. |
| 3 | Service contracts, notice period, severance fees; | Being reappointed for 3 years as given in the Resolutions under Agenda items No. 3 & 4, No Notice Period; No severance fees; |
| 4 | Stock options details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable. | NIL /N.A. |

Details of the Directors retiring by rotation seeking Appointment/Reappointment at the forthcoming Annual General Meeting in pursuance of the Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and relevant provisions of the Companies Act, 2013 and Secretarial Standard-2 of ICSI.

| | | |
|---|--|--|
| Name of Director | Shri Devinder Kumar Jain (DIN:00191539) | Shri Narinder Kumar Jain (DIN:00195619) |
| Date of Birth & Age | 9 th June, 1938, 86 Years | 5 th July, 1941 , 83 Years |
| Designation / Category of Director | Managing Director and CEO | Managing Director |
| Date of Appointment | 25 th January, 1980 | 29 th September, 1989 |
| Expertise in specific Functional/Professional areas | Corporate Management, Production Process, Business Planning Development & Sourcing of the New Products. | Marketing, Financial Planning and Management. Formulating Business Strategies, Public Relations. |
| Qualifications | B. Sc. | Graduate and Diploma in International Marketing |
| Details of Directorships held in other Companies | Cosco International Private Limited DDN Polymers Pvt. Ltd. Navendu Investment Company Private Limited Radhaphool Fin-Investments Pvt. Ltd. *Cosco Polymer Lanka (Private) Ltd. (*Company under Liquidation) | Cosco International Private Limited DDN Polymers Pvt. Ltd. Navendu Investment Company Private Limited Radhaphool Fin-Investments Pvt. Ltd. *Cosco Polymer Lanka (Private) Ltd. (*Company under Liquidation) |
| Memberships/ Chairmanships of committees of other companies (excluding foreign companies) | - | - |
| Name of listed entities from which the person has resigned in the past three years | Nil | Nil |
| Number of Meetings of the Board Attended during FY 23-24 | 4 | 4 |
| Number of Shares held in the Company | 1,46,820 Equity Shares held in his Individual capacity | 1,53,707 Equity Shares held in his Individual capacity |
| Relationship with other Directors, Managers, and other Key Managerial | Promoter Director Cum Shareholder of the Company Related to Shri Narinder Kumar Jain – Managing Director, Mr. Arun Jain –Whole Time Director and Mr. Manish Jain –Whole Time Director of the Company. | Promoter Director Cum Shareholder of the Company. Related to Shri Devinder Kumar Jain –Managing Director and CEO, and Mr. Neeraj Jain-Whole Time Director of the Company. |
| Terms and Conditions of appointment /reappointment | Reappointment as Managing Director w.e.f 16 th March, 2025 with remuneration as stated in Item No. 3 of the Notice. | Reappointment as Managing Director w.e.f 16 th March, 2025 with remuneration as stated in Item No. 4 of the Notice. |

| | |
|---|--|
| Name of Director | Mr. Arun Jain (DIN:01054316) |
| Date of Birth & Age | 25 th January, 1966, 58 Years |
| Designation / Category of Director | Whole Time Director and CFO |
| Date of Appointment | 1 st May, 2007 |
| Expertise in specific Functional/Professional areas | Vast experience in Industrial Relationship & Management, Financial Management and Research and Development of Rubber and Polymer products. |
| Qualifications | B.E and M. Tech. |
| Details of Directorships held in other Companies | Cosco Polymer Lanka (Private Limited) Company under Liquidation. |
| Memberships/ Chairmanships of committees of other companies (excluding foreign companies) | Nil |
| Name of listed entities from which the person has resigned in the past three years | Nil |
| Number of Meetings of the Board Attended during FY 23-24 | 5 |
| Number of Shares held in the Company | 84,400 Equity Shares in his Individual capacity and 500 Equity Shares as Karta of Arun Jain H.U.F. |
| Disclosure of relationships between Directors inter-se | Promoter Director Cum Shareholder of the Company. Related to Shri Devinder Kumar Jain – Managing Director and Mr. Manish Jain–Whole Time Director of the Company. |
| Terms and Conditions of appointment / reappointment | In terms of Section 152(6) of the Companies Act, 2013, Mr. Arun Jain (DIN: 01054316) shall retire by rotation at the ensuing AGM and being eligible offers himself for re-appointment. |

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 45th Board's Report, along with the Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows, for the financial year ended March 31st, 2024.

FINANCIAL RESULTS

| Particulars | Current Year ended 31.03.2024 | Previous Year ended 31.03.2023 |
|---|----------------------------------|-----------------------------------|
| | (₹ in Lakhs) | (₹ in Lakhs) |
| Revenue from operations | 17,655.17 | 15,251.52 |
| Other income | 94.51 | 66.79 |
| Total revenue | 17,749.68 | 15,318.31 |
| Total Expenses before Depreciation and amortisation expenses and Finance costs | 16,519.91 | 14,521.08 |
| Profit before Depreciation & Amortisation, Finance costs and Tax expense | 1229.77 | 797.23 |
| Less: Depreciation & Amortisation expenses | 237.58 | 191.95 |
| Profit before Finance costs and Tax expense | 992.19 | 605.28 |
| Less: Finance costs | 523.13 | 514.78 |
| Profit before Tax expense | 469.06 | 90.50 |
| Tax expenses: | | |
| Current tax | 150.05 | 36.98 |
| Tax adjustment related to earlier years | (5.39) | 2.40 |
| Deferred tax | 3.61 | (16.93) |
| Total Tax: | 148.27 | 22.45 |
| Profit for the period from continuing operations | 320.79 | 68.05 |
| Other Comprehensive Income, net of Income Tax | | |
| i) Items that will not be reclassified to profit or loss | 5.81 | 4.00 |
| ii) Income tax relating to items that will not be re-classified to profit or loss | (1.46) | (1.01) |
| Other Comprehensive income for the year (net of tax) | 4.35 | 2.99 |
| Total Comprehensive Income for the year | 325.14 | 71.04 |

COMPANY'S PERFORMANCE AND STATE OF AFFAIRS FOR FINANCIAL YEAR 2023-24

The Revenue from Sale of Products for the current year ended 31.03.2024 was ₹ 17,626.38 Lakhs against previous year's sales of ₹ 15,222.24 Lakhs—registering growth in double digit of 15.79% over the previous year. The exports were higher at ₹ 544.92 Lakhs (Previous year ₹ 376.56 Lakhs) in F.O.B value terms an increase of about 44.71%. The Revenue from services for the current year amounted to ₹ 9.20 Lakhs (Previous year ₹ 5.64 Lakhs). Other Operating Income was ₹ 19.59 Lakhs (Previous Year ₹ 23.64 Lakhs) which includes Export Incentives viz. Duty Drawback ₹ 6.79 Lakhs (Previous Year ₹ 5.26 Lakhs).

According to the International Monetary Fund (IMF), the global growth decelerated to 3.20 % during 2023 from 3.50 percent during 2022. The baseline forecast is for the world economy to continue growing at 3.20 % during 2024 and 2025, at the same pace as in 2023. A slight acceleration for advanced economies—where growth is expected to rise from 1.60 % in 2023 to 1.70 % in 2024 and 1.80 % in 2025 will be offset by a modest slowdown in emerging market and developing economies from 4.30 % in 2023 to 4.20 % in both 2024 and 2025.

During FY 2023-24 the pace of economic activity was dragged down, inter alia, by restrictive monetary policy stances to tame inflation, protracted geopolitical tensions and sluggish recovery in China. The global environment continued to be challenged by the continuing war between Russia and Ukraine and the ongoing conflict between Israel and Gaza. The potential impact of climate change became increasingly evident, with economic losses due to extreme weather events. Global inflation fell to 6.80 % in 2023 from 8.70 % in 2022 on the back of easing commodity prices, favourable supply conditions and monetary tightening across major economies. Global inflation is forecast to decline steadily, from 6.80 % in 2023 to 5.90 % in 2024 and 4.50 % in 2025, with advanced economies returning to their inflation targets sooner than emerging market and developing economies. Core inflation is generally projected to decline more gradually.

The Indian economy exhibited resilience during 2023-24 amidst global uncertainty, with real GDP growth improving to 7.60 % from 7.0 % in 2022-23, supported by robust fixed investment. Despite the challenging global landscape during the year, India emerged as the fastest-growing major economy, driven by a robust push in capital formation with public investment leading the path. The large domestic consumption basket in the country also supported this growth, though overall, it showed signs of moderation from the earlier years. Government-led strategic reforms, substantial investments in physical and digital infrastructure, and initiatives like 'Make in India' and the Production-Linked Incentive (PLI) scheme bolstered the country's growth, resilience, and self-reliance. On the supply side, economic activity was supported by the improvement in the manufacturing sector's profitability which benefitted from lower input prices as well as the sustained momentum in services activity, offsetting the slowdown in the agricultural sector. Headline inflation moderated during 2023-24 into the tolerance band on the back of anti-inflationary monetary policy, active supply management measures, and corrections in global commodity prices. Core inflation exhibited a broad based disinflation and has moved below 4 % from December 2023. As headline inflation eases towards the target, it will spur consumption demand especially in rural areas.

The external sector's strength and buffers in the form of foreign exchange reserves will insulate domestic economic activity from global spillovers. Geopolitical tensions, geo-economic fragmentation, global financial market volatility, international commodity price movements and erratic weather developments pose down side risks to the growth outlook and upside risks to the inflation outlook. The Indian economy would also have to navigate the medium-term challenges posed by rapid adoption of AI/ML technologies and recurrent climate shocks. Even so, it is well placed to step-up its growth trajectory over the next decade in an environment of macroeconomic and financial stability so as to achieve its developmental aspirations by reaping its demographic dividend and exploiting its competitive advantages that have placed it as the fastest growing major economy of the world.

(Note: Read more on the macroeconomic landscape and business outlook in Management Discussion & Analysis section in this Integrated Annual Report)

The objective of the Management is to build a sustainable organization that remains relevant to the agenda of our clients, while creating growth opportunities for our employees and generating profitable growth for our investors.

The management is optimistic about the better performance of the Company during the current year both in terms of sales and profitability and is confident that the Company will continue to be on the growth path in the subsequent years. The Company manufactures/source internationally at competitive prices quality products and develop/source new products on regular basis. The Company is expanding its product range of quality products and the marketing network in its endeavor to improve top line as well as net margins. The Company has also initiated steps for production of some of substitutes under 'Aatma Nirbhar Bharat Abhiyan'. There is consistent demand of Sports goods and Health & Fitness goods from Individuals and Households. 'COSCO' is a leading brand in the Sports and Fitness segment in the domestic market. The Management is continuously taking effective steps to further boost 'COSCO' Brand Value, which will help in driving growth. .

The Net Worth of the Company as at 31.03.2024 was ₹ 4,980.67 Lakhs (Previous Year ₹ 4,655.53 Lakhs).

Status of Investments made in the erstwhile Subsidiary Company M/s Cosco Polymer Lanka (Private) Limited (CPLPL): As reported in earlier year(s), M/s Cosco Polymer Lanka (Private) Limited, has been scheduled in the

Revival of Underperforming Enterprises or Underutilized Assets Act, No 43 of 2011 (of Sri Lanka). The Shares of the WOS are vested in Secretary to the Treasury of Government of Sri Lanka pursuant to acquisition by the Government under 'Revival of Under Performing Enterprises or Under Utilized Assets Act of Sri Lanka (Act No. 43 of 2011)'. Competent Authority appointed under the Act is controlling, administering and managing such Enterprises/Units/Assets. The Act (of Sri Lanka), provides for payment of compensation to the Shareholders. The Compensation Tribunal vide its letter Ref: Com T/01/27 dated 08.12.2015, has allowed compensation of LKR 480 lakhs (Equivalent INR 133.20* lakhs) and after deducting LKR 16.74 lakhs (due for Board of Investment (BOI) of Sri Lanka as at the date of vesting, the net compensation payable is LKR 463.26 lakhs (Equivalent INR 128.55* lakhs). The amount is yet to be released and the same shall be credited to Liquidator, since Cosco Polymer Lanka (Private) Ltd. has been ordered to be wound up by the Hon'ble High Court of the Western Province, (Exercising Civil Jurisdiction in Colombo (Sri Lanka)- Case Ref. No. HC (Civil) 40/2013(CO). The management does not expect any net realisable value of its investment in the erstwhile subsidiary. However realisation, if any, shall be accounted for in the year of actual receipt.

"Consolidated Financial Statements" as per Accounting Standard 21/Ind AS 110 issued by the Institute of Chartered Accountants of India, have not been prepared since the company is under liquidation.

* Exchange rate as on 31.03.2024: 1 LKR = INR 0.2775

DIVIDEND

Board does not recommend any dividend for Financial Year 2023-24 to consolidate financial position of the Company.

TRANSFERS TO RESERVES

The opening balance of General Reserve is ₹ 1,125.17 Lakhs and same is retained as on 31.03.2024. The Board of Directors of your Company, has decided not to transfer any amount to the Reserves for the year under review. The balance in Retained earnings ₹ 3109.41 Lakhs (Previous year ₹ 2788.62 Lakhs) includes Current year's Net Profit from continuing operations ₹ 320.79 Lakhs (Previous year ₹ 68.05 Lakhs).

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Sections 134 (3) (c) and 134(5) of the Companies Act, 2013, your Directors, to the best of their knowledge and belief and according to the information and explanations obtained by them and based on the internal controls, compliance systems established and maintained by the Company, make the following statement that:

- i. in the preparation of the annual accounts for the year ended 31st March, 2024, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- ii. the Directors 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 as at 31st March, 2024 and of the profit of the Company for the year ended on that date;
- iii. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. the Directors have prepared the annual accounts on a going concern basis;
- v. the Directors have laid down internal financial controls to be followed by the Company and generally such internal financial controls are adequate and operating effectively; and
- vi. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the internal, statutory and secretarial auditors and external consultants, including the audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by management and the relevant board committees, including the audit committee, the Board is of the opinion that the Company's internal financial controls were adequate and reasonably effective during FY 2023-2024 and shall take needful effective steps/corrective measures in some areas, which need improvement as reported by the Auditors.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of Section 152 and other applicable provisions, if any, of the Act and the Articles of Association of the Company, Mr. Arun Jain (DIN: 01054316) Director of the Company retire by rotation at the ensuing Annual General Meeting and, being eligible, offers himself for re-appointment. Based on performance evaluation and recommendation of the Nomination and Remuneration Committee, Board recommends his reappointment.

Shri Devinder Kumar Jain (DIN:00191539) Managing Director & CEO and Shri Narinder Kumar Jain (DIN: 00195619) as Managing Director of the Company had been reappointed in the 42nd Annual General Meeting held on 30th September, 2021 for a term of 3 years w.e.f 16th March, 2022 till 15th March, 2025. Their term of reappointment will expire on 15th March, 2025.

Based on the recommendation of the Nomination and Remuneration Committee of the Company and being satisfied on the performance evaluation, considering the role played by them and to reap the benefits of their rich and varied experience, the Board at its Meeting held on 30th May 2024 has recommended the re-appointment of Shri Devinder Kumar Jain (DIN:00191539) and Shri Narinder Kumar Jain (DIN:00195619) as Managing Directors of the Company for further period of 3 years w.e.f 16th March, 2025 to 15th March, 2028 upon the remuneration, terms and conditions as set out in the notice of the ensuing Annual General Meeting and same is approved by the Nomination and Remuneration Committee as per the provisions of the Companies Act, 2013 and Schedule V of the Companies Act, 2013 and Rules framed thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment(s) of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the time being in force, and in accordance with the Articles of Association of the Company.

The Resolutions seeking approval of the members by way of Special Resolution(s) for the re-appointment of Shri Devinder Kumar Jain and Shri Narinder Kumar Jain have been incorporated in the notice of the forthcoming Annual General Meeting of the Company along with the brief details about them.

The disclosures required pursuant to Regulation 36 of the SEBI Listing Regulations and the SS-2 on General Meeting are given in the Notice of AGM, forming part of the Annual Report.

The Managing Director & CEO and Independent Directors of the Company are not liable to retire by rotation.

Pursuant to the provisions of Section 149 of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, and after the members approvals in the 43rd Annual General Meeting held on 30.09.2022, Mr. Vineet Bhutani (DIN:02033791), Mr. Gautam Macker (DIN:00542563), Mr. Vivek Sharma (DIN:00278406), Mr. Anurag Gupta (DIN:00701005) and Mr. Sudhir Kalra (DIN:09704840) have been appointed as Independent Directors of Cosco (India) Limited for a term of 5 years w.e.f. 01.10.2022.

Ms. Tejal Jain (DIN: 09219682) Independent Director, completed her 1st term of appointment on 30th September 2022 and Reappointed for 2nd term as Independent Director of Cosco (India) Limited w.e.f 01.10.2022 with the approval of members in the 43rd Annual General Meeting held on 30.09.2022.

The terms and conditions of appointment of Independent Directors are available on the website of the Company at www.cosco.in. No Director has resigned from the Board during the financial year under review.

Independent Director(s), Mr. Vineet Bhutani (DIN:02033791), Mr. Gautam Macker (DIN:00542563), Mr. Vivek Sharma (DIN:00278406), Mr. Anurag Gupta (DIN:00701005), Mr. Sudhir Kalra (DIN:09704840) and Ms. Tejal Jain (DIN:09219682) shall hold office w.e.f. 1st October, 2022 for a period of five consecutive years till 30th September, 2027 and shall not be liable to retire by rotation.

Pursuant to the provisions of section 203 of the Companies Act, 2013, the key managerial personnel of the Company are:-

-Shri Devinder Kumar Jain (DIN: 00191539) - Managing Director and Chief Executive Officer of the company and Shri Narinder Kumar Jain (DIN: 00195619) - Managing Director of the Company, who were reappointed for a period Three (3) years with effect from 16th March 2022 till 15th March 2025 in the Annual General Meeting held on 30th September, 2021.

-Mr. Pankaj Jain (DIN:00190414) – Whole Time Director and CFO of the Company resigned as CFO w.e.f 23.05.2023 to focus on other areas. He shall continue to hold office as Whole Time Director of the Company
-Mr. Arun Jain (DIN:01054316)-Whole Time Director, appointed as CFO of the Company w.e.f 30.05.2023 based on the recommendation and approval of the Nomination and Remuneration Committee, Audit Committee and the Board.

- Ms. Sudha Singh -Company Secretary, w.e.f 1st May, 2015.

During the year, the non-executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than the payment of sitting fees for Board's meeting and reimbursement of expenses, if any, incurred by them for the purpose of attending meetings of the Company.

All Independent Directors of the Company have given declarations under Section 149(7) of the Act, that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations. In terms of Regulations 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

None of the Director of the Company are disqualified from being appointed as Directors as specified under Section 164(1) and 164(2) of the Act read with Rule 14(1) of the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force) or are debarred or disqualified by the Securities and Exchange Board of India ("SEBI"), Ministry of Corporate Affairs ("MCA") or any other such statutory authority and they have given their consent in writing to act as Director(s).

MEETINGS OF THE BOARD

During the year 2023-2024, Five (5) Board Meetings and Five (5) Audit Committee Meetings were held. In accordance with requirement, other committee meetings were held from time to time and one separate meeting of Independent Directors was also held. Relevant details of the meetings are given in the Corporate Governance Report, which form part of this report. The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on meetings of the Board of Directors and General Meetings;

BOARD EVALUATION

The annual evaluation process of the Board of Directors, individual Directors and Committees was conducted in accordance with the provision of the Act and the SEBI Listing Regulations. The Board evaluated its performance after seeking inputs from all the Directors on the basis of criteria such as the Board composition and structure, effectiveness of Board processes, information and functioning, etc. The performance of the Committees was evaluated by the Board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc.

The above criteria are broadly based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India.

The Board and the Nomination and Remuneration Committee (NRC) reviewed the performance of individual Directors on the basis of criteria such as the contribution of the individual Director to the Board and Committee Meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

In a separate meeting of Independent Directors, performance of Non-Independent Directors and the Board as a whole was evaluated. Additionally, they also evaluated the Managing Directors of the Board, taking into account the views of Executive and Non-Executive Directors in the aforesaid Meeting.

The Board also assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The above evaluations were then discussed in the Board Meeting and performance evaluation of Independent directors was done by the entire Board, excluding the Independent Director being evaluated.

The Board expressed its satisfaction with the Evaluation results, which reflects the high degree of engagement of the Board and its committees with the company and its Management.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS

The Company's policy on Directors' appointment and remuneration and other matters provided in Section 178(3) of the Act (salient features) has been briefly disclosed hereunder;

Selection and procedure for nomination and appointment of Directors

The Policy of the Company on Directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a director and other matters, as required under sub-section (3) of Section 178 of the Companies Act, 2013, is available on the Company website www.cosco.in

In terms of the provisions of Section 178(3) of the Act, and Regulation 19 of the SEBI Listing Regulations, the NRC has formulated the criteria for determining qualifications, positive attributes and independence of Directors. The key features of which are as follows:

- **Qualifications** – The Board nomination process encourages diversity of thought, experience, knowledge, age and gender. It also ensures that the Board has an appropriate blend of functional and industry expertise.
- **Positive Attributes** - Apart from the duties of Directors as prescribed in the Act the Directors are expected to demonstrate reasonable standards of ethical behavior, communication skills and independent judgment. The Directors are also expected to abide by the respective Code of Conduct as applicable to them.
- **Independence** - A Director will be considered independent if he / she meets the criteria laid down in Section 149(6) of the Act, the Rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations.

The Directors affirm that the remuneration paid to Directors, KMPs and employees is as per the Remuneration Policy of the Company.

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has adequate internal control systems inter alia including system of internal financial controls, commensurate with the size and scale of its business operations. The system of internal financial control strives to ensure that all transactions are evaluated, authorized, recorded and reported accurately and that all assets are safeguarded and protected against losses that may arise from unauthorized use or disposition. Based on the framework of internal financial controls and compliance systems put in place by the Company, and the reviews performed by management and the audit committee, the board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2023-24. The company will further strengthen its Internal Financial Controls in areas observed by the Auditors.

The details in respect of internal control and their adequacy included in the management discussion & analysis, forms part of this report.

AUDITORS

M/s. Madan & Associates, Chartered Accountants (ICAI Registration No.: 000185N) were appointed as the Statutory Auditors at 43rd Annual General Meeting (AGM) of the Company held on 30th September, 2022 from the conclusion of 43rd AGM till the conclusion of 48th AGM of the Company to be held in the year 2027.

INDEPENDENT AUDITORS' REPORT

The Auditors' Report do not contain any qualifications or adverse remarks.

We have taken note of the Auditors' observations w.r.t. the Internal Audit System of the company (Refer Annexure B to the Auditors' Report – Sub clause (xiv) of Companies Auditors Report Order, 2020), which as per the Auditors needs to be *substantially strengthened considering the size and the nature of its business in terms of scope, coverage and compliance thereof and that the internal audit reports for the year under audit, issued to the Company close to the signing of their reports could not be considered in determining the nature, timing and extent of their audit procedures, which observation was also made by the Auditors in their last year report.* In this regard, as explained last year, the management is of the view that the Internal Audit System is reasonably effective having regard to the medium scale (MSME) category of the company and since all significant transactions and day to day operations are monitored, controlled, authorized and managed by the top management. The Management of the company, in consultation with the Auditors, will endeavor to further strengthen the internal audit in terms of scope, coverage and compliance thereof as may be specifically advised/desired by the Auditors and considered necessary by the Management. Further the Internal Audit is continuous process and invariably quarterly Internal Audit reports are issued to the Company by the Internal Auditors. The Internal Audit Report(s) for the last 2 quarters ended 31.12.2023 & 31.03.2024 were issued on 17.05.2024 by the Internal Auditors before the signing of the Independent Auditors Report. The Internal Audit Reports for earlier quarters ended till 30.09.2023 were issued well before the date of signing of the statutory audit report. However, the Management shall endeavor to get the Internal Audit completed well in advance.

We have also taken note of the observations, of the Auditors reported in their Report on the Internal Financial Controls inter-alia including those reported last year also, for further strengthening of certain areas of Internal Financial Controls viz. Purchases: Rates/ prices negotiated by the top management. Negotiations are not fully documented;

Inventory : The controls regarding physical verification of work in progress needs to strengthened and verification should be done by stopping the operations. The inventories should be monitored closely to keep inventories at reasonable levels to improve Inventory Turnover Ratio. Excess inventory should be ascertained periodically and got liquidated strategically at the earliest. Similarly, slow moving / non-moving stocks should be liquidated promptly at periodical intervals;

Trade Receivables: More proactive actions required to effectuate recovery of Old Receivables –more specifically which are outstanding for more than one year. Also, where there are inordinate delays in payments, such customers should be monitored selectively and effectively through MIS. Invariably some customers avail extended credit - Credit discipline need to be enforced in these cases. ;

Fixed Assets Physical verification: needs improvement to see all items of PPE are physically verified in phase of 3 years;

Expenditure Budgeting having regard to sales forecast, production and procurement plan;

Volume of Expense through petty cash: needs to be reduced to the extent possible;

Timely recording of Transactions involving TDS/TCS provisions and obtention of declaration from clearing Agents for non-applicability of TDS provisions.

The Company's Management is of the view that most of the Internal Financial Controls are reasonably effective as stated in our last year's Board Report, However, the management is taking more effective steps in continuity to further strengthen the Internal Financial Controls in respect of all these areas, inter-alia Purchase: Timely and proper documentation of finalized/negotiated price for purchase; The strengthening of controls regarding physical verification of WIP suggested to be done by stopping operations -presently being done at year end; Monitoring of Inventories to keep inventories at reasonable levels to improve Inventory Turnover Ratio-being monitored regularly on monthly basis by top Management; More efforts are being made and steps taken to liquidate the slow or non-moving stocks periodically; Trade Receivables-These are being monitored closely by senior executives and top management, recovery of old receivables is being pursued, credit discipline is being enforced more proactively, And steps have been taken for taking confirmations periodically from trade receivables and well before approval of financial statements; Fixed Assets Physical -most of the

items of PPE are physically verified in phase of 3 years; Volume of Expenses through petty Cash, which are being incurred due to business exigencies, shall be reduced to the extent possible; TDS and TCS: Timely recording and obtaining Necessary confirmations from concerned shipping agents/parties are being pursued. Most of these Auditors observations were reported last year also and dealt with in the last year Directors Report. Remedial actions and steps are being taken to further strengthen the Internal Financial Controls in respect of these areas to the extent feasible.

The Statutory Auditors of the Company have not reported any fraud as specified under the second proviso to Section 143(12) of the Act. Other observation/comments, if any, in the Independent Auditors Report read with the Notes to the Financial Statements, are self explanatory and need no further clarification /explanation.

SECRETARIAL AUDITORS' REPORT

Report of the Secretarial Auditor is given as an **Annexure-A** which forms part of this Report. Secretarial Auditors' Report do not contain any qualifications, reservations, adverse remarks or disclaimers, which needs any comments/explanation.

INTERNAL AUDITORS

M/s PARM & Associates LLP, Chartered Accountants perform the duties of Internal Auditors of the Company and their report is reviewed by the audit committee from time to time.

COST AUDITORS

As per the Companies (Cost Records and Audit) Rules, 2014, as amended by the Companies (Cost Records and Audit) Amendments Rules, 2014, 2016 and 2018, the maintenance of Cost Records has not been specified by the Central Government and as such Cost Audit is not applicable to our Company.

AUDIT COMMITTEE

The composition, terms of reference etc. of the Audit Committee is provided in Corporate Governance Report which forms part of this Annual Report. There have been no instances of non-acceptance of any recommendations of the Audit Committee by the Board during the financial year under review.

NOMINATION AND REMUNERATION COMMITTEE

The details pertaining to composition of Nomination and Remuneration Committee are included in the Corporate Governance Report, which forms part of this report.

Policy on determining the criteria for determining qualifications, positives attributes and independence of a director is available on the Company website www.cosco.in.

CORPORATE SOCIAL RESPONSIBILITY

The provisions of section 135 of the Companies Act, 2013 are not applicable to our company for the year ended 31.03.2024.

RISK MANAGEMENT POLICY

The Company has an integrated risk management framework through which it identifies, monitors, mitigates and reports key risks that impacts its ability to meet the strategic objectives. A note on the policy of the Company on risk management is provided in this Annual Report under Management Discussion and Analysis Report (**Refer Annexure –D** which form part of this report).

PARTICULARS OF LOANS, GUARANTEES, INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The particulars of loans, guarantees and investments have been disclosed in the financial statements. No additional Loans given, Guarantee provided or Investment made by the Company during the reporting year, which are covered under the provisions of Section 186 of the Companies Act, 2013.

TRANSACTIONS WITH RELATED PARTIES

All contracts/ arrangements/ transactions entered by the Company during the FY 2023-24 with related parties were on an arm's length basis and approved by the Audit Committee. Transactions, which were repetitive in nature, were approved through omnibus route.

As per the SEBI Listing Regulations, if any Related Party Transactions ('RPT') exceeds ₹ 1,000 crore or 10% of the annual consolidated turnover as per the last audited financial statement whichever is lower, would be considered as material and would require Members approval. There were no material transactions of the Company with any of its related parties as per the Act.

Therefore the disclosure of the Related Party Transactions as required under Section 134(3)(h) of the Act in AOC-2 is not applicable to the Company for FY 2023-24 and, hence, the same is not required to be provided. The details of RPTs during FY 2023-24, including transaction with person or entity belonging to the promoter/promoter group which hold(s) 10% or more shareholding in the Company are provided in the accompanying financial statements.

During the FY 2023-24, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company other than sitting fees for attending Board Meeting and reimbursement of expenses, as applicable.

Pursuant to the requirements of the Act and the SEBI Listing Regulations the Company has formulated a policy on RPTs and is available on Company's website

https://www.cosco.in/uploads/investors/revise_policy_on_materiality_of_related_party_transaction_1649068668.pdf

MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF REPORT

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year 2023-24 and the date of this Report.

CHANGE IN THE NATURE OF BUSINESS

There is no change in the nature of the business during the financial year under review.

ANNUAL RETURN

Pursuant to Section 92(3) of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return for FY 2023-24 is available on Company's website at;

https://www.cosco.in/uploads/investors/annual_return_31_03_2024_1723445431.pdf

SUBSIDIARY/JOINT VENTURE/ASSOCIATE COMPANIES

Your Company does not have any subsidiary/joint venture/associate company within the meaning of the Companies Act, 2013.

INDEPENDENT DIRECTORS

In terms of Section 149 of the Act and the SEBI Listing Regulations, Ms. Tejal Jain (DIN:09219682), Mr. Vineet Bhutani (DIN:02033791), Mr. Gautam Macker (DIN:00542563), Mr. Vivek Sharma (DIN:00278406), Mr. Anurag Gupta (DIN:00701005) and Mr. Sudhir Kalra (DIN:09704840), are the Independent Directors of the Company as on date of this Report.

All Independent Directors of the Company have given declarations under Section 149(7) of the Act, that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations. In terms of Regulation 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

The Independent Directors of the Company have undertaken requisite steps towards the inclusion of their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs, in terms of Section 150 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

In the opinion of the Board, the Independent Directors possess the requisite expertise and experience and are persons of high integrity and repute. They fulfill the conditions specified in the Act as well as the Rules made thereunder and are independent of the management.

MANAGERIAL REMUNERATION & PARTICULARS OF EMPLOYEES

The information required under Section 197 of the Act, read with rule 5(1) of the Companies Appointment and Remuneration of managerial Personnel) Rules, 2014 are given below:

- a. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial Year

| Executive Directors | Ratio to median remuneration |
|--------------------------|------------------------------|
| Shri Devinder Kumar Jain | 55:1 |
| Shri Narinder Kumar Jain | 55:1 |
| Mr. Arun Jain | 43:1 |
| Mr. Manish Jain | 43:1 |
| Mr. Pankaj Jain | 43:1 |
| Mr. Neeraj Jain | 43:1 |

| Non Executive Directors | Ratio to median remuneration |
|-------------------------|---|
| Ms. Tejal Jain | Not Applicable (Independent Directors are paid only sitting fees and reimbursement of expenses, if any, for attending Board Meetings. No other Remuneration has been paid to the Independent Directors). |
| Mr. Vineet Bhutani | |
| Mr. Gautam Macker | |
| Mr. Vivek Sharma | |
| Mr. Anurag Gupta | |
| Mr. Sudhir Kalra | |

- b. The percentage increase in Remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary in the financial year:

| Directors, Chief Executive Officers, Chief Financial Officer and Company Secretary | % increase in Remuneration in the financial year |
|--|---|
| Executive Directors :- | |
| Shri Devinder Kumar Jain | 9.64 |
| Shri Narinder Kumar Jain | 9.64 |
| Mr. Arun Jain | 9.38 |
| Mr. Manish Jain | 9.38 |
| Mr. Pankaj Jain | 9.38 |
| Mr. Neeraj Jain | 9.38 |
| Independent Directors :- | |
| Ms. Tejal Jain | Not Applicable (Independent Directors are paid only sitting fees and reimbursement of expenses, if any for attending Board Meetings. No other Remuneration has been paid to the Independent Directors). Details of Sitting fees paid/payable incorporated in Corporate Governance report. |
| Mr. Vineet Bhutani | |
| Mr. Gautam Macker | |
| Mr. Vivek Sharma | |
| Mr. Anurag Gupta | |
| Mr. Sudhir Kalra | |
| Ms. Sudha Singh – Company Secretary | 13.89 |

- c. The percentage increase in the median remuneration of employees in the Financial Year : 8.90 %
- d. The number of permanent employees on the rolls of the Company: 457
- e. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the Managerial remuneration:- Average percentile increase made in the employees remuneration other than Managerial Personnel in the last FY 2023-24 was approximately 4.18% to 25 % compared to the percentile increase of 9.38% to 9.64% in the remuneration of Managerial Personnel.

Remuneration of Managerial Personnel was as per the Remuneration Policy of the Company and within limits as approved by the members in the Annual General Meetings as per statutory requirements.

- f. Affirmation that the remuneration is as per the remuneration policy of the Company: The Company affirms remuneration is as per the remuneration policy of the Company.
- g. The statement containing particulars of employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Top Ten Employees in terms of Remuneration Drawn

| Employee Name | Designation | Remuneration (₹ in Lakhs) | Nature of employment | Qualification | Experience (in years) | Year of commencement of employment | Age | Last employment | % of Equity Shares | Whether employee is relative of Director or Manager |
|--------------------------|------------------------------------|---------------------------|----------------------|---|-----------------------|------------------------------------|-----|-----------------|--------------------|--|
| Shri Devinder Kumar Jain | Managing Director and CEO | 84.16 | Permanent | Graduate in B. Sc. | 63 | 1980 | 86 | NA | 3.53 | Relative of Shri. Narinder Kumar Jain- Mg. Director, Mr. Arun Jain-WTD and Mr. Manish Jain-WTD |
| Shri Narinder Kumar Jain | Managing Director | 84.90 | Permanent | Graduate and Diploma in International Marketing | 58 | 1989 | 83 | NA | 3.69 | Relative of Shri. Devinder Kumar Jain- Mg. Director & CEO and Mr. Neeraj Jain-WTD |
| Mr. Arun Jain | Whole -Time Director and CFO | 64.71 | Permanent | B.E., M. Tech. | 32 | 2007 | 58 | NA | 2.03 | Relative of Shri. Devinder Kumar Jain- Mg. Director & CEO and Mr. Manish Jain-WTD |
| Mr. Manish Jain | Whole -Time Director | 64.83 | Permanent | Qualified Engineer and MBA | 31 | 1998 | 54 | NA | 2.20 | Relative of Shri. Devinder Kumar Jain- Mg. Director & CEO and Mr. Arun Jain-WTD |
| Mr. Pankaj Jain | Whole -Time Director | 64.44 | Permanent | B. Com and MBA | 31 | 1998 | 53 | NA | 7.55 | -- |
| Mr. Neeraj Jain | Whole -Time Director | 64.23 | Permanent | B.E., M.Sc. & MBA | 30 | 1998 | 52 | NA | 2.37 | Relative of Shri. Narinder Kumar Jain- Mg. Director |
| Mr. Aakash Jain | Senior Executive | 18.75 | Permanent | B.Tech | 5 | 2019 | 28 | NA | 0.61 | Relative of Mr. Arun Jain WTD |
| Mr. Rajesh Kumar Khurana | Finance Manager & Head of Accounts | 13.05 | Permanent | B.Com(H), FCA | 42 | 1996 | 67 | NA | Nil | NA |
| Mr. Gawesh Narula | Senior Accounts Officer | 12.12 | Permanent | Graduate | 26 | 2005 | 54 | NA | Nil | NA |
| Mr. Manojit Chakraborty | Manager (Costing) | 12.00 | Permanent | Cost Accountant | 26 | 2005 | 57 | NA | Nil | NA |

* Gratuity not included.

h. Name of other employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 of the Companies Act, 2013 - Nil

DISCLOSURE REQUIREMENTS

As per SEBI Listing Regulations, Corporate Governance Report with Auditors' certificate thereon and Management Discussion and Analysis are attached, which form part of this Report.

Details of the familiarization programme of the Independent Directors are available on the website of the Company.

https://www.cosco.in/uploads/investors/familiarisation_programme_to_independent_directors_fy_2023_24_1713517357.pdf

Policy on dealing with related party transactions is available on the website of the Company.

https://www.cosco.in/uploads/investors/revise_policy_on_materiality_of_related_party_transaction_1649068668.pdf

There are no proceedings initiated/pending against your Company under the Insolvency and Bankruptcy Code, 2016 which materially impact the business of the Company.

There was no instance of one-time settlement with any Bank or Financial Institution.

Details as per Regulation 30(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Details of events which are material, pursuant to the proviso of Regulation 30(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These disclosures have been given under the head 'Contingent liabilities' (Note no.35 of Notes to Financial Statements).

As stated in the said note in addition, the company is subject to legal proceedings claims, which have arisen in the ordinary course of business. The company's management reasonably does not expect that outcome of these legal proceeding etc., when ultimately concluded and determined, will have adverse material effect on the company's results of operations or financial condition.

Unclaimed Dividends

Company had declared an interim Dividend for FY 2015-16 on 12.08.2015.

In terms of applicable provisions of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the IEPF Rules"), during the FY 2022-2023, unclaimed dividend amounting to ₹ 76,248 was transferred by the Company to the Investor Education and Protection Fund ("IEPF"), established by the Government of India.

Further, 44,455 Equity shares were transferred to the demat account of the IEPF Authority during the same year, in accordance with the IEPF Rules, as the dividend(s) has not been claimed by the shareholders for 7 (seven) consecutive years.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

To create enduring value for all stakeholders and ensure the highest level of honesty, integrity and ethical behaviour in all its operations, the Company has adopted a 'Whistle Blower policy/Vigil Mechanism' which provides for adequate safeguard against victimization of person who use such mechanism and the Directors and employees have direct access to the Chairman of the Audit Committee, in exceptional cases. The Vigil Mechanism (Whistle Blower Policy) is available on Company's website www.cosco.in at:

https://www.cosco.in/uploads/investors/whistle_blower_policy_1566037432.pdf

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

As per the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“the Prevention of Sexual Harassment Act”), the Company has formulated a Policy on Prevention of Sexual Harassment at Workplace for prevention, prohibition and redressal of sexual harassment at workplace and an Internal Complaints Committee has also been set up to redress any such complaints received.

The Company is committed to providing a safe and conducive work environment to all of its employees and associates. Further, the Policy also gives shelter to contract workers, probationers, temporary employees, trainees, apprentices of the Company and any person visiting the Company at its office.

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder.

There was no complaint received from any employee during the financial year 2023-24 and hence, no complaint is outstanding as on March 31st, 2024 for redressal.

DEPOSITS FROM PUBLIC

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the Balance Sheet.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

As required by the Companies (Matters to be included in the Report of Board of Directors) Rules 2014 the relevant information and data is given in **Annexure-B** annexed hereto and form part of this Report.

DEMATERIALIZATION OF SHARES

The Company shares are being dealt in dematerialized form. Shareholding of the Promoters/ Promoter Group has been substantially dematerialized.

LISTING

Your Company is listed with Stock Exchanges at Mumbai and Delhi. Annual Listing fee for the Financial Year 2023-24 and 2024 – 2025 paid to BSE Limited. No fees paid to Delhi Stock Exchange Limited since DSE is non functional.

CORPORATE GOVERNANCE

Your Company has taken adequate steps to ensure that mandatory provisions of 'Corporate Governance' as provided in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as per the provisions of Companies Act, 2013 are duly complied with.

Report on 'Corporate Governance' along with 'Certificate by Practicing Company Secretary' on compliance with the condition of Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed hereto as part of this report as **Annexures – C2 & C3** respectively.

Report on Management Discussion and Analysis is annexed hereto as **Annexure –D** and form part of this report.

INDUSTRIAL RELATIONS

The Company lays emphasis on all round development of its human resource. The industrial relations remained cordial during the year.



ACKNOWLEDGEMENTS

The Board of Directors places on record their sincere gratitude and appreciation for all the employees of the Company. Our consistent growth has been possible through their hard work, solidarity, cooperation, and dedication during the year.

The Directors acknowledge with thanks the continuous support and co-operation received from Bankers, Statutory and Internal Auditors, Customers, Suppliers, Dealers, Government Authorities and Regulators and all other business associates.

The Management also place on record their appreciation for the confidence reposed by the Stakeholders. The Directors appreciate and value the contributions made by each and every member and Stakeholder of the Company.

By order of the Board of Directors

Devinder Kumar Jain
Managing Director and CEO
DIN : 00191539

Narinder Kumar Jain
Managing Director
DIN : 00195619

Registered Office:
2/8, Roop Nagar,
Delhi – 110 007
Dated: 30th May, 2024

Secretarial Audit Report
[For the Financial Year ended on 31st March 2024]

[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,
Cosco (India) Limited
Registered Office: 2/8, Roop Nagar
New Delh-110 007

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and adherence to good corporate practices by the **Cosco (India) Limited (CIN- L25199DL1980PLC010173)** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records or registers maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31st March 2024**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-Processes and Compliance-Mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the period ended on **31st March 2024** according to the provisions of:

- (i) The Companies Act, 2013 (**the Act**) and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; Further, neither there was any transaction of Direct Investment, External Commercial Borrowings nor any transaction of Overseas Direct Investment which were required to be reported during the financial year.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz. ;
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not applicable to the Company during the Audit period);
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (Not applicable to the Company during the Audit period);
 - e. The Securities and Exchange Board of India (Issue and Listing of Non-convertible Securities) Regulations, 2021; (Not applicable to the Company during the Audit period);

- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; - Not Applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the financial year under review;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (Not applicable to the Company during the Audit period);
 - h. The Securities and Exchange Board of India (Buy back of Securities) Regulations, 2018 (Not applicable to the Company during the Audit period);
 - i. Securities and Exchange Board of India (Depository and Participants) Regulations, 2018;
 - j. The Securities and Exchange Board of India (Listing Obligations and Disclosures requirements) Regulations, 2015 (herein after referred as SEBI LODR);
- (vi) Other labour, environment and specific applicable Acts / Laws to the Company for which Secretarial Audit was conducted as an overview audit and was generally based / relied upon the documents provided to us & other audit report and certificates given by other professionals, the company has complied with the following Acts / Laws applicable to the Company during the audit period:
- a. The Rubber Act, 1947
 - b. The Petroleum Act, 1934
 - c. The Consumer Protection Act
 - d. The Legal Metrology Act, 2009
 - e. The Delhi Shops and Establishment Act, 1954
 - f. The Water (Prevention & Control of Pollution) Act, 1974
[Read with Water (Prevention & Control of Pollution) Rules, 1975]
 - g. Air (Prevention and Control of Pollution) Act, 1981 and Rules
 - h. The Environment (Protection) Act, 1986 (Read With The Environment (Protection) Rules, 1986)
 - i. Sexual Harassment of Women at Workplace Act, 2013
 - j. MSME Act, 2006
 - k. Labour Laws as applicable

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreement entered into by the Company with BSE Limited.

We have not examined the applicable financial laws, like direct and indirect tax laws, since the same have been subject to review by statutory financial audit and other designated professionals.

Based on the information received and records made available We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non Executive Directors, Independent Directors and Women Director.

Adequate notice was given to all directors to schedule the Board Meetings. Agenda and detailed notes on

agenda were sent at least seven days in advance. Further, a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All Decisions at the Board Meetings and Committee of Board were carried unanimously during the period under review.

The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel.

We further report that based on the information received and records maintained there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with other applicable laws, rules, regulations and guidelines.

We further report that during the audit period, there no major events/ actions have taken place having a major bearing on the Company's affairs in pursuance to the above referred laws, rules, regulations, guidelines, standards etc.

We further report that during the audit period, there were no instances of:

- a) Public / Right / Preferential Issue of Shares / Sweat Equity;
- b) Buy-back of Securities;
- c) Major decision taken by the members in pursuance to section 180 of the Companies Act, 2013.
- d) Merger / Amalgamation / Reconstruction etc. and
- e) Foreign Technical Collaborations.

For Akhil Rohatgi & Co
Companies Secretaries
Reg. No.:P1995DE072900

Akhil Rohatgi
Partner
M. No.: F1600
CP No: 2317
Peer Review Cert. No.
UDIN: F001600F000500934

Date: 30th May, 2024
Place: Delhi

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

“Annexure-A”

To,

**The Members,
Cosco (India) Limited,
2/8, Roop Nagar,
Delhi-110 007**

Our report of even date is to be read along with this letter as under:

- 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 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 secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- 3) We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
- 4) Where ever 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 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 of the efficacy or effectiveness with which the Management has conducted the affairs of the company.

For Akhil Rohatgi & Co
Company Secretaries
Reg. No.: P1995DE072900

Date: 30th May, 2024
Place: Delhi

Akhil Rohatgi
Partner
M.No.: 1600
CP No: 2317
UDIN: F001600F000500934

(Forming Part of the Directors' Report)

Statement containing particulars pursuant to Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, for the year ended March 31, 2024.

A. CONSERVATION OF ENERGY

The Company has always been conscious of the need to conserve energy in its Manufacturing Plants which leads to optimized consumption of non-renewable fossil fuels, energy productivity, climate change mitigation, and reduction in operational costs.

(i) Steps taken or Impact on conservation of energy:

Energy management is one of the key strategic areas in the Company's pursuit of sustainability in its operations. Energy consumption is not only the main source of emissions but also has its implication on the cost of operations. The Company's plant has been designed in such a manner so as to achieve a high efficiency in the utilization of energy. These include reduction in power consumption, optimal water consumption and eliminating excess use of paper etc.

The Company has taken the following initiatives in this regard:

- (i) Increasing energy efficiency: This primarily involves reducing, the quantity of energy used in our operations by process optimization, using energy efficient technology, and conserving/recovering energy through activities like recovering waste heat among others. ED lights provided in Plant & offices to save the electrical energy.
- (ii) Energy efficient motors used in order to optimize use of power.

(ii) Steps taken by the Company for utilizing alternate sources of energy

- During the year under review no alternative source of energy was used.
- As per directions of National Green Tribunal (NGT) the Company is using only electrical energy.

(iii) Capital Investment on energy conservation equipment

- Nil

B. TECHNOLOGY ABSORPTION
(i) Efforts made towards technology absorption

- (a) Efforts have been made to use only electrical system which will increase the productivity and reduce the cost and Special focus has been given to develop safer formulations.
- (b) Efforts were made for creating value addition to existing products.
- (c) Efforts towards technology absorption included efforts were made for creating products of premium range.

(ii) Benefits derived

- (a) Improvements in existing products and formulations helped to increase product Sales.
- (b) As a result of these efforts, the Company has been able to achieve higher production, with cost optimization and better quality standards achieved.

(iii) Information regarding imported technology (imported during the last three years reckoned from the beginning of the financial year)

The Company has not imported any technology during last three years.

(iv) Expenditure on Research & Development (₹ in Lakhs)

| | 2023-24 | 2022-23 |
|--|----------------|---------|
| Capital | Nil | Nil |
| Recurring | 0.96 | 1.33 |
| Total | 0.96 | 1.33 |
| Total R&D expenditure as a % of Total Turnover | 0.005 | 0.009 |

C. FOREIGN EXCHANGE EARNINGS AND OUTGO (₹ in Lakhs)

| | 2023-24 | 2022-23 |
|--------------------------|----------------|---------|
| Foreign Exchange earning | 536.17 | 374.55 |
| Foreign Exchange Outgo | 4274.21 | 4075.91 |

CORPORATE GOVERNANCE REPORT

Guided by our values and long-standing commitment to sustainability, Cosco (India) Limited' is committed to promoting sustainable and responsible growth. Our governance framework is built on the sound governance systems and processes which empower co-creation and partnerships with an unwavering focus on sustainability, transparency and safety, thereby making it a truly responsible Company.

Cosco (India) Limited' not only adheres to the prescribed Corporate Governance practices as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") but is also committed to sound Corporate Governance principles and practices.

COSCO's corporate governance system ensures us to make timely disclosures and share accurate information regarding our financials and other performance, as well as make disclosures related to the governance of the Company. Through good –governance, we arrive at effective decision-making that is aligned with our values. In this report, we have provided details on how the corporate governance system and principles are put into practice within Cosco (India) Limited.

The Board of Directors ('the Board') are responsible for and committed to sound principles of Corporate Governance in the Company. The Board plays a crucial role in overseeing how the management serves the short and long-term interests of shareholders and other stakeholders. This belief is reflected in our governance practices, under which we strive to maintain an effective, informed Board.

The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as applicable, with regard to Corporate Governance.

A report on compliance with the Principles of Corporate Governance as prescribed by SEBI in Chapter IV read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) given below are the Corporate Governance policies and practices of Cosco (India) Limited for the year FY 2023-2024.

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE.

The Board of Directors and the Management of your Company is committed to

- sound & ethical business practices in true spirit of the law,
- ensure integrity, transparency and professionalism in all decisions and transactions of the Company,
- build brand value of its products,
- good Corporate Governance by conforming to prevalent mandatory guidelines on Corporate Governance,
- gain and retain the trust of the stakeholders at all times. Making of long-term shareholders value.

BOARD OF DIRECTORS

- i. The Composition of the Board of Directors during FY 2023-24 is given herein. As on March 31st, 2024, the Company has twelve directors. Of the Twelve Directors, Six (i.e. 50%) are Non-Executive Independent Directors including One Woman Director and six (i.e. 50%) are Executive Directors. The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 and 152 of the Act and rules framed thereunder. All the Directors have made necessary disclosures regarding their Directorships as required under Section 184 of the Companies Act, 2013.
- ii. None of the Directors on the board hold directorships in more than 20 companies, including ten public companies. Further, none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he/she is a director. Necessary disclosures

regarding committee positions in other public companies as on March 31st, 2024 have been made by the directors. None of the NEDs serve as IDs in more than seven listed companies and none of the IDs are Whole-time Directors/Managing Directors in any listed entity and none of the Executive or Whole-Time Directors serve as IDs on any listed company.

- iii. Independent directors are Non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties with an objective, independent, judgment and without any external influence. The Company has received confirmation from all the existing IDs of their registration on the Independent Directors Database maintained by the Institute of Corporate Affairs pursuant to Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management. All directors, other than Independent directors and Managing Director, are liable to retire by rotation.
- iv. The names and categories of the directors on the board, their attendance at Board meetings held during the year and the number of directorships and committee chairmanships/memberships held by them in other public companies as on March 31st, 2024 are given herein below.

I. Composition: Board consisted of the following Directors as on March 31st, 2024, categorized as Indicated.

| (A) Promoters Group | Designation | Category | DIN | Relationships between Directors inter-se |
|--------------------------|-----------------------------|----------|----------|---|
| Shri Devinder Kumar Jain | Mg. Director and CEO | ED | 00191539 | Shri. Narinder Kumar Jain (Brother), Mr. Arun Jain (Son), Mr. Manish Jain (Son) |
| Shri Narinder Kumar Jain | Managing Director | ED | 00195619 | Shri. Devinder Kumar Jain (Brother), Mr. Neeraj Jain (Son), |
| **Mr. Arun Jain | Whole Time Director and CFO | ED | 01054316 | Shri. Devinder Kumar Jain (Father), Mr. Manish Jain (Brother), |
| Mr. Manish Jain | Whole Time Director | ED | 00191593 | Shri. Devinder Kumar Jain (Father), Mr. Arun Jain (Brother), |
| *Mr. Pankaj Jain | Whole Time Director | ED | 00190414 | Not related to any Director |
| Mr. Neeraj Jain | Whole Time Director | ED | 00190592 | Shri. Narinder Kumar Jain (Father) |
| (B) Independent | | | | |
| Ms. Tejal Jain | Director | NED-ID | 09219682 | Not related to any Director |
| Mr. Vineet Bhutani | Director | NED-ID | 02033791 | |
| Mr. Gautam Macker | Director | NED-ID | 00542563 | |
| Mr. Vivek Sharma | Director | NED-ID | 00278406 | |
| Mr. Anurag Gupta | Director | NED-ID | 00701005 | |
| Mr. Sudhir Kalra | Director | NED-ID | 09704840 | |
| | | | | |

ED – Executive Director, NED – Non Executive Director, ID-Independent Director

* Mr. Pankaj Jain (DIN: 00190414) resigned as CFO w.e.f 23.05.2023 to focus on other areas. He shall continues to holds office as Whole Time Director of the Company.

**Mr. Arun Jain (DIN: 01054316)-Whole Time Director, appointed as CFO of the Company w.e.f. 30.05.2023 based on the recommendation and approval of the Nomination and Remuneration Committee, Audit Committee and the Board.

II. Attendance at Board Meetings and last Annual General Meeting and details of membership of Directors in other Boards and Board Committees.

(A) Details of Board Meetings held during the year FY- 2023-24.

| Date of Meetings | Board Strength | No. of Directors Present |
|-------------------------|-----------------------|---------------------------------|
| April 03, 2023 | 12 | 11 |
| May 30, 2023 | 12 | 09 |
| August 14, 2023 | 12 | 11 |
| November 14, 2023 | 12 | 12 |
| February 14, 2024 | 12 | 10 |

- v. Five Board meetings were held during the year. The quorum for the meeting of the Board of Directors is one-third of the Board of Directors or four Directors, whichever is higher, including at least one ID and during the year, the requisite quorum was present for all Board meetings. All meetings in FY 2023-24 were held within the prescribed time gap.
- vi. During the year 2023-24, information as mentioned in Schedule II Part A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, has been placed before the Board for its consideration.
- vii. The terms and conditions of appointment of the Independent directors are disclosed on the website of the Company.
https://www.cosco.in/uploads/investors/terms_and_conditions_of_appointment_of_independent_director_1675941134.pdf
- viii. During the year a separate meeting of the Independent directors was held inter-alia to review the performance of non- Independent directors and the Board as a whole.
- ix. The Board periodically reviews compliance reports of all laws applicable to the Company, prepared by the Company.
- x. The details of the familiarization programme of the Independent Directors are available on the website of the Company.
https://www.cosco.in/uploads/investors/familiarisation_programme_to_independent_directors_fy_2023_24_1713517357.pdf

Company CSR Policy is uploaded on the Company's website at
https://www.cosco.in/uploads/investors/corporate_social_responsibility_policy_1499423528.pdf

(B) Directors' Attendance Record and Directorships held:

| Name of the Director | No. of Board Meeting Attended | Whether attended last AGM held on 30 th September, 2023 | No. of Directorship held in other Companies | No. of Committee position held in other Companies as a Chairman | No. of Committee position held in other Companies as a Member |
|--------------------------|-------------------------------|--|---|---|---|
| Shri Devinder Kumar Jain | 4 | Yes | 4 | Nil | Nil |
| Shri Narinder Kumar Jain | 4 | Yes | 4 | Nil | Nil |
| Mr. Arun Jain | 5 | Yes | Nil | Nil | Nil |
| Mr. Manish Jain | 4 | Yes | Nil | Nil | Nil |
| Mr. Pankaj Jain | 4 | Yes | 1 | Nil | Nil |
| Mr. Neeraj Jain | 3 | Yes | 1 | Nil | Nil |
| Ms. Tejal Jain | 5 | Yes | Nil | Nil | Nil |
| Mr. Vineet Bhutani | 5 | No | 2 | 1 | Nil |
| Mr. Gautam Macker | 5 | No | 4 | Nil | Nil |
| Mr. Vivek Sharma | 4 | No | Nil | Nil | Nil |
| Mr. Anurag Gupta | 5 | Yes | 1 | Nil | Nil |
| Mr. Sudhir Kalra | 5 | No | Nil | Nil | Nil |

III. Information in respect of appointment /re-appointment of Directors.

Details of Directors retiring by rotation, seeking appointment/re-appointment/remuneration regularization at the forthcoming Annual General Meeting in pursuance of Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

| Sl. No. | Name of Director | Brief Resume | Expertise in Specific functional areas | Directorship in other Companies |
|---------|--------------------------|---|---|---|
| 1. | Mr. Arun Jain | Aged about 58 years. B.E. and M. Tech. About 32 years' of experience | Vast experience in Industrial Relationship Management & Financial Management and Research and Development of Rubber and Polymer products. | Cosco Polymer Lanka (Private) Limited (Company under Liquidation) |
| 2. | Shri Devinder Kumar Jain | Aged about 86 years. B. Sc. Graduate, about 63 years' of experience | Operational Management, Production Process, Business Planning, Development & Sourcing of the new products, Managing the affairs of the Company effectively for the last many years. | Cosco International Private Limited DDN Polymers Pvt. Ltd. Navendu Investment Company Private Limited Radhaphool Fin-Investments Pvt. Ltd. *Cosco Polymer Lanka (Private) Limited *(Company under Liquidation) |
| 3. | Shri Narinder Kumar Jain | Aged about 83 years. Graduate & Diploma in International Marketing about 58 years' of experience. | Marketing and Financial, Planning and Management, Formulating Business Strategies, Public Relations, Well experienced in Management, Marketing and Finance. | Cosco International Private Limited DDN Polymers Pvt. Ltd. Navendu Investment Company Private Limited Radhaphool Fin-Investments Pvt. Ltd. *Cosco Polymer Lanka (Private) Limited *(Company under Liquidation) |

(Refer also statement forming part of Notice of 45th Annual General Meeting issued to the Shareholders of the Company)

Code of Conduct

The Board has laid down a Code of Conduct for the Directors and Senior Management of the Company. All the Board Members and Senior Management personnel have affirmed their compliance with the Code. The Code of Conduct is available on the Company's website viz. www.cosco.in. A declaration to this effect signed by the Managing Directors and CEO of the Company forms a part of this Report.

Declaration by Independent Directors

The Company has received necessary declaration from each Independent Director under Section 149(7) of the Companies Act, 2013 that he/she meets the criteria of independence laid down in section 149(6) of the Companies Act, 2013 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Independent Directors have further stated that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective, independent, judgment and without any external influence.

Key Board Skills, Expertise and Competencies: The Board has an appropriate blend of functional and industry expertise. As on March 31, 2024 the Board comprises qualified members who bring in the required skills, competence and expertise to enable them to effectively contribute in deliberations at Board and Committee meetings. The below matrix summarizes a mix of skills, expertise and competencies expected to be possessed by our individual directors, which are key to corporate governance and Board effectiveness:

| | |
|------------------------------|---|
| Business & Industry | Extended entrepreneurial/leadership experience for a significant enterprise, resulting in a practical understanding of organizations, processes, strategic planning and risk management. Domain Knowledge in Business and understanding of business environment, Optimising the development in the industry for improving Company's business. |
| Diversity | Representation of gender, ethnic, cultural, or other perspectives that expand the Board's understanding of the needs and viewpoints of our customers, partners, employees, governments, and other stakeholders. |
| Strategy and Planning | Appreciation of long-term trends, strategic choices and experience in guiding and leading management teams to make decisions in uncertain environments. |
| Board Service and Governance | Service on company boards, to develop insights about maintaining board and management accountability, protecting shareholder interests, and observing appropriate governance practices |
| Sales and Marketing | Experience in developing strategies to grow sales and market share, build brand awareness and equity, and as well as enhance brand reputation. |
| Personal values | Personal characteristics matching the Company's values, such as integrity, accountability, and high performance standards. |

The eligibility of a person to be appointed as a Director of the Company is dependent on whether the person possesses the requisite skill sets identified by the Board and whether that is relevant to the Company's business or is a proven academician in the field relevant to the Company's business. The Directors so appointed are drawn from diverse backgrounds and possess special skills with regard to the industries / fields from where they come.

In the table below, the specific areas of focus or expertise of individual Board members have been mentioned as required in the context of the business of the Company.

| Sl. No. | Name | Brief Resume | Expertise in Specific functional areas |
|---------|--------------------------|--|--|
| 1 | Shri Devinder Kumar Jain | B. Sc. Graduate, about 63 years' of experience | Operational Management, Production Process, Business Planning, Development & Sourcing of the new products, Managing the affairs of the Company effectively for the last many years. |
| 2 | Shri Narinder Kumar Jain | Graduate & Diploma in International Marketing about 58 years' of experience. | Marketing and Financial, Planning and Management, Formulating Business Strategies, Public Relations, Well experienced in Management, Marketing and Finance. |
| 3 | Mr. Arun Jain | Qualified B.E. & M.Tech. with about 32 years' of experience | He has vast experience in Industrial Relations and Financial Management and Research and Development of Rubber & Polymer products. |
| 4 | Mr. Manish Jain | Qualified Engineer and MBA with about 31 years' of experience | Managing Plant Operations & Production and actively associated with Marketing operations and Research & Development of new Products for Domestic and International Markets. |
| 5 | Mr. Pankaj Jain | B. Com and MBA with about 31 years' of experience. | Finance, Management and Marketing and developing of new products for International Market. |
| 6 | Mr. Neeraj Jain | B.E., M.Sc. (Polymer Science) & MBA with about 30 years' of experience. | International Trade and Sourcing of new products. Management of health and fitness segment. |
| 7 | Ms. Tejal Jain | Member of The Institute of Chartered Accountants of India | 12 Years' post qualification experience and Diversified knowledge of finance, taxation and corporate laws and has specialised experience for providing financial, taxation and legal consultancy. Expertise in conducting Statutory Audit. |
| 8 | Mr. Vineet Bhutani | Bachelor in ELECTRIC ENGG. from M.S.R.I.T Bengaluru also known as RAMAIAH Institute of Technology. | Experience in the area of Sales and Marketing. |
| 9 | Mr. Gautam Macker | Master in Business Administration (MBA) from FORE School of Management. | Experience in the area of Business administration and Human Resources Management. |
| 10 | Mr. Vivek Sharma | DNB Radiodiagnosis from National Board of Examination New Delhi. | Experience in the area of Administration and Health & Fitness |
| 11 | Mr. Anurag Gupta | Graduate from Delhi University. | Experience in Imports- Exports and Marketing of products |
| 12 | Mr. Sudhir Kalra | Graduate in B.A Economics Honours from Sri Ram Collage of Commerce New Delhi. | Experience in the field of Export, Marketing and Finance. |

BOARD COMMITTEES

The Board of Directors has constituted the following committees to focus on specific areas and make informed decisions within the authority delegated to each of the Committees. Each Committee of the Board is guided by its Charter, which defines the scope, powers and composition of the Committee. All decisions and recommendations of the Committees are placed before the Board for information or approval.

During the financial year, the Board has accepted the recommendations of Committees on matters where such a recommendation is mandatorily required. There have been no instances where such recommendations have not been considered.

1. AUDIT COMMITTEE

Terms of Reference: - The Audit Committee is authorized to exercise all the power and perform all the functions as specified in section 177 of the Companies Act, 2013 and the rules made there under and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time. The said committee reviews reports of the internal Auditors, meets Statutory Auditors and Internal Auditors periodically to discuss their findings and suggestions, internal control systems, scope of audit, observations of the auditors and their related matters and reviews major accounting policies followed by the Company. The Minutes of the Audit Committee meetings are circulated to and taken note by the Board of Directors. The Company Secretary acts as the Secretary of the Committee

(A) The composition of the Audit Committee is as follows:

| | | |
|-----------------------|---|------------------------------|
| Independent Directors | — | Ms. Tejal Jain – Chairperson |
| | — | Mr. Sudhir Kalra |
| | — | Mr. Pankaj Jain |

The members of the Audit Committee are well experienced in the field of finance, accounts and management. The Chairperson of the Committee is a Chartered Accountant. The powers and terms of reference of the Committee are as contained in Regulation 18(3) (Part C of Schedule II) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013.

(C) Details of Meetings of Audit Committees held and its attendance during the FY- 2023-24.

The Committee met 5 times during the FY 2023-24 on 03.04.2023, 30.05.2023, 14.08.2023, 14.11.2023 and 14.02.2024.

| Name of the Member | No. of Meetings held | No. of Meetings attended |
|--------------------|----------------------|--------------------------|
| Ms. Tejal Jain | 5 | 5 |
| Mr. Sudhir Kalra | 5 | 5 |
| Mr. Pankaj Jain | 5 | 4 |

The meetings of the Audit Committee are/were also attended by the Managing Director(s), Executive Director(s), Chief Financial Officer, and Internal Auditors as Special Invitees as and when required. Ms. Tejal Jain, Chairperson of the Audit Committee, was present at the Annual General Meeting of the Company held on 30th September 2023, to answer shareholders' queries. The Company Secretary acts as the Secretary of the Committee. The necessary quorum was present at all the meetings.

2. NOMINATION AND REMUNERATION COMMITTEE

Terms of Reference :- The Nomination and Remuneration Committee is authorized to exercise all powers and perform all the functions as specified in Section 178 of the Companies Act, 2013 and the rules made there under Regulation 19 read with Part D of the Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and suitably revised terms of reference of the Committee after incorporating therein the regulatory changes mandated under the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018.

(A) The composition of the Nomination and Remuneration Committee is as follows:

| | | | | |
|-----------------------|---|--------------------|---|----------|
| Independent Directors | — | Mr. Anurag Gupta | — | Chairman |
| | — | Mr. Gautam Macker | | |
| | — | Mr. Vineet Bhutani | | |

The terms of reference of the committee are as contained in Regulation 19 read with Part D of the Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as specified in Section 178 & schedule V of the Companies Act, 2013.

(B) Details of Meetings of Nomination and Remuneration Committees held and its attendance during the FY 2023-24.

The Committee met 3 times during the Year 2023-24 on 03.04.2023, 30.05.2023 & 14.08.2023.

| Name of the Member | No. of Meetings held | No. of Meetings attended |
|--------------------|----------------------|--------------------------|
| Mr. Anurag Gupta | 3 | 3 |
| Mr. Gautam Macker | 3 | 3 |
| Mr. Vineet Bhutani | 3 | 3 |

The appointment and remuneration of all the Executive Directors have been fixed in terms of Resolutions passed by members in General Meetings.

Remuneration paid to the Executive Directors during the financial year ended 31.03.2024 is given below:
(Amount in ₹)

| Name | Designation | Salary | HRA | PF | Medical Exp. | Car Perk ** | Other perks | Contract Period (No. of Yrs.) |
|--------------------------|----------------------|-----------|-----------|--------|--------------|-------------|-------------|-------------------------------|
| Shri Devinder Kumar Jain | Mg. Director and CEO | 54,60,000 | 27,30,000 | 21,600 | 2,04,633 | 39,600 | Refer note | 3 |
| Shri Narinder Kumar Jain | Managing Director | 54,60,000 | 27,30,000 | 21,600 | 2,78,836 | 39,600 | Refer Note | 3 |
| Mr. Arun Jain | Whole Time Director | 42,00,000 | 21,00,000 | 21,600 | 1,49,616 | 39,600 | Refer Note | 3 |
| Mr. Manish Jain | Whole Time Director | 42,00,000 | 21,00,000 | 21,600 | 1,61,416 | 32,400 | Refer Note | 3 |
| Mr. Pankaj Jain | Whole Time Director | 42,00,000 | 21,00,000 | 21,600 | 1,21,924 | 32,400 | Refer Note | 3 |
| Mr. Neeraj Jain | Whole Time Director | 42,00,000 | 21,00,000 | 21,600 | 1,01,549 | 32,400 | Refer Note | 3 |

** Car with Driver partly for personal use valued as per Income Tax Rules.

Note: - Other Perks and Allowances

In addition following Perks and Allowances were permissible / allowed to all the Executive Directors:

- Gratuity and Leave encashment as per actuarial valuation
- Telephones provided for official use.

The sitting fees paid/payable to the Non Executive (Independent) Directors for the year ended on 31st March 2024 are as follows:

| | | | |
|--------------------|------------|-------------------|------------|
| Ms. Tejal Jain | : ₹ 25,000 | Mr. Sudhir Kalra | : ₹ 25,000 |
| Mr. Vineet Bhutani | : ₹ 25,000 | Mr. Gautam Macker | : ₹ 25,000 |
| Mr. Vivek Sharma | : ₹ 20,000 | Mr. Anurag Gupta | : ₹ 25,000 |

Detail of Shareholding of Non-Executive (Independent) Directors

| Name | No. of Equity Shares held | Name | No. of Equity Shares held |
|--------------------|---------------------------|-------------------|---------------------------|
| Ms. Tejal Jain | : Nil | Mr. Sudhir Kalra | : Nil |
| Mr. Vineet Bhutani | : Nil | Mr. Gautam Macker | : Nil |
| Mr. Vivek Sharma | : 100 | Mr. Anurag Gupta | : Nil |

The Company does not have any employee stock option scheme.
There are no convertible instruments issued by the Company.

Nomination & Remuneration Policy

Remuneration policy in the Company is designed to create a high performance culture. It enables the Company to attract, retain and motivate employees to achieve results. Our business model promotes customer centricity and the remuneration structure is tailored to the regulations. The Nomination and Remuneration Policy has been approved by Cosco (India) Limited's Board of Directors. The said policy has been also put up on the website of the Company at the following link-

https://www.cosco.in/uploads/investors/nomination_and_remuneration_policy_1566037834.pdf

The Company pays remuneration by way of salary, benefits, perquisites and allowances to its Managing Directors and the Executive Directors. Annual increments were approved by the Nomination and Remuneration Committee (NRC) within the limit, as approved by the members of the Company and are effective from April 1st each year. During the year 2023-24, the Company paid sitting fees of ₹ 5,000 per meeting to its non-executive directors for attending Board meetings.

The remuneration paid to the Managing Director(s) and the Executive Directors ('ED') is justified in consideration of the responsibilities shouldered by them and is in accordance with the terms of appointment approved by the Members, at the time of their appointment/re-appointment.

Succession Planning

The NRC works with the Board on the leadership succession plan to ensure orderly succession in appointments to the Board and in the senior management. The Company strives to maintain an appropriate balance of skills and experience, within the organization and the Board, in an endeavor to introduce new perspectives, whilst maintaining experience and continuity.

Performance Evaluation Criteria for Independent Directors:

The performance evaluation criteria for Independent Directors is determined by the Nomination and Remuneration Committee. An indicative list of factors that may be evaluated include participation and contribution by a Director, commitment, effective deployment of knowledge and expertise, integrity and maintenance of confidentiality and independence of behavior and judgment.

3. STAKEHOLDER'S RELATIONSHIP COMMITTEE

Terms of Reference: - The Stakeholders Relationship Committee is authorised to exercise all powers and perform all the functions as specified in Section 178 of the Companies Act, 2013 and the rules made there under and Regulation 20 read with Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The said committee is authorised to look into redressal of shareholders / investors complaint and also authorised to issue duplicate share certificate in place of those torn /mutilated/ defaced/ lost/misplaced subject to compliance of prescribed formalities.

(A) The composition of the Stakeholder's Relationship Committee is as follows:

| | | |
|-----------------|---|--|
| Ms. Tejal Jain | — | Chairperson – Non Executive & Independent Director |
| Mr. Pankaj Jain | — | Executive Director |
| Mr. Neeraj Jain | — | Executive Director |

The terms of reference of the committee are as specified in Section 178 of Companies Act, 2013 & under Regulation 20 read with Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Terms of reference were suitably revised, after incorporating therein the regulatory changes mandated under the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2015.

(B) Details of Meetings of Stakeholders Relationship Committees held and its attendance during the FY- 2023-24

The Meetings of the Committee were normally held quarterly during the year 2023–24. The Committee met 4 times during the Year 2023-24 on 30.05.2023, 14.08.2023, 14.11.2023 and 14.02.2024.

| Name of the Member | No. of Meetings held | No. of Meetings attended |
|--------------------|----------------------|--------------------------|
| Ms. Tejal Jain | 4 | 4 |
| Mr. Pankaj Jain | 4 | 3 |
| Mr. Neeraj Jain | 4 | 3 |

Total No. of Complaints received during the year : Nil

No. of unsolved complaints to the satisfaction of Shareholders : Nil

No. of transfers pending for registration for more than 15 days : Nil

The Chairperson of the SRC also attended the last Annual General Meeting held on 30th September, 2023 of the Company. The requisite quorum was present for all the meetings.

Name, Designation and Address of Compliance officer

Ms. Sudha Singh
 Company Secretary & Compliance Officer
 2/8, Roop Nagar, Delhi- 110 007
 Ph. 011- 23843000

GENERAL BODY MEETINGS

(I) Details of location and time of holding the last three AGMs.

| Year | Location | Date & Time |
|-----------------------------|---|---|
| 42 nd AGM – 2021 | AGM held through video conferencing ('VC') /other audio visual means ('OAVM') | 30 th September, 2021 – 12.00.Noon |
| 43 rd AGM – 2022 | AGM held through video conferencing ('VC') /other audio visual means ('OAVM') | 30 th September, 2022 – 12:00.Noon |
| 44 th AGM – 2023 | AGM held through video conferencing ('VC') /other audio visual means ('OAVM') | 30 th September, 2023 – 12.00 Noon |

(a) No other Shareholders' Meeting was held in the last three years.

(b) In the AGM held on 30th September, 2021 total 6 Special Resolution(s) were passed Two Special Resolutions were passed in respect of re-appointment of Shri Devinder Kumar Jain as Managing Director & CEO, and Shri Narinder Kumar Jain as Managing Director for a period of three years w.e.f. 16.03.2022 till 15.03.2025 and fixation of their remuneration and also restructuring their remuneration w.e.f. 01.04.2022 and Four Special Resolution(s) were passed To Approve and Ratify the Remuneration paid/payable to Mr. Arun Jain, Mr. Manish Jain, Mr. Pankaj Jain & Mr. Neeraj Jain Whole Time Directors of the Company as per the provisions of the Companies Act, 2013 and SEBI(LODR) Regulations 2015.

(c) In the AGM held on 30th September, 2022 total 6 Special Resolution(s) were passed Pursuant to the provisions of Section 149 of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 for the appointment/re-appointment of Independent Directors of the Company namely Ms. Tejal Jain (DIN:09219682), Mr. Vineet Bhutani (DIN:02033791), Mr. Gautam Macker (DIN:00542563), Mr. Vivek Sharma (DIN:00278406), Mr. Anurag Gupta (DIN:00701005) and Mr. Sudhir Kalra (DIN:09704840).

(d) In the AGM held on 30th September, 2023 total 4 Special Resolution(s) were passed in respect of re-appointment of Whole Time Director(s) of the Company namely Mr. Arun Jain, Mr. Manish Jain, Mr. Pankaj Jain and Mr. Neeraj Jain for a period of three years w.e.f. 01.10.2023 and fixation of their remuneration and also restructuring their remuneration w.e.f. 01.04.2024 as per the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations 2015.

There were no special resolutions passed through Postal Ballot during FY 2023-24. Further, no special resolution is proposed to be passed through Postal Ballot as on the date of this report. All resolutions moved at the last years' Annual General Meeting, were passed by means of electronic voting, by the requisite majority of members.

Remote e-voting and e-voting at the AGM

To allow the shareholders to vote on the Resolutions proposed at the AGM, the Company arranged for a remote e-voting facility. The Company engaged NSDL to provide e-voting facility to all the members. Members whose names appeared on the register of members as on 23rd September, 2023 were eligible to participate in the e-voting. The facility for voting through e-voting was also made available at the AGM and the members who did not cast their vote by remote e-voting were allowed to exercise their vote at the AGM through e-voting.

Transfer of unclaimed / unpaid amounts / shares to the Investor Education and Protection Fund (IEPF):

(i) Pursuant to Sections 124 and 125 of the Act read with the IEPF (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), the Company has to transfer to the IEPF Authority, established by the Central Government the dividend amounts, application money, principal amounts of debentures and deposits as well as the interest accruing thereon, sale proceeds of fractional shares, redemption amount of preference shares, etc. remaining unpaid or unclaimed for a period of 7 years from the date they became due for payment.

Furthermore, the IEPF Rules mandate companies to transfer shares of shareholders whose dividend amounts remain unpaid/unclaimed for a period of 7 consecutive years to the demat account of the IEPF Authority. The said requirement does not apply to shares in respect of which there is a specific order of the Court, Tribunal or Statutory Authority, restraining any transfer of shares.

The details of the unclaimed dividends and shares transferred to IEPF during FY 2022-23 are as follows:

| Year | Dividend Per Share in ₹ | Date of Declaration | Amount of unclaimed dividend transferred in ₹ | Number of Equity shares transferred |
|---------|-------------------------|---------------------|---|-------------------------------------|
| 2015-16 | 1 | 12.08.2015 | 76,248 | 44,455 |

The Members who have a claim on the above dividends and shares may claim the same from the IEPF Authority by submitting an online application in the prescribed web-Form No. IEPF-5 available on the website <https://www.iepf.gov.in/content/mca/global/en/foportal/fologin.html.html> and send an original form and acknowledgement, along with requisite documents duly self-certified by the claimant(s), to the Company Registrar and Share Transfer agent M/s Skyline Financial Services Pvt. Ltd. for vetting and suitable recommendation to IEPF Authority. No claims shall lie against the Company in respect of the dividend/shares so transferred.

Considering the above, there are no shares lying in the suspense account of the Company under Regulation 39(4) of the SEBI Listing Regulations.

The data on unclaimed dividend and Equity Shares transferred to IEPF is available on the Company's website at: <https://www.cosco.in/investors/unclaimed-dividend>

Ms. Sudha Singh, Company Secretary, is the Nodal Officer. Her contact details are – Cosco (India) Limited, 2/8, Roop Nagar, New Delhi-110 007, Tel: 91 11 2384 3000 Email: sudha@cosco.in

Disclosures

i) Related Party Disclosures:

Related party disclosures are given at Note No. 34 in relation to Notes on Accounts to Financial Statements of the Company. The transactions with the related parties were not in conflict with the interests of the Company at large.

All RPTs entered into by the Company, were approved by the Audit Committee and were in the ordinary course of business and at arm's length basis. The Audit Committee also granted prior omnibus approval for RPTs which would be in the ordinary course of business and on an arm's length basis that are repetitive in nature and also for unforeseen transactions, in line with the Policy on Dealing with and Materiality of Related Party Transactions and the applicable provisions of the Act read with the Rules issued thereunder and the Listing Regulations (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force).

The Audit Committee reviewed on a quarterly basis, the details of RPTs, entered into by the Company pursuant to the omnibus approval granted.

The Company did not enter into any Material RPTs nor did it enter into any significant transaction with its related parties that may have a potential conflict with the interests of the Company.

The RPTs undertaken by the Company were in compliance with the provisions set out in the Act read with the Rules issued thereunder and relevant provisions of the Listing Regulations.

The business rationale for the transactions with related parties and details of the same form part of the Board's Report and Notes to financial statements of this Integrated Annual Report.

The board has approved a policy for related party transactions which has been uploaded on the Company's website at the following link-

https://www.cosco.in/uploads/investors/revise_d_policy_on_materiality_of_related_party_transaction_1649068668.pdf

Pursuant to Regulation 23(9) of the Listing Regulations, the Company had filed the half-yearly reports on related party transactions with the BSE Limited on which the equity shares of the Company are listed. The details of remuneration paid to the employee of the Company, who is relative of the Directors as on 31st March 2024 is as under:

| Name of the Employee | Name of relationship with Directors | Total Remuneration Paid for FY 2023-24 (₹ in Lakhs) |
|----------------------|-------------------------------------|---|
| Aakash Jain | Son of Mr. Arun Jain (WTD) | 18.75 |

Note: In terms of Section 177 and other applicable provisions, if any, of the Act read with the Rules issued thereunder and the Listing Regulations, the appointment and remuneration payable to the aforesaid employee is prior approved by the Audit Committee and same is noted and approved by the Board of the Company and is at arm's length and in the ordinary course of business.

- ii. Details of non-compliance by the Company, penalties, strictures imposed on the Company by the stock exchanges or the Securities and Exchange Board of India or any Statutory Authority, on any matter related to capital markets, during the last three years 2021-22, 2022-23 and 2023-24 respectively: For FY 2021-22 & 2023-24 NIL, -During the Financial Year 2022-23 a fine of Rs. 5900/- levied by BSE Ltd. for late compliance with Regulation 23(9) disclosure of related party transactions on consolidated basis for half year ended September 2022. Company has filed an application to BSE Ltd. for the waiver of the fine, approval is still awaited.
- iii. In accordance with the provisions of the Act and Regulation 22 of the SEBI Listing Regulations the Company has in place a Vigil Mechanism and a Whistle-Blower Policy duly approved by the Audit Committee which provides a formal mechanism for all Directors and employees of the Company to approach the Management of the Company (Audit Committee in case where the concern involves the Senior Management) and make protective disclosures to the Management about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics policy. The disclosures reported are addressed in the manner and within the time frames prescribed in the Policy. The Company affirms that no director or employee of the Company has been denied access to the Audit Committee.
The said policy has been also put up on the website of the Company at the following link-
https://www.cosco.in/uploads/investors/whistle_blower_policy_1566037432.pdf
- iv. The Company has also adopted Policy on Determination of Materiality for Disclosures: -
https://www.cosco.in/uploads/investors/revise_d_policy_for_determination_of_materiality_of_events_or_information_1695298831.pdf
- v. Policy on Archival of Documents and Policy for Preservation of Documents.
https://www.cosco.in/uploads/investors/archival_policy_57137519215.pdf
- vi. Prevention of Insider Trading Code: As per SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted Code of Conduct for Prevention of Insider Trading & Code of Corporate Disclosure Practices. All the Directors, Employees and third Parties such as Auditors, Consultants etc. who could have access to the Unpublished Price Sensitive Information of the Company are governed by this code. The trading window is closed during the time of declaration of results and occurrence of any material events as per the Code.
https://www.cosco.in/uploads/investors/code_of_conduct_for_trading_by_insider_1566285109.pdf

vii. None of the Directors of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India or the Ministry of Corporate Affairs or any such Statutory Authority. A Certificate to this effect, duly signed by the Practising Company Secretary is annexed to this Report. **(Annexure-'C3')**

viii. Your Company has zero tolerance for sexual harassment at its workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at the workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Committee has been constituted in accordance with the provisions of the POSH Act to redress complaints received regarding sexual harassment and all the provisions regarding the constitution are complied with. For disclosure regarding the number of complaints filed, disposed of and pending, please refer to the Board's Report.

ix. SEBI Complaints Redress System (SCORES) The Investors can also raise complaints in a centralized web based complaints redress system called "SCORES". The Company uploads the action taken report on the complaints raised by the Shareholders on "SCORES", which can be viewed by the Shareholder. The complaints are closed to the satisfaction of the shareholders and SEBI. During the financial year 2023-2024, no shareholder's complaint was received on SCORES by the Company.

Online Dispute Resolution Portal

SEBI vide its Circular No. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/131 dated 31st July 2023 (subsumed as part of the SEBI Master Circular No. SEBI/HO/OIAE/OIAE_IAD-3/P/CIR/2023/195 dated 28th December 2023) have issued a Circular for online resolution of disputes in the Indian securities market.

With the said Circular, the existing dispute resolution mechanism in the Indian securities market is being streamlined under the aegis of Stock Exchanges and Depositories by expanding their scope and by establishing a common Online Dispute Resolution Portal ("ODR Portal") which harnesses online conciliation and online arbitration for resolution of disputes arising in the Indian securities market.

Further, SEBI vide its Circular No. SEBI/HO/OIAE/IGRD/CIR/P/2023/156 dated 20th September 2023 read with Circular No. SEBI/HO/OIAE/IGRD/CIR/P/2023/183 dated 1st December 2023 has notified the revised framework for handling and monitoring of investor complaints received through SCORES platform by the Company and designated Stock Exchanges effective from 1st April 2024. The shareholders can access the new version of SCORES 2.0 at <https://scores.sebi.gov.in>.

x. Commodity Price Risk/ Foreign Exchange Risk and Hedging
The Company has foreign exchange risks. The Company imports health equipments and sports goods and also exports sports goods. Adverse changes in rupee exchange rates due to imports are partially offset by exports and by increase of sale price of the products as disclosed in note no. 36 of notes to the financial statements for the year ended March 31, 2024. The Company doesn't indulge in commodity hedging activities.

xi. Report on Corporate Governance
A report on Corporate Governance forms part of the Annual Report of the Company. The Company also submits a quarterly compliance report on Corporate Governance to the Stock Exchanges within the time stipulated under SEBI (LODR) 2015.

Disclosures of Compliance with Corporate Governance Requirements.

The Company has complied with Corporate Governance Requirements as specified in Regulation 17 to 27 of LODR. The Company has complied with Clause (b) to (i) of sub regulation (2) of Regulation 46, relating to website disclosures. The Company's website contains a separate section 'Investor Relations' where members can access the details of the Board, Policies, the Board Committee, financials, details of unclaimed dividend and shares transferred to IEPF, Stock exchange disclosures etc.

xii. Disclosure of Accounting Treatment
The financial statements of year under review have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (IND AS) prescribed under Section 133 of the Companies Act, 2013 and other recognized accounting practices and policies to the extent applicable.

xiii. Disclosure Pursuant to Clause (2a) of Schedule V (Annual Report) of SEBI (LODR) (Amendment) Regulations, 2018 of transactions of the Company with any person or entity belonging to the Promoter/Promoter group which hold(s) 10% or more shareholding in the listed entity: Details of the transactions with the person(s)/entities belonging to the Promoter/Promoter group more than 10% or more shareholding, entered during the financial year 2023-24 are given at Note No. 34 in relation to Notes on Accounts to Financial Statements of the Company. The transactions were not in conflict with the interests of the Company at large.

CREDIT RATINGS

The Company has not issued any debt instruments and did not have any fixed deposit programme or any scheme or proposal involving mobilisation of funds in India or abroad during the financial year ended 31st March 2024.

During the year under review. As per Bank's existing guidelines, external rating is not required if the credit exposure is below ₹ 50 Crores. Since Company total credit exposure is below ₹ 50 Crores, credit rating is not required in our case. On the basis of NOC received from Banks Company have withdrawn external Credit rating in its account.

Details of total fees paid to statutory auditors

The Company have paid ₹ 9.50 Lakhs to the Statutory Auditors. For details please refer to the Note No. 30 Other Expenses in the Financial Statements.

Reconciliation of Share Capital Audit:

A qualified Practising Company Secretary carried out quarterly Share Capital Audit to reconcile the total admitted Equity Share Capital with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed Equity Share Capital. The audit report confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL.

Code of Conduct

In compliance with Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013, the Company has framed and adopted The Code applicable to the members of the board and senior management personnel of the Company. The Code is available on the website of the Company www.cosco.in.

All the members of the Board and Senior Management Personnel have affirmed the compliance with the Code applicable to them during the year ended March 31st, 2024. The Annual Report of the Company contains a Certificate by the CEO and Managing Director in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 based on the compliance declarations received from Independent Directors, Non-Executive Directors and Senior Management.

CEO/CFO Certification

A Certificate from Managing Director & CEO and Whole Time Director & CFO as per requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, was placed before the Board regarding the Financial Statements of the Company, Specified Transactions, Internal Controls, Significant Changes, if any, in Accounting Policies, for the year ended 31st March, 2024. The same has been provided in this Annual Report.

Means of Communication

- The unaudited quarterly results are announced within forty-five days of the end of the quarter and the audited annual results within sixty days from the end of the last quarter as stipulated under the LODR regulations. The aforesaid financial results are taken on record by the Board of Directors and are communicated to the Stock Exchange where the company's securities are listed. The Quarterly, Half Yearly Results were not sent to household of Shareholders.

- Once the Stock Exchange has been intimated, these results are also published within 48 hours in English newspaper: The Pioneer, and Hindi newspaper The Pioneer-Delhi.
- All the data required to be filled electronically, such as quarterly financial results, shareholding pattern are being regularly uploaded on the Company's website: www.cosco.in and also uploaded on BSE <https://www.bseindia.com/>
- The Annual Report containing inter alia Audited Annual Accounts, Directors' Report, Auditors' Report and other important information forming part of Annual Report is displayed on the Company's website.
- The Annual report is forwarded to all members in electronic mode, whose email IDs are registered with Depositories.
- The company also informs by way of intimation BSE Limited and placing on its website all price sensitive matters or such other relevant matters, which in its opinion are material. The Company has not displayed any official news release on the Company's website. No presentations were made to any institutional investors or analysts.

Management Discussion & Analysis

Management Discussion & Analysis forms part of the Annual Report.

SENIOR MANAGEMENT

The Officers and Personnel of the listed entity who are the members of the core management team excluding BOD but specifically include Company Secretary. Particulars of Senior Management including the changes therein since the closure of previous financial year.

| Sl. No. | Name | Designation | Changes during the year |
|---------|-----------------------|--------------------------------------|-------------------------|
| 1 | Aakash Jain | Senior Executive | - |
| 2 | Rajesh Kumar Khurana | Finance Manager and Head of Accounts | - |
| 3 | Manojit Chakraborty | Manager(Costing) | - |
| 4 | Chetan Jain | Manager(Sales) | - |
| 5 | Amit Jain | Manager (Production) | - |
| 6 | R. C. Bhatia | HR-Manager | - |
| 7 | Kanwal Nain | Manager-(Import) | - |
| 8 | Satya Parkash Kaushik | Sen. Manager (Material) | - |
| 9 | Sudha Singh | Company Secretary | - |

GENERAL SHAREHOLDER INFORMATION

a) 45th Annual General Meeting

Date and Time : 30th September, 2024 at 12.00 Noon through Video Conferencing ("VC"/Other Audio Visual means) ("OAVM")

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Particulars of Directors seeking appointment/re-appointment at the forthcoming AGM are given in the Annexure to the notice of the AGM to be held on September 30th, 2024.

b) Financial Calendar

Financial Year : 1st April to 31st March

For the year ended 31st March 2024 the quarterly results were announced as under:-

1st Quarter ended 30th June 2023 : 14th August, 2023
 2nd Quarter ended 30th September 2023 : 14th November, 2023
 3rd Quarter ended 31st December 2023 : 14th February, 2024
 4th Quarter ended 31st March 2024 : 30th May, 2024

For the year ending 31st March 2025, the Schedule of announcement of results is as under:-

1st Quarter ended 30th June 2024 : Second week of August, 2024
 2nd Quarter ending 30th September 2024 : Second week of November, 2024

3rd Quarter ending 31st December 2024 : Second week of February, 2025
 4th Quarter ended 31st March 2025 : Last week of May, 2025

c) Book Closure Date

From 24th September 2024 to 30th September 2024 (both days inclusive)

d) Dividend Payment Date

: No Dividend declared during the FY 2023-24.

e) Listing of Equity Share

: BSE Ltd.
 Delhi Stock Exchange Ltd. (Non Functional)

The listing fee has been paid up to date to BSE Limited.

f) (i) Stock Code/Security Code

: BSE Limited (BSE): 530545

(ii) Demat ISIN Numbers in NSDL & CDSL

: Equity Shares - INE949B01018

Stock Market Price Data: High low quotations on the Bombay Stock Exchanges during each month for the year 2023 - 2024 & performance in comparison to BSE Index:

| Months | Market Price (in ₹) | | BSE Index** | |
|-----------------|---------------------|---------|-------------|----------|
| | High (₹) | Low (₹) | High | Low |
| April, 2023 | 192.3 | 151.5 | 61209.46 | 58793.08 |
| May, 2023 | 190 | 150.1 | 63036.12 | 61002.17 |
| June, 2023 | 205.55 | 148.05 | 64768.58 | 62359.14 |
| July, 2023 | 218.95 | 167.1 | 67619.17 | 64836.16 |
| August, 2023 | 249.9 | 183.2 | 66658.12 | 64723.63 |
| September, 2023 | 226.2 | 195.2 | 67927.23 | 64818.37 |
| October, 2023 | 224.8 | 195.6 | 66592.16 | 63092.98 |
| November, 2023 | 232 | 201.05 | 67069.89 | 63550.46 |
| December, 2023 | 235 | 215 | 72484.34 | 67149.07 |
| January, 2024 | 310 | 222.05 | 73427.59 | 70001.6 |
| February, 2024 | 305 | 251 | 73413.93 | 70809.84 |
| March, 2024 | 274.95 | 235.05 | 74245.17 | 71674.42 |

Shareholding Pattern as on 31st March, 2024

| Category of Shareholders | No. of Shares held at the end of the year (March 31 st , 2024) | |
|---|--|-------------------|
| | Total No. of Shares | % of Total Shares |
| A. Promoters | | |
| (1) Indian | | |
| a) Individual/ HUF | 1,464,800 | 35.20 |
| b) Central Govt | - | - |
| c) State Govt(s) | - | - |
| d) Bodies Corp. | 1,655,000 | 39.77 |
| e) Banks / FI | - | - |
| f) Any other | - | - |
| Total shareholding of Promoter (A) | 3,119,800 | 74.98 |
| B. Public Shareholding | | |
| 1. Institutions | - | - |
| a) Mutual Funds | - | - |
| b) Banks / FI | - | - |
| c) Central Govt | - | - |
| d) State Govt(s) | - | - |
| e) Venture Capital Funds | - | - |
| f) Insurance Companies | - | - |
| g) FIIs | - | - |
| h) Foreign Venture Capital Funds | - | - |

| | | |
|---|-----------|-------|
| i) Others (specify) | - | - |
| Sub-total (B)(1):- | - | - |
| 2. Non Institutions | | |
| a) Investor Education and Protection Fund Authority (IEPF) | 44,455 | 1.07 |
| b) Bodies Corp. | | |
| i) Indian | 1,98,676 | 4.77 |
| ii) Overseas | - | - |
| c) Individuals | - | - |
| i) Individual shareholders holding nominal share capital up to ₹ 2 lakh | 4,64,039 | 11.15 |
| ii) Individual shareholders holding nominal share capital in excess of ₹ 2 lakh | 2,97,961 | 7.16 |
| d) Others (specify) | | |
| Non Resident Indians | 5,181 | 0.12 |
| Overseas Corporate Bodies | - | - |
| Resident Indian Huf | 29,788 | 0.72 |
| Foreign Nationals | - | - |
| Clearing Members | - | - |
| Trusts | 1,100 | 0.03 |
| Others | - | - |
| Foreign Bodies - D R | - | - |
| Sub-total (B)(2):- | 1,041,200 | 25.02 |
| Total Public Shareholding (B)=(B)(1)+ (B)(2) | 1,041,200 | 25.02 |
| C. Shares held by Custodian for GDRs & ADRs | 0 | 0 |
| Grand Total (A+B+C) | 4,161,000 | 100 |

Distribution of Shareholding as on 31st March, 2024.

| Share holding Nominal Value | Number of Shareholders | % to Total Numbers | Share holding Amount | % to Total Amount |
|-----------------------------|------------------------|--------------------|----------------------|-------------------|
| (₹) | | | (₹) | |
| 1 | 2 | 3 | 4 | 5 |
| Up To 5,000 | 2437 | 93.05 | 18,55,500.00 | 4.46 |
| 5,001 To 10,000 | 83 | 3.17 | 6,36,240.00 | 1.53 |
| 10,001 To 20,000 | 32 | 1.12 | 4,49,160.00 | 1.08 |
| 20,001 To 30,000 | 10 | 0.38 | 2,43,730.00 | 0.59 |
| 30,001 To 40,000 | 7 | 0.27 | 2,50,690.00 | 0.60 |
| 40,001 To 50,000 | 6 | 0.23 | 2,75,510.00 | 0.66 |
| 50,001 To 1,00,000 | 9 | 0.34 | 7,09,850.00 | 1.71 |
| 1,00,000 and Above | 35 | 1.34 | 3,71,89,320.00 | 89.38 |
| Total | 2,619 | 100.00 | 41,610,000.00 | 100.00 |

Outstanding Global Depository Receipts or American Depository Receipts or Warrants or any convertible instruments, conversion date and likely impact on equity: **NIL**

Commodity price risk or foreign exchange risk and hedging activities: **NIL**

Dematerialization of Shares and liquidity

Electronic holding of members comprises 99.52% of the paid up Equity Shares of the Company as at 31st March, 2024. The Shares of the Company are available for trading with both the Depositories, namely; National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL). As stipulated by



Securities and Exchange Board of India (SEBI), a qualified practicing Company Secretary carries out the Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to stock exchange, and is also placed before the Board of Directors. No discrepancies were noticed during these audits

REGISTRAR AND SHARE TRANSFER AGENTS

All work related to investor servicing relating to shares are handled by the Registrar and Share Transfer Agents (R & TA) of the Company.

Address for Correspondence:

For Share Transfer/Demat of Share or any other query relating to Shares:

M/s Skyline Financial Services Pvt. Ltd.,

D-153/A, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi-110 020.

Ph. 011-40450193 to 197 & 26812682-83, Tele-Fax: 91-11-26812682

E-mail ID: admin@skylinerta.com.

Places for acceptance of documents:

Documents will be accepted at the above address between 10.00 a.m. and 3.30 p.m. (Monday to Friday except holidays).

Share Transfer System

In terms of Regulation 40(1) of SEBI Listing Regulations, as amended, securities can be transferred only in dematerialized form w.e.f. April 1, 2019, except in case of request received for transmission or transposition of securities. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company.

All requests for dematerialization of securities held in physical form, should be lodged with the office of the Company's Registrar & Share Transfer Agent, Skyline Financial Services Private Limited, Delhi. Securities lodged for transfer at the Registrar's address are normally processed within 15 days from the date of lodgment, if the documents are clear in all respects. All requests for dematerialization of securities are processed and the confirmation is given to the depositories within 15 days.

The Executives of the Registrar are empowered to approve dematerialization of shares and other investor related matters and other miscellaneous correspondence on change of address, mandates, etc. are processed by the Registrars within 15 days.

Further, SEBI vide its circular dated January 25, 2022, mandated that all service requests for issue of duplicate certificate, claim from unclaimed suspense account, renewal/ exchange of securities certificate, endorsement, sub-division/splitting/consolidation of certificate, transmission and transposition which were allowed in physical form should be processed in dematerialised form only. The necessary forms for the above request are available on the website of the Company i.e www.cosco.in Shareholders holding shares in physical form are advised to avail the facility of dematerialization. Shareholders should communicate with the Company's Registrars & Share Transfer Agent at admin@skylinerta.com quoting their folio number or Depository Participant ID and Client ID number, for any queries relating to their securities.

Suspense Escrow Demat Account

In accordance with the SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January 2022 (subsumed as part of the SEBI Master Circular No. SEBI/HO/MIRSD/POD-1/P/ CIR/2024/37 dated 7th May 2024), the Company had opened a Suspense Escrow Demat Account with the DP for transfer of shares lying unclaimed for more than 120 days from the date of issue of Letter of Confirmation to the shareholders in lieu of physical share certificates to enable them to make a request to DP for dematerialising their shares. During the financial year ended 31st March 2024, There is no shares lying in the Suspense Escrow Demat Account of the Company.

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

The Company has not issued any GDRs / ADRs / Warrants or any Convertible Instruments in the past and hence as on March 31st, 2024, the Company does not have any outstanding GDRs/ADRs / Warrants or any convertible instruments.

Plant Location:

The Factory is situated at : 1688-2/31, Railway Road, Near Railway Station,
Gurugram- 1220 01 (Haryana)
Phones: 91-124-2251781, 2251782, 2251783
Email: gurgaon@cosco.in

Status of compliances of Non mandatory requirements

1. The Board: The Company is headed by Managing Director and CEO.
2. The Auditors' Report on Statutory Financial Statements of the Company is unqualified.
3. M/s PARM and Associates LLP (Formerly known as P A R M & S M R N), Chartered Accountants the Internal Auditors of the Company, make presentations to the Audit Committee on their Reports.

The Company has not adopted the non-mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR) except as stated hereinabove.

CERTIFICATE BY PRACTISING COMPANY SECRETARY ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

TO

**THE MEMBERS OF
COSCO (INDIA) LIMITED
Registered Office: 2/8, Roop Nagar, Delhi-110 007**

1. We have examined the compliance of conditions of corporate governance by Cosco (India) Limited (CIN L25199DL1980PLC010173) for the year ended on 31.03.2024, as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in Regulation 15(2) of the Listing Regulations read with schedule V for the period to 31st March, 2024.
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an Audit nor an expression of Opinion on the Financial Statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management, we certify that Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned in Listing Regulations as applicable.
4. We state that no complaint relating to investor's grievance received by the Company up to 31st March 2024 is pending unresolved as on the date of this Certificate.
5. We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

For Akhil Rohatgi & Co
Companies Secretaries
Reg. No.: P1995DE072900

Akhil Rohatgi
Partner
M. No.: F1600
CP No: 2317
UDIN: F001600F000501033

Date: 30th May, 2024
Place: Delhi

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,
Cosco (India) Limited,
Registered Office: 2/8, Roop Nagar, Delhi-110 007

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Cosco (India) Limited** bearing (CIN L25199DL1980PLC010173) and having registered office at- 2/8, Roop Nagar, Delhi-110 007 (hereinafter referred to as 'the Company') and produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule-V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) 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 ending on 31st March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

| Sl. No. | Full Name | DIN | Date of Appointment |
|---------|--------------------------|----------|---------------------|
| 1 | Shri Devinder Kumar Jain | 00191539 | 25/01/1980 |
| 2 | Shri Narinder Kumar Jain | 00195619 | 29/09/1989 |
| 3 | Mr. Arun Jain | 01054316 | 01/05/2007 |
| 4 | Mr. Manish Jain | 00191593 | 01/04/1998 |
| 5 | Mr. Pankaj Jain | 00190414 | 01/04/1998 |
| 6 | Mr. Neeraj Jain | 00190592 | 01/04/1998 |
| 7 | Ms. Tejal Jain | 09219682 | 30/06/2021 |
| 8 | Mr. Vineet Bhutani | 02033791 | 01/10/2022 |
| 9 | Mr. Gautam Macker | 00542563 | 01/10/2022 |
| 10 | Mr. Vivek Sharma | 00278406 | 01/10/2022 |
| 11 | Mr. Anurag Gupta | 00701005 | 01/10/2022 |
| 12 | Mr. Sudhir Kalra | 09704840 | 01/10/2022 |

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

For Akhil Rohatgi & Co
Companies Secretaries
Reg. No.: P1995DE072900

Akhil Rohatgi
Partner
M. No.: F1600
CP No: 2317
UDIN:F001600F000501242

Date: 30th May, 2024
Place: Delhi

**DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND
SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT**

This is to confirm that the Company has adopted a Code of Conduct for its employees including the Managing Director and Executive Directors. In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors and Independent Directors. These Codes are available on the Company's website.

I confirm that the Company has in respect of the year ended March 31st, 2024, received from the Senior Management Team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management Team means the Executive Directors, Chief Financial Officer, Company Secretary and employees in the Executive cadre as on March 31st, 2024.

Delhi

30th May, 2024

Devinder Kumar Jain
Managing Director and Chief Executive Officer
DIN: 00191539

**CEO and CFO Certification
COMPLIANCE CERTIFICATE**

[Pursuant to Regulation 17(8) of SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,

The Board of Directors
Cosco (India) Limited
2/8, Roop Nagar, Delhi-110 007

Dear Members of the Board,

We, Devinder Kumar Jain - Managing Director and Chief Executive officer and Arun Jain - Whole Time Director and Chief Financial Officer of Cosco (India) Limited, to the best of our Knowledge and belief, certify that:

1. We have reviewed the Balance Sheet, Statement of Profit and Loss, Cash Flow statement and Statement of change in Equity of the Company for the year ended March 31st, 2024 and that to the best of our knowledge and belief:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year are fraudulent, illegal or violate the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
4. We accept responsibility for establishing and maintaining internal controls for Financial Reporting and we have evaluated the effectiveness of these internal control systems of the Company pertaining to financial reporting. Deficiencies noted, if any, are discussed with the Auditors and Audit Committee, as appropriate, and suitable actions are taken to rectify the same.
5. We have indicated to the Auditors and the Audit committee:
 - (i) that there have been no changes in internal control over financial reporting during the year;
 - (ii) that there have been no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) We are not aware of any instances of significant fraud with involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Devinder Kumar Jain
Managing Director and CEO
DIN : 00191539

Arun Jain
Whole Time Director and CFO
DIN: 01054316

MANAGEMENT DISCUSSION AND ANALYSIS (MD & A)

This may be read in conjunction with the Directors' Report

Global Economy

During FY 2023-24, the global environment continued to be economically challenged by the continuing war between Russia and Ukraine in European Region and the ongoing conflict in Gaza and Israel which impacts broadly the Middle East Region. Uncertainty around these conflicts and their resultant impact on the supply chain routes led to volatility in the global financial and commodity markets. On the other hand, the US economy demonstrated resilience amidst the challenging environment putting the recession fears to rest. Inflation that had hit historically high levels in the previous year, took a breather and its effect was a huge support in a subdued demand environment across many geographies. Contrary to the year's beginning expectations, the slowing inflation was not enough to push the monetary authorities to look at a dovish monetary stance.

According to the International Monetary Fund (IMF), global growth decelerated to 3.20 % during 2023 from 3.50 % during 2022. The pace of economic activity was dragged down, inter alia, by restrictive monetary policy stances to tame inflation, protracted geopolitical tensions and sluggish recovery in China. The potential impact of climate change became increasingly evident, with economic losses due to extreme weather events. Global inflation fell to 6.80 % in 2023 from 8.70 % in 2022 on the back of easing commodity prices, favourable supply conditions and monetary tightening across major economies, but still remained at its highest level in over two decades. Inflation in respect of core items and services remained elevated, exhibiting persistence in major economies amidst tight labour market conditions.

Global growth is forecast to slow from the 3.10% 2023 pace to 2.90% in 2024 and rebound to 3% next year. Inflation is expected to continue to cool, although in many countries the price pressure will take longer to unwind than it took to emerge.

A slower expected glide path on rate cuts by the U.S. Federal Reserve, which plays an outsized role in global financial markets, will have a larger impact on rate decisions by developing economies. These markets are more sensitive to the exchange rate movements than we have seen in the past. Weakening currencies relative to the U.S. dollar are inflationary for those economies. To further complicate matters, foreign exchange markets have been reacting to unexpected election outcomes.

Indian Economy

Amidst this challenging global economic environment, the Indian economy is exhibiting strength and stability with robust macroeconomic fundamentals and financial stability. India has emerged as the fastest growing major economy in the world and a leading contributor to global growth. Driven by a robust push in capital formation with public investment leading the path.

The real GDP of the Indian economy during 2023-24 accelerated to 7.60% from 7% in the previous year; this is third successive year of 7% or above growth. This growth was supported by a broad-based strengthening of industrial sectors, particularly manufacturing, and the financial services sector playing a pivotal role in driving the economic momentum. The large domestic consumption basket in the country also supported this growth, though overall, it showed signs of moderation from the earlier years. Government-led strategic reforms, substantial investments in physical and digital infrastructure, and initiatives like 'Make in India' and the Production-Linked Incentive (PLI) scheme bolstered the country's growth, resilience, and self-reliance. The outlook for the Indian economy in 2024-25 is brightening.

Inflation moderated to a four-month low of 4.90% in the third quarter of FY 2023-24, as a result of the Reserve Bank of India's prudent management, balancing inflation control with growth stimulation. This is believed to have created a stable interest rate environment conducive to long-term investments and spending. Government strategies have continued to focus on onshoring and friend-shoring production, leveraging AI to maintain competitiveness in digital services, and achieving non-fossil fuel power generation targets.

According to the World GDP Ranking 2024 list, India is the fifth largest economy in the world.

India decisively withstood global headwinds in 2023 and is likely to remain as the world's fastest-growing major economy on the back of growing demand, moderate inflation, stable interest rate regime and robust foreign exchange reserves. With global headwinds fading, India's macros appear to be in a good place in 2024.

The GDP growth in India is dependent on the trajectory of economic and political developments globally. Overall, the forces are likely to balance out in calendar year 2024, giving us a comfortable growth rate. India's growth has shown great resilience despite many external shocks. This is due to increasing economic diversity and the role of policy in smoothing shocks.

Equipping people with better skills and assets has added up to give India good growth in 2024 and beyond. The geopolitical developments will again test the resilience of India's domestic demand in the coming year, and the worsening or easing of the current conflicts will determine the landing bias of the growth rate to the lower or higher end, respectively.

The lagged impact of interest rate hikes and the global slowdown will be the key drags.

Industry Structure and Developments

India's Export of Indian Sports Goods and Toys increased during FY 2023-24; As per data based on the export returns submitted by its members, compiled by The Sports Goods Export Promotion Council, the export of sports goods & toys for the year 2023-24 has been recorded as ₹ 1,900 Crore as compared to ₹ 1,778 Crore during 2022-23, showing moderate increase of about 7% in Rupee terms.

The export destinations for export of sports goods mainly are US, UK, Australia, Germany, UAE, Netherlands, France, South Africa, Sweden, and Canada. India exports a variety of sporting goods including inflatable balls, tennis balls, table tennis, tennis, and badminton rackets, general exercise equipment, gymnastics articles, cricket gear, sportswear, toys, recreational games, puzzles, video games, parlour and billiard games, casino articles, festive, carnival and entertainment articles, swimming and outdoor games equipment, fishing and hunting equipment, swings, circus, shooting gallery and fairground amusement article. Major international brands such as Mitre, Umbro, and Wilson source their inflatable balls and other sports goods from India. As per earlier India Exim Bank analysis, the UK is the largest importer of India's export of Tennis balls, inflatable balls, and other balls (excl. golf balls, and table tennis balls), followed by Australia and UAE in the same order of exports. For festive article exports, the USA is the major importer with a significant share in the overall exports. UAE is one of the key importers of articles and equipment for table tennis, tennis, badminton, and similar rackets commanding a major share of the total exports. India's exports of Water Sports Equipment have significant demand from countries like Spain and Sri Lanka. India's exporters actively tap developing countries like Brazil, Mexico, South Africa, Chile, Columbia, Argentina, Nigeria, Peru, and Ecuador, which have significant demand for sports equipment and supplies. Most of the production of sports goods is outsourced to the Asia-Pacific region, making it one of the world's largest sports goods manufacturing regions.

The sports goods industry of India is nearly a century old and holds a prominent position in the global market. The industry has flourished, driven by a skilled workforce hence known for its role in creating employment and contributing to the country's economy. The industry employs more than 500,000 people. India has made significant progress in boosting its soft power and has become a major player in the sporting goods sector, ranking as the third largest manufacturer in Asia. India currently manufactures more than 300 sports-related goods such as toys, video game consoles and articles, festive and carnival articles, gymnastics and sportswear goods, fishing articles, outdoor games, toys, etc. Uttar Pradesh, Punjab, Maharashtra, Delhi, Tamil Nadu, Jammu, and West Bengal are among India's top sports goods-producing states. Among these, Jalandhar City in Punjab and Meerut City in Uttar Pradesh account for about 75-80% of the total production in the country.

The sports goods industry is highly competitive globally due to the presence of numerous established multinational companies. Foreign Brands and overseas manufacturers/suppliers from China and other countries are having edge over Indian manufacturers. Sports Industry in India needs continuous Technological Upgradation, Setting up of composite sports clusters equipped with technical and logistics support of international standards and JVs with global Industry leaders. The Industry needs to diversify its product range

and should go in for the production of Hi- tech sports items and physical equipment(s). The Indian Sports Goods Industry is gradually moving towards mechanization on a reasonable scale for increasing productivity and competitiveness of Indian Sports Goods Sector. The Industry is gradually adapting new technology to keep up with the changing global trends.

The sports goods industry has potential for employment, growth and export and to become the next big industry in India. Sports Infrastructure needs further expansion and optimum utilization. Government is focusing on overall growth of Sports Sector and development of Infrastructure for Sports. Public Private Partnership in creating Sports Infrastructure are being encouraged.

Initiatives by Government and Authorities for Sports Promotion

Government of India is gradually increasing budgetary allocation for Sports - Union Budget 2023 announced 27% hike leading to highest-ever sports budget and 67% increase in Khelo India Scheme. The government aims to transform India into a global sporting powerhouse with a long-term impact on health, education, and tourism by undertaking mega-sports infrastructure projects and encouraging investments through the public-private partnership (PPP) model. To boost the sporting goods manufacturing sector, the government has established the Sports Goods Export Promotion Council (SGEPC), dedicated to promoting India's sports goods exports. SGEPC regularly organizes both international and domestic trade events to provide Indian manufacturers with exposure to global market trends and a platform to showcase their products. The Market Access Initiative (MAI) scheme and the Remission of Duties and Exported Products (RoDTEP) scheme have been implemented to promote the export of Indian goods and services.

The Sports Authority of India (SAI) that works supporting the Ministry of Youth Affairs and Sports is credited for the advancement of Sports and Games in the country. Authority formulates and executes a progression of changes and schemes to help Sports department. The various initiatives taken by the Government in the recent past to boost the sports is yielding results and will have positive impact on the sports industry in future .

The Key Schemes of the Government namely '**Khelo India Scheme**', '**Target Olympic Podium Scheme**', '**Fit India Movement**' and other initiatives have transformed the Sports in India.

Khelo India Scheme – the National Programme for development of sports was launched in 2016 post the fusion of three earlier schemes – Rajiv Gandhi Khel Abhiyan (RGKA), Urban Sports Infrastructure Scheme (USIS), and National Sports Talent Search Scheme (NSTSS). The Khelo India programme has been introduced to revive the sports culture in India at the grass-root level by building a strong framework for all sports played in our country and establish India as a great sporting nation. The plan endeavors to advance “Sports for All” as well as “Sports for Excellence”. The plan was revamped in the year 2017 with an aim to mainstream sports as an instrument for individual and local area development, monetary development, and national development. The scheme is the key to giving athletes from all across the country to show case their sporting skills on a national platform and to be identified for further training. The scheme supports athletes with scholarship. The Central Government in partnership with States has set up Khelo India Centres of Excellence – the state of art training centres for senior and elite athletes with a focus on specific sporting disciplines. In addition, Khelo India accredited academies, private academies and adopted schools where Khelo India Athletes and Sportspersons are trained have added to the strength of the sporting infrastructure. With a view to achieving the twin objectives of mass participation and promotion of excellence in sports, the Government of India has decided to continue the Scheme of —Khelo India – National Programme for Development of Sports over the 15th Finance Commission Cycle (2021-22 to 2025-26) at an outlay of ₹ 3165.50 Crore.

Fit India Movement was launched on the occasion of National Sports Day on 29 August, 2019 by Hon'ble Prime Minister, to make fitness a way of life for every citizen. Citizens across India, from school students to youngsters to seniors, are participating in various fitness activities such as marathons, cyclothons, runs and more, throughout the year , making it a People's movement. Sports Talent Search Portal was launched to recognize the best talent among the youth of India. The portal allows youngsters to upload their achievements. Significant level committee constituted in 2017 on the occasion of International Women Day in 2017 to address complaints and issues of women sports persons . The Empowered Steering Committee (ESC) was comprised in January 2017 on the recommendations of the Olympic Task Force for preparing a far-reaching action plan for the powerful participation of Indian players in the Olympic Games of 2021 (Tokyo), 2024 (Paris), and 2028 (Los Angeles).National Sports Awards Scheme acknowledges and respects sports personalities with the Arjuna

Awards, Rajiv Gandhi Khel Ratna, Dhyanchand Awards, and Dronacharya Awards for their achievements and commitments as sportspersons and coaches in the field of sports. Sports and Games for Persons with Disabilities Scheme - Under this plan, the differently-abled sportspersons are trained in their field for conducting sports competitions and assisting schools and institutes having differently-abled sportspersons.

Target Olympic Podium Scheme - The Sports Ministry released the 'Target Olympic Podium (TOP)' Scheme in May 2015 under the National Sports Development Fund (NSDF) to help the potential medal possibilities for the Olympic Games. The main focus is given to Athletics, Badminton, Boxing, Archery, Wrestling, and Shooting sports.

Sports plays an important role in ensuring physical fitness and healthy lifestyle among the citizens of a country. Greater sports participation is critical to the future health and productivity of India's large population. Sports can make significant socio-economic impact on a nation and its citizens. It unites people from diverse backgrounds, hence promoting peace and development. With the Government providing numerous opportunities to sportspersons, sports also promotes social inclusiveness.

Market Development Assistance (MDA) Scheme

The MDA scheme works mainly to assist exporters in export promotion activities in the international markets. The scheme also assists the respective export promotion councils in undertaking export promotion activities for their products. Similarly, through this scheme, the government helps focus export promotion programs on international regions such as the LAC, Africa, CIS, and the ASEAN economies.

Market Access Initiative (MAI)

Under this scheme, financial assistance will be provided to export & trade promotion organizations, national institutes, research institutes, exporters, etc. The parameters covered under the financial aid will be marketing projects, capacity enhancement, supporting statutory compliances, studies, research, project development, and supporting cottage and handicraft units in India. The main objective of the MAI scheme is to promote the export of Indian goods to international markets.

Opportunities & Threats, Risks and Concerns:

The sports sector has the potential to make significant contribution to the economy. The Indian Government has made improving sports outcomes a strategic priority. The Government of India is making significant investment on the development and promotion of Sports as stated hereinbefore. In India's Economic growth story, the Sports and Sports goods Industry will continue to have significant role to play.

The Sports Industry in India has some good quality manufacturing units and skilled manpower base. New Markets and Overseas buyers, who are also looking for alternate sources of supply in addition to China and developing countries, need to be explored for Exports.

With the growing importance of sports, many entrepreneurs have ventured into the industry to cater to the needs of athletes and sports enthusiasts. In recent years, India has seen an influx of sports-focused start-ups. The sports sector in India is expected to see continued growth through start-ups as the market is still in its early stages. These start-ups offer a range of services such as online ticket purchasing, prediction games, and the provision of high-quality sports and fitness products and equipment. These sports start-ups are primarily focused on delivering sports-related services and products to people in the country. These startups are attracting investment from venture capitalists and other investors, contributing to the growth of the sports manufacturing industry.

Our company manufactures mainly Sports Balls and deals in wide range of Sports Goods and Fitness Equipments. The Company has network of branches, distributors and around 800 authorized dealers in India and is one of the leading and most organized Indian Company in Sports Industry. It has tie ups and arrangements with reputed International and Domestic manufacturers /suppliers. The Company on continuous basis upgrades the quality of its products with in-house R & D. The products manufactured/traded by the company conform to International Standards. The company has immense potential to leverage upon its brand, accreditation and quality to increase sales and profitability. The Company's 'Cosco Brand' is well recognized in the Domestic Market.

Segment-wise product-wise performance

The Company's products segments are classified broadly into two segments viz

- Own manufactured products viz Sports Balls
- Traded Goods viz Fitness Equipments and other Sports Goods.

The Segment wise performance and relevant information is given in Notes on the Financial Statements (Refer Note No. 33 of Notes on the Financial Statements – Segment Information

Outlook

The Indian sports and fitness goods market size was valued at USD 5,094.58 million in 2023. The market is further projected to grow at a CAGR of 8.90% between 2024 and 2032, reaching a value of USD 10,973.88 million by 2032.

The Indian sports and fitness goods market is growing due to various factors, such as increasing health awareness, rising disposable income, changing lifestyle preferences, and government initiatives to promote sports culture. Additionally, the emergence of online platforms, social media influencers, and celebrity endorsements have also boosted the demand for sports and fitness goods among consumers.

Sports in India have come a long way in the last few years. Increases in government initiatives and policies to promote sports and fitness by improving the sports infrastructure, facilities, and encouraging the participation and performance of athletes in national and international events. The government also provides incentives, subsidies, and schemes to support the sports and fitness industry, which enhances the development of the sports and fitness goods market in India.

'Further Khelo India School Games' initiative has encouraged a shift in the way people thought about sports, especially at the grass-root level. Greater sports participation is critical to the future health and productivity of India's large population. The initiatives of the Government ' Khelo India Scheme' , 'Target Olympic Podium Scheme' , 'Fit India Movement' And of the Sports bodies for organizing regular sports events such as Indian Premier League (Cricket), Hockey India League, Indian Badminton League, Prokabbadi, Indian Super League (Football) and professionalization of Heritage sports events such as Goti, Gilli Danda, Lagori, Kilithatt, Gatta Gusthi are changing the old face of Indian sports. This is driving demand for better sports systems, facilities and inputs. Over the last few years, the activity around the business of sports has been tremendous in these domestic leagues. These initiatives have shown Indians, a world of sports beyond cricket. Indian Sportspersons have been making mark in various sporting disciplines in international competitions.

India is now being seen as a power to reckon with. Several elite international sports bodies have chosen India as host country in recent years. The 44th FIDE Chess Olympiad, The U-17 FIFA World Cup held in 2022, AIBA World Boxing Championship and the ISSF Shooing World Cup held in 2023 across various cities have boosted India's stature in Sports.

Govt. of India and State Governments are gradually increasing budgetary allocations for Sports and taking progressive policy initiatives to promote Sports and Sports Industry.

These initiatives prove that sports have a future in India as a business.

Demand for sporting goods and fitness goods is growing with India's burgeoning consumer class with the ongoing rise in popularity of outdoor and home-based sports. There is ever growing awareness about Sports and Fitness among the urban as well as rural population, which will further boost this product segment in India. Many multinational organizations have in-house gymnasiums or sponsor their staff for sports and fitness activities and/or organize intra-office sports events.

Moreover, the rise of social media platforms such as Facebook, Instagram, and Twitter, is also catalyzing the sports and fitness goods market size. Through social media channels, companies can communicate directly with the audience looking for fitness equipment. The sports and fitness goods manufacturers are also using these platforms to advertise, thereby informing potential customers about their latest products.

Furthermore, latest innovations and advancements in manufacturing technologies have also increased the sports and fitness goods market value. These products include smart tennis racquets, motorised treadmills, speed training equipment, and fitness bands.

The company sees promising future of Sports and Health & fitness in India. Looking ahead to the future of the sporting goods industry, Cosco (India) Limited expects that competition in the global market will remain severe despite global increases in health consciousness and growth in the number of people participating in sports in emerging countries. Your Company has confidence on intrinsic strengths of its brands, innovation capabilities, strong distribution network and cost efficiency programs. Your Company is well positioned with its strong management team, technology interventions and robust processes.

Threats

1. Competition from Global Brands and their popularity amongst Indian consumers;
2. Infringement of Company's Brand and Trade mark by grey market operators;
3. The challenges of supply chains;
4. Skilled Manpower constraints & rising manpower costs;
5. Infrastructure constraints for development of Sports;
6. The lack of 'industry' status for sport (sports infrastructure aside), the absence of clear guidelines for business operations and the unorganized nature of the sector affects investor confidence.
7. High taxes levied on Sports and Fitness equipments;
8. Constraints of financing for consumers ;

Internal control systems and their adequacy.

The internal control systems of the Company provide for policies, guidelines, authorizations and approval procedures. Your Company has in place adequate internal control systems and procedures commensurate with size and nature of its business. All the transactions are properly authorized, recorded and reported to the Management. The Company has appointed Internal Auditors who conduct Internal Audit periodically. Audit Committee reviews Internal Audit Reports and adequacy of internal controls for ensuring checks and balances and that internal control systems are properly followed. The system of internal financial control ensures that all transactions are evaluated, authorized, recorded and reported accurately and that all assets are safeguarded and protected against losses that may arise from unauthorized use or disposition. Board has taken note of the observations of the Auditors for improvement in some areas of Internal Financial Controls and Scope of Internal Audit, which have been dealt in the main Directors Report under the head Independent Auditors' Report. The company will further strengthen its Internal Financial Controls in areas observed by the Auditors. Board is of the opinion that the Company's internal financial controls were reasonably adequate and effective during the financial year 2023-24.

The company is following the applicable Accounting Standards and has prepared financial statements for the year ended 31.03.2024 in accordance with Ind AS. The Company prepared its financial statements in accordance with Generally Accepted Accounting Principles (GAAP) in India and complied with the Accounting Standards.

Discussion on financial performance with respect to operational performance. The relevant information is given in the Directors' Report under headings Financial Results, Company's Performance and State of Affairs for Financial Year 2023-24 read with the Financial Statements.

Material developments in Human Resources/Industrial Relations

The management of the Company believes that Human Resources is the driving force towards progress of the Company and regards it as its most valuable asset. The Management believes in trust, transparency and teamwork. The thrust of the Company is to create responsive and market driven organization. The Company seeks to motivate and provide opportunities to its personnel to grow with the organization. Your company has a total strength of about 457 employees as on 31.03.2024. The relations with employees remained cordial and satisfactory during the year under review. Your Directors are thankful for the confidence reposed by all associated with the Company and their continued support.

Key Financial Ratios

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

Following are the key financial ratios:

| Particulars | 2023-24 | 2022-23 |
|-----------------------------|---------|---------|
| Debtors Turnover Ratio | 7.08 | 6.88 |
| Inventory Turnover Ratio | 1.39 | 1.31 |
| Interest Coverage Ratio | 2.14 | 1.55 |
| Current Ratio | 1.96 | 2.00 |
| Debt Equity Ratio | 1.13 | 1.13 |
| Operating Profit Margin (%) | 5.45 | 3.73 |
| Net Profit Margin (%) | 1.82 | 0.45 |
| Return on Net Worth (%) | 6.66 | 1.47 |

Reason for significant change:

- Increase in Interest Coverage Ratio :Significant Increase in Profit after Tax pursuant to increase in Sales Turnover with product mix of profitable products.
- Increase in Operating Profit Margin and Net profit Margins : Increase in Sales turnover by about 16% with product mix of profitable products.
- Increase in Return on Net Worth : Due to increase in Net Comprehensive Income pursuant to higher Net Profits.

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis Report describing the Company's objectives, expectations or forecasts may be 'forward-looking statements' within the meaning of applicable laws and regulations. The actual results may differ materially from those expressed in the statements due to various factors viz. market conditions, input costs, changes in the regulations, economic development within/outside country etc.

INDEPENDENT AUDITOR'S REPORT
To the members of Cosco India Limited
Report on the Audit of the standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Cosco India Ltd** ("the Company"), which comprise the standalone Balance Sheet as at March 31, 2024, 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 for the year ended on that date, notes to the standalone financial statements and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("IndAS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the 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 (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit 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. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

| The Key Audit Matter | How the matter was addressed in our audit |
|--|--|
| <p>Trade receivables, trade payables and advances against import constitute significant amount and includes both indigenous and foreign vendors. Company has obtained confirmations during the year for majority value.. The foreign trade receivables/ payables are subject to exchange fluctuation exposure.</p> | <p>Principal audit procedures performed We have applied the following relevant audit procedures: Checking the subsequent realisations/ payments to ensure veracity of these accounts.</p> <p>Checking the recording, realisations, payments of monetary assets/liabilities at transaction/realisation and payment date and Reinstatement thereof at reporting date as per the relevant IndAS and recording of the exchange differences in the statement of profit and loss.</p> |

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Annual Report through Management Discussion and Analysis, Board's Report including Annexures thereto, Business Responsibility Report, Corporate Governance, Secretarial audit report and Shareholder's Information etc, but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. The information included in the Annual report i.e. Directors Report, Management Discussion and Analysis, Corporate Governance Report, etc. is expected to be made available to us after the date of this auditor's report.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and describe actions applicable under the applicable laws and regulations.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/ loss and total comprehensive income, changes in equity and cash flows of the company in accordance with the accounting principles generally accepted in India including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 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 scepticism throughout the audit. We also:

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

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

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

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

Report on Other Legal and Regulatory Requirements

1 As required by 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 and proper returns adequate for the purpose of Audit have been received from the branches not visited by us read with our remarks for certain matters in respect of audit trail as stated in paragraph 1(vi) below.
- (c) The standalone balance sheet, the standalone statement of profit and loss including other comprehensive income, standalone statement of changes in equity and the standalone statement of cash flow dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with IndAs specified under Section 133 of the Act.
- (e) on the basis of the written representations received from the directors as on 31-3-2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March-2024 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 of the Company in place and the operating effectiveness thereof, refer to our separate report in “Annexure A”; and
- (g) With respect to the matters to be included in the Auditor's Report under section 197(16) of the Act, in our opinion and based on the information and explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act read with schedule V 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.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 and Companies (Auditor's Report) order 2020, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements (Refer Note 35);
 - ii. The Company did not have any long term contracts including derivative contracts for which provisions were required to be made for any material foreseeable losses;
 - iii. As informed to us company was not required to transfer any amount during the year in the Investor Education and Protection Fund (IEPF)
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in any other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures 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 (a) and (b) above, contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year and therefore the requirement of compliance of Sec 123 of the Act are not applicable.
- vi. Based on our examination which included test checks and in accordance with requirements of the Implementation Guide (ICAI) on Reporting on Audit Trail under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014, the Company has used accounting software's for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software. Further, where audit trail (edit log) facility was enabled and operated throughout the year, we could not verify instance of audit trail feature being tampered with during the financial year 2023-24, during the course of audit and for this we relied upon the certificate of the management.
- 2 As required by the Companies (Auditor's Report) Order, 2020 (the “Order”) issued by the Central Government in terms of Section 143(11) of the Act, we give in “**Annexure B**” a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.

For **Madan & Associates**
Chartered Accountants
Firm Registration No: 000185N

M.K Madan
Proprietor

Membership number: 082214

Place: New Delhi

Date: 30.05.2024

UDIN: 24082214BKEIWT1156

**Annexure - A to the Auditors' Report
Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **Cosco India Ltd** ("the Company") as of 31 March 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company generally has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note"), however in the following areas the internal control needs to be further strengthened :

- **PURCHASES:** Rates/ prices negotiated by the top management. Negotiations are not fully documented. This was reported by us in the last year also.
- **Inventory:** The controls regarding physical verification of work in progress needs to be strengthened and verification should be done by stopping the operations. This was reported by us in the last year also. The inventories should be monitored closely to keep inventories at reasonable levels to improve Inventory Turnover Ratio. Excess inventory should be ascertained periodically and got liquidated strategically at the earliest. Similarly, slow moving / non-moving stocks should be liquidated promptly at periodical intervals.
- **Trade Receivables:** More proactive actions required to effectuate recovery of Old Receivables –more specifically which are outstanding for more than one year. Also, where there are inordinate delays in payments, such customers should be monitored selectively and effectively through MIS. Invariably some customers avail extended credit - Credit discipline need to be enforced in these cases. This was reported by us in the last year also.
- **Fixed Assets Physical verification:** needs improvement to see all items of PPE are physically verified in phase of 3 years. This was reported by us in the last year also.
- **Expenditure Budgeting** having regard to sales forecast, production and procurement plan.
- **Volume of Expense through petty cash:** needs to be reduced to the extent possible. This was reported by us in the last year also.
- **Timely recording of Transactions involving TDS/TCS provisions and obtention of declaration from clearing Agents for non-applicability of TDS provisions.**

For **Madan & Associates**
Chartered Accountants
Firm Registration No: 000185N

M.K Madan
Proprietor
Membership number: 082214

Place: New Delhi
Date: 30.05.2024
UDIN: 24082214BKEIWT1156

**Annexure - B to the Auditors' Report
(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report)**

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

- (i) In respect of Company's Property, Plant and Equipment:
- (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment. The intangible assets of the company comprise of computer software for which company is maintaining proper records showing full particulars.
 - (b) The Company has a programme of verification of fixed assets to cover all the items in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the company and the nature of its activities. Pursuant to the said programme, certain property, plant and equipments were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties in the name of erstwhile firm taken over by the company at the time of incorporation (other than those that have been taken on lease and the lease agreements are duly executed in favour of the Company) disclosed in the standalone financial statements are held in the name of the Company. Original copy of title deeds have not been produced as the same are deposited as security with banks under loan agreement as confirmed by the management and certified by the Bank.
 - (d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
 - (e) On the basis of the information and explanations given to us duly certified by the management and examination of records, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Property Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventory were noticed on such physical verification of inventories between the physical stocks and book records.
- (b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns and statements comprising (stock statements, book debt statements, and statements on ageing analysis of the debtors) filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company, of the respective quarters, except for the following:

| For the quarter | Sanctioned amount to which the discrepancy relates * (Amount in ₹ lakhs) | Nature of Current asset | Nature of Discrepancy | Amount as per Quarterly return and statements (Amount in ₹ lakhs) | As per Unaudited books of accounts (Amount in ₹ lakhs) | Difference (Amount in ₹ lakhs) | Remarks (Including subsequent rectification if any) |
|-----------------|---|-------------------------|--|--|---|-----------------------------------|---|
| June 2023 | 2800 | Trade Receivable | Non-Current debtors are not considered | 2,489.53 | 2525.42 | (35.89) | Debtors having significant credit risk are not considered and no subsequent rectification was required to be filed with the bank. |
| September 2023 | 2800 | Trade Receivable | Non-Current debtors are not considered | 2,572.55 | 2,608.44 | (35.89) | Debtors having significant credit risk are not considered and no subsequent rectification was required to be filed with the bank. |
| December 2023 | 2800 | Trade Receivable | Non-Current debtors are not considered | 2,525.61 | 2,561.50 | (35.89) | Debtors having significant credit risk are not considered and no subsequent rectification was required to be filed with the bank. |
| March 2024 | 2800 | Trade Receivable | Non-Current debtors are not considered | 2,782.78 | 2,808.03 | (25.25) | Debtors having significant credit risk are not considered and no subsequent rectification was required to be filed with the bank. |

- (iii) (a) The Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to Companies, firms, Limited liability partnership or any other parties during the year except loan given to the employees in the ordinary course of business. The Balance outstanding as at the end of the year are ₹ 27.88 lakhs. Further company has not given any advance in the nature of loan to any party during the year.
- (b) Loan to employees granted during the year are in the ordinary course of the business as per policy of the company and hence prima facie not prejudicial to the interest of the company.
- (c) Stipulations in respect of loans granted to the employees have been laid out and the repayments are regular.
- (d) The outstanding amount of loan to employee of ₹ 27.88 lakhs is not overdue because payment in respect of the same is being recovered from the employees as per stipulations.
- (e) No loan granted by the Company during the year which has fallen due has been renewed or extended or fresh loans granted to settle the over dues of existing loans given to the 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 loan either payable on demand or without specifying the terms or period of payments.
- (iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, it has not provided any guarantee or security as specified under section 185 or 186 of the Act. Company has not granted any loan/ made any investment during the year.
- (v) During the year the Company has not accepted any deposits (other than the deposits from the Directors, which are exempt under sub clause (viii) of clause (c) of rule 2 of The Companies (Acceptance of Deposits) Rules, 2014). There are no amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- (vi) It is certified by the management, that company is not required to maintain the cost records prescribed under section 148 (1) of the Companies Act 2013, since the same has not been specified by the Central Government. We have relied upon the assertions of the management.
- (vii) In respect of statutory dues:
- (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 generally been regular in depositing undisputed statutory dues, including Goods and Service Tax, provident Fund, Employees State insurance, income tax, cess and other material statutory dues applicable to it with the appropriate authorities. The Company does not have a liability during the year in respect of sales tax, service tax, duty of customs, duty of excise, value added tax, since they have been subsumed in GST with effect from 1st July, 2017. There were no undisputed amounts payable in respect of the aforesaid statutory dues in arrears as at 31.03.2024 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no statutory dues referred to in sub clause (a) which have not been deposited as at 31.03.2024 on account of any dispute except following:

| Name of Statute | Nature of dues | Amount (₹ in lakhs) | Period | Forum where dispute is pending |
|---|-----------------|----------------------|------------------------|--------------------------------|
| Uttar Pradesh Value Added Tax Act, 2008 | State tax (VAT) | 18.07 | Financial year 2008-09 | Supreme Court |
| Central Sales Tax Act/ Uttar Pradesh Value Added Tax Act, 2008 | Central tax | 16.63 | Financial year 2008-09 | Supreme Court |

- (viii) According to the information and explanations given to us and on the basis of our examination of the records, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) (a) As certified by the Bank, the Company has not defaulted in the repayment of the Loans and interest thereon during the year in respect of credit facilities. The company has not taken any loan from any other lender other than the Directors/ group companies.
- (b) As certified by the Bank the Company has not been declared wilful defaulter.
- (c) According to the information and explanations given to us, Company has applied the term loans (Including working capital term loans) for the purposes for which the same have been obtained.
- (d) The Long term sources of funds comprising share capital, reserves and surplus and long term loans (including security deposits payable after one year) are higher than the Long term application of funds comprising of PPE, CWIP and Intangible assets and the current ratio is 1.96 times. Therefore, in our opinion on overall examination of balance sheet of the company, no funds raised on short term basis have been utilised for long term purposes.
- (e) According to the information and explanations given to us and on overall examination of standalone financial statements, The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary, Joint venture or associates as defined under the Act.
- (f) Read with note 40.3, The Company doesn't have any subsidiaries and hence reporting under clause 3(ix)(f) of the order regarding raising of loans by pledging the securities held in subsidiaries is not applicable.
- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order regarding utilisation of the funds so raised is not applicable.
- (b) According to the information and explanations given to us and on examination of records, during the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partly or optionally convertible) and hence reporting under clause (x)(b) of the Order regarding compliances under section 42 and section 62 of the Companies Act, 2013 are not applicable to the Company.
- (xi) (a) According to the information and explanations given to us and on examination of records, considering the principle of materiality outlined in the Standards of Auditing, to the best of our knowledge no fraud by or on the Company has been noticed or reported during the year.
- (b) To the best of our knowledge and as certified by the Secretarial auditor, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) As represented by the Management, there was no whistle blower complaints received by the Company during the year (and up to the date of this audit report).
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order regarding maintenance of required Net owned fund to Deposit ratio and other requirements are not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) (a) In our opinion the Company has internal audit system which needs to be substantially strengthened considering the size and the nature of its business in terms of scope coverage and compliance thereof.
- (b) In view of the comments vide sub para (a) above the internal audit reports for the year under audit, issued to the Company close to the signing of our reports could not be considered in determining the

nature, timing and extent of our audit procedures. This observation was also made by us in the last year report.

- (xv) As per the information available and to the best of our knowledge in our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and Hence, reporting under clause 3(xvi)(a), of the Order is not applicable.
- (b) The Company has not conducted any non-banking financial or housing, financing activities during the year and therefore the requirement of reporting regarding the certificate of registration is not applicable.
- (c) In our opinion, the company is not a Core Investment Company as defined in the regulations made by the Reserve Bank of India.
- (d) As informed by the management, there are two core investment companies within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016).
- (xvii) The Company has not incurred cash losses during the financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The Company was not having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year and hence, provisions of Section 135 of the Act are not applicable to the Company during the year. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

For **Madan & Associates**
Chartered Accountants
Firm Registration No: 000185N

M.K Madan
Proprietor
Membership number: 082214

Place: New Delhi
Date: 30.05.2024
UDIN: 24082214BKEIWT1156

STANDALONE BALANCE SHEET AS AT MARCH 31, 2024

| (All amounts in ₹ lakhs, unless otherwise stated) | | | |
|---|-------|------------------|------------------|
| | | As At | As At |
| | NOTES | March 31, 2024 | March 31, 2023 |
| I. ASSETS | | | |
| (1) Non-Current Assets | | | |
| (a) Property, plant and equipment | 3A | 878.01 | 728.92 |
| (b) Capital work-in-progress | 3C | 7.02 | 4.13 |
| (c) Other intangible assets | 3B | 1.11 | 1.29 |
| (d) Right-of-use assets | 4 | 62.02 | 132.80 |
| (e) Financial assets | | | |
| (i) Trade receivables | 9 | 25.25 | 35.89 |
| (ii) Others | 5 | 68.49 | 195.70 |
| (f) Deferred tax assets (net) | 6 | 76.57 | 81.64 |
| (g) Other non-current assets | 7 | 19.75 | 16.60 |
| Total non-current assets | | <u>1,138.22</u> | <u>1,196.97</u> |
| (2) Current Assets | | | |
| (a) Inventories | 8 | 7,800.06 | 7,627.18 |
| (b) Financial assets | | | |
| (i) Trade receivables | 9 | 2,782.78 | 2,143.58 |
| (ii) Loans | 10 | 27.88 | 25.31 |
| (iii) Cash & cash equivalents | 11 | 65.48 | 30.17 |
| (iv) Others | 12 | 5.19 | 6.86 |
| (c) Other current assets | 13 | 532.37 | 550.25 |
| Total current assets | | <u>11,213.76</u> | <u>10,383.35</u> |
| Total Assets (1+2) | | <u>12,351.98</u> | <u>11,580.32</u> |
| II. EQUITY AND LIABILITIES | | | |
| (1) Equity | | | |
| (a) Equity share capital | 14 | 416.10 | 416.10 |
| (b) Other equity | 15 | 4,564.57 | 4,239.43 |
| Total equity | | <u>4,980.67</u> | <u>4,655.53</u> |
| (2) Liabilities | | | |
| Non-Current Liabilities | | | |
| (a) Financial liabilities | | | |
| (i) Borrowings | 16A | 1,548.60 | 1,543.96 |
| (ii) Lease liability | 17 | 16.99 | 74.88 |
| (b) Provisions | 18A | 91.39 | 104.84 |
| Total non-current liabilities | | <u>1,656.98</u> | <u>1,723.68</u> |
| Current Liabilities | | | |
| (a) Financial liabilities | | | |
| (i) Borrowings | 16B | 4,071.56 | 3,699.91 |
| (ii) Trade payables | 19 | | |
| (a) Micro and small enterprises | | 295.38 | 222.15 |
| (b) Other than Micro and small enterprises | | 437.22 | 366.49 |
| (iii) Lease liabilities | 17 | 57.89 | 77.16 |
| (iv) Others | 20 | 539.89 | 538.78 |
| (b) Other current liabilities | 21 | 162.18 | 215.60 |
| (c) Provisions | 18B | 150.21 | 81.02 |
| Total current liabilities | | <u>5,714.33</u> | <u>5,201.11</u> |
| Total Equity & Liabilities (1+2) | | <u>12,351.98</u> | <u>11,580.32</u> |
| Basis of preparation, Measurement and Significant accounting policies | 2 | | |

The accompanying notes 1 to 42 are integral part of the financial statements.

In terms of our report of even date.

FOR MADAN & ASSOCIATES
CHARTERED ACCOUNTANTS

FIRM'S REGISTRATION NO. : 000185N

M K MADAN

Proprietor
Membership No. 082214

Place : New Delhi

Dated : May 30th, 2024

FOR AND ON BEHALF OF BOARD OF DIRECTORS

DEVINDER KUMAR JAIN

Managing Director and CEO
DIN : 00191539

ARUN JAIN

Whole Time Director and CFO
DIN : 01054316

NARINDER KUMAR JAIN

Managing Director
DIN : 00195619

SUDHA SINGH

Company Secretary
Membership No.A33371

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2024

| | | (All amounts in ₹ lakhs, unless otherwise stated) | |
|--|-----------------|---|---|
| | | For the Year Ended March 31, 2024 | For the Year Ended March 31, 2023 |
| Income | NOTES | | |
| I. Revenue from operations | 22 | 17,655.17 | 15,251.52 |
| II. Other Income | 23 | 94.51 | 66.79 |
| III. Total Income (I+II) | | 17,749.68 | 15,318.31 |
| IV. Expenses : | | | |
| (a) Cost of materials consumed | 24 | 3,412.67 | 3,251.29 |
| (b) Purchase of stock-in-trade | 25 | 7,319.66 | 6,934.96 |
| (c) Changes in inventories of finished goods, work-in-progress and stock-in-trade | 26 | (41.03) | (688.45) |
| (d) Employee benefit expense | 27 | 1,983.67 | 1,826.29 |
| (e) Finance costs | 28 | 523.13 | 514.78 |
| (f) Depreciation and amortisation expenses | 29 | 237.58 | 191.95 |
| (g) Other expenses | 30 | 3,844.94 | 3,196.99 |
| Total Expenses | | 17,280.62 | 15,227.81 |
| V. Profit before tax | (III-IV) | 469.06 | 90.50 |
| VI. Tax expenses : | 31 | | |
| Current tax | | 150.05 | 36.98 |
| Earlier year tax expenses | | (5.39) | 2.40 |
| Deferred tax Charged / (Credit) | | 3.61 | (16.93) |
| Total tax expenses | | 148.27 | 22.45 |
| VII. Profit after tax for the year (V-VI) | | 320.79 | 68.05 |
| VIII. Other comprehensive income | | | |
| Items that will not be reclassified to Statement of Profit & Loss : | | | |
| (i) Re-measurement gains / (losses) on defined benefit plans | | 5.81 | 4.00 |
| (ii) Tax impact on re-measurement gain / (losses) on defined benefit plans | | (1.46) | (1.01) |
| Other comprehensive income / (losses) for the year (net of tax) | | 4.35 | 2.99 |
| Total Comprehensive income for the year (VII+VIII) | | 325.14 | 71.04 |
| Earnings per equity share in ₹ (face value ₹ 10) | 32 | | |
| Basic | | 7.71 | 1.64 |
| Diluted | | 7.71 | 1.64 |
| Basis of preparation, Measurement and Significant accounting policies | 2 | | |

The accompanying notes 1 to 42 are integral part of the financial statements.

In terms of our report of even date

FOR MADAN & ASSOCIATES
CHARTERED ACCOUNTANTS
 FIRM'S REGISTRATION NO. : 000185N

FOR AND ON BEHALF OF BOARD OF DIRECTORS

M K MADAN
 Proprietor
 Membership No. 082214

DEVINDER KUMAR JAIN
 Managing Director and CEO
 DIN : 00191539

NARINDER KUMAR JAIN
 Managing Director
 DIN : 00195619

Place : New Delhi
Dated : May 30th, 2024

ARUN JAIN
 Whole Time Director and CFO
 DIN : 01054316

SUDHA SINGH
 Company Secretary
 Membership No.A33371

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2024

(All amounts in ₹ lakhs, unless otherwise stated)

A. Equity Share Capital (refer note 14) :

As at March 31, 2024

| Balance at the beginning of the current reporting period | Changes in Equity Share Capital due to prior period errors | Restated balance at the beginning of the current reporting period | Changes in equity share capital during the current year | Balance at the end of the current reporting period |
|--|--|---|---|--|
| 416.10 | - | 416.10 | - | 416.10 |

As at March 31, 2023

| Balance at the beginning of the current reporting period | Changes in Equity Share Capital due to prior period errors | Restated balance at the beginning of the current reporting period | Changes in equity share capital during the current year | Balance at the end of the current reporting period |
|--|--|---|---|--|
| 416.10 | - | 416.10 | - | 416.10 |

B. Other Equity (refer note 15)

As at March 31, 2024

| Particulars | Reserve & Surplus | | | Other Comprehensive Income | Total |
|---|-------------------|--------------------|-------------------|--|----------|
| | General reserve | Securities Premium | Retained earnings | Measurement of defined benefit obligations | |
| Balance at April 1, 2023 | 1,125.17 | 312.30 | 2,788.62 | 13.34 | 4,239.43 |
| Changes in accounting policy or prior period item | - | - | - | - | - |
| Restated balance at the beginning of the current reporting period | 1,125.17 | 312.30 | 2,788.62 | 13.34 | 4,239.43 |
| Profit / (loss) for the year | | | 320.79 | | 320.79 |
| Other comprehensive income / (expense) [net of tax] | | | | 4.35 | 4.35 |
| Balance as at March 31, 2024 | 1,125.17 | 312.30 | 3,109.41 | 17.69 | 4,564.57 |

| Particulars | Reserve & Surplus | | | Other Comprehensive Income | Total |
|---|-------------------|--------------------|-------------------|--|----------|
| | General reserve | Securities Premium | Retained earnings | Measurement of defined benefit obligations | |
| Balance at April 1, 2022 | 1,125.17 | 312.30 | 2,720.57 | 10.35 | 4,168.39 |
| Changes in accounting policy or prior period item | - | - | - | - | - |
| Restated balance at the beginning of the current reporting period | 1,125.17 | 312.30 | 2,720.57 | 10.35 | 4,168.39 |
| Profit / (Loss) for the year | | | 68.05 | | 68.05 |
| Other comprehensive income / (expense) [net of tax] | | | | 2.99 | 2.99 |
| Balance as at March 31, 2023 | 1,125.17 | 312.30 | 2,788.62 | 13.34 | 4,239.43 |

The accompanying notes 1 to 42 are integral part of the financial statements.

In terms of our report of even date.

FOR MADAN & ASSOCIATES

CHARTERED ACCOUNTANTS

FIRM'S REGISTRATION NO. : 000185N

M K MADAN

Proprietor

Membership No. 082214

Place : New Delhi

Dated : May 30th, 2024

FOR AND ON BEHALF OF BOARD OF DIRECTORS

DEVINDER KUMAR JAIN

Managing Director and CEO

DIN : 00191539

ARUN JAIN

Whole Time Director and CFO

DIN : 01054316

NARINDER KUMAR JAIN

Managing Director

DIN : 00195619

SUDHA SINGH

Company Secretary

Membership No.A33371

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2024

| | (All amounts in ₹ lakhs, unless otherwise stated) | |
|---|--|-----------------------|
| | For the Year | For the Year |
| | Ended | Ended |
| | March 31, 2024 | March 31, 2023 |
| A. Cash Flow from Operating Activities : | | |
| Net Profit before tax | 469.06 | 90.50 |
| <u>Adjustments to reconcile profit before tax and prior period items to cash provided by operations :</u> | | |
| Depreciation and amortisation expenses | 237.58 | 191.95 |
| Bad & doubtful debt provided | 1.97 | 7.88 |
| Foreign exchange fluctuations | (46.46) | (59.72) |
| Finance cost | 523.14 | 514.78 |
| Bad debts | 12.57 | 4.13 |
| Property, plant & equipment written off | 0.35 | 2.46 |
| Refund of Income Tax | 33.13 | 4.98 |
| Provision no longer required | (5.94) | (14.14) |
| Interest income | (23.34) | - |
| Profit on sale of assets | (4.99) | (2.20) |
| Provision w/back | (0.96) | - |
| Operating profit before working capital changes | 1,196.11 | 740.62 |
| Movements in working capital : | | |
| (Increase) / decrease in trade receivables | (590.71) | 136.26 |
| (Increase) / decrease in inventories | (172.89) | (741.05) |
| (Increase) / decrease in loans and advances | 123.44 | (67.45) |
| Increase / (decrease) in trade payables | 143.97 | 143.27 |
| Increase / (decrease) in other current liabilities | 251.96 | 310.56 |
| Cash generated from operations | 951.88 | 522.21 |
| Income taxes paid | 143.29 | 57.61 |
| Net cash (used in) / flow from operating activities | 808.59 | 464.60 |
| B. Cash flow from investing activities : | | |
| Payment to acquire property, plant and equipment including intangible assets and capital work in progress | (322.42) | (265.43) |
| Sale proceeds from property, plant and equipment | 5.85 | 5.26 |
| Interest received | 23.34 | - |
| Net cash flow from / (used in) investing activities | (293.23) | (260.17) |
| C. Cash flow from financing activities : | | |
| Proceeds from borrowings | 121.01 | 112.25 |
| Interest expenses | (523.13) | (514.78) |
| Repayment of lease liabilities (ROU) | (77.93) | (65.27) |
| Net Cash used in financing activities | (480.05) | (467.80) |
| Increase in cash and cash equivalents (A+B+C) | 35.31 | (263.37) |
| Cash and cash equivalents at the beginning of the year | 30.17 | 293.54 |
| Cash and cash equivalents at the end of the year | 65.48 | 30.17 |

The above Statement of Cash Flows has been prepared under the 'indirect method' as set out in Indian Accounting Standard 7 "Statement of Cash Flows".

The accompanying notes 1 to 42 are integral part of the financial statements.

In terms of our report of even date.

FOR MADAN & ASSOCIATES
CHARTERED ACCOUNTANTS
 FIRM'S REGISTRATION NO. : 000185N

M K MADAN
 Proprietor
 Membership No. 082214

FOR AND ON BEHALF OF BOARD OF DIRECTORS

DEVINDER KUMAR JAIN
 Managing Director and CEO
 DIN : 00191539

NARINDER KUMAR JAIN
 Managing Director
 DIN : 00195619

Place : New Delhi
Dated : May 30th, 2024

ARUN JAIN
 Whole Time Director and CFO
 DIN : 01054316

SUDHA SINGH
 Company Secretary
 Membership No.A33371

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

Cosco (India) Limited ("the Company") is a public limited company domiciled in India and incorporated under the provisions of the erstwhile Companies Act, 1956. The registered office of the Company is located at 2/8 Roop Nagar, New Delhi, India. Its shares are listed on Bombay Stock Exchange (BSE). The Company is primarily engaged in the manufacture and sale of inflatable sports balls, tennis balls etc. and trading of health equipments and fitness accessories and other sports goods. The company has one manufacturing location, situated in the state of Haryana at Gurugram. The company markets its products under the Brand name COSCO.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation, Measurement and Significant Accounting Policies

- (i) The financial statements have been prepared in accordance with Indian Accounting Standards (IndAS) notified under Section 133 of the Companies Act, 2013 read together with Rule 3 of the Companies (Indian Accounting Standard) Rules, 2015, as amended from time to time and the presentation requirements of Division II of Schedule III to the Companies Act, 2013.
- (ii) These financial statements have been prepared on going concern basis following accrual system of accounting, applying consistent accounting policies for all the periods presented therein. The financial statements were approved for issue by the Board of Directors in accordance with the resolution passed on May 30th, 2024.
- (iii) Transactions in currencies other than the Company's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions.
At the end of each reporting period, monetary items denominated in foreign currencies are re-translated at the rates prevailing at that date. Exchange differences on monetary items are recognized in the Statement of Profit and Loss in the period in which they arise.
Non- monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

2.2 Current versus non-current classification

All assets and Liabilities have been classified as current or non-current considering the normal operating cycle of 12 months, paragraph 66 and 69 of IndAS 1 and other criteria as per Division II of Schedule III of Companies Act, 2013. The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively as per presentation requirement of Schedule III.

2.3 Basis of measurement

The IndAS Financial Statements have been prepared under historical cost convention, except for certain financial assets and liabilities, including derivative financial instruments which have been measured at fair value as described below and defined benefit plans which have been measured at Fair value as required by relevant IndASs.

Recent Accounting Developments:

Ministry of Corporate Affairs (MCA), vide notification dated 31st March, 2023, has made the following amendments to IndAS which are effective 1st April, 2023:

- a. Amendments to IndAS 1, Presentation of Financial Statements where the companies are now required to disclose material accounting policies rather than their significant accounting policies.
- b. Amendments to IndAS 8, Accounting policies, Changes in Accounting Estimates and Errors where the definition of 'change in account estimate' has been replaced by revised definition of 'accounting estimate'.
- c. Amendments to IndAS 12, Income Taxes where the scope of Initial Recognition Exemption (IRE) has been narrowed down.

Based on preliminary assessment, the Company does not expect these amendments to have any significant impact on its standalone financial statements.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

The significant accounting policies used in preparation of the standalone financial statements are as follows:

2.4 Property, Plant and Equipment

Property, plant and equipment is stated at cost less accumulated depreciation and accumulated impairment losses, if any.

The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, attributable borrowing cost and any other directly attributable costs of bringing an asset to working condition and location for its intended use. It also includes the present value of the expected cost for the decommissioning and removing of an asset and restoring the site after its use, if the recognition criteria for a provision are met.

Subsequent expenditure related to an item of property, plant and equipment is added to its carrying amount only if it increases the future benefits from the existing assets beyond its previously assessed standard of performance.

Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are normally charged to the statements of profit and loss in the period in which the costs are incurred.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

When an item of property, plant and equipment is scrapped or otherwise disposed off, the cost and related depreciation are removed from the books of account and resultant profit or loss, if any, is reflected in the Statement of Profit & Loss.

The Company has not revalued any of its property, plant and equipment during the year.

(ii) Capital work in progress

Capital work in progress is stated at cost, net of accumulated impairment loss, if any. Assets in the course of construction are capitalized in capital work in progress account. At the point when an asset is capable of operating in the manner intended by management, the cost of construction is transferred to the appropriate category of property, plant and equipment. Costs associated with the commissioning of an asset are capitalised when the asset is available for use but incapable of operating at normal levels until the period of commissioning has been completed. Cost includes financing cost relating to borrowed funds attributable to construction.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under "Other Non-Current Assets"

(iii) Depreciation

The Company depreciates property, plant and equipment over the estimated useful life as prescribed in schedule II of the Companies Act, 2013 on the written down value method on pro rata basis (completed month of use) from the date of addition / up to the date the assets are sold / discarded, demolished or destroyed. Assets in the course of construction and freehold land are not depreciated. The estimated useful lives of major components of PPE are as follows:

- Buildings 30-60 years
- Plant and equipments 15 years
- Furniture and fixtures 10 years
- Vehicles 8 - 10 years
- Office equipments 3 - 6 years

2.5 Fair value measurement

The Company measures certain financial instruments, defined benefit liabilities at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- i. in the principal market for the asset or liability, or
- ii. in the absence of a principal market, in the most advantageous market for the asset or liability.

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

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, which are described as follows: level I - III

Level I input

Level I input are quoted price in active market for identical assets or liabilities that the entity can access at the measurement date, a quoted market in an active market provided the most reliable evidence of fair value and is used without adjustment to measure fair value whenever available, with limited exception. If an entity holds a position in a single assets or liabilities and the assets or liabilities is traded in an active market, the fair value of assets or liabilities held by the entity, even if the market normal daily trading volume is not sufficient to absorb the quantity held and placing orders to sell the position in a single transaction might affect the quoted price.

Level II input

Level II input are input other than quoted market prices included within level I that are observable for the assets or liabilities either directly or indirectly.

Level II inputs include:

- quoted price for similarly assets or liabilities in active market.
- quoted price for identical or similar assets or liabilities in market that are not active.
- input other than quoted prices that are observable for the assets or liabilities, for example –interest rate and yield curve observable at commonly quoted interval.
- implied volatilise.
- credit spreads.
- input that are derived principally from or corroborated market data correlation or other means ('market corroborated inputs').

Level III input

Level III inputs are unobservable inputs for the asset or liability. Unobservable inputs are used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. An entity develops unobservable inputs using the best information available in the circumstances, which might include the entity's own data, taking into account all information about market participant assumptions that is reasonably available.

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

2.6 Functional and presentation currency

These IndAS Financial Statements are prepared in Indian Rupee which is the Company's functional currency. All financial information presented in Rupees has been rounded to the nearest lacs.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

Transactions and balances with values below the rounding off norm adopted by the Company have been reflected as "0" in the relevant notes to these financial statements.

2.7 Intangible Assets

Computer software are amortised over a period of 3 years on written down value basis.

2.8 Leases Assets

The Company's lease asset classes consist of leases for land and buildings for the purpose of having offices and plant and equipment. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control, the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

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

As a Lessee

Right of Use Assets

At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received and estimate of costs to dismantle. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

Short Term Leases and leases of low value of assets

The Company applies the short-term lease recognition exemption to its short-term leases. It also applies the lease of low value assets recognition exemption that are considered to be low value. The Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. The Company incurred ₹ 9.05 lakhs for the year ended 31st March, 2024 (31st March, 2023: ₹ 9.05 lakhs) towards expenses relating to short-term leases and leases of low-value assets.

Determination of Lease term

As a lessee, the Company determines the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised.

Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date if the discount rate implicit in the lease is not readily determinable.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. The carrying amount is remeasured when there is a change in future lease payments arising from a change in index or rate. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Impairment of Right of Use Assets

ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e., the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

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

For lease commitments and lease liabilities: Refer note 17.

The Company has not revalued / impaired any of its right-of-use assets during the year.

2.9 Impairment of Non-Financial Assets

At the end of each reporting period, the Company assesses whether there is any indication that an assets or a group of assets (cash generating unit) may be impaired. If any such indication exists, the recoverable amount of the asset or cash generating unit is estimated in order to determine the extent of impairment loss (if any). If it is not possible to estimate the recoverable amount of an individual asset, the entity should determine the recoverable amount of the Cash Generated Unit (CGU) to which the asset belongs.

It is not possible to estimate the recoverable amount of the individual asset if:

The asset's Value in use (VIU) cannot be estimated to be close to its fair value less cost to sell (FLVCS).

The asset does not generate cash inflows that are largely independent of those from other assets

Recoverable amount is the higher of fair value less cost of disposal and value in use. In assessing the value in use, the estimated future cash flow are discounted at their present value using the appropriate discount rate that reflects current market assessment of time, value of money and the risks specific to the assets for which the estimates of future cash flow have not been adjusted.

In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

If the recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit & Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash generating unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss recognized immediately in the Statement of Profit & Loss.

No Impairment was identified in FY 2023-24 and in previous FY 2022-23.

2.10 Cash and Cash equivalent

Cash and cash equivalent in the balance sheet comprise cash at banks which are unrestricted for withdrawal and usage 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 statement of cash flows, cash and cash equivalents consist of cash at banks, on hand and short-term deposits, as defined above. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

2.11 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 assets and financial liabilities are recognized when a Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition of financial assets or issue of financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in the statement of profit and Loss.

FINANCIAL ASSETS

(i) Initial recognition and measurement:

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model. The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

All regular way purchases or sales of financial assets are recognised and de-recognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

Trade receivables are initially recognised at transaction price as they do not contain a significant financing component. This implies that the effective interest rate for these receivables is zero.

(ii) Subsequent measurement of financial assets:

All recognised financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets and are classified in four categories: Financial assets at amortised cost.

- Financial assets at fair value through other comprehensive income (FVTOCI) with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss.

(iii) Derecognition of financial assets :

The Company derecognises a financial asset when

- the contractual rights to the cash flows from the asset expire,
- the Company has transferred its right 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) it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party 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.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in the Statement of Profit and Loss if such gain or loss would have otherwise been recognized in the Statement of Profit and loss on disposal of that financial asset.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(iv) Impairment of financial assets:

In accordance with IndAS 109, the Company applies the expected credit loss model for recognizing impairment loss on financial assets carried at amortised cost and FVOCI debt instruments. In respect of trade receivables only, the Company applies the simplified approach permitted by IndAS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables. The application of simplified approach does not require the Company to track changes in credit risk.

FINANCIAL LIABILITIES

(i) Initial Recognition and Measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss. The Company's financial liabilities include trade and other payables and loans and borrowings including bank overdrafts/cash credits.

(ii) Subsequent measurement of financial liabilities:

All the financial liabilities are subsequently measured at amortized cost using the effective interest rate method or at fair value through profit and loss. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the standalone statement of profit and loss.

(iii) De-recognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such 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 and consideration paid is recognised in the Statement of Profit and Loss.

Reclassification of financial assets and liabilities

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Since the company does not hold financial asset in the form of any equity or debt, no re-classification of financial assets and liabilities were made during the year.

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.

2.12 Provisions

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

Present obligations arising under onerous contracts are recognised and measured as provisions with charge to Statement of Profit and Loss. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

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

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. If the effect of the time value of money is material, the discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as finance cost.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Company provides for warranty claims on the basis of ratio of actual claims / average sales made in the previous 3 financial years.

2.13 Inventories

Inventories are valued at the lower of cost and net realisable value (NRV) except scrap and by products which are valued at net realisable value. Inventory of trading goods, where the movement during the year is less than 20% is classified as slow moving goods, the net realisable value is estimated at 40% of its cost and traded goods, raw materials and store & spares with no movement during the year, are classified as non-moving and the NRV is estimated at 5% of the respective cost and valued accordingly.

Costs comprises as follow:

- (i) Raw materials and store and spares: Cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis. The aforesaid items are valued at net realisable value if the finished products in which they are to be incorporated are expected to be sold at a loss.
- (ii) Finished goods: Cost of conversion. The cost of conversion is worked out for all the products on the basis of weighted average cost derived by preparing the manufacturing account wherein 50% of the fixed production overheads are allocated to the units of production having regard to capacity utilisation which is reviewed after three years and accordingly allocation of overheads is made. In the case of Synthetic Panel Sets, the net realisable value (NRV) of synthetic balls is taken and from the NRV, the cost of conversion of panel sets to balls is reduced to arrive at the cost. Synthetic panel sets are considered in finished goods valuation due to the fact that the same is tradable in the market.
- (iii) Work-in-progress: Work-in-progress is valued at direct cost (weighted average cost) plus cost of conversion at the relevant stage. The indirect expenses are proportionately allocated in the ratio of raw material lying in work-in-progress to total raw material consumed.
- (iv) For trading goods cost means direct cost incurred to bring inventory at intended place.

Net realisable value (NRV):

- (i) Net realisable value is the listed selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.
- (ii) In case of export surplus and non-moving finished goods: The net realisable value is estimated by the management considering the overall situation of market forces prevalent at the close of the year.

2.14 Employment Benefits

Company follows IndAS 19 as detailed below:-

Short Term Benefits

- (a) Short-term benefits including salaries and performance incentives are recognized as expense at the undiscounted amount in the Statement of Profit & Loss of the year on accrual basis.
- (b) Company provides bonus to eligible employees as per Bonus Act 2015 and accordingly liability is provided on ad-hoc basis at the year end pending agreement with the labour. The differential amount on account of actual liability is adjusted in the subsequent year.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

Defined Contribution Plan:

(c) Provident Fund and Employee State Insurance:

The eligible employees of the company are entitled to receive benefits under the Provident Fund, a defined contribution plan in which both employees and the company make monthly contributions at a specified percentage of the covered employee's salary. The contributions as specified under the law are paid to the respective Regional Provident Fund Commissioner and the Central Provident Fund under the State Pension Scheme. Company has statutory obligation to contribute monthly towards employee's state insurance. The amount is calculated at specified percentage of eligible employees' salary and wages and is paid to ESIC.

Defined Benefit Plan:

(d) Gratuity

The Company has an obligation towards gratuity liability in respect of Employees who have completed five years of continuous service (other than directors in the whole time employment of the company) below 60 years of age which is fully covered under the Group Gratuity Scheme of Life Insurance Corporation of India. Amount paid to the approved Gratuity Trust (under Income Tax Act) is charged in Statement of Profit and Loss. The Trust contributes to Life Insurance Corporation of India who administers the plan and determines the contributions required to be made by the trust. The plan provides for a lump sum payment to employees at retirement / determination of service on the basis of 15 days terminal salary for each completed year of service subject to maximum amount of ₹ 20 lakhs. In respect of directors in the whole time employment of the company, gratuity is provided during the year on actuarial valuation basis subject to limit of ₹ 20 lakhs.

Company's liability towards gratuity and compensated absences is determined by using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement gains and losses of the net defined benefit liability / (asset) are recognised immediately in other comprehensive income. The service cost and net interest on the net defined benefit liability / (asset) is treated as a net expense within employment costs. The retirement benefit obligation recognized in the balance sheet represents the present value of the defined benefit obligation as reduced by the fair value of plan assets. Similarly, excess of Plan assets over present value of defined benefit obligation is shown as a current asset.

Past service cost is recognized in statement of profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the Statement of Profit and Loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income.

Leave Encashment

Accumulated compensated absences which are expected to be availed or encashed within twelve months from 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 entitlements as at the year end.

Accumulated compensated absences which are expected to be availed or encashed beyond twelve months from 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 loss / gains are recognised in the Statement of Profit and Loss in the year in which they arise.

2.15 Revenue Recognition

Sale of Products/Services

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

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on terms with customers. Performance obligations satisfied over a period of time are recognized as per the terms of relevant contractual agreements / arrangements.

Revenue is measured on the basis of contracted price, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the Government such as Goods and Services Tax, etc. Accumulated experience is used to estimate the provision for such discounts and rebates. Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur. A contract liability is recognised for expected volume discounts payable to customers in relation to sales made until the end of the reporting period.

- (a) Interest Income is recorded on time proportion basis by reference to the principal outstanding using the applicable effective rate of Interest (EIR)
- (b) Export entitlements i.e., duty free scrip, duty drawback and remission of duties and taxes are accounted for on the basis of export of goods on FOB value determined for custom purpose.
- (c) Revenue from contract with customers is recognized when the Company satisfies performance obligation by transferring promised goods and services to the customer. Performance obligations may be satisfied at a point of time or over a period of time. Performance obligations are said to be satisfied at a point of time when the customer obtains controls of the asset.

Revenue is recognized based on the price specified in the contract, net of the estimated trade discounts. Accumulated experience is used to estimate and provide for the discounts, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur.

2.16 Taxation**Current income tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

A provision is recognized for those matters for which the tax determination is uncertain but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals within the Company supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

Deferred tax

Deferred tax is recognised on temporary differences between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences, except when it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax assets are recognised for all deductible temporary differences, unused tax losses including unabsorbed depreciation. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

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

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

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

Income tax, in so far as it relates to items disclosed under other comprehensive income or equity, are disclosed separately under other comprehensive income or equity, as applicable.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Goods and Service Tax (GST) paid on acquisition of assets or on incurring expenses.

Expenses and assets are recognised excluding amount of GST paid, except:

When the tax incurred on a purchase of assets or on incurring expenses / receipt of services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.

2.17 Borrowing Costs

Borrowing costs include interest, other costs incurred in connection with borrowing and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to the interest cost. General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Premium in the form of fees paid on refinancing of loans are accounted for as an expense over the life of the loan using effective interest rate method. All other borrowing costs are recognised in the Statement of profit and loss in the period in which they are incurred.

2.18 Foreign Currency Transactions

Foreign Currency Transactions involving export sales / import purchases are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency on the customs rate on the date of transaction. Monetary assets and liabilities unsettled at the year end, are converted at the year end rate and difference if any between the book balance and converted amount are transferred to the statement of profit and loss. The difference between the rates recorded and the rates on the date of actual realization/ payment is transferred to the statement of profit and loss. The premium or discount arising at the inception of a forward exchange contract is amortized as expenses / income over the life of the contract. Any profit or loss arising on cancellation or renewal of such forward contract is recognized as income / expenses for the period. Non-monetary items that are measured in historical cost in a foreign currency are not retranslated. Company has not entered into any forward contract during the year.

2.19 Earning per shares

The Company presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by taking into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, for calculating the basic earnings per share by and the weighted average number of equity shares outstanding that could have been issued upon conversion of all dilutive potential equity shares.

2.20 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Company's Managing Director assesses the financial performance and position of the Company, and makes strategic decision and has been identified as the chief operating decision maker. The Company's primary business segment is reflected based on principal business activities carried on by the Company. As per IndAS 108 "Operating Segments" the company has identified two operating segments viz. Own Manufactured Products and Traded Goods.

(a) Assets and liabilities:

All Segment assets and liabilities are the ones that are directly attributable to the segment. Segment assets include all operating assets used by the segment and consist principally of PPE, inventories, trade receivable, financial assets. Segment assets and liabilities do not include inter-corporate deposits, cash and bank balances, share capital, reserves and surplus, borrowings, and income tax (both current and deferred).

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(b) Segment revenue and expenses:

Segment revenue and expenses are the ones that are directly attributable to segment. It does not include interest income on inter-corporate deposits, interest expense and income tax. Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

2.21 Cash Flow Statement

Cash flows are reported using indirect method as set out in Ind AS -7 "Statement of Cash Flows", whereby profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.22 Contingent Liability

A contingent liability is a possible obligation 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 Company; or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability. Therefore, to determine the amount to be recognised as a liability or to be disclosed as a contingent liability, in each case, is inherently subjective, and needs careful evaluation and judgement to be applied by the management. In case of provision for litigations, the judgements involved are with respect to the potential exposure of each litigation and the likelihood and/or timing of cash outflows from the Company, and requires interpretation of laws and past legal rulings. The Company does not recognize a contingent liability but discloses its existence in the standalone Ind AS financial statements.

2.23 Assets classified as held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification. As at each balance sheet date, the management reviews the appropriateness of such classification. Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Property, plant and equipments once classified as held for sale are not depreciated.

2.24 Use of Key accounting estimates and judgments

The preparation of financial statements requires management to make estimates judgments and assumptions in the application of accounting policy that affect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which it is known / materialized. Continuous evaluation is done on the estimation and judgements based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised prospectively.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are in respect of useful lives and impairment of Property, plant and equipment, commitments and contingencies, retirement and other employees benefits, Taxes on income, net realizable values of slow / non-moving inventories and measurement of lease liability and right to use assets included in the respective notes to the financial statements.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

3(A) PROPERTY, PLANT AND EQUIPMENT

(All amounts in ₹ lakhs, unless otherwise stated)

| Sr. No. | Particulars | Gross carrying amount | | | Accumulated Depreciation | | | Net Carrying amount | |
|---------|--------------------------------|-----------------------|---------------------------|---------------------------|--------------------------|------------------------------|---------------------------|----------------------|----------------------|
| | | As At April 1, 2023 | Additions during the year | Disposals during the year | As At March 31, 2024 | Depreciation during the year | Disposals during the year | As At March 31, 2024 | As At March 31, 2024 |
| | | 3.25 | | | 3.25 | | | | |
| 2. | Buildings - Factory | 56.79 | 2.28 | | 59.07 | 2.44 | | 26.34 | 32.73 |
| 3. | Buildings - Other than Factory | 285.62 | 4.37 | 0.08 | 289.91 | 10.02 | 0.08 | 90.61 | 199.30 |
| 4. | Temporary Shed | 10.37 | | | 10.37 | | | 9.94 | 0.43 |
| 5. | Plant and Equipments | 372.82 | 132.77 | | 505.59 | 49.30 | | 201.65 | 303.94 |
| 6. | Laboratory Equipment | 7.25 | | | 7.25 | 0.18 | | 4.85 | 2.40 |
| 7. | Electric Machinery | 79.01 | 9.42 | 3.05 | 85.38 | 9.92 | 2.92 | 49.19 | 36.19 |
| 8. | Office Equipments | 26.67 | 5.95 | 3.35 | 29.27 | 5.34 | 3.20 | 18.65 | 10.62 |
| 9. | Computer | 19.74 | 2.49 | 3.73 | 18.50 | 4.03 | 3.65 | 12.91 | 5.59 |
| 10. | Furniture and Fixtures | 21.48 | 8.53 | | 30.01 | 3.37 | | 14.28 | 15.73 |
| 11. | Vehicles | 294.80 | 153.72 | 72.68 | 375.84 | 82.04 | 69.24 | 108.01 | 267.83 |
| | | 1,177.80 | 319.53 | 82.89 | 1,414.44 | 166.64 | 79.09 | 536.43 | 878.01 |

Previous Year

| Sr. No. | Particulars | Gross carrying amount | | | Accumulated Depreciation | | | Net Carrying amount | |
|---------|--------------------------------|-----------------------|---------------------------|---------------------------|--------------------------|------------------------------|---------------------------|----------------------|----------------------|
| | | As At April 1, 2022 | Additions during the year | Disposals during the year | As At March 31, 2023 | Depreciation during the year | Disposals during the year | As At March 31, 2023 | As At March 31, 2023 |
| | | 3.25 | | | 3.25 | | | | |
| 2. | Buildings - Factory | 54.06 | 2.73 | | 56.79 | 2.48 | | 23.90 | 32.89 |
| 3. | Buildings - Other than Factory | 285.62 | | | 285.62 | 10.48 | | 80.67 | 204.95 |
| 4. | Temporary Shed | 10.37 | | | 10.37 | | | 9.94 | 0.43 |
| 5. | Plant and Equipments | 338.10 | 57.57 | 22.85 | 372.82 | 35.37 | 21.02 | 152.35 | 220.47 |
| 6. | Laboratory Equipment | 7.29 | | 0.04 | 7.25 | 0.13 | 0.04 | 4.67 | 2.58 |
| 7. | Electric Machinery | 80.01 | 6.11 | 7.11 | 79.01 | 10.00 | 2.92 | 42.19 | 36.82 |
| 8. | Office Equipments | 28.07 | 4.79 | 6.19 | 26.67 | 5.21 | 5.94 | 16.51 | 10.16 |
| 9. | Computer | 30.67 | 3.77 | 14.70 | 19.74 | 6.69 | 14.47 | 12.53 | 7.21 |
| 10. | Furniture and Fixtures | 20.94 | 3.59 | 3.05 | 21.48 | 2.38 | 2.99 | 10.91 | 10.57 |
| 11. | Vehicles | 166.56 | 189.21 | 60.97 | 294.80 | 47.67 | 57.92 | 95.21 | 199.59 |
| | | 1,024.94 | 267.77 | 114.91 | 1,177.80 | 120.41 | 105.30 | 448.88 | 728.92 |

3A(i) For details of Property, plant and equipment charged as security of borrowings, refer note 16.3.

3A(ii) Title deeds of all immovable properties are held in the name of Company. However, these are lodged with the lender bank.

3A(iii) The possession of land, belonging to the company, bearing Khastia No.420, total area measuring 1 bigha, 19 biswas and 3 biswansi situated at village Gurgaon, is in dispute and company has filed a suit for getting possession of the same. The next hearing date is on 27th July, 2024.

3(B) OTHER INTANGIBLE ASSETS (All amounts in ₹ lakhs, unless otherwise stated)

| Sr. No. | Particulars | Gross carrying amount | | | Accumulated Depreciation | | | Net Carrying amount As At |
|---------|-------------------|-----------------------|---------------------------------|---------------------------------|--------------------------|------------------------------------|---------------------------------|------------------------------|
| | | As At April 1,2023 | Additions during the year | Disposals during the year | As At March 31,2024 | Depreciation during the year | Disposals during the year | |
| 1 | Computer Software | 20.98 | - | 0.93 | 20.05 | 0.16 | 0.91 | 18.94 |
| | | 20.98 | - | 0.93 | 20.05 | 0.16 | 0.91 | 18.94 |

Previous Year

| Sr. No. | Particulars | Gross carrying amount | | | Accumulated Depreciation | | | Net Carrying amount As At |
|---------|-------------------|-----------------------|---------------------------------|---------------------------------|--------------------------|------------------------------------|---------------------------------|------------------------------|
| | | As At April 1,2022 | Additions during the year | Disposals during the year | As At April 1,2022 | Depreciation during the year | Disposals during the year | |
| 1 | Computer Software | 20.98 | - | - | 20.98 | 0.77 | - | 19.69 |
| | | 20.98 | - | - | 20.98 | 0.77 | - | 19.69 |

3(C) CAPITAL WORK IN PROGRESS

| | |
|----------------------|------|
| As at March 31, 2024 | 7.02 |
| As at March 31, 2023 | 4.13 |

3C(i) Capital work in progress Ageing schedule

| Particulars | As on March 31, 2024 | | | | Total |
|--------------------------------|----------------------|----------|-----------|----------|-------|
| | <1 year | 1-2 year | 2-3 years | >3 years | |
| Projects in progress | 7.02 | - | - | - | 7.02 |
| Projects temporarily suspended | - | - | - | - | - |

| Particulars | As on March 31, 2023 | | | | Total |
|--------------------------------|----------------------|----------|-----------|----------|-------|
| | <1 year | 1-2 year | 2-3 years | >3 years | |
| Projects in progress | 4.13 | - | - | - | 4.13 |
| Projects temporarily suspended | - | - | - | - | - |

There are no projects overdue as on date or has exceeded its cost compared to its original plan as at 31st March,2024.

3C(ii) The estimated amount of the contracts remaining to be executed on capital account and not provided for is ₹ 10 lakhs(previous year ₹ 4 lakhs).

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts in ₹ lakhs, unless otherwise stated)

| | As At <u>March 31, 2024</u> | As At <u>March 31, 2023</u> |
|--|--------------------------------|--------------------------------|
| 4. RIGHT OF USE ASSETS | | |
| Balance as at beginning of the year (Leases) (in respect of building and plant & equipment) | 132.80 | 167.25 |
| Addition during the year | - | 36.32 |
| Deletion during the year | - | - |
| Amortisation during the year | 70.78 | 70.77 |
| Balance as at the end of the year | <u>62.02</u> | <u>132.80</u> |
| 5. FINANCIAL ASSETS - OTHERS | | |
| National savings certificate (refer note no.5.1) | 0.05 | 0.05 |
| Security deposits (refer note no.5.2) | 68.44 | 70.64 |
| Compensation claim receivable | - | 125.01 |
| | <u>68.49</u> | <u>195.70</u> |

- 5.1 In the name of a director of the company and the same is pledged with the Sales Tax Authorities, Mumbai.
- 5.2 Includes unconfirmed advance of ₹ 32.54 lakhs (previous year ₹ 40.29 lakhs) with various shipping companies. Reconciliation is under process. Necessary accounting entries will be passed in subsequent year on completion of process.

6. Deferred Tax Asset / (Liability) (net)

| Particulars | For the year ended March 31, 2024 | | | |
|--|-----------------------------------|---------------|--------|----------------------|
| | As at April 1, 2023 | Recognised in | | As at March 31, 2024 |
| | | Profit & Loss | OCI | |
| Tax effect of items constituting deferred tax assets | | | | |
| Trade receivables | 28.08 | (1.00) | | 27.08 |
| Other financial liabilities | 11.59 | (5.05) | | 6.54 |
| Lease liability | 38.28 | (19.42) | | 18.86 |
| Provisions | 46.77 | 1.60 | (1.46) | 46.91 |
| Total (A) | 124.72 | (23.87) | (1.46) | 99.39 |
| Tax effect of items constituting deferred tax liability | | | | |
| Property, plant and equipment | 1.38 | 5.82 | | 7.20 |
| Non current assets - financial Assets - others | 8.27 | (8.27) | | - |
| Leasehold assets - Right of use | 33.43 | (17.81) | | 15.62 |
| Total (B) | 43.08 | (20.26) | - | 22.82 |
| Deferred Tax Asset (net) | 81.64 | (3.61) | (1.46) | 76.57 |

| Particulars | For the year ended March 31, 2023 | | | |
|--|-----------------------------------|---------------|--------|----------------------|
| | As at April 1, 2022 | Recognised in | | As at March 31, 2023 |
| | | Profit & Loss | OCI | |
| Tax effect of items constituting deferred tax assets | | | | |
| Trade receivables | 29.65 | (1.57) | | 28.08 |
| Other financial liabilities (Bonus payable net of advance) | | 11.59 | | 11.59 |
| Lease liability | 45.89 | (7.61) | | 38.28 |
| Provisions | 40.14 | 7.64 | (1.01) | 46.77 |
| Total (A) | 115.68 | 10.05 | (1.01) | 124.72 |
| Tax effect of items constituting deferred tax liability | | | | |
| Property, plant and equipment | (0.41) | 1.79 | | 1.38 |
| Non current assets - financial Assets- others | 8.27 | - | | 8.27 |
| Leasehold assets - Right of use | 42.09 | (8.66) | | 33.43 |
| Total (B) | 49.95 | (6.87) | - | 43.08 |
| Deferred Tax Asset (net) | 65.73 | 16.92 | (1.01) | 81.64 |

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts in ₹ lakhs, unless otherwise stated)

| | As At <u>March 31, 2024</u> | As At <u>March 31, 2023</u> |
|--|--------------------------------|--------------------------------|
| 7. OTHER NON-CURRENT ASSETS | | |
| <u>Unsecured - considered good</u> | | |
| Pre payment expenses | 18.78 | 9.85 |
| Advance to suppliers | - | 0.96 |
| Deposit with the Govt. Dept. | - | 5.78 |
| Income Tax refund for earlier year (AY 2017-18) | 0.97 | 0.97 |
| <u>Unsecured - considered doubtful</u> | | |
| Advance for immovable properties (refer note no.7.1) | <u>126.24</u> | <u>126.24</u> |
| | 145.99 | 143.80 |
| Less : Provision for doubtful advances for immovable property and supplier (refer note no.7.1) | <u>126.24</u> | <u>127.20</u> |
| | <u>19.75</u> | <u>16.60</u> |
| 7.1 It represents amount given to a Builder / Developer Company in earlier years. The Builder / Developer Company to whom the amount was advanced, has been acknowledging the advance and has also been assuring to transfer suitable properties of equal value and get the documents of title executed in favour of company. However till date, the Builder / Developer Company has neither transferred any property and / or executed title deed(s) in favour of company nor repaid any amount in spite of the assurances given from time to time. As a matter of abundant caution the amount has already been fully provided in the year ended 31.03.2013. | | |
| 8. INVENTORIES | | |
| (a) Raw material | 459.78 | 344.36 |
| (b) Work in progress | 670.65 | 773.12 |
| (c) Finished goods | 1,636.08 | 1,220.23 |
| (d) Stock-in-trade | 4,876.67 | 5,149.03 |
| (e) Stores | 156.88 | 140.44 |
| | <u>7,800.06</u> | <u>7,627.18</u> |
| 8.1 Refer note no.2.12 of Significant Accounting Policies, regarding mode of valuation of inventories. | | |
| 8.2 Non-moving items included in raw materials valued at ₹ 1.47 lakhs (previous year ₹ 1.40 lakhs), in store valued at ₹ 0.55 lakhs (previous year ₹ 0.53 lacs) and stock-in-trade valued at ₹ 0.08 lakhs (previous year ₹ 0.08 lakhs) which are valued at scrap value. | | |
| 8.3 Above inventories include Goods in Transit as detailed below : | | |
| Raw Materials | 0.64 | 0.82 |
| Stores | 0.02 | 4.53 |
| Stock in trade | 2.50 | - |
| 8.4 Stock in trade includes spare parts of Health and fitness equipment of ₹ 4.31 lakhs (previous year ₹ 5.33 lakhs) valued at scrap value and slow moving stock of ₹ 0.97 lakhs (previous year ₹ 0.28 lakhs) valued at estimated realisable value determined by the management. | | |
| 8.5 Hypothecated in favour of bank towards working capital borrowing (refer note 16.2). | | |
| 9. TRADE RECEIVABLES | | |
| Unsecured : | | |
| Considered good | 2,782.78 | 2,143.88 |
| Increase in significant credit risk | 25.25 | 35.59 |
| Credit impaired | 107.56 | 111.54 |
| | <u>2,915.59</u> | <u>2,291.01</u> |
| Less : Provision for expected credit loss | <u>107.56</u> | <u>111.54</u> |
| | <u>2,808.03</u> | <u>2,179.47</u> |
| Current | 2,782.78 | 2,143.58 |
| Non-Current | 25.25 | 35.89 |
| Total | 2,808.03 | 2,179.47 |

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts in ₹ lakhs, unless otherwise stated)

| Ageing of Trade Receivables Particulars | As on March 31, 2024 | | | | | | Total |
|--|--|------------------|-----------|-----------|-------------------|--|----------|
| | Outstanding from the date of transaction | | | | | | |
| | > 6 months | >6 months<1 year | 1-2 years | 2-3 years | More than 3 years | | |
| Unsecured and Undisputed - | | | | | | | |
| Considered good | 2,657.16 | 125.62 | | | | | 2,782.78 |
| Increase in significant credit risk | | | 24.33 | 0.92 | | | 25.25 |
| Credit impaired | | | | | 107.56 | | 107.56 |
| Provision for expected credit loss | | | | | 107.56 | | 107.56 |
| Net Trade Receivables - | | | | | | | |
| Considered good | 2,657.16 | 125.62 | | | | | 2,782.78 |
| Increase in significant credit risk | | | 24.33 | 0.92 | | | 25.25 |
| - Credit Impaired | - | - | - | - | - | | - |

| Ageing of Trade Receivables Particulars | As on March 31, 2023 | | | | | | Total |
|--|--|------------------|-----------|-----------|-------------------|--|----------|
| | Outstanding from the date of transaction | | | | | | |
| | > 6 months | >6 months<1 year | 1-2 years | 2-3 years | More than 3 years | | |
| Unsecured and Undisputed - | | | | | | | |
| Considered good | 2,068.17 | 75.41 | | | 0.30 | | 2,143.88 |
| Increase in significant credit risk | | | 21.88 | 13.71 | | | 35.59 |
| Credit impaired | | | | | 111.54 | | 111.54 |
| Provision for expected credit loss | | | | | 111.54 | | 111.54 |
| Net Trade Receivables - | | | | | | | |
| Considered good | 2,068.17 | 75.41 | | | 0.30 | | 2,143.88 |
| Increase in significant credit risk | | | 21.88 | 13.71 | | | 35.59 |
| - Credit Impaired | - | - | - | - | - | | - |

9.1 No debts are due from directors or other officers of the Company or any of them either severally or jointly with any other person. Also, no debts are due from firms or private companies, in which any director is a partner or a director or a member.

9.2 Trade receivables more than 1 year amounting to ₹ 25.25 lakhs are considered good by the management. The Company makes provision for Expected Credit loss in respect of the outstanding amount for more than 3 years on simplified approach as in the opinion of the management the amount of actual bad debts is not significant.

9.3 Trade receivables are hypothecated in favour of bank against working capital borrowings (refer note 16.2).

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts in ₹ lakhs, unless otherwise stated)

| | As At | As At |
|---|------------------------------|------------------------------|
| | <u>March 31, 2024</u> | <u>March 31, 2023</u> |
| 10. LOANS | | |
| <u>Unsecured - Considered Good</u> | | |
| Loan to employees | 27.88 | 25.31 |
| | <u>27.88</u> | <u>25.31</u> |
| Current | 27.88 | 25.31 |
| Non-Current | - | - |
| 10.1 In line with circular no.04/2015 issued by MCA dated 10.03.2015, loans given to employees as per the Company's policy are not considered for the purpose of disclosure under section 186(4) of the Companies Act,2013. | | |
| 11. CASH & CASH EQUIVALENTS | | |
| Balances with banks (on current A/C) | 60.60 | 24.52 |
| Cash on hand | 4.88 | 5.65 |
| | <u>65.48</u> | <u>30.17</u> |
| 12. OTHER FINANCIAL ASSETS | | |
| Duty drawback claim refundable | 1.30 | 1.04 |
| Remission of duty & taxes receivable | 3.89 | 5.82 |
| | <u>5.19</u> | <u>6.86</u> |
| 13. OTHER CURRENT ASSETS | | |
| Input tax receivable (refer note no.13.1) | 8.53 | 10.57 |
| Advance against import | 271.46 | 374.22 |
| Pre-payment expenses (refer note no.13.4) | 41.42 | 51.50 |
| Advance to suppliers (refer note 13.5) | 126.19 | 13.22 |
| Others (refer note no.13.2) | 45.97 | 41.76 |
| Advance Tax / TDS / TCS (net of provision for tax) | - | 20.63 |
| Income tax refund for earlier year (refer note 13.3) | 38.80 | 38.35 |
| | <u>532.37</u> | <u>550.25</u> |
| 13.1 Represents GST input receivable of ₹ 8.53 lakhs (previous year ₹ 10.57 lakhs) which is under reconciliation with Electronic Credit Ledger balance of ₹ 0.65 lakhs (previous year ₹ nil). | | |
| 13.2 Includes Advances recoverable ₹ 1.22 lakhs (previous year ₹ 3.56 lakhs) from directors on account of TDS, Advance against bonus ₹ 26.02 lakhs (previous year ₹ 21.99 lakhs), Advance against salary ₹ 2.31 lakhs (previous year ₹2.13 lakhs) and advance against capital account of ₹ 11.02 lakhs (previous year ₹ 9.69 lakhs). | | |
| 13.3 Represents Income Tax refund for the A.Y 2020-21, A.Y 2022-23 and A.Y 2018-19 (net of demand for AY 2018-19) (refer note no 35). | | |
| 13.4 Includes ₹ 15.14 lakhs (previous year ₹ 23.69 Lakhs) lakhs to Cosco (India) Ltd. Employees Group Gratuity Scheme [refer note 2.13(d)]. | | |
| 14. SHARE CAPITAL | | |
| <u>AUTHORISED</u> | | |
| 100,00,000(previous year 100,00,000)Equity shares of ₹10 each | 1,000.00 | 1,000.00 |
| <u>ISSUED, SUBSCRIBED AND FULLY PAID UP</u> | | |
| 41,61,000 (previous year 41,61,000) Equity shares of ₹10 each | 416.10 | 416.10 |

14.1 Term/right attached with equity shares:

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity share is eligible for one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts in ₹ lakhs, unless otherwise stated)

14.2 Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year:

| Equity shares | Numbers | (₹ in Lakhs) |
|--------------------------------------|-----------|--------------|
| Issued, subscribed and fully paid up | | |
| As at March 31, 2022 | 41,61,000 | 416.10 |
| Increase/(decrease) during the year | - | - |
| As at March 31, 2023 | 41,61,000 | 416.10 |
| Increase/(decrease) during the year | - | - |
| As at March 31, 2024 | 41,61,000 | 416.10 |

14.3 Shareholder holding more than 5% Shares in the company :

| Name of Shareholder | As at March 31, 2024 | | As at March 31, 2023 | |
|----------------------------------|----------------------|-------|----------------------|-------|
| | No. | % | No. | % |
| Navendu Investment Co. Pvt. Ltd. | 14,74,000 | 35.42 | 14,74,000 | 35.42 |
| Pankaj Jain | 3,14,140 | 7.55 | 3,14,140 | 7.55 |

14.4 Details of shares held by Promoters and Promoter Groups in the Company

| Promoters and Promoter Groups Name | March 31, 2024 | | March 31, 2023 | | % change during the year |
|--|------------------|---------------|------------------|---------------|--------------------------|
| | No. of Shares | % holding | No. of Shares | % holding | |
| Promoter | | | | | |
| Devinder Kumar Jain | 1,46,820 | 3.53% | 1,46,820 | 3.53% | 0% |
| Narinder Kumar Jain | 1,53,707 | 3.69% | 1,53,707 | 3.69% | 0% |
| Arun Jain | 84,400 | 2.03% | 84,400 | 2.03% | 0% |
| Manish Jain | 91,400 | 2.20% | 91,400 | 2.20% | 0% |
| Pankaj Jain | 3,14,140 | 7.55% | 3,14,140 | 7.55% | 0% |
| Neeraj Jain | 98,566 | 2.37% | 98,566 | 2.37% | 0% |
| Arun Jain [Karta of Arun Jain (HUF)] | 500 | 0.01% | 500 | 0.01% | 0% |
| Manish Jain [Karta of Manish Jain (HUF)] | 12,700 | 0.31% | 12,700 | 0.31% | 0% |
| Pankaj Jain [Karta of Pankaj Jain (HUF)] | 17,700 | 0.43% | 17,700 | 0.43% | 0% |
| Neeraj Jain [Karta of Neeraj Jain (HUF)] | 12,500 | 0.30% | 12,500 | 0.30% | 0% |
| Prabha Jain | 1,04,500 | 2.51% | 1,04,500 | 2.51% | 0% |
| Amita Jain | 1,11,467 | 2.68% | 1,11,467 | 2.68% | 0% |
| Indu Jain | 57,100 | 1.37% | 57,100 | 1.37% | 0% |
| Nidhi Jain | 63,200 | 1.52% | 63,200 | 1.52% | 0% |
| Shilpa Jain | 1,07,600 | 2.59% | 1,07,600 | 2.59% | 0% |
| Payal Jain | 63,200 | 1.52% | 63,200 | 1.52% | 0% |
| Aakash Jain | 25,300 | 0.61% | 25,300 | 0.61% | 0% |
| Promoter Group | | | | | |
| Navendu Investment Co. Pvt. Ltd | 14,74,000 | 35.42% | 14,74,000 | 35.42% | 0% |
| Vijay Vallabh Securities Limited | 1,81,000 | 4.35% | 1,81,000 | 4.35% | 0% |
| Total | 31,19,800 | 74.98% | 31,19,800 | 74.98% | |

| | As At March 31, 2024 | As At March 31, 2023 |
|----------------------------|-------------------------|-------------------------|
| 15. OTHER EQUITY | | |
| Securities premium | 312.30 | 312.30 |
| General reserve | 1,125.17 | 1,125.17 |
| Retained earnings | 3,109.41 | 2,788.62 |
| Other comprehensive income | 17.69 | 13.34 |
| | 4,564.57 | 4,239.43 |

15.1 Securities Premium

Where the Company issues shares at premium, whether for cash or otherwise, a sum equal to the aggregate amount of the premium received on those shares shall be transferred to "Securities Premium account". The company may apply the premium inter-alia towards issue of fully paid-up bonus shares and purchase its own shares or other securities under section 68 of the Act.

15.2 General Reserve

General reserve is created out of profit earned by the company by way of transfer from surplus in the Statement of Profit & Loss. There are no restrictions on utilisation of the reserve except in case of declaration of dividend out of Reserves as prescribed under The Companies (Declaration and Payment of Dividend) Rules, 2014 read with Section 123 of The Companies Act 2013.

15.3 Retained Earnings

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

15.4 The disaggregation of changes in Security premium, General reserve, retained earnings and other comprehensive income are disclosed in Statement of Changes in Equity.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts in ₹ lakhs, unless otherwise stated)

| | <u>As At</u> <u>March 31, 2024</u> | <u>As At</u> <u>March 31, 2023</u> | |
|--|---------------------------------------|---------------------------------------|---------------|
| 16. BORROWINGS | | | |
| A. NON-CURRENT | | | |
| Vehicle loan (Secured) | | | |
| From bank (Refer note no 16.1) | 98.60 | 93.96 | |
| Loan from Related parties (Unsecured) (Refer note no 16.2) | | | |
| From Companies | 150.00 | 150.00 | |
| From Directors | <u>1,300.00</u> | <u>1,300.00</u> | |
| | <u>1,548.60</u> | <u>1,543.96</u> | |
| B. CURRENT | | | |
| a) Working Capital Loan(Secured) | | | |
| From bank (refer note no.16.3) | 2,035.85 | 1,780.56 | |
| b) Vehicle loan (Secured) | | | |
| From bank (Refer note no 16.1) | 59.65 | 44.79 | |
| c) Loan from Related Parties (Unsecured)/ Current maturities of long term borrowings (Refer note no.16.2) | | | |
| From Directors | 1,956.06 | 1,874.56 | |
| From Company | <u>20.00</u> | <u>-</u> | |
| | <u>4,071.56</u> | <u>3,699.91</u> | |
| 16.1 Detail of Vehicle loan | Non Current | Current Maturity | Total |
| Bank of India, 1st date of sanction 21.11.2022 as per repayment schedule, no. of instalments due 31, Rate of interest per annum @ 9.6%, last date of maturity 07.10.2026. | 61.10 | 44.79 | 105.89 |
| Axis Bank, 1st date of sanction 25.06.2023 as per repayment schedule, no. of instalments due 51, Rate of interest per annum @ 8.75%, last date of maturity 10.06.2028. | 37.50 | 14.87 | 52.37 |
| | <u>98.60</u> | <u>59.66</u> | <u>158.26</u> |
| 16.2 Out of the total Unsecured borrowings from related parties aggregating ₹ 3,426.06 lakhs (previous year ₹ 3,324.56 lakhs), a sum of ₹ 1,450 lakhs (previous year ₹ 1,450 lakhs) has been classified as long term borrowing (s) as per the declaration of the lenders. The loans have been carried over since earlier years without specifying the tenure. However, the rate of interest is determined and approved by the Board of Directors every year, the interest rate determined for current year is 9% p.a. The balance amount has been considered short term borrowing(s). | | | |
| 16.3 Working Capital Loans are secured against hypothecation of all moveable properties including plant & equipment, stocks of raw materials, stores and spares, finished goods, stock in trade and all book debts, bills and claims receivables. The loans from banks are collaterally secured against equitable mortgage of factory land/building & guaranteed by all Executive Directors. | | | |
| 16.4 The company has utilised the borrowings from banks and financial institutions for the specific purposes for which it was taken. There has been no default with regard to repayment of borrowing and interest during the year and outstanding on the date of balance sheet. | | | |
| 16.5 The company has not been declared as wilful defaulter by any bank or financial institution or any other lender. | | | |
| 17. LEASE LIABILITIES | | | |
| Lease liabilities - current | 57.89 | 77.16 | |
| Lease liabilities - non-current | <u>16.99</u> | <u>74.88</u> | |
| | <u>74.88</u> | <u>152.04</u> | |
| 17.1 The Movement in Lease Liabilities (Non Current and Current) is as follows: | | | |
| Particulars | | | |
| Balance as at beginning of the year | 152.04 | | 181.97 |
| Add : Addition | - | | 36.32 |
| Add : Accretion of interest | 14.12 | | 22.25 |
| Less : Payments | 91.27 | | 88.50 |
| Less : Others (including foreclosure) | - | | - |
| | <u>74.89</u> | | <u>152.04</u> |
| 17.2 In respect of building and plant & equipment taken on lease. | | | |

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts in ₹ lakhs, unless otherwise stated)

| | As At <u>March 31, 2024</u> | As At <u>March 31, 2023</u> |
|---|--------------------------------|--------------------------------|
| 18. PROVISIONS | | |
| A. NON-CURRENT | | |
| Gratuity | 40.83 | 59.74 |
| Compensated absence | <u>50.56</u> | <u>45.10</u> |
| | <u>91.39</u> | <u>104.84</u> |
| B. CURRENT | | |
| Gratuity | 60.91 | 38.00 |
| Compensated absence | 34.10 | 31.20 |
| Provision for warranty | 48.44 | 11.82 |
| Income tax for current year (net of advance tax, TDS) | <u>6.76</u> | <u>-</u> |
| | <u>150.21</u> | <u>81.02</u> |

18.1 Provision for gratuity and compensated absence are determined by Actuary in terms of Ind AS 19 (refer note 2.14(d), 27.2 & 27.3).

19. TRADE PAYABLES

| | | |
|-------------------------------------|---------------|---------------|
| Micro, small and medium enterprises | 295.38 | 222.15 |
| Others | <u>437.22</u> | <u>366.49</u> |
| | <u>732.60</u> | <u>588.64</u> |

19.1 Ageing schedule of trade payables from date of transaction

| Particulars | As on March 31, 2024 | | | | |
|-------------------------------------|----------------------|-----------|-----------|-------------------|---------------|
| | < 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| Undisputed trade payables : | | | | | |
| Micro, small and medium enterprises | 295.38 | - | - | - | 295.38 |
| Others | 437.22 | - | - | - | 437.22 |
| Total | 732.60 | - | - | - | 732.60 |

| Particulars | As on March 31, 2023 | | | | |
|-------------------------------------|----------------------|-----------|-----------|-------------------|---------------|
| | < 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| Undisputed trade payables : | | | | | |
| Micro, small and medium enterprises | 222.15 | - | - | - | 222.15 |
| Others | 366.49 | - | - | - | 366.49 |
| Total | 588.64 | - | - | - | 588.64 |

19.2 The above information regarding Micro, Small and Medium enterprises have been determined to the extent such parties are identified on the basis of information available with the Company, which has been relied upon by the Auditors. Total outstanding dues of Micro, small and medium enterprises, which are outstanding for more than stipulated period and other disclosures in terms of Micro, Small and Medium Enterprises Development Act, 2006 are given below.

Dues remaining unpaid at the end of the year for Micro, small and medium enterprises :

| | | |
|---|--------|--------|
| Principal amount remaining unpaid | 295.38 | 222.15 |
| Interest amount remaining unpaid | Nil | Nil |
| - Delayed payments due as at the end of each accounting year on account of Principal | Nil* | Nil |
| - The amount of interest paid in terms of section 16 of MSMD ACT, 2006 along with the amount of payment made beyond date during each accounting year. | Nil* | Nil |
| -The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed date during the year) but without adding the interest specified under MSMD Act 2006. | Nil* | Nil |
| -Interest accrued and remaining unpaid at the end of each accounting year. | Nil* | Nil |
| - The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of deductible expenditure under section 23 of the MSMD, ACT 2006. | Nil* | Nil |

*The company has not provided interest as no supplier has demanded any interest.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts in ₹ lakhs, unless otherwise stated)

| | As At <u>March 31, 2024</u> | As At <u>March 31, 2023</u> |
|---|---|---|
| 20. OTHER FINANCIAL LIABILITIES | | |
| Salary, wages & bonus payable (refer note no 20.3) | 144.86 | 152.46 |
| Interest accrued but not due on working capital loan | 9.77 | 6.03 |
| Security deposits from customers (refer note no 20.2) | 92.06 | 91.32 |
| Other liabilities (refer note no.20.1) | <u>293.20</u> | <u>288.97</u> |
| | <u>539.89</u> | <u>538.78</u> |
| 20.1 Includes ₹ 261.4 lakhs (previous year ₹ 259.21 lakhs) towards interest payable on Unsecured Borrowings from related parties. | | |
| 20.2 Represents insignificant amounts from various customers in the ordinary course of business. | | |
| 20.3 Includes Provision for bonus of ₹ 77.60 lakhs (previous year ₹ 67.90 lakhs) made on adhoc basis considering the amount actually paid in pursuance of settlement arrived with the workers (also refer note no.27.4). | | |
| 21. OTHER CURRENT LIABILITIES | | |
| Provident fund & pension fund | 13.55 | 13.42 |
| TDS payable | 49.68 | 50.08 |
| Other statutory dues (refer note 21.1) | 87.07 | 71.27 |
| Advance from customers (Unconfirmed) | <u>11.88</u> | <u>80.83</u> |
| | <u>162.18</u> | <u>215.60</u> |
| 21.1 Includes GST payable ₹ 84.47 lakhs (previous year ₹ 68.72 lakhs). | | |
| | For the Year Ended <u>March 31, 2024</u> | For the Year Ended <u>March 31, 2023</u> |
| 22. REVENUE FROM OPERATIONS | | |
| Sale of Products (Net of sales return and Discounts) : | | |
| Finished goods | 7,304.55 | 6,619.52 |
| Stock in trade | 10,321.83 | 8,602.72 |
| Sale of services | 9.20 | 5.64 |
| Other operating revenue (refer note no.22.1) | <u>19.59</u> | <u>23.64</u> |
| | <u>17,655.17</u> | <u>15,251.52</u> |
| Geographic bifurcation of sale of products : | | |
| India | 17,081.46 | 14,845.68 |
| Outside India | 544.92 | 376.56 |
| 22.1 Other operating revenue includes the followings : | | |
| i) Duty drawback | 6.79 | 5.26 |
| ii) Provision written back for doubtful debts | 5.94 | 14.14 |
| iii) Others [refer footnote 22.2] | <u>6.86</u> | <u>4.24</u> |
| | <u>19.59</u> | <u>23.64</u> |
| 22.2 Includes Remission of duties and taxes (RODTEP) ₹ 5.20 lakhs (previous year ₹ 4.24 lakhs). | | |
| 23. OTHER INCOME | | |
| Interest received (refer footnote 23.2) | 18.75 | - |
| Foreign exchange fluctuation gain (net) | 46.46 | 59.72 |
| Earlier Year Expenses Written Back | 3.36 | 0.68 |
| Miscellaneous Income (refer footnote 23.1) | 15.41 | 4.19 |
| Profit on sale of asset | 4.99 | 2.20 |
| Interest on income tax refund | 4.58 | - |
| Provision for doubtful advance written back | <u>0.96</u> | <u>-</u> |
| | <u>94.51</u> | <u>66.79</u> |
| 23.1 Includes ₹ 12.77 lakhs reversal of bank charges charged by the bank. | | |
| 23.2 Includes ₹ 1.07 lakhs as interest received from Dakshin Haryana Bijli Vitran Nigam (DHBVN) and ₹ 17.68 lakhs as interest received from PWD, Gurgaon against structure compensation. | | |
| 24. COST OF MATERIAL CONSUMED | | |
| Rubber | 870.94 | 853.67 |
| Cloths & Nylon yarn | 549.38 | 516.11 |
| Ball covering materials | 531.47 | 513.28 |
| Chemicals & solvent | 642.85 | 613.15 |
| Accessories, adhesives and other materials | <u>818.03</u> | <u>755.08</u> |
| | <u>3,412.67</u> | <u>3,251.29</u> |

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

| | (All amounts in ₹ lakhs, unless otherwise stated) | |
|---|---|--|
| | For the Year Ended <u>March 31, 2024</u> | For the Year Ended <u>March 31, 2023</u> |
| 25. PURCHASE OF STOCK-IN-TRADE | | |
| Health equipment & fitness accessories | 2,220.37 | 1,817.33 |
| Sports goods and equipments | <u>5,099.29</u> | <u>5,117.63</u> |
| | <u>7,319.66</u> | <u>6,934.96</u> |
| 26. CHANGES IN INVENTORIES | | |
| OPENING | | |
| Finished goods | 1,220.23 | 1,077.69 |
| Stock-in-trade | 5,149.03 | 4,698.72 |
| Work in progress | <u>773.12</u> | <u>677.52</u> |
| | <u>7,142.38</u> | <u>6,453.93</u> |
| CLOSING | | |
| Finished goods | 1,636.08 | 1,220.23 |
| Stock-in-trade | 4,876.67 | 5,149.03 |
| Work in progress | <u>670.66</u> | <u>773.12</u> |
| | <u>7,183.41</u> | <u>7,142.38</u> |
| Net (Increase) / Decrease in Inventory | (41.03) | (688.45) |
| 27. EMPLOYEE BENEFITS EXPENSES | | |
| Salaries, wages and bonus (refer note 27.4) | 1,667.54 | 1,524.97 |
| Contribution to provident & other funds (refer note 27.1) | 133.54 | 123.88 |
| Gratuity expenses (funded & non-funded) (refer note 27.2) | 30.60 | 27.80 |
| Compensated absence | 39.20 | 38.72 |
| Staff welfare | <u>112.79</u> | <u>110.92</u> |
| | <u>1,983.67</u> | <u>1,826.29</u> |

27.1 Contribution to defined contribution plans

The Company makes contribution towards provident fund and pension fund. These funds are administered by Government of India. Under the schemes; the Company is required to contribute a specified percentage of salary to the retirement benefit schemes to fund the benefit.

Contribution to Defined Contribution Plan, recognised as expense for the year are as under:-

| | Year Ended <u>March 31, 2024</u> | Year Ended <u>March 31, 2023</u> |
|---|-------------------------------------|-------------------------------------|
| Employer's contribution to provident fund | 37.72 | 34.44 |
| Employer's contribution to pension fund | 61.84 | 57.84 |

27.2 Defined Benefit Plan

Gratuity

The company has a defined benefit gratuity plan. Under the gratuity plan every employee, director and key managerial person who has completed at least five years of service gets a gratuity on departure at 15 days of last drawn salary for each completed year of service subject to maximum of ₹ 20 lakhs.

For employees, the Company makes annual contributions to approved Gratuity Trust under Income Tax Act, which in turn contributes to Life Insurance Corporation of India which administers the plan and determines the contributions required to be paid by the trust. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method.

For directors, Gratuity liability is non funded and provision is made as determined by the actuary in term of IndAS 19.

| | <u>Gratuity (Funded)</u> | | <u>Gratuity (Non-Funded)</u> | |
|---|--------------------------|----------------|------------------------------|----------------|
| | Year Ended | | Year Ended | |
| | <u>March 31, 2024</u> | March 31, 2023 | <u>March 31, 2024</u> | March 31, 2023 |
| I. Change in the benefit obligation | | | | |
| Defined benefit obligation at beginning of the year | 374.41 | 345.47 | 97.75 | 94.55 |
| Interest cost | 27.63 | 24.94 | 7.21 | 6.83 |
| Current service cost | 24.68 | 22.40 | | |
| Benefits paid | 13.82 | 17.56 | | |
| Actuarial (gain) / loss on obligations | (4.91) | (0.84) | (3.22) | (3.63) |
| Defined benefit obligation at the end of the year | <u>407.98</u> | 374.41 | <u>101.74</u> | 97.75 |

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts in ₹ lakhs, unless otherwise stated)

| | Year Ended | | Year Ended | |
|---|-----------------------|--------------------|-----------------------|--------------------|
| | March 31, 2024 | March 31, 2023 | March 31, 2024 | March 31, 2023 |
| II. Change in plan assets | | | | |
| Fair value of plan assets at the beginning of the year | 391.95 | 365.19 | | |
| Expected return on plan assets | 26.60 | 26.55 | | |
| Employer Contribution | 15.79 | 18.43 | | |
| Benefits paid | 13.82 | 17.56 | | |
| Actuarial (Gain) / Loss on plan assets | 2.33 | 0.47 | | |
| Fair value of plan assets at the year end | 420.52 | 391.95 | | |
| Actual return on plan assets | 26.60 | 25.90 | | |
| III. Reconciliation of fair value of assets and obligations | | | | |
| Fair value of plan assets | 420.52 | 391.95 | | |
| Present value of the obligation at the end | 407.98 | 374.41 | | |
| Funded Status | 12.54 | 17.54 | | |
| Net Asset / (Liability) | 12.54 | 17.54 | | |
| IV. Expenses recognised during the year | | | | |
| Current Service Cost | 24.68 | 22.40 | | |
| Interest Cost | 27.63 | 24.94 | 7.21 | 6.83 |
| Expected return on plan assets | 28.93 | 26.37 | | |
| Net actuarial (Gain) / Loss | 2.58 | (0.37) | (3.22) | (3.63) |
| Expenses charged to Statement of Profit & Loss | 23.39 | 20.97 | 7.21 | 6.83 |
| V. Actuarial Assumptions | | | | |
| Discount Rate | 7.23% p.a | 7.38% p.a | 7.23% p.a | 7.38% p.a |
| Salary Escalation | 6% p.a | 6% p.a | 6% p.a | 6% p.a |
| Expected return on plan assets | 8% p.a | 8% p.a | | |
| VI. Quantitative Sensitivity analysis for significant assumption is as under : | | | | |
| | <u>0.50% increase</u> | <u>1% increase</u> | <u>0.50% increase</u> | <u>1% increase</u> |
| Impact on defined obligation (Gratuity) | (9.56) | (18.52) | (0.99) | (2.28) |
| (Increase) / Decrease in liability | 10.21 | 19.77 | | |
| | <u>0.50% decrease</u> | <u>1% decrease</u> | <u>0.50% decrease</u> | <u>1% decrease</u> |
| Discount rate | 10.14 | 19.60 | 1.02 | 2.36 |
| Salary decrease rate | (9.72) | (18.86) | | |

The management of funds is entrusted with Life Insurance Corporation of India. The detail of investments made by them are not available.

27.3 Compensated Absences

It is an unfunded defined benefit plan for which the obligation is recognised on the basis of valuation made by actuary in terms of IndAS 19.

27.4 Bonus provision under The Payment of Bonus Act, 2015 for the year has been made on estimated basis and any adjustment on account of final liability will be made in the subsequent year (refer note 20.3).

| | For the Year | For the Year |
|---|----------------|----------------|
| | Ended | Ended |
| | March 31, 2024 | March 31, 2023 |
| 28. FINANCE COSTS | | |
| Interest expenses : | | |
| On borrowings | 492.14 | 477.07 |
| On lease liability (ROU) | 14.12 | 22.27 |
| Bank charges | 16.87 | 15.44 |
| | <u>523.13</u> | <u>514.78</u> |
| 28.1 For related parties refer note 34. | | |
| 29. DEPRECIATION AND AMORTISATION EXPENSES | | |
| Depreciation of property, plant & equipment | 166.64 | 120.41 |
| Amortisation on right of use assets | 70.78 | 70.78 |
| Amortisation of intangible assets | 0.16 | 0.76 |
| | <u>237.58</u> | <u>191.95</u> |

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

| | (All amounts in ₹ lakhs, unless otherwise stated) | |
|---|---|-----------------------|
| | For the Year | For the Year |
| | Ended | Ended |
| | <u>March 31, 2024</u> | <u>March 31, 2023</u> |
| 30. OTHER EXPENSES | | |
| Power and fuel | 314.75 | 273.14 |
| Ball stitching charges | 694.31 | 411.48 |
| Other manufacturing expenses (refer note no.30.6) | 572.55 | 470.06 |
| Stores consumed | 479.12 | 407.88 |
| Repairs to plant and equipments | 108.28 | 85.79 |
| Repairs to building | 19.49 | 19.37 |
| Repairs to others (refer note no.30.5) | 71.77 | 95.90 |
| Rent | 9.05 | 9.05 |
| Rates & taxes | 6.76 | 16.18 |
| Insurance | 39.35 | 34.23 |
| Travelling expenses (refer note no.30.1) | 130.49 | 106.55 |
| Auditor's remuneration (refer note no.30.2) | 9.50 | 7.95 |
| Transportation, shipping & packing charges | 356.16 | 319.16 |
| Commission, discounts and rebates | 390.33 | 328.78 |
| Bad & doubtful debts provided | 1.97 | 7.88 |
| Advertisements & publicity | 60.49 | 77.87 |
| Freight & octroi | 17.13 | 12.73 |
| Legal & professional fees | 84.90 | 63.82 |
| Postage & telephone | 47.22 | 49.65 |
| Printing & stationery | 15.67 | 15.27 |
| Royalty expenses | 12.68 | 6.68 |
| Sales promotion expenses | 276.59 | 271.76 |
| Security expenses | 18.65 | 17.96 |
| Bad debts / advances written off | 12.57 | 4.13 |
| Miscellaneous expenses (refer note no 30.3) | 95.16 | 83.72 |
| | <u>3,844.94</u> | <u>3,196.99</u> |

30.1 Includes directors' travelling ₹ 33.38 lakhs (previous year ₹ 20.7 lakhs).

30.2 Statutory Audit fees is ₹ 7 lakhs (previous year ₹ 5.50 lakhs) and Tax Audit fees is ₹ 2.50 lakhs (previous year ₹ 2.45 lakhs).

30.3 Includes Prior period expenses of ₹ 8.20 lakhs (previous year ₹ 2.02 lakhs), director's sitting fee ₹ 1.45 lakhs (previous year ₹ 1.40 lakhs), General expenses ₹ 16.95 lakhs (previous year ₹ 13.43 lakhs), License fee ₹ 6.46 lakhs (previous year ₹ 4.65 lakhs), Donation ₹ 9.47 lakhs (previous year ₹ 7.53 lakhs), Assets written off ₹ 0.35 lakhs (previous year ₹ 2.46 lakhs), Festival expenses ₹ 6.27 lakhs (previous year ₹ 6.45 lakhs), Subscriptions ₹ 9.12 lakhs (previous year ₹ 9.39 lakhs), Software expenses ₹ 6.05 lakhs (previous year ₹ 5.46 lakhs), Water & electricity & generator expenses ₹ 8.29 lakhs (previous year ₹ 8.73 lakhs).

30.4 CSR amount required to be spent as per section 135 of the Companies Act, 2013 read with Schedule VII thereof by the Company during the year is ₹ Nil (previous year ₹ Nil) due to lower figures of net worth, turnover and net profits in the immediately preceding financial year than the threshold limit prescribed u/s 135(1) of the Act.

30.5 Includes repair to vehicles ₹ 36.76 lakhs (previous year ₹ 49.52 lakhs) and Electric repairs ₹ 20.88 lakhs (previous year ₹ 31.22 lakhs).

30.6 Includes Ball cleaning & covering charges ₹ 199.66 lakhs (previous year ₹ 182.67 lakhs), Ball pasting charges ₹ 156.13 lakhs (previous year ₹ 121.27 lakhs), Set making charges ₹ 176.30 lakhs (previous year ₹ 134.47 lakhs).

(All amounts in ₹ lakhs, unless otherwise stated)

| | For the Year Ended <u>March 31, 2024</u> | For the Year Ended <u>March 31, 2023</u> |
|---|--|--|
| 31. TAX EXPENSES | | |
| Income tax recognised in Statement of Profit and Loss | | |
| Current tax | 150.05 | 36.98 |
| Earlier year taxation | (5.39) | 2.40 |
| Deferred tax | <u>3.61</u> | <u>(16.93)</u> |
| Total income tax expenses recognised in the current year | <u>148.27</u> | <u>22.45</u> |
| | | |
| The Income Tax expenses for the year can be reconciled to the accounting profit as follows : | | |
| Profit before tax | 469.06 | 90.50 |
| Applicable tax rate | 25.168% | 25.168% |
| Computed tax expenses | 118.05 | 22.78 |
| Tax effect of allowances / disallowances | 32.00 | 14.20 |
| Deferred Tax | 3.61 | (16.93) |
| Earlier year taxation | <u>(5.39)</u> | <u>2.40</u> |
| Total income tax expenses recognised in the current year | <u>148.27</u> | <u>22.45</u> |
| | | |
| 32. EARNINGS PER EQUITY SHARE | | |
| Profit after tax | 320.79 | 68.05 |
| Weighted average no. of equity share (nos.) | 41,61,000 | 41,61,000 |
| Nominal value of per equity share (₹) | 10.00 | 10.00 |
| Basic earning per share | 7.71 | 1.64 |
| Diluted earning per share | 7.71 | 1.64 |

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts in ₹ lakhs, unless otherwise stated)

33. SEGMENT INFORMATION

The company's operating segments are established on the basis of those components that are evaluated regularly by the chief operating officer (the 'Chief Operating Decision Maker' as in IndAS 108 -'Operating Segments'), in deciding how to allocate resources and in assessing performance. These have been identified taking into account nature of products and services, the differing risks and returns and the internal business reporting systems. The CODM does not review assets and liabilities for each operating segment separately, hence segment disclosures relating to total assets and total liabilities have not been furnished. The Company's business segments are as under:

(i) Own Manufactured Products : Segment includes manufacturing and supply of inflatable balls.

(ii) Traded Goods : Segment includes trading of health equipment and fitness accessories and other sports goods.

The accounting policies adopted for segment reporting are in line with the accounting policy of the company with following additional policies for segment reporting :

Expenses have been identified to a segment on the basis of sale of the respective segment to the total sale of the company. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".

(i) Primary Segment Information

| Sr. No. | Particulars | Manufactured products | | Traded products Stock in trade | | Unallocable | | Total | |
|---------|------------------------------|-----------------------|----------------|--------------------------------|----------------|-----------------------|----------------|-----------------------|----------------|
| | | For the year ended on | | For the year ended on | | For the year ended on | | For the year ended on | |
| | | March 31, 2024 | March 31, 2023 | March 31, 2024 | March 31, 2023 | March 31, 2024 | March 31, 2023 | March 31, 2024 | March 31, 2023 |
| 1 | Segment Revenue | | | | | | | | |
| | Sales | 7,304.54 | 6,619.52 | 10,321.83 | 8,602.72 | | | 17,626.37 | 15,222.24 |
| | Sale of services | | | 9.20 | 5.64 | | | 9.20 | 5.64 |
| | Other income | 15.15 | 15.65 | 4.44 | 7.99 | 23.73 | (3.99) | 43.31 | 19.65 |
| | | 7,319.69 | 6,635.17 | 10,335.47 | 8,616.35 | 23.73 | (3.99) | 17,678.88 | 15,247.53 |
| 2 | Segment Results | | | | | | | | |
| | Profit before interest & tax | 283.61 | 203.49 | 684.85 | 405.78 | 23.73 | (3.99) | 992.19 | 605.28 |
| | Less : Interest expense | 216.79 | 223.86 | 306.34 | 290.92 | | | 523.13 | 514.78 |
| | Profit before tax | 66.82 | (20.37) | 378.51 | 114.86 | 23.73 | (3.99) | 469.06 | 90.50 |
| | Less : Tax | | | | | 150.05 | 36.98 | 150.05 | 36.98 |
| | Current tax | | | | | (5.39) | 2.40 | (5.39) | 2.40 |
| | Earlier year taxation | | | | | 3.61 | (16.93) | 3.61 | (16.93) |
| | Deferred tax | | | | | | | | |
| | Profit after tax | | | | | | | 320.79 | 68.05 |

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts in ₹ lakhs, unless otherwise stated)

(ii) Secondary Segment Information

Information about geographical areas (based on the location of customers) :

| Sr. No. | Particulars | As At | As At |
|--|---|----------------|----------------|
| | | March 31, 2024 | March 31, 2023 |
| 1 | Revenue (excluding GST) : | | |
| | - Within India | 17,133.96 | 14,870.97 |
| | - Outside India | 544.92 | 376.56 |
| | (Export sale of ₹ 190.03 lakhs are made to three parties having sales of 10% or more in total export sales) | | |
| | Total Revenue | 17,678.88 | 15,247.53 |
| 2 | Current operating Assets: | | |
| | - Within India | 11,184.49 | 10,332.79 |
| | - Outside India | 29.27 | 50.56 |
| | Total Assets | 11,213.76 | 10,383.35 |
| 3 | Non current operating Assets: | | |
| | - Within India | 190.06 | 329.83 |
| | - Outside India | - | - |
| | Total Non current operating Assets | 190.06 | 329.83 |
| 4 | Non current Assets : | | |
| | - Within India | 948.16 | 867.14 |
| | - Outside India | - | - |
| | Total Non current Assets | 948.16 | 867.14 |
| Non current Assets for this purpose consists of Property, plant and equipment including ROU, Capital work in progress and Intangible assets. | | | |

34. RELATED PARTY DISCLOSURE

In accordance with the requirements of "IND-AS 24" on the Related Party Disclosures / Companies Act, 2013, the transactions and related parties with whom transactions have taken place during the year are as follows:

I List of Parties with whom transactions entered during the year

Significant influence with whom Company had transactions

- Cosco Polymer Industries (P) Ltd.
- Cosco India Ltd Employees Gratuity Trust

Key Management Personnel

- | | |
|-----------------------|-----------------------------|
| 1 Devinder Kumar Jain | Managing Director and CEO |
| 2 Narinder Kumar Jain | Managing Director |
| 3 Pankaj Jain | Whole Time Director |
| 4 Manish Jain | Whole Time Director |
| 5 Neeraj Jain | Whole Time Director |
| 6 Arun Jain | Whole Time Director and CFO |
| 7 Sudha Singh | Company Secretary |

Relatives of Key Management Personnel

- | | |
|-----------------------|-----|
| 1 Devinder Kumar Jain | HUF |
| 2 Narinder Kumar Jain | HUF |
| 3 Prabha Jain | |
| 4 Akash Jain | |

II Detail of transactions made during the year between the company and related parties.

| | For the Year Ended March 31, 2024 | For the Year Ended March 31, 2023 |
|---|---|---|
| A Significant influence with whom Company had transactions | | |
| <u>Cosco Polymer Industries (P) Ltd.</u> | | |
| Loans received | 20.00 | 12.00 |
| Interest accrued and due for the year | 13.52 | 12.43 |
| Loans outstanding | 170.00 | 150.00 |
| Interest outstanding after TDS | 12.17 | 11.19 |
| Lease rent paid | 9.60 | 9.60 |
| <u>Cosco (India) Ltd. Employees Group Gratuity Scheme</u> | | |
| Contribution to Employees Gratuity Trust | 23.39 | 20.97 |

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts in ₹ lakhs, unless otherwise stated)

| | For the Year Ended <u>March 31, 2024</u> | For the Year Ended <u>March 31, 2023</u> |
|---|--|--|
| B Key Managerial Personnel | | |
| <u>Loans received</u> | | |
| Devinder Kumar Jain | 50.00 | 54.00 |
| Narinder Kumar Jain | 37.00 | 42.00 |
| Manish Jain | 69.00 | 58.00 |
| Pankaj Jain | 65.00 | 66.00 |
| Neeraj Jain | 34.00 | 34.00 |
| Arun Jain | 38.00 | 24.00 |
| <u>Re-payment of loans</u> | | |
| Devinder Kumar Jain | 37.00 | 118.00 |
| Narinder Kumar Jain | 21.00 | 29.50 |
| Manish Jain | 11.00 | 2.00 |
| Pankaj Jain | 49.00 | 82.50 |
| Neeraj Jain | 86.50 | 55.50 |
| Arun Jain | 7.00 | 29.00 |
| <u>Interest accrued and due for the year</u> | | |
| Devinder Kumar Jain | 53.43 | 55.02 |
| Narinder Kumar Jain | 33.85 | 32.98 |
| Manish Jain | 53.95 | 49.24 |
| Pankaj Jain | 73.93 | 73.18 |
| Neeraj Jain | 32.60 | 36.85 |
| Arun Jain | 29.16 | 28.31 |
| <u>Payment of accrued interest after TDS</u> | | |
| Devinder Kumar Jain | 54.86 | 53.22 |
| Narinder Kumar Jain | 33.07 | 27.20 |
| Manish Jain | 49.71 | 39.75 |
| Pankaj Jain | 73.25 | 66.54 |
| Neeraj Jain | 36.43 | 34.22 |
| Arun Jain | 28.40 | 23.51 |
| <u>Loans outstanding</u> | | |
| Devinder Kumar Jain | 619.65 | 606.65 |
| Narinder Kumar Jain | 404.11 | 388.11 |
| Manish Jain | 656.30 | 598.30 |
| Pankaj Jain | 862.15 | 846.15 |
| Neeraj Jain | 361.85 | 414.35 |
| Arun Jain | 352.01 | 321.00 |
| <u>Recoverable from Directors</u> | | |
| Devinder Kumar Jain | - | 0.89 |
| Narinder Kumar Jain | - | 1.39 |
| Pankaj Jain | - | 0.08 |
| Neeraj Jain | - | 0.61 |
| Arun Jain | - | 0.32 |
| <u>Interest outstanding net of TDS</u> | | |
| Devinder Kumar Jain | 48.08 | 49.52 |
| Narinder Kumar Jain | 30.47 | 29.68 |
| Manish Jain | 48.55 | 44.31 |
| Pankaj Jain | 66.54 | 65.86 |
| Neeraj Jain | 29.34 | 33.17 |
| Arun Jain | 26.24 | 25.48 |
| <u>Rent paid</u> | | |
| Devinder Kumar Jain | 3.90 | 3.90 |
| Narinder Kumar Jain | 7.02 | 7.02 |
| Pankaj Jain | 7.02 | 7.02 |
| <u>Remuneration</u> | | |
| Devinder Kumar Jain | 84.16 | 78.01 |
| Narinder Kumar Jain | 84.90 | 79.13 |
| Manish Jain | 64.83 | 58.82 |
| Pankaj Jain | 64.44 | 59.32 |
| Neeraj Jain | 64.23 | 60.86 |
| Arun Jain | 64.71 | 59.35 |

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

| | (All amounts in ₹ lakhs, unless otherwise stated) | |
|---|---|---|
| | For the Year Ended March 31, 2024 | For the Year Ended March 31, 2023 |
| | C Key Management Personnel's Relatives | |
| <u>Rent paid</u> | | |
| Prabha Jain | 5.46 | 5.46 |
| <u>Remuneration</u> | | |
| Aakash Jain | 18.75 | 15.25 |
| 34.1 Related parties have been identified by the management. | | |
| 34.2 Key Managerial personnel remuneration does not include provision for gratuity and compensated absences. | | |
| 34.3 No amounts have been written off / provided for or written back during the year in respect of amounts receivable from or payable to related parties. | | |
| 34.4 Remuneration paid to KMP excludes expenses incurred in the course of performance of duty. Car perquisite is calculated as per Income Tax Rules. | | |

35. CONTINGENT LIABILITIES NOT PROVIDED FOR IN RESPECT OF

The Company is subject to legal proceedings and claims, which have arisen in the ordinary course of business. The Company's management reasonably does not expect that these legal actions, when ultimately concluded and determined, will have material effect on the Company's results of operations or financial condition. The Company does not expect any reimbursement in respect of these contingent liabilities.

(i) Claims against the company not acknowledged as debt :

| | | |
|--|-------|-------|
| Cases against the Company in Labour Court & High Court by ex-employees | 62.50 | 64.94 |
| Income Tax for A.Y 2018-19 & A.Y 2021-22 | - | 30.64 |
| UP VAT / CST for A.Y 2009-10 | 34.70 | 34.70 |

(ii) Guarantee

(a) To Sales Tax Authorities :

| | | |
|--|------|------|
| for Cosco Polymer Industries Pvt. Ltd. (related party) | 1.00 | 1.00 |
| for others | 5.27 | 5.27 |

(b) To State Electricity Board :

| | | |
|------------|-------------------|-------------------|
| for others | Not Ascertainable | Not Ascertainable |
|------------|-------------------|-------------------|

(c) To Banks in respect of contractual obligations to Canteen Store Departments

| | | |
|--|--------|-------|
| | 114.90 | 97.00 |
|--|--------|-------|

*The company is contesting these demands and the management, based on advise of its advisors, believes that its position will likely be upheld in the appellate process. No expense has accrued in the standalone financial statements for these demands raised. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the company's financial position and results of operations. The company does not expect any reimbursements in respect of the above contingent liabilities.

In addition, the company is subject to legal proceedings claims, which have arisen in the ordinary course of business. The company's management reasonably does not expect that outcome of these legal proceeding etc., when ultimately concluded and determined, will have adverse material effect on the company's results of operations or financial condition.

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The company's principal financial liabilities comprise borrowings, Security Deposits Received, trade and other payables. The main purpose of these financial liabilities is to finance the company's operations. The company's principal financial assets include, trade and other receivables, cash and cash equivalents and security deposits that are out of regular business operations. The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk. In order to manage the aforementioned risks, the Company operates a risk management policy and a programme that performs close monitoring of and responding to each risk factors. The company's senior management oversees the management of these risks.

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument that will fluctuate because of changes in market prices. Market risk comprises three types of risk i.e. interest rate risk, currency risk and other price risk, such as commodity risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

i. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rate relates primarily to the Company's borrowings from Banks with floating interest rates / volatility in rupee value against foreign currency fluctuations. The unsecured loans from related parties constitute a significant portion of total borrowings and is not subject to volatility in the rate of borrowings.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

| | March 31, 2024 | | March 31, 2023 | |
|--|----------------|-------------|----------------|-------------|
| | 1% increase | 1% decrease | 1% increase | 1% decrease |
| Impact on Profit Before Tax | | | | |
| Increase / (decrease) in average interest cost | 53.70 | (53.70) | 51.08 | (51.08) |

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts in ₹ lakhs, unless otherwise stated)

ii. Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. Company deals in import of health equipment and exports sports goods. Adverse changes in rupees due to imports are partially off set by exports and company is able to pass on the increase in price of imports to the customers. In view of the insignificant risk, sensitivity analysis showing impact on profit is not calculated. During the year company earned currency fluctuation gain of ₹ 46.46 lakhs (previous year ₹ 59.72 lakhs).

iii. Commodity price risk

The company does not have significant risk in raw material price variations. In case of any variation in price, the same is normally passed on to customers through appropriate adjustment to selling prices.

(b) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments if a counter party default on its obligations. The company's exposure to credit risk arises majorly from trade and other receivables. Other financial assets like security deposits and bank deposits are paid against import consignments. Company has good past track record of recovery from trade receivables. Defaults in past have been very few and too less.

(c) Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank borrowings, unsecured loans from directors on a continuous basis and security from dealers. The table below summarises the maturity profile of the Company's financial liabilities:

| Particulars | Maturities | | | Total |
|-----------------------------|-----------------|--------------|-----------------|-----------------|
| | Up to 1 year | 1-2 years | 2-3 years | |
| March 31, 2024 | | | | |
| Non-current borrowings | | 59.65 | 1,488.95 | 1,548.60 |
| Current borrowings | 4,071.56 | | | 4,071.56 |
| Trade payables | 732.61 | | | 732.61 |
| Lease Liabilities | 57.89 | | 16.99 | 74.88 |
| Other financial liabilities | 539.89 | | | 539.89 |
| Total | 5,401.95 | 59.65 | 1,505.94 | 6,967.55 |
| March 31, 2023 | | | | |
| Non-current borrowings | | 44.79 | 1,499.16 | 1,543.95 |
| Current borrowings | 3,699.91 | | | 3,699.91 |
| Trade payables | 588.64 | | | 588.64 |
| Lease Liabilities | 77.16 | | 74.88 | 152.04 |
| Other financial liabilities | 538.78 | | | 538.78 |
| Total | 4,904.49 | 44.79 | 1,574.04 | 6,523.32 |

37. CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity shareholders. The primary objective of the Company's capital management is to ensure that it maintains a good credit rating and capital ratios in order to support its business and maximise shareholder value. The Company monitors capital using a gearing ratio, which is net debt divided by total capital. The Company includes within net debt, all non-current and current borrowings reduced by cash and cash equivalents and other bank balances.

| | <u>Note</u> | <u>As at</u> | <u>As at</u> |
|----------------------------------|-------------|-----------------------|-----------------------|
| | | <u>March 31, 2024</u> | <u>March 31, 2023</u> |
| Non-current borrowings | 16A | 1,548.60 | 1,543.96 |
| Current borrowings | 16B | 4,071.56 | 3,699.91 |
| Less : Cash and cash equivalents | 11 | 4.88 | 5.65 |
| Other bank balances | 11 | 60.60 | 24.52 |
| Net Debt (A) | | 5,554.68 | 5,213.70 |
| Equity share capital | 14 | 416.10 | 416.10 |
| Other equity | 15 | 4,564.57 | 4,239.43 |
| Total Capital (B) | | 4,980.67 | 4,655.53 |
| Gearing Ratio (A/B) | | 1.12 | 1.12 |

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing borrowings that define capital structure requirements. The breaches in meeting the financial covenants would permit the bank to immediately call borrowings. There have been no breaches in the financial covenants of any interest-bearing borrowings in the current year. No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2024 and March 31, 2023.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts in ₹ lakhs, unless otherwise stated)

38. RATIOS

| Particulars | Current Year | | Previous Year | | Variance | Reasons for Variance |
|--|-----------------------|-------|-----------------------|-------|----------|---|
| | ₹ in lakhs) | Ratio | ₹ in lakhs) | Ratio | | |
| (a) Current ratio : (in times) Numerator = Total current assets Denominator = Total current liabilities | 11,213.76 5,714.33 | 1.96 | 10,383.35 5,201.11 | 2.00 | -0.02 | |
| (b) Debt-Equity ratio : (in times) Numerator = Total Borrowing Denominator = Shareholders' equity | 5,620.16 4,980.67 | 1.13 | 5,243.87 4,655.53 | 1.13 | 0% | |
| (c) Debt service coverage ratio : (in times) Numerator : Earnings available for debt service = PAT + Non cash operating expenses + Interest + Other non-cash expenses-Non Cash Income- Profit on sale of fixed assets. etc. Denominator : Debt service = Interest accrued and due + current portion of lease Liability+ current maturities of long term borrowings | 1,087.64 2,355.00 | 0.46 | 786.37 2,255.73 | 0.35 | 0.32 | Profit is increased due to increased sales. |
| (d) Return on equity ratio : (in %) Numerator = Net Profits after taxes Denominator=Average Shareholder's Equity | 320.79 4,818.10 | 6.66% | 68.05 4,620.01 | 1.47% | 352% | Due to substantial increase in sales, product mix and profit. |
| (e) Inventory turnover ratio : (in times) Numerator = Cost of goods sold=Cost of material+ consumed + Purchase of stock in trade + change in inventories of finished goods,WIP & stock in trade Denominator = Average Inventory | 10,691.30 7,713.62 | 1.39 | 9,497.80 7,256.66 | 1.31 | 6% | |
| (f) Trade receivables turnover ratio : (in times) (refer footnote 38.1) Numerator = Revenue from Operations Denominator = Average Trade Receivables | 17,655.17 2,493.75 | 7.08 | 15,251.52 2,216.68 | 6.88 | 3% | |
| (g) Trade payables turnover ratio : (in times) (refer footnote 38.2) Numerator : Net purchase = Purchase of Stock in trade and raw material Denominator = Average Trade payables | 10,847.74 660.62 | 16.42 | 10,232.16 517.00 | 19.79 | -17% | |

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts in ₹ lakhs, unless otherwise stated)

| Particulars | Current Year | | Previous Year | | Variance | Reasons for Variance |
|--|-----------------------|-------|-----------------------|-------|----------|---|
| | ₹ in lakhs | Ratio | ₹ in lakhs | Ratio | | |
| (h) Net capital turnover ratio : (in times) Numerator = Revenue from Operations Denominator = Working capital | 17,655.17 5,499.43 | 3.21 | 15,251.52 5,182.24 | 2.94 | 9% | |
| (i) Net profit ratio : (in %) Numerator = Net profit after tax Denominator = Revenue from Operations | 320.79 17,655.17 | 1.82% | 68.05 15,251.52 | 0.45% | 307% | Profit is increased due to increased sales. |
| (j) Return on capital employed : (in %) Numerator = Earning before finance cost and tax Denominator = Capital employed = Net worth + Total borrowings + Deferred tax liabilities (if any) | 992.20 6,637.66 | 15% | 605.28 6,379.21 | 9% | 58% | Increased sales and sales mix contributed to increased profitability. |

38.1 In the absence of figure of Net credit sales, Revenue from operations has been taken into consideration for computing Trade receivables ratio.

38.2 In the absence of figure of Net credit purchases, Total purchases been taken into consideration for computing Trade Payables ratio.

38.3 Ratio for Return on Investment not reported since no investments is held by the Company.

39. Below table represents the reconciliation of figures of the charged Current assets quarterly statements and Returns filed with the banks and that reflected in the Books of accounts.

| Nature of Current assets for the quarter ending | Sanction amount to which the discrepancy relates | Nature of discrepancy | Amount as per quarterly return & statements | As per unaudited books of accounts | Difference | Remarks including subsequent rectification, if any |
|---|--|---|---|------------------------------------|------------|--|
| June, 2023 Trade Receivable | 2,800.00 | Non-current debtors are not considered. | 2,489.53 | 2,525.42 | (35.89) | Debtors having significant credit risk are not considered and no subsequent rectification was filed with the bank. |
| Inventory - Raw Material | 2,800.00 | | 435.27 | 435.27 | - | |
| Inventory - Finished Goods / Stock in trade | 2,800.00 | | 5,804.36 | 5,804.36 | - | |
| Inventory - Stores & Spares | 2,800.00 | | 124.99 | 124.99 | - | |

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

| (All amounts in ₹ lakhs, unless otherwise stated) | | | | | | |
|---|--|---|---|------------------------------------|------------|--|
| Nature of Current assets for the quarter ending | Sanction amount to which the discrepancy relates | Nature of discrepancy | Amount as per quarterly return & statements | As per unaudited books of accounts | Difference | Remarks including subsequent rectification, if any |
| <u>September, 2023</u> | | | | | | |
| Trade Receivable | 2,800.00 | Non-current debtors are not considered. | 2,572.55 | 2,608.44 | (35.89) | Debtors having significant credit risk are not considered and no subsequent rectification was filed with the bank. |
| Inventory - Raw Material | 2,800.00 | | 347.50 | 347.50 | - | |
| Inventory - Finished Goods / Stock in trade | 2,800.00 | | 6,618.89 | 6,618.89 | - | |
| Inventory - Stores & Spares | 2,800.00 | | 143.87 | 143.87 | - | |
| <u>December, 2023</u> | | | | | | |
| Trade Receivable | 2,800.00 | Non-current debtors are not considered. | 2,525.61 | 2,561.50 | (35.89) | Debtors having significant credit risk are not considered and no subsequent rectification was filed with the bank. |
| Inventory - Raw Material | 2,800.00 | | 428.55 | 428.55 | - | |
| Inventory - Finished Goods / Stock in trade | 2,800.00 | | 6,742.38 | 6,742.38 | - | |
| Inventory - Stores & Spares | 2,800.00 | | 174.88 | 174.88 | - | |
| <u>March, 2024</u> | | | | | | |
| Trade Receivable | 2,800.00 | Non-current debtors are not considered. | 2,782.78 | 2,808.03 | (25.25) | Debtors having significant credit risk are not considered and no subsequent rectification was filed with the bank. |
| Inventory - Raw Material | 2,800.00 | | 459.77 | 459.77 | - | |
| Inventory - Finished Goods / Stock in trade | 2,800.00 | | 6,512.76 | 6,512.76 | - | |
| Inventory - Stores & Spares | 2,800.00 | | 156.88 | 156.88 | - | |

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts in ₹ lakhs, unless otherwise stated)

40. ADDITIONAL Notes and relevant regulatory information (Other than disclosed in Notes) :

- 40.1** (a) The operating cycle of the company is assumed to be of twelve months in absence of clearly identifiable normal operating cycle and accordingly assets / liabilities have been classified as current / non current.
- (b) No impairment exercise is conducted in absence of internal / external indicators.
- 40.2** Cosco Polymer Lanka (Private) Ltd. (erstwhile Subsidiary of the Company in Sri Lanka) has been ordered to be wound up by the Hon'ble High Court of the Western Province, Colombo. Accordingly, "Consolidated Financial Statements" as per Ind AS 110, have not been prepared.
- 40.3** The Equity Shares held by the Company in Cosco Polymer Lanka (Private) Ltd. (erstwhile Subsidiary of the Company in Sri Lanka) stand vested in the Secretary to the Treasury of the Government of Sri Lanka under the Revival of Underperforming Enterprises or Underutilised Assets Act No.43 of 2011 (of Republic of Sri Lanka) as per disclosures made in the earlier year Accounts. Competent Authority appointed under the said Act is controlling, administering and managing such Enterprises / Units / Assets. The Act (of Sri Lanka), provides for payment of compensation and accordingly claim was filed in Sri Lanka with the Compensation Tribunal constituted under the said Act. The Compensation Tribunal vide its letter Ref: Com T/01/27 dated 08.12.2015, has allowed compensation of LKR 480 lakhs (Equivalent INR 204.66 lakhs) and after deducting LKR 16.74 lakhs due for Board of Investment (BOI) of Sri Lanka as at the date of vesting, the net compensation payable is LKR 463.26 lakhs (Equivalent INR 197.52 lakhs). The amount is yet to be released and the same shall be credited to Liquidator, since Cosco Polymer Lanka (Private) Ltd. has been ordered to be wound up by the Hon'ble High Court of the Western Province, Colombo. The management does not expect any net realisable value of its investment in the erstwhile subsidiary. However realisation, if any, shall be accounted for in the year of actual receipt.
- 40.4** The Appraising Officer - Assistant commissioner (Gr. VI), ICD Import, Tughlakabad, New Delhi vide order No. 141/2019/S K Gupta/AC/Import/ICD/TKD dated 01.11.2019 adjudicated Additional Custom demand of ₹ 5.31 lakhs (including Interest) in respect of various years 2011-12 to 2017-18 on account of non-inclusion of various expenses (post import) like advertisement & sales promotion for the purpose of computing the assessable value of imports of foreign Brand goods, under the Customs Act, 1962 and Valuation Rules framed thereunder. The Additional Custom Duty Demand has since been paid voluntarily by the Company ₹ 4.87 lakhs during F.Y 2016-17 and ₹ 0.44 lakhs during F.Y 2018-19. By issuing Corrigendum dated 16.07.2019 demand was reduced to ₹ 2.34 lakhs. The Principal Commissioner of Customs, ICD, Import, Tughlakabad, has filed Appeal before Commissioner of Customs (Appeals), New Delhi, against the said Order for remanding back the case to the department authority to re-adjudicate the case by considering the Corrigendum dated 16.07.2019 to the Demand cum Show Cause Notice and inter-alia other issues. It has been advised to the company that there would not be any significant liability on this account rather it is expected to receive back the refund of the amount already paid in the earlier years. the company has not recognised any contingent refund during the year / earlier years on this account.
- 41. Additional Regulatory Information:**
- 41.1** The company has not revalued its PPE (including ROU asset) and intangible assets and hence disclosure regarding basis of revaluation is not applicable. Company does not have any investment in property.
- 41.2** There is no charge or satisfaction of any charge which is not registered with ROC beyond the statutory period.
- 41.3** The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), 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 on behalf of the Ultimate Beneficiaries.
- 41.4** The Company have not received any fund from any person(s) or entity(ies), 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.
- 41.5** No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- 41.6** The company has not granted any loans or advances in the nature of loans to promoters, directors, KMP and the related parties either severally or jointly with any other person which is either repayable on demand or without specifying any terms or period of demand and therefore requirement of disclosure of such loan / advance is not applicable.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts in ₹ lakhs, unless otherwise stated)

- 41.7 The company has complied with the number of layers prescribed under clause (87) of section 2 of the act read with companies (restriction on number of layers) rules 2017.
- 41.8 Company has not applied any accounting policy retrospectively or has made a restatement of items in Financial Statement or has reclassified items in the Financial Statement.
- 41.9 The company has not done any transaction with struck off companies during the year and therefore no balance whether payable / receivable / investment in securities or shares of the company held by such struck off companies or any other outstanding exist on the balance sheet date.
- 41.10 The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- 41.11 The Company have not any such 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).
- 41.12 There are no Regulatory Deferral Account Balances that need to be disclosed as per Ind AS 114.
42. Previous year figures have been reclassified / regrouped wherever necessary to confirm with those of current year figures.

As per our report of even date.

FOR MADAN & ASSOCIATES CHARTERED ACCOUNTANTS

FIRM'S REGISTRATION NO. : 000185N

M K MADAN

Proprietor

Membership No. 082214

FOR AND ON BEHALF OF BOARD OF DIRECTORS

DEVINDER KUMAR JAIN

Managing Director and CEO

DIN : 00191539

NARINDER KUMAR JAIN

Managing Director

DIN : 00195619

ARUN JAIN

Whole Time Director and CFO

DIN : 01054316

SUDHA SINGH

Company Secretary

Membership No.A33371

PLACE : New Delhi

Dated : May 30th, 2024