



# ITALICA

**PIL ITALICA LIFESTYLE LIMITED**

(An ISO 9001 : 2015 Certified Company)

CIN : L25207RJ1992PLC006576



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0294-2432272

info@italica.com

June 03, 2022

The Manager-Listing Department National Stock Exchange of India Limited, 'Exchange Plaza', C-1, Block -G Bandra Kurla Complex, Bandra -East Mumbai-400051	Listing Department BSE Limited Phiroze Jeejeebhoy Towers 25 <sup>th</sup> Floor, Dalal Street Mumbai- 400001
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**Sub** : Annual Report for the financial year 2021-22  
**Ref** : Scrip Code No.: PILITA/ 500327

Dear Sir / Madam,

Pursuant to the provisions of Regulation 34(1) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, read with amendments thereto, please find the enclosed copy of Annual Report of the Company for the financial year ended March 31, 2022.

The Annual Report is also available on the website of the Company i.e. [www.italica.com](http://www.italica.com)

Kindly take the above on your records.

Thanking you,  
Yours faithfully,

**For PIL ITALICA LIFESTYLE LIMITED**

Rajat Raja Kothari  
(Company Secretary)

M. No.: A51610



Encl: As above.





# ITALICA®



**PIL ITALICA LIFESTYLE LIMITED**

30<sup>TH</sup> ANNUAL REPORT | 2021-2022

OXY SERIES



LUXURY SERIES



PLASTEEL SERIES





**SPINE CARE SERIES**



2109



2277



9007

**PREMIUM SERIES**



9012

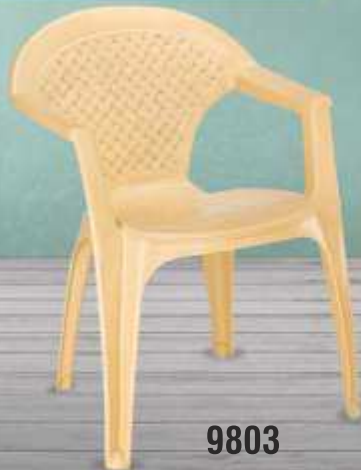


9006

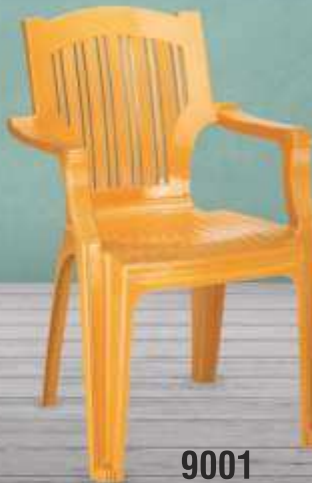


9201

**COMFORT SERIES**



9803



9001



9052

WITHOUT ARM SERIES



BABY SERIES



STOOL & PATLA SERIES



TABLE SERIES



SUNLOUNGER



TROLLEY





WASTE BIN



WASTE BIN



WASTE BIN



WASTE BIN  
WITH SWING LID



STORAGE BIN  
WITH DOME LID



STORAGE BIN  
WITH FIX LID





## MATERIAL HANDLING PRODUCTS



E COMMERCE



E GROCERY



CATERING



ENGINEERING



TEXTILE



ICE CREAM



BAKERY



CONFECTIONARY



ELECTRONIC



GARMENTS



AUTOMOBILE



HARDWARE



PHARMA



CROCKERY



AGRICULTURE



FASTENERS

## BOARD OF DIRECTORS

<b>Daud Ali</b>	Managing Director
<b>Narendra Bhanawat</b>	Whole Time Director and Chief Financial Officer
<b>Magan Lal Sharma</b>	Director
<b>Mukesh Kumar Kothari</b>	Director
<b>Namrata Babel</b>	Director
<b>Asha Jain</b>	Director
<b>Himanshu S. Gupta</b>	Additional Director (w.e.f. 21/05/2022)

### COMPANY SECRETARY

Aditi Parmar (till 21/01/2022)  
Rajat Raja Kothari (w.e.f. 21/01/2022)

### STATUTORY AUDITORS

M/s AKM & Associates  
Chartered Accountants

### SECRETARIAL AUDITORS

P. Talesara & Associates

### BANKERS

UCO Bank

## COMMITTEE OF THE BOARD

### AUDIT COMMITTEE

Magan Lal Sharma - Chairman  
Mukesh Kumar Kothari  
Namrata Babel

### NOMINATION AND REMUNERATION COMMITTEE

Magan Lal Sharma - Chairman  
Mukesh Kumar Kothari  
Namrata Babel

### STAKEHOLDERS RELATIONSHIP COMMITTEE

Magan Lal Sharma - Chairman  
Mukesh Kumar Kothari  
Namrata Babel

### REGISTERED OFFICE & WORKS

Kodiyat Road,  
Village : Sisarma  
District : Udaipur (Raj.) 313031

### INVESTOR QUERIES

email:-investor@italica.com

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## Important Communication to Members

The Ministry of Corporate Affairs has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliances by the companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants, Members who hold shares in physical form are requested to register their e-mail addresses with the company.



**DIRECTORS' REPORT**

**To The Members of PIL ITALICA LIFESTYLE LIMITED**

The Directors of your Company have pleasure in presenting the Thirtieth (30<sup>th</sup>) Annual Report together with the Audited accounts of the Company for the year ended March 31, 2022.

**1. FINANCIAL HIGHLIGHTS**

Your Company's performance during the year as compared to the previous year is summarized below:

(Rs. in Lakhs)

Particulars	2021-22	2020-2021
Revenue from Operations	6,775.79	5484.82
Profit before Taxation	335.93	495.14
Less: Tax Expenses	(84.55)	(124.62)
Profit after Tax	251.38	370.52
Add: other Comprehensive Income	-	-
Add: Balance brought forward from Previous year	(10.62)	(381.14)
Balance Profit/(Loss) carry forward to the next year	240.76	(10.62)

**2. STATE OF COMPANY'S AFFAIRS**

The company is engaged in the manufacturing of plastic moulded furniture, material handling products and waste management products. During the year, the Company earned Revenue from Operations of Rs. 6775.79 Lakhs as against Rs. 5484.82 Lakhs in corresponding previous year and earned a net profit of Rs. 251.38 Lakhs. The Company is continuously launching new and innovative products and in spite of Covid -19 effect during first quarter, revenue increased by 23.53 % during this year.

The Company is focusing more on assets light business model . The idea is to collaborate and leverage the opportunities already available in the market which has come about due to the adverse economic situation.

The company is using its funds for rapid expansion of the distribution network in new geographies, new product development, new product portfolio and more effective supply chain network .

During the year company launched various new and innovative products in its Table series, oxy series, luxury series, stool and patla series, storage series . Company is also launching wooden products in coming days.

In table series a strong and high quality plastic centre table model no. 9511 . In oxy series model no.5205, a fully ventilated without arm chair, Model no. 5214 a fully ventilated with arm chair, model no. 5223 and 5226 baby chairs . model no. 9704 and 9712 in stool and Patla series and model no. 6104,6105,

6106 cup boards in storage series and dust bin model no. 4010 in waste management product launched. Further company will launch innovative new products in its plastic moulded furniture division and in material handling product division in coming months.

**3. DIVIDEND**

Keeping in view the requirement of funds for future expansions, your directors do not recommend any dividend for the year ended on March 31, 2022.

**4. SHARE CAPITAL**

The Paid-up Equity Share Capital of the Company as on 31st March 2022 stood at Rs. 2350.00 Lakhs comprising of 23,50,00,000 shares of Re. 1/- each. The Company has not issued any further shares during the year.

**5. LISTING OF SHARES**

The Equity Shares of the Company are listed on National Stock Exchange of India Ltd., Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai – 400 051 and BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001 and the listing fee for the Financial Year 2022-2023, has been paid.

**6. CHANGES IN THE NATURE OF BUSINESS**

There is no change in the nature of the business of the company.

**7. MATERIAL CHANGES AND COMMITMENTS**

There are no material changes and commitments affecting the financial position of the company which have occurred between the end of the financial year of the Company to which the financial statement relates and the date of report.

**8. EXPORTS**

There were no exports in the financial year 2021-22 .

**9. TRANSFER TO RESERVES**

No amount is proposed to be transferred to the Reserves for the financial year 2021-22.

**10. DEPOSITS**

The Company has not accepted any deposit falling within the purview of provisions of Section 73 of the Companies Act, 2013 (“the Act”) read with the Companies (Acceptance of Deposit) Rules, 2014 during the year under review.

**11. PARTICULARS OF LOANS, GUARANTEE AND INVESTMENTS UNDER SECTION 186**

Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 form part of the Notes to the financial statements provided in this Annual Report.

**12. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

The Company has not entered into any contract or arrangement with any person including persons covered under sub – section (1) of section 188 of the Companies Act, 2013. The policy on Related Party Transactions as approved by the Board of Directors has been uploaded on the Company’s website: [www.italica.com](http://www.italica.com).

### 13. ANNUAL RETURN

The extract of annual return of the Company is placed on the website of the company [www.italica.com](http://www.italica.com) and can be accessed from the following weblink: <https://italica.com/wp-content/uploads/2021/10/AnnualReport2021.pdf>

### 14. NUMBER OF MEETINGS OF THE BOARD

During the financial year 2021-2022, the Board met Six (06) times held on 03.05.2021, 09.07.2021, 18.08.2021, 22.10.2021, 21.01.2022 and 14.03.2022.

### 15. COMMITTEE OF BOARD OF DIRECTORS

As on 31 March, 2022, the Board has 4 Committees namely the Audit Committee, the Nomination and Remuneration Committee and Stakeholders Relationship Committee, Risk Management Committee. A detailed note on the Composition of the Board and its Committees and other relevant details is provided in the report on Corporate Governance annexed to this report.

### 16. DETAILS OF SUBSIDIARY, JOINT VENTURE OR ASSOCIATE

As on March 31, 2022, the Company does not have any subsidiary, joint venture or associate.

### 17. RISK MANAGEMENT

The Company believes that managing risks helps in maximizing returns. A risk management Policy have been developed and implemented by the company for identification of elements of risk if any, which in opinion of board may threaten the existence of the company. It aims to identify commodity prices, Price fluctuation of raw material and finished goods, Credit Risks, inflation, Strategic Risks, etc. The effectiveness of risk management framework and system is periodically reviewed by Board of Directors of the company. However, in the opinion of Board, none of the above-mentioned risks threaten the existence of the company.

### 18. DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

#### a) DIRECTORS

Pursuant to the provisions of the Companies Act, 2013 and in terms of the Articles of Association of the Company, Mr. Narendra Bhanawat, Whole Time Director (DIN: 00146824), retires by rotation at the 30<sup>th</sup> Annual General Meeting, and being eligible, offers himself for re-appointment. And Mr. Magan Lal Sharma (DIN-00250883) Independent Director, whose two consecutive

term is expiring on 30th JUNE, 2022 hence cannot be reappointed.

Board appointed Mr. Himanshu S. Gupta (DIN- 09607045) as additional Independent Director w.e.f. 21/05/2022 for a period of five years subject to approval by shareholder in ensuing Annual General Meeting.

### 19. DIRECTORS’ RESPONSIBILITY STATEMENT

Pursuant to Section 134 (5) of the Companies Act, 2013, the directors to the best of their knowledge and belief confirm that:

- a) in the preparation of the annual accounts, the applicable Indian accounting standards had been followed along with proper explanation relating to the material departures;
- b) the directors had selected such accounting policies and applied them consistently and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records, in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis;
- e) the directors had laid down Internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### 20. INDEPENDENT DIRECTORS AND THEIR MEETING

All the Independent Directors of the Company have given their declarations to the Company under Section 149(7) of the Act that they meet the criteria of independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘the Listing Regulations’). In the opinion of the Board, they fulfill the conditions of independence as specified in the Act and the Listing Regulations and are independent of the management.

All the Independent Directors (except Mr. Magan Lal Sharma – Exempted from IICA exam), have successfully cleared their online proficiency examination conducted by IICA and have submitted their renewal registration certificates to the Company confirming that they have already registered their names with the data bank maintained by the Indian Institute of Corporate



Affairs [“IICA”] as prescribed by the Ministry of Corporate Affairs under the relevant rules.

During the year under review a separate meeting of the Independent Directors of the Company was held on March 14, 2022, without the presence of other Directors and members of Management. The Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole, performance of Chairperson of the Company and assessed the quality, quantity and timelines of flow of information between the Company management and the Board.

**21. STATUTORY AUDITORS**

M/s. AKM & Associates, Chartered Accountants firm (Firm Registration No.011616C) were appointed as Statutory Auditors of the Company at the 29th Annual General Meeting held on June 24, 2021, to hold office till the conclusion of the 34<sup>th</sup> Annual General Meeting held in the year 2026-27. M/s. AKM & Associates has confirmed that they are not disqualified from continuing as Auditors of the Company. The Statutory Auditors have issued an unmodified opinion on the financial statements for the financial year ended March 31, 2022. The observations made in the Auditors’ Report read together with relevant notes thereon are self-explanatory and hence do not call for any further explanations or comments by the Board under Section 134 of the Act.

**22. QUALIFICATION IN THE AUDITORS’ REPORT - BOARD’S COMMENTS OR EXPLANATION**

The Auditors’ Report does not contain any qualification, reservation or adverse remark or disclaimer.

**23. SECRETARIAL AUDITORS AND THEIR REPORT**

The secretarial audit report given by M/s P. Talesara & Associates, Practicing Company Secretary under the provisions of Section 204 of the Companies Act, 2013 for the Financial Year 2021-22 does not contain any qualification, reservation or adverse remark. The secretarial audit report is provided as **Annexure A** forming part of this report.

**24. MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Management Discussion and Analysis Report is presented as a separate section as **Annexure B** forming part of annual report.

**25. COST AUDITORS**

Pursuant to Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Amendment Rules, 2014, appointment of cost auditor is not applicable to the company. Hence, maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 is not required.

**26. CEO/CFO CERTIFICATE**

Chief Executive Officer and Chief Financial Officer compliance certificate as stipulated under Regulation 17(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) is annexed in this report.

**27. PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed pursuant to Section 134 of the Companies Act, 2013 are as follows :

**A. CONSERVATION OF ENERGY**

Your company is continuously engaged in the process of energy conservation and is continuously putting its efforts to improve energy management by way of monitoring energy related parameters on regular basis.

To achieve the above objective, the following steps are taken to cut down the consumption of energy:

- Installation of Energy Efficient Equipment / Device.
- Creating awareness of energy saving within the organization to avoid wastage of energy.
- R&D Activities and Adopting new Technology.

**B. TECHNOLOGY ABSORPTION**

(i) Efforts made towards technology absorption:

- Continuously monitoring the production patterns and inclusion of new tested technology products.
- Constantly striving towards developing of new designs and products.
- Investing in new technology of moulds and machinery.

(ii) Benefits derived as a result of the above efforts:

- Increase in the production along with the improvement in quality.
- New and Innovative designed products.
- New designed products are also catching attention of the export market.

(iii) The company has not imported any technology during the year under review and also the expenditure incurred on Research and Development activity is insignificant.

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO**

There was no earning and outgo in foreign exchange during the year.

**28. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

The Company does not qualify under the provisions of Section 135 of the Companies Act, 2013.

**29. NOMINATION AND REMUNERATION POLICY**

The Company has in place the Nomination and Remuneration Committee. The Company has formulated the Nomination and Remuneration Policy on Directors, Key Managerial personnel and Senior Management Personnel, their appointment and remuneration including the criteria for determining qualifications, positive attributes and independence of director. The Remuneration Policy is placed on the website of the Company [www.italica.com](http://www.italica.com) under Investor Relation section and is also annexed as **Annexure C**.

**30. CORPORATE GOVERNANCE REPORT**

The report on Corporate Governance as stipulated under Regulation 34(3) read with Para C of Schedule V of the Listing Regulations is annexed as **Annexure D**.

**31. ANNUAL PERFORMANCE EVALUATION**

During the year under review, pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Board has carried out an Annual Performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its various Committees. A separate meeting was carried out to evaluate the performance of individual Directors including the Chairman of the Board,

who were evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board at its meeting following the meeting of Independent Directors.

**32. FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS**

All Independent Directors are familiarized with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc. from time to time. The Company makes consistent efforts to acquaint the Board with the overall business performance covering all Business verticals, by way of presenting specific performance of each Plant (based on predefined factory rating parameters), Product Category and Corporate Function from time to time. Details of familiarization program to company’s independent directors can be accessed at the company’s website [www.italica.com](http://www.italica.com) under policy head.

**33. ESTABLISHMENT OF VIGIL MECHANISM/WHISTLE BLOWER POLICY**

The code of conduct and Vigil Mechanism applicable to directors and senior management of the company is available on the company’s website at [www.italica.com](http://www.italica.com).

**34. DISCLOSURE ON THE REMUNERATION OF MANAGERIAL PERSONNEL**

None of the employees was in receipt of remuneration excess of the limits prescribed under rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Details pertaining to remuneration as required under section 197(12) of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

1.	The ratio of remuneration of each director to the median remuneration of the employees of the company for the FY 2021-22	Mr. Daud Ali	15.74 :1	
		Mr. Narendra Bhanawat	1.81 :1	
2.	The percentage increase in remuneration of each Director, CFO, CEO, CS or manager if FY 2021-22	Name	Designation	Increase in Remuneration in the Financial Year 2021-22 (%)
		Mr. Daud Ali	Managing Director	Remuneration is increased by 34.90% in FY 21-22 as compared to FY 20-21, but in FY 20-21, voluntarily decreased by Daud Ali by 26.19 % as compared to FY 19-20.
		Mr. Narendra Bhanawat	Whole time Director and Chief Financial Officer	Increase by 8.46 %
3.	The percentage increase in the median remuneration of employees in the financial year 2021-22	The percentage increase in the median remuneration of the employees in the financial year 21-22 is 9.83 %		



4.	The number of permanent employees on the rolls of the company as on March 31, 2022	199 employees as at March 31, 2022
5.	Average percentile increases already made in the salaries of employees other than managing 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 in the salaries is around 8.5 % in case of employees and percentile increase in managerial remuneration in case of Narendra Bhanawat, whole time director is 8.46 % and in case of DaudAli, managing director, Remuneration is increased by 34.90% in FY 21-22 as compared to FY 20-21, but in FY 20-21, voluntarily decreased by Daud Ali by 26.19 % as compared to FY 19-20.
6.	Affirmation that the remuneration is as per the remuneration policy of the company	It is affirmed that the remuneration paid is as per the remuneration policy of the company

**35. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT THE WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

**36. DEPOSITORY SYSTEM**

The Company has already entered into agreements with both the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

**37. INTERNAL FINANCIAL CONTROL**

The Company has an internal control system, commensurate with the size, scale and complexity of its operations. The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies of the Company. Based on the report of internal audit function, the Company undertakes corrective action in their respective areas and thereby strengthen the controls.

Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

**38. COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND ANNUAL GENERAL MEETINGS**

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings and Annual General Meetings.

**39. FRAUDS AGAINST THE COMPANY**

The auditors have not reported frauds under sub-section (12) of section 143 of the Companies Act, 2013.

**40. GENERAL**

Your directors state that no disclosure on reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- a) Issue of Equity Shares with differential voting rights as to dividend, voting or otherwise.
- b) Business Responsibility Statement
- c) Issue of shares (including sweat equity shares) to employees of the company under any scheme.
- d) No significant and material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and company's operations in future.

**41. ACKNOWLEDGEMENT**

Your Directors place on record their appreciation for assistance and co-operation received from various Ministries and Department of Government of India and other State Governments, financial institutions, banks, shareholders of the Company etc.

The management would also like to express great appreciation for the commitment and contribution of its employees for their committed services. Your Directors wish to place on record their sincere appreciation for the dedicated efforts and consistent contribution made by the employees at all levels, to ensure that the Company continues to grow and excel.

For and on behalf of the Board of Directors

Sd/-  
**DAUD ALI**  
Chairman & Managing Director  
DIN: 00185336

Sd/-  
**NARENDRA BHANAWAT**  
Whole Time Director & CFO  
DIN: 00146824

Place: Udaipur  
Date: 21.05.2022

ANNEXURE A

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2022

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

To,

The Members,

**PIL ITALICA LIFESTYLE LIMITED**

CIN: L25207RJ1992PLC006576

Regd. Office: Kodyat Road, Village Sisarma,

Udaipur, Rajasthan-313001

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

Based on my verification of the PIL ITALICA LIFESTYLE LIMITED (name of the company's) books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives made available to us through electronic mode, during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31.03.2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by PIL ITALICA LIFESTYLE LIMITED ("the Company") for the financial year ended on 31.03.2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under for specified Sections and Rules notified and came into effect from respective dates and a list of documents verified is as per **Annexure A**
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder.
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; (**Not applicable to the company during the audit period**)
- (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;

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, ('SEBI Act') 1992:-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 read with amendment made vide Regulations 2019;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018,
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, now known as SEBI (Share based Employees Benefits) Regulations, 2014 (**Not applicable to the company during the audit period**);
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (**Not applicable to the company during the audit period**);
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (**Not applicable to the company during the audit period**); and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (**Not applicable to the company during the audit period**);
  - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosures Requirement) Regulations, 2015.
- (vi) Other Laws as applicable to the company as certified by the Management:
  - A. Water (Prevention & Control of Pollution) Act 1974 and Air (Prevention & Control of Pollution) Act 1981.
  - B. Labour Laws pertaining to ESI and PF
  - C. Negotiable Instruments Act 1881
  - D. Factories License from Factories & Boilers Department
  - E. Goods and Service Tax (Central)
  - F. Goods and Service Tax (State)
  - G. Gratuity policy
  - H. Income Tax Act 1961
  - I. The Sexual Harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules made thereunder.



I 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 Agreements entered into by the Company with BSE and NSE Stock Exchange(s).

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

**I further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. Mr. Daud Ali was reappointed as Managing Director for 3 years (w.e.f 01.04.2021) in Annual General Meeting held on 24.07.2020 in respect of whom necessary forms were duly filed during the FY 2020-21.

The appointment of Mr. Narendra Bhanawat as Whole Time Director for 3 years (w.e.f. 29.05.2021) was duly carried out in compliance with the provisions of the Act during the year. No other changes in the composition of the Board of Directors took place during the period under review.

Ms. Aditi Parmar resigned from the post of Company secretary w.e.f 21.01.2022 and Mr. Rajat Raja Kothari has been appointed as Whole time Company Secretary and Compliance Officer of the Company w.e.f. 21.01.2022

Adequate notice has been given to all the directors to schedule the Board Meetings, Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for meaningful participation at the meeting. All Decisions at board meeting and Committee meetings have been carried out as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

**I further report that**

There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. I have relied on the Representation made by the Company and its officers for systems and mechanism formed by the company for compliances under other Acts, laws and Regulations applicable to the Company.

In case of return filing for PF, ESI, TDS and GST, I have relied on the Reports given by the Internal Auditors of the Company.

For P. Talesara & Associates  
Company Secretaries

Sd/-  
(PawanTalesara)  
Proprietor  
FCS No.: 8096, C P No.: 2674  
UDIN: F008096D000355289

Place: Udaipur (Raj.)  
Date:21.05.2022

**Annexure-A:** List of Documents verified under Co. Act 2013

1. Memorandum and Articles of Association of the Company
2. Annual Return for the Financial year ended 31.03.2021
3. Minutes of the meetings of the Board of Directors, Audit Committee and Nomination and Remuneration Committee along with Attendance Register maintained during the financial Year under Report
4. Minutes of General Meetings held during the financial year under Report
5. All statutory Registers
6. Agenda papers sent for the Board Meetings and Committee Meetings
7. Declaration received from the Directors of the company pursuant to the provisions of section 184 of the companies Act, 2013 and attachments thereto during the financial year under Report.
8. E- Forms filed by the company, from time- to-time, under applicable provisions of the Companies Act, 2013 and attachments there to during the financial year under Report.

For P. Talesara & Associates  
Company Secretaries

Sd/-  
(Pawan Talesara)  
Proprietor  
FCS No.: 8096, C P No.: 2674  
UDIN:F008096D000355289

Place: Udaipur (Raj.)  
Date – 21.05.2022

**Appendices A**

To,  
The Members,  
**PIL ITALICA LIFESTYLE LIMITED**

My Report of given date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process 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. I believe that the process and practice I followed, provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of Laws, rules and regulation and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable Laws, rules, regulation and standards is the responsibility of management. My examination was Limited to the verification of procedure 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 P. Talesara & Associates  
Company Secretaries

Sd/-  
(Pawan Talesara)  
Proprietor  
FCS No.: 8096, C P No.: 2674  
UDIN: F008096D000355289

Place: Udaipur (Raj.)  
Date: 21.05.2022

**ANNEXURE B****MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Pursuant to SEBI (LODR) Regulations, 2015, your Directors have the pleasure in presenting the Management Discussion and Analysis Report for the year ended on March 31, 2022.

**A. INDUSTRIAL STRUCTURE AND DEVELOPMENT**

PIL Italica Lifestyle Limited, 30-year old global brand has successfully spearheaded the manufacturing of plastic moulded furniture, crates and bins in India. The Company's production during the year 2021-2022 was 3732.174 MT. The revenue during the year was 6775.79 lakhs (P.Y. 5484.82 lakhs), in spite of Covid -19 effect in first quarter, revenue is increased by 23.53%. Though polymer prices saw an upward trend and was fluctuating throughout the year but your Company continues to keep a strict control on its costs. Your Company is making all possible efforts to increase capacity utilization, so that per piece fix cost can be reduced and Company will be in position to increase its profit and also manages its working capital requirements effectively by keeping a close monitoring on stock and debtors. PIL Italica Lifestyle Limited has been a pioneer in the plastic moulded furniture industry. Your company is carrying out its activities in mainly two segments i.e. manufacturing of plastic moulded articles, and finance and investment segment.

**Manufacture of Plastic Moulded Articles:**

Your Company is leading producer of plastic moulded furniture and is engaged in manufacturing of chairs, tables, crates, bins etc. We have an all-inclusive and varied range of plastic furniture products. Our brand - ITALICA, is one of the leading brands in the plastic furniture market in India. In the current year, we have introduced several new products in our portfolio to stay ahead in line of furniture, to provide innovative products which will enhance the offerings and availability of wide range of products to distributors, retailers and consumers to a large extent. We offer products both in the affordable and the premium categories, catering to all the segments of the society. During the year, company earned net of gst revenue of Rs. 6399.73 Lakhs (P.Y.-Rs. 5209.23 Lakhs) from manufacturing of plastic moulded articles.

Despite the disruptions due to the Covid-19 pandemic, the performance of the Company saw a strong momentum in line with the phased re-opening of the economy in FY 2021-22. Your Company is now focused on an asset light business model. The idea is to collaborate and leverage the opportunities already available in the market which has come about due to the adverse economic situation.

Your Company will use its funds for rapid expansion of the distribution network in new geographies, new product development, new product portfolio and a more effective supply chain network.



Our sharp focus aimed at fulfilling demand and ensuring uninterrupted access and innovative approaches, specifically in our Supply Chain and Distribution efforts. As an organization we continue to live our values and remain firm in our focus to improve the health and well being of our consumers. We aim to have a pan India manufacturing and distribution network and becomes India's most popular furniture brand.

Your company introduced new and innovative plastic chairs and items during the year :

#### **New Launch in Plastic table series :**

A strong and high quality plastic centre table model no. 9511 is perfect for living room or balcony . Plastic tables are light weight and can be easily moved from place to place.

Italica tables are manufactured with superior strength and can withstand heavy loads . They can also withstand the wear and tear that occurs in everyday use. This table is available in various colors such as N brown, camel and olive Green.

#### **New Launch in oxy series :**

In oxy series model no. 5205, fully ventilated without arm chair, model no. 5214 with arm fully ventilated chair, model no. 5223 and 5226 fully ventilated baby chairs . These chairs are with ergonomic design and uncompromisingly quality . These are eye catching and sturdy and can be used in homes, cafeterias, garden and schools .

#### **New launch in Luxury series :**

Your company launched innovative and having very good design model no. 5202 with cushion in its luxury series. This chair is very comfortable and can be used at homes, hotels and at restaurants .

#### **Stool and Patla series :**

Your company launched model no. 9704 a very attractive stool, is is very sturdy and can be moved from one place to another place easily.

#### **Storage series :**

Your company launched model no. 6104 Shoe rack, model no. 6105 is 2 foot cabinet and model no .6106 is 4 foot cabinet, these products are in very eye catching colors and are very attractive and can be used at homes, offices and at other places.

#### **New launch in waste management product :**

Your company launched dust bin of 10 ltrs capacity, this bin easy to carry and equipped with an easy to use swing lid. Italica dust bins are perfect for office, household, indoor and outdoor areas . Its unique swing lid design makes disposal of waste very easy. It is also lightweight, sturdy and durable.

Our range of waste and storage bins are handy, strong, durable and rust free. These Bins can be widely used in public places, hospitals, Covid centers, isolations centers, residential

societies, gardens etc. We have bins ranging from 25 liters upto 1,100 liters. Our bins are especially designed for minimizing the breakage and its solid rubberized wheels provide easy movement and smooth operations. Italica bins are maintenance free and contribute towards Cleanliness and maintaining Hygienic Environment. We have supplied our bins to various hospitals and Covid centers to help them fight this pandemic.

Your Company has arm chairs namely OXY Series and PLASTEEL Series based on the requirements of the customers. Oxy Series is India's 1st fully ventilated stackable chair. Its design is exquisite, comfort unmatched and a perfect chair for any home. Plasteel Series has been designed with a unique combination of ultra modern look and resistant to wear and tear. It brings together a perfect combination of the versatility of plastic with the strength of steel. This new series is vibrant, light weight but durable and a sleek design. Your company is getting very good response from produced "Spine Care – 2109- Without arm chair which was especially designed to help people facing spinal disorders due to improper sitting / continuous long sitting during their working. It has comfortable seat with flexible backrest. In addition, we have a varied range of chairs, tables, stools under our Luxury, Premium, Comfort and Baby Series. We also offer comfortable Sun Loungers and Trolley to fulfill all utilities.

**Focus on E-commerce:** Digitization has become one of the important tool post COVID-19, PIL's association with Amazon, Pepperfry and Flipkart and other e-commerce platforms for the sale of its plastic furniture and other articles have reported a strong growth in the recent quarters. Also, e-commerce has benefitted Italica in promoting its brand and enhancing its visibility amongst the larger set of audience.

**Finance and Investment:** Company is engaged in the business of finance and investing activities. During the year, the revenue from this segment Rs. 356.98 Lakhs (previous year- 262.98 lakhs). The Company is trying to generate more revenues from this segment in coming years. During the year your company also made investment of Rs. 248.93 lakhs in Atmosphere workspace solutions private limited, this company engaged in wooden furniture and your company is also launching its product in market.

## **B. OPPORTUNITIES AND THREATS**

Due to the restrictions and lockdowns imposed by several states, our channel partners have been forced to shut their operations. These restrictions impacted our sales and performance but we have encouraged all our team members and channel partners to get themselves vaccinated so that we all can defeat this virus at the earliest.

Even during the lockdown, Your Company managed to introduce new variety of Chairs, crates and waste bins for our customers. We have supplied our bins to various hospitals and Covid centers to help them fight this pandemic. Our bins are

maintenance free and contribute towards maintaining a clean and hygienic environment.

Our sharp focus aimed at fulfilling demand and ensuring uninterrupted access and innovative approaches, specifically in our Supply Chain and Distribution efforts. As an organization, your Company continue to live our values and remain firm in our focus to improve the health and well being of our consumers. We aim to have a pan India manufacturing and distribution network and becomes India’s most popular furniture brand.

Your Company is hopeful that it will be able to perform even better in future with the new product launches. Company will endeavor to maintain and enhance its position in the furniture market and increase focus on the range of Crates and Bins. The Company has to ensure that the people working for it who constitute its major competitive advantage continue to contribute productivity to its business. The Company has to be on the lookout for tracking the competition and maintaining its competitive edge in terms of quality and value proportion.

**C. SEGMENT-WISE PERFORMANCE**

During the year, the company is carrying out its activities in mainly two segments i.e. manufacturing of plastic moulded articles and finance.

The net of GST revenue is as per following :

Segments	(Rs. in Lakhs)	
	FY 2021-22	FY 2020-21
Manufacturing of Plastic Articles	6399.73	5209.23
Finance	356.98	262.98

**D. OUTLOOK**

Your company has introduced new products during the year and is expecting good growth over time. The outlook for the Company appears bright on a long-term basis. The Company is hopeful that its performance in the years to come would be encouraging, as the Company is planning to launch new models of chairs and other articles. Your Company will endeavor to maintain and enhance its position in the furniture market.

**E. RISKS AND CONCERNS**

The activities of the Company exposes to a number of financial risks namely market risk, credit risk and liquidity risk. The Company seeks to minimize the potential impact of unpredictability of the financial markets on its financial performance. The Company does regularly monitor, analyze and manage the risks faced by the Company and to set and monitor appropriate risk limits and controls for mitigation of the risks. Your Company continues to follow suitable strategies to positively modify its risk profile by eliminating and significantly reducing key business and developing and implementing strategies to achieve the maximum possible degree of insulation from broad macroeconomic risks.

**F. INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY**

Your company has adequate systems of internal control covering all financial and operational activities. The internal control is designed to provide reasonable assurance with regard to maintaining proper accounting controls, protecting assets from unauthorized losses and ensuring reliability of financial and operational information and proper compliance with regulations. In the opinion of the Board, an internal control system are in place is efficient to the size of the Company. Your company’s statutory auditors have, in their report, confirmed the existence of effective internal control procedures.

**G. FINANCIAL PERFORMANCE**

During the year, your company earned revenue from operations Rs. 6775.79 Lakhs in comparison to previous year i.e. Rs.5484.82 Lakhs. The profit before tax is Rs. 335.93 Lakhs as against 495.14 Lakhs in the previous year.

**H. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED**

The Company is of the opinion that our people play a vital role in shaping the organization and hence we lay great emphasizing on optimizing their performance. The company provides fair and safe, equal environment at work to all the employees. The training and education of employees across department is ongoing process of the company. Your Company has the strength of 127 staffs and 72 worker. Our technical and well qualified staff efficiently uses their skills in internal as well as external opportunities for capturing new market trends and high growth of your organization. The company acknowledges and appreciates the contribution made by each and every employee.

**I. SIGNIFICANT CHANGES IN FINANCIAL RATIOS**

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

Particulars	31st March 2022	31st March 2021	Variance	Remark
Current Ratio	4.00	6.11	-34.53%	In view of increase in borrowing
Debt - Equity Ratio	0.26	0.17	52.94%	In view of increase in debt
Debt Service Coverage Ratio	5.36	14.90	-64.03%	Heavy fluctuation and higher raw material prices resulted in to less profit
Return on Equity (ROE)	3.85%	5.96%	-35.40%	Heavy fluctuation and higher raw material prices resulted in to less profit



Trade receivables turnover ratio	14.64	10.22	43.25%	In view of increase in revenue
Trade payables turnover ratio	17.05	10.29	65.69%	in view of reduction in trade payables
Net capital turnover ratio	1.33	1.00	33.00%	In view of increase in debt
Net profit ratio	3.70%	6.75%	-45.19%	Heavy fluctuation and higher raw material prices resulted in to less profit
Return on capital employed (ROCE)	6.17%	8.31%	-25.75%	Heavy fluctuation and higher raw material prices resulted in to less profit

**J. Details of change in Return on Net Worth as compared to the immediately previous financial year along with a detailed explanation thereof:**

Net worth increased to 6651.89 lakhs as compared to previous FY 2020-21– Rs. 6400.51 Lakhs, rise of 3.92 %.

For and on behalf of the Board of Directors

Sd/-  
**DAUD ALI**  
Chairman & Managing Director  
DIN: 0185336

sd/-  
**NARENDRA BHANAWAT**  
Whole Time Director & CFO  
DIN: 00146824

Place: Udaipur  
Date: 21.05.2022

**Disclaimer:**

This section of the Annual Report has been included in adherence to the spirit enunciated in the Code of Corporate Governance approved by the Securities and Exchange Board of India. Shareholders and Readers are cautioned that in the case of data and information external to the Company, though the same are based on sources believed to be reliable, no representation is made on its accuracy or comprehensiveness. Further, utmost care has been taken to ensure that the opinion expressed therein contain its perceptions on most of the important trends having a material impact on the Company’s operations.

The opinions expressed by the management may contain certain forward-looking statements in the current scenario, which is extremely dynamic and increasingly fraught with risk and uncertainties. The Company undertakes no obligation to publicly update or revise any of the opinions or forward-looking statements expressed in this report, consequent to new information, future events, or otherwise. Estimation and expectation made in the Report may differ from actual performance due to various Economic conditions, Government Policies and other related factors.

**ANNEXURE C**

**NOMINATION AND REMUNERATION POLICY**

**1. PURPOSE:**

The Nomination and Remuneration Policy is being formulated in compliance with Section 178 of companies Act, 2013 read along with the applicable rules thereto and Listing Regulation, as Amended from time to time. This policy is based on Nomination and Remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by Nomination and Remuneration Committee (NRC or the committee) and has been approved by Board of Directors.

**2. OBJECTIVE:**

- a. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- b. Relationship of remuneration to perform is clear and meets appropriate performance benchmarks; and
- c. Remunerations to directors and key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.

**3. DEFINITIONS:**

“**Directors**” means a director in the company’s board.

“**Independent Director**” means a director referred in sub section (6) of Section 149 of Companies Act, 2013.

“**Remuneration**” means any money or its equivalent given or passed to person for services rendered by him and includes perquisites as defined under Income Tax Act, 1961.

“**Key Managerial Personnel**” or KMP means:

- a. Managing director or Chief Executive Director or Manager and in their absence a Whole time Director;
- b. Company Secretary;
- c. Chief Financial officer and
- d. Such other officer as may be prescribed under the Companies Act,2013

“**Senior Managerial Personnel**” means the personnel of the company who are members of its core management team excluding Board of Directors. Normally, this would comprise all members of management, of rank equivalent to General Manager and above including all Functional Heads.

**4. ROLE OF COMMITTEE:**

The role of NRC will be the following:

- a. To formulate the criteria for determining qualifications, positive attributes and independence of a Director.

- b. To formulate the criteria for evaluation of performance of Independent Directors and the Board of Directors.
- c. To identify the persons who are qualified to become directors and who may be appointed in Senior Management in accordance with criteria laid down in this policy.
- d. To devise a policy on Board diversity, composition, size.
- e. Succession planning for replacing Key Executives and overseeing.
- f. To perform and carry out any such other functions as is mandated by the Board from time to time and/ or enforced by any statutory notification or modification, as may be applicable.

**5. APPOINTMENT AND REMOVAL OF DIRECTOR, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT PERSONNEL:**

- a. The committee shall identify and ascertain the integrity, qualification, expertise of the person for appointment as Director, KMP or at Senior Management level and recommend his/ her appointment, as per Company’s policy.
- b. A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The committee has Authority to decide whether qualification, expertise and experience possessed by a person is sufficient/satisfactory for the position.
- c. The company shall not appoint or continue the employment of any person as Whole time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing special resolution.

**6. TERM / TENURE:**

**a. MANAGING DIRECTOR/WHOLE-TIME DIRECTOR :**

The company can appoint or re-appoint any person as its Managing Director, Whole Time Director for a Fixed term not exceeding five years at a time or without any Limitation as to the period he is to hold such office and from time to time remove or dismiss him from office and appoint another in his place (subject to the provisions of any contract between him and company.)

**b. INDEPENDENT DIRECTOR :**

An Independent Director shall hold office for a term up to 5 consecutive years on the Board of the company, but shall be eligible for re-appointment on passing of Special Resolution by the Company and Disclosure of such Appointment in the Board’s Report.

No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after the Expiry of three years of ceasing to become Independent Director.



Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the company in any other capacity, either directly or indirectly. A person shall not serve as an Independent Director in more than seven listed entities and any person who is serving as a Whole Time Director in any listed entity shall serve as an Independent Director is not more than three listed entities or such other number as may be prescribed under the Act.

#### 7. Evaluation:

The Committee shall carry out evaluation of performance of Directors, KMP and Senior Management Personnel yearly or at such intervals as may be considered necessary.

#### 8. REMOVAL:

The Committee may recommend with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the Companies Act, 2013, rules and regulations and the policy of the Company.

#### 9. RETIREMENT:

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after the retirement age, for the benefit of the company.

#### 10. POLICY FOR THE REMUNERATION TO DIRECTORS/ SENIOR MANAGEMENT PERSONNEL:

##### 1. Remuneration to Managing Director/Whole-time Directors:

- a) The Remuneration/ Commission etc. to be paid to Managing Directors, etc. shall be governed as per provisions of Companies Act, 2013 and rules made there under or any other enactment for the time being in force and approvals obtained from the Members of the Company.
- b) The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Whole-Time Directors.

##### 2. Remuneration to Non-Executive / Independent Directors:

- a) The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The Amount of sitting fees shall be such as may be recommended by Nomination and Remuneration Committee and approved by Board of Directors.

- b) All the Remuneration of the Non-Executive / Independent Directors (excluding remuneration for attending meeting as prescribed as under section 197(5) of Companies Act 2013) shall be subject to ceiling limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The Amount of remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholder as the case may be.

- c) An Independent Director shall not be eligible to get Stock options and also shall not be eligible to participate in any share based payment schemes of the company.

- d) Any remuneration paid to Non- Executive / Independent Directors for Services rendered which are of professional in nature shall not be considered as part of remuneration for the purposes of clause (b) above if the following conditions are satisfied:

- i. The services are rendered by such Director in his capacity as the professional; and
- ii. In the opinion of the Committee, the director possesses the requisite for the practice of that professional.

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

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

#### 4. Implementation:

- The committee may issue guidelines, procedures, formats, reporting, mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.
- The committee may delegate any of its powers to one or more of its members.

**ANNEXURE D**

**CORPORATE GOVERNANCE REPORT**

In terms of Regulation 34(3) read with Section C of SCHEDULE V to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Report on Corporate Governance for the year ended March 31, 2022 is presented below:

**1) COMPANY’S PHILOSOPHY**

At PIL ITALICA LIFESTYLE LIMITED we are committed of doing business in an efficient, responsible, honest, and ethical manner. Our Corporate Governance is the reflection of our value system encompassing our culture, policies and relationships with our stakeholders.

Corporate Governance is all about commitment to values and ethical business conduct. Corporate Governance practices goes beyond compliance and involves a companywide commitment and has become the integral part of business to ensure fairness, transparency and integrity of the management. Our guiding principles and practices are summarized in Corporate Governance Report. Pursuant to provision of companies Act 2013 and Regulation 34 of the Listing regulation, the report contains the details of Corporate Governance System and process at PIL ITALICA LIFESTYLE LIMITED. We believe in adopting the well accepted corporate Governance practices and benchmark the same and strive to improve them continuously.

**2) BOARD OF DIRECTORS**

**a. Composition and category of Directors**

As on March 31, 2022 the Board comprises of 6 members, out of which 3 are independent directors. Mr. Daud Ali is the Managing Director of the company, who conducts the day to day management of the company, under consistent support of Board of directors. The independent directors on the Board are also the specialist in their respective fields. There is fixed Chairman on the Board.

Board Composition and category of directors:

Sr. No.	Name of Director	Promoter/ Non-Promoter	Category
1	Mr. Daud Ali	Promoter	Executive Director
2	Mr. Narendra Bhanawat	Non Promoter	Executive Director
3	Mr. Magan Lal Sharma	Non Promoter	Non Executive Independent Director
4	Mr. Mukesh Kumar Kothari	Non Promoter	Non-Executive
5	Mrs. Namrata Babel	Non Promoter	Non Executive Independent Director
6	Mrs. Asha Jain	Non Promoter	Non Executive Independent Director

**b. Attendance of each Director at the Board Meeting and Annual General Meeting**

Details of Directors and their attendance in meetings are referred below:

Sr. No.	Name of Director	Attendance at Board meeting		Whether last Annual General Meeting attended
		No. of meetings held	No. of meetings attended	
1	Mr. Daud Ali	6	6	Yes
2	Mr. Narendra Bhanawat	6	6	Yes
3	Mr. Magan Lal Sharma	6	6	Yes
4	Mr. Mukesh Kumar Kothari	6	6	No
5	Dr. Namrata Babel	6	6	Yes
6	Mrs. Asha Jain	6	6	No

**Number of other board of directors or committees in which a directors is a member or chairperson**

Sr. No.	Name of Director	Directorships in Other Board of Directors	Memberships of Committees of Other Boards	Chairmanships Of Committees of Other Boards	Names of the other listed entities where the person is a director and the category of directorship
1	Mr. Daud Ali	4	0	0	-
2	Mr. Narendra Bhanawat	0	0	0	-
3	Mr. Magan Lal Sharma	0	0	0	-
4	Mr. Mukesh Kumar Kothari	0	0	0	-
5	Dr. Namrata Babel	0	0	0	-
6	Mrs. Asha Jain	3	0	0	-

**Notes:**

- None of the directors of the company holds directorships in any other listed entities in the year 2021-22.
- None of the directors holds shares in the company except Mr. Daud Ali (316200 shares) and Mr. Narendra Bhanawat (400 shares) as on March 31, 2022 and Mr. Mukesh Kumar Kothari(2700 shares) as on March 31, 2022.
- Details of Director(s) retiring or being re-appointed are given in notice to Annual General Meeting.

**c. Number of meetings of the board of directors held and dates on which held**

During the financial year 2021-22, the Board met Six (06) times on 03<sup>rd</sup> May 2021, 9<sup>th</sup> July 2021, 18<sup>th</sup> August 2021, 22<sup>nd</sup> October 2021, 21<sup>st</sup> January 2022 and 14<sup>th</sup> March 2022. Annual General Meeting of the company was held on Thursday, June 24, 2021 through Video conferencing/ Other Audio Visual Means(VC/OAVM) Facility and also at the registered office of the Company, with the approval received from concerned authorities..

**d. Disclosure of relationships between directors inter-se**

There are no inter se relationships between our Board Members.

**e. Number of shares and convertible instruments held by non-executive directors**

Except Mr. Mukesh Kumar Kothari(2700 shares), none of the Non-Executive Directors holds any share in the Company, during the FY 2021-22.

**f. Web link where details of familiarization programmes imparted to independent directors is disclosed**

All Independent Directors are familiarized with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc. from time to time. The Company makes consistent efforts to acquaint the Board with the overall business performance covering all Business verticals.

The details regarding Independent Directors’ Familiarization Programmes are given under the ‘Investor Relation’ section on the website of the Company and can be accessed at <https://italica.com/investor-relations>.

**g. Chart / matrix setting out the skills/expertise/competence of the Board of Directors**

The Board of the Company is highly structured to ensure a high degree of diversity by age, education/qualifications, professional background, sector expertise and special skills. The skills and attributes of the Company can be broadly categorized as follows:

- **Business Leadership & Strategic Planning** – Experience in driving business in global market and leading management

teams to make decisions in uncertain environments based on practical understanding, appreciation and understanding of short-term and long-term trends, strategic choices and demonstrating strengths, developing talent, succession planning.

- **Accounts and Finance** – Knowledge in financial and legal matters, financial planning, capital allocation and maintaining cordial relationship with various Bankers.
- **Compliance & Governance** - Experience in developing governance practices and observing the same, accountability and insight to the best interests of all stakeholders, driving corporate ethics and values.
- **Regulatory Expertise** – Understanding the legal regulations, for undertaking the best decision under the ambit of law, updation of such skills and monitoring of person performing such functions.

Core skills/ expertise/ competencies identified by the Board of Directors as required in the context of its business(es) and sector(s)	Names of Directors who have such skills / expertise / competence
Business Leadership and Strategic Planning	Mr. Daud Ali and Mr. Narendra Bhanawat
Accounts and Finance	Mr. Narendra Bhanawat and Mr. Mukesh Kothari and Mr. Magan Lal Sharma
Compliance & Governance	Mr. Daud Ali and Mr. Narendra Bhanawat
Regulatory Expertise	Mrs. Namrata Babel and Mrs. Asha Jain

**h. Independent Directors confirmation by the Board**

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of SEBI (LODR) Regulations, 2015. In the opinion of the Board, the Independent Directors, fulfill the conditions of independence specified in Section 149(6) of the Companies Act,2013 and Regulation 16(1) (b) of SEBI (LODR) Regulations, 2015. In the opinion of the Board, the Independent Directors fulfill the conditions specified under Companies Act 2013 and SEBI (LODR) Regulations, 2015 and affirm that they are independence of the management.

**i. Detailed reasons for the resignation of an independent director who resigns before the expiry of his tenure along with a confirmation by such director that there are no other material reasons other than those provided.**

During the financial year 2021-22, none of the Independent Directors have resigned from their post as Independent director.



**j. Directors Appointment/Re-Appointment**

In accordance with the provisions of Section 152 of the Companies Act, 2013, Mr. Narendra Bhanawat (DIN: 00146824) retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Mr. Himanshu Surendrakumar Gupta (DIN-09607045) has been appointed as Independent Director w.e.f. 21/05/2022 for a term of five years subject to approval of shareholders in ensuing Annual General Meeting.

**COMMITTEES OF THE BOARD**

In Compliance with the Companies Act 2013 and Listing Regulation, the Board has constituted various committees with specific terms of reference and scope. The objective is to focus effectively on issues and ensure expedient resolution of the diverse matters. The constitution of the Board Committees is available on the Company’s website, [www.italica.com](http://www.italica.com).

**3) AUDIT COMMITTEE**

**a. Terms of reference:**

The Audit Committee inter alia performs the function of approving Annual Internal Audit plan, review of financial reporting system, Internal controls system, discussion on quarterly, half yearly and annual financial results, interaction with statutory and internal Auditors, one-on-one meetings with statutory and internal Auditors, recommendation for the appointment of statutory auditor and their remuneration, recommendation for the appointment and remuneration of internal auditors, review of Business Management plan, review of internal audit reports significant related party transactions. The Board has framed the Audit Committee Charter for the purpose of effective compliance of provisions of section 177 of the Companies Act, 2013 and Regulation 18 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in fulfilling the above role, the Audit Committee has powers to investigate any activity within its terms of reference, to seek information from employees and to obtain outside legal and professional advice.

There are no subsidiary companies of the Company, hence new clause under Schedule II Part C, in Clause A (21) of SEBI (LODR) Regulations 2015 vide notification dated 09.05.2018 is not applicable.

**Composition, Name of members and Chairperson**

As on March 31, 2021, Audit Committee comprises of 3 directors and all of them are non-executive director. Mr. Magan Lal Sharma, Chairperson of Audit Committee is an independent director and has sound financial knowledge. The composition of audit Committee meets the requirement of Section 177 of the companies Act, 2013 and Regulation 18 of Listing Regulation. The Company secretary acts as the secretary to committee. Mr. Magan Lal Sharma, Chairman of

Audit Committee was present in AGM 2021 to answer the queries of shareholders, if any.

Name of Director(s)	Designation	Category
Mr. Magan Lal Sharma	Chairman	Non-Executive Independent Director
Mr. Mukesh Kumar Kothari	Member	Non-Executive Director
Mrs. Namrata Babel	Member	Non-Executive Independent Director

**b. Meetings and attendance during the year**

The Audit Committee met four times during the financial year on 03<sup>rd</sup> May 2021, 09<sup>th</sup> July 2021, 22<sup>nd</sup> October 2021 and 21<sup>st</sup> January 2022. The necessary Quorum was present at the meetings.

The composition and attendance of members at the meeting held for FY 2021-22 are given below:

Name of Director(s)	No. of Meetings held	No. of Meetings attended
Mr. Magan Lal Sharma	04	04
Mr. Mukesh Kumar Kothari	04	04
Mrs. Namrata Babel	04	04

**4) NOMINATION AND REMUNERATION COMMITTEE**

**a. Brief description of Terms of reference:**

**The role of the Committee inter alia will be following:**

Reviewing the overall compensation policy, service, agreements and other employment conditions of Managing/whole time Director(s) and Senior Management (one level below the Board):

- i) To help in determining the appropriate size, diversify and composition of the Board.
- ii) To recommend to the Board appointment/reappointment and removal of Directors;
- iii) To frame criteria for determining qualifications, positive attributes and independence of Directors;
- iv) Recommend to the board, all remuneration, in whatever form, payable to senior management.
- v) Fixing the remuneration to executive Directors (the restrictions contained in the Companies Act, 2013 is to be considered;
- vi) To create an evaluation framework for Independent Directors and the Board;

- vii) To provide necessary reports to the chairman after the evaluation process is completed by the Directors;
- viii) To assist in developing a succession plan for the Board;
- ix) To assist the Board in fulfilling responsibilities entrusted from time to time;
- x) Delegation of any of its powers to any Member of the Committee of the Compliance Officer.

The company has laid down Code of conduct for its Board members and Senior Management Personnel. All directors and designated personnel have affirmed compliance with their respective codes for the year under review. The declaration to this effect signed by Mr. Daud Ali, Managing Director and the same is annexed to this report.

**b. Composition, Name of members and Chairperson**

As on March 31, 2022 the Nomination and Remuneration Committee comprises of three Non-Executive Directors. Mr. Magan Lal Sharma acts as the chairperson of the Nomination and Remuneration Committee. The composition of the Committee meets the requirement of Section 178 of the companies Act, 2013 and SEBI Listing Regulations. The Company Secretary shall act the secretary to the committee. The Nomination and Remuneration Committee met once i.e. on May 03, 2021. The necessary Quorum was present at the meeting.

Name of Director(s)	Designation	Category
Mr. Magan Lal Sharma	Chairman	Non-Executive Independent
Mr. Mukesh Kumar Kothari	Member	Non-Executive
Mrs. Namrata Babel	Member	Non-Executive Independent

**c. Meeting and attendance during the year**

The composition and attendance of members at the meeting held for FY 2021-22 are given below:

Name of Director(s)	No. of Meetings held	No. of Meetings attended
Mr. Magan Lal Sharma	1	1
Mr. Mukesh Kumar Kothari	1	1
Dr. Namrata Babel	1	1

**d. Performance evaluation criteria for independent directors**

The performance evaluation for the financial year was carried out in accordance with the criteria laid out by the

Nomination and Remuneration Committee and approved by the Board. The evaluation of all directors (including Independent Directors) was done by the entire Board of Directors (excluding the Director being evaluated).

**5) REMUNERATION OF DIRECTORS**

- a) **All pecuniary relationship or transactions of the Non-Executive Directors vis-à-vis the Company:** There is no pecuniary relationship or transactions of the non-executive director vis-à-vis the company.
- b) **Criteria of making payments to non-executive directors:** No sitting fee is paid to Non Executive Directors. The Company has adopted a Nomination and Remuneration Policy for Directors, Key Managerial Personnel and other Employees; regulated by the Nomination and Remuneration Committee of the Board. The Nomination and Remuneration Policy is also available on the website of the Company [www.italica.com](http://www.italica.com).
- c) **Disclosures with respect to Remuneration for FY 2021-2022:**

(Rs. In Lakhs)

Name of Director	Category	Remuneration (Salary, perquisites & other allowances)	Stock option/ Bonus/ Other Performance linked incentives	Total
Mr. Daud Ali	Managing Director	46.84	Nil	46.84
Mr. Narendra Bhanawat	Whole time Director and Chief Financial Officer	5.39	Nil	5.39

**Note:**

- Service contract is of three years for Mr. Daud Ali w.e.f. April 01, 2021 and for Mr. Narendra Bhanawat w.e.f May 29, 2021.
- Notice period is 3 Months from either side and Severance fees is not applicable.

**6) STAKEHOLDERS RELATIONSHIP COMMITTEE**

The company has Stakeholders Relationship Committee in compliance with the requirement of SEBI Listing Regulations and provisions of Section 178 of the Companies Act, 2013. As on March 31, 2022, the committee comprises of 3 members of whom 2 are Independent Director and 1 is Non-Executive Director. Mr. Magan Lal Sharma acts as the chairperson of Stakeholders Relationship Committee. The Company Secretary acts as the secretary to the committee.

**The role of the committee shall inter-alia include the following:**

- (1) Resolving the grievances of the security holders of the

listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

- (2) Review of measures taken for effective exercise of voting rights by shareholders.
- (3) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- (4) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

The meetings of the Committee are generally held as and when deemed necessary, to review and ensure that all investor requests/ grievances are redressed within a stipulated time period.

**a) Name of Non-Executive Director heading the committee**

Mr. Magan Lal Sharma, Non-Executive Independent Director was appointed as the Chairman of the Stakeholders Relationship / Grievance Redressal Committee. The Committee consists of the following persons:

Name of Director(s)	Designation	Category
Mr. Magan Lal Sharma	Chairman	Non-Executive Independent
Mr. Mukesh Kumar Kothari	Member	Non-Executive
Mrs. Namrata Babel	Member	Non-Executive Independent

**b) Meetings and attendance during the year**

During Financial Year 2021-22, the Stakeholders Relationship Committee met once on May 3, 2021. The necessary quorum was present at all meetings.

Attendance of members at the meeting held for FY 2021-22 are given below:

Name of Director(s)	Category	No. of Meetings held	No. of Meetings attended
Mr. Magan Lal Sharma	Independent Non-Executive	1	1
Mr. Mukesh Kumar Kothari	Non-Executive	1	1
Dr. Namrata Babel	Independent Non-Executive	1	1

**c) Name and Designation of compliance officer:** Mr.Rajat Raja Kothari, Company Secretary acts as Compliance Officer of the Company.

**d) Number of shareholders’ complaints received so far** - No shareholder complaint was received in the financial year.

**e) Number not solved to the satisfaction of shareholders – NA**

**f) Number of pending complaints - Nil**

To redress investor grievances, the company has a dedicated e-mail id investor@italica.com to which investor may send their grievance.

**7) RISK MANAGEMENT COMMITTEE**

The ‘Risk Management Committee’ (‘RMC’) has been constituted pursuant to the provisions of Regulation 21 of the Listing Regulations, As per BSE market capitalization as on 31.03.2021, our company does not fall under Top 1000 listed entities, but as per NSE market capitalization as on 31.03.2021, our company falls under Top 1000 listed entities and SEBI Circular dated 05.05.2021, Risk Management Committee being applicable for top 1000 listed entities also. Falling under the above criteria, our Risk Management Committee was formed on 09.07.2021 by Following members-

Name of Director(s)	Designation	Category
Mr. Magan Lal Sharma	Chairman	Non-Executive Independent
Mr. Mukesh Kumar Kothari	Member	Non-Executive
Mrs. Namrata Babel	Member	Non-Executive Independent

**The role of the committee shall inter-alia include the following:**

- (1) A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectorial, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
- (2) Measures for risk mitigation including systems and processes for internal control of identified risks; and;
- (3) Business continuity plan.

**a) Meetings and attendance during the year**

During Financial Year 2021-22 the Risk Management committee met twice on August 18, 2021 and January 14, 2022. The necessary quorum was present at all meetings.

Attendance of members at the meeting held for FY



2021-22 are given below:

Name of Director(s)	Category	No. of Meetings held	No. of Meetings attended
Mr. Magan Lal Sharma	Independent Non-Executive	2	2
Mr. Mukesh Kumar Kothari	Non-Executive	2	2
Dr. Namrata Babel	Independent Non-Executive	2	2

**8) GENERAL BODY MEETING**

**a) Location, Time and any special resolutions passed in the previous three annual general meetings**

The details of last three Annual General Meetings and special resolutions passed thereat are as follows:

Year	Date	Time	Venue	No. of Special Resolutions Passed
2020-21	June 24, 2021	11:00 A.M.	Through Video Conferencing/ Other Audio Visual Means and at Kodyat Road, Village: Sisarma, Udaipur – 313031	00
2019-20	July 24, 2020	11:00 A.M.	Through Video Conferencing/ Other Audio Visual Means and at Kodyat Road, Village: Sisarma, Udaipur – 313031	01
2018-19	June 28, 2019	9:15 A.M.	Kodyat Road, Village: Sisarma, Udaipur – 313031	01

**b) Postal Ballot:** During the financial year ended 31st March, 2022, no resolution was passed by Postal Ballot.

**9) MEANS OF COMMUNICATION**

**I. Quarterly Results:** The quarterly and annual financial results of the Company are uploaded on NSE Electronic Application Processing System (NEAPS) and BSE Listing Centre in accordance with the requirements of Listing Regulations. The financial results are displayed on BSE and NSE websites. During this year Company has sent the quarterly business updates to all the shareholders of the Company.

**II. Newspaper wherein results normally published and website, where displayed:** The quarterly/ half-yearly/

annual financial results are published in prominent daily newspaper viz. The Free Press Journal and Jai Rajasthan. The financial results and the official news releases are also uploaded on the Company’s website www.italica.com in the ‘Investor Relations’ section.

**III. News Release:** The Company regularly publishes an official Business Update Report which are sent to the stock exchanges and posted on the company’s website as well.

**IV. Presentation made to institutional investors or to the analysts:** During the year under review there were no presentations made to institutional investors or the analysts.

**10) GENERAL SHAREHOLDER INFORMATION:**

**a) ANNUAL GENERAL MEETING - DATE, TIME AND VENUE**

**DAY & DATE –** Thursday, 30<sup>th</sup> June, 2022

**TIME - 11.00 A.M.**

**VENUE:** Meeting will be held through Video Conferencing (VC) / Other Audio Visual Means (OAVM) facility and also at the registered office of the Company. Deemed address will be the registered office of the Company.

**b) Financial year: April 1, 2021 to March 31, 2022**

**c) Record Date:** As mentioned in the Notice of this AGM.  
**Dividend Payment Date –** not applicable

**d) Name and address of each Stock Exchange(s) at which the Company securities are listed and a confirmation about payment of annual listing fee to each of such Stock Exchange(s):**

The annual listing fees for Financial Year 2021-2022 to the following stock exchanges have been paid by the Company within stipulated time where the company is listed :

**Name & Address of Stock Exchanges, Stock Codes and Symbol:**

The Stock Exchange, Mumbai(BSE) BSE Limited Phiroze Jeejeebhoy Towers 25 <sup>th</sup> Floor, Dalal Street Mumbai- 400001	National Stock Exchange of India Ltd. (NSE) National Stock Exchange of India Limited, Exchange Plaza, C-1, Block-G Bandra Kurla Complex, Bandra –East MUMBAI – 400 051
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**e) Stock Code :** BSE (500327) and NSE (PILITA)

**f) STOCK MARKET DATA**

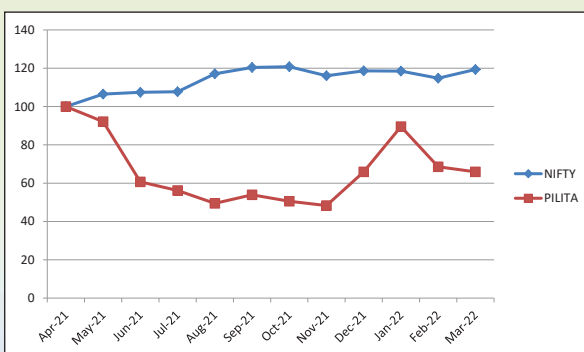
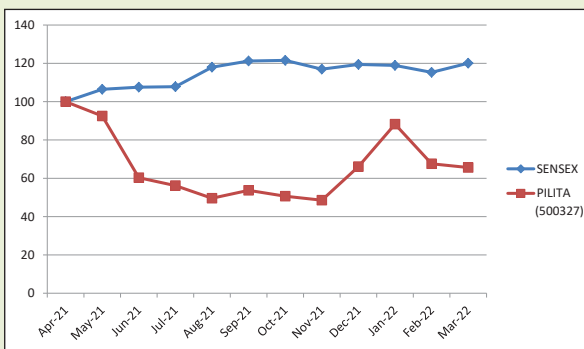
The monthly high & low during each month, in last financial year 21-22, is as follows:

Month	BSE		NSE	
	High	Low	High	Low
Apr-21	19.30	11.70	19.20	11.65
May-21	16.40	11.20	16.80	11.55
Jun-21	12.90	7.36	12.90	7.50
Jul-21	9.81	7.40	9.75	7.10
Aug-21	8.25	5.98	7.85	5.90
Sep-21	8.82	5.41	8.80	6.25
Oct-21	7.71	6.70	7.70	6.70
Nov-21	7.20	6.20	7.15	6.35
Dec-21	9.51	6.46	9.60	6.40
Jan-22	16.03	8.90	16.00	8.90
Feb-22	12.90	8.79	12.90	8.75
Mar-22	11.21	8.58	11.10	8.60

**g) PERFORMANCE OF PIL ITALICA LIFESTYLE LIMITED (PILL) SHARE PRICE IN COMPARISON TO BSE SENSEX AND NSE NIFTY FIFTY IS AS UNDER:**

(Closing value of (PILL) share price Vs BSE Sensex & PILL share price Vs NSE NIFTY 50 on the last trading day of the month)

Base is considered to be 100 as at April 01, 2021 in both the charts.



**h) In case the securities are suspended from trading, the Directors Report shall explain the reason thereof:** Not applicable

**i) REGISTRAR & TRANSFER AGENT:**

The work related to Share Transfer Registry in terms of both physical and electronic mode is being deal with by LINK INTIME INDIA PVT. LIMITED at the address given below: -

**ADDRESS FOR CORRESPONDENCE:**

LINK INTIME INDIA PVT. LTD.  
247 Park, C-101 1st Floor,  
LBS Marg, Vikroli (W), Mumbai-400083  
E-mail: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)  
Tel No.: +91 22 49186000  
Fax No.:+91 22 49186060

**j) SHARE TRANSFER SYSTEM AND OTHER RELATED MATTERS:**

The shares which are received in physical form for transfer/transmission/split etc. are immediately processed and dispatched within the stipulated time period. Also pursuant to the Listing Regulations, certificate is obtained from practicing company secretary on half-year basis to the effect that all the transfer is completed within stipulated statutory period. A copy of the certificate so received is submitted to both the stock exchanges, where shares of company are listed.

**k) DISTRIBUTION OF SHAREHOLDING AS ON 31.03.2022**

SHAREHOLDING AS ON 31.03.2022

**a. Distribution of Shareholding as of 31-03-2022**

Share Range	No. of Shareholders	% of total shareholders	Total Shares for the range	% of Issued Capital
Upto – 500	60180	70.2430	9151927	3.8944
501 – 1000	11361	13.2608	9852026	4.1924
1001 – 2000	6558	7.6546	10459907	4.4510
2001 – 3000	2190	2.5562	5752249	2.4478
3001 – 4000	1284	1.4987	4786371	2.0368
4001 – 5000	1134	1.3236	5490994	2.3366
5001 – 10000	1635	1.9084	12708154	5.4077
10001-ABOVE	1332	1.5547	176798372	75.2333
Total	85674	100.0000	235000000	100.0000

**b. Categories of Equity Shareholders**

S. No.	Category	Total Securities	% of Issued Capital
<b>I.</b>	<b>PROMOTER AND PROMOTER GROUP</b>		
i)	Indian Promoters	117716200	50.09
ii)	Foreign Promoters	0	0.00
	<b>Total Promoter shareholding</b>	<b>117716200</b>	<b>50.09</b>
<b>II.</b>	<b>Public Shareholding</b>	<b>117283800</b>	<b>49.91</b>
<b>A.</b>	<b>Institutions</b>		
i)	Mutual Fund	54000	0.02
ii)	Financial Institution/ Banks	1472048	0.63
iii)	Foreign Institutional Investors	0	0.00
<b>B.</b>	<b>Non-Institution</b>		
i)	Bodies Corporate	3542653	1.51
ii)	Overseas Bodies Corporate	6000	0.00
iii)	Individuals	104784318	44.59
iv)	Hindu Undivided Family	4702853	2.00
v)	Non-Resident Indian	1703909	0.73
vi)	Clearing Members	809698	0.34
vii)	Trusts	400	0.00
viii)	LLP	207921	0.09
	<b>Total Public Shareholding</b>	<b>117283800</b>	<b>49.91</b>
<b>III.</b>	<b>Non-Promoter Non-Public</b>	<b>0</b>	<b>0.00</b>
	<b>Total Shareholding (I+II+III)</b>	<b>235000000</b>	<b>100.00</b>

**1) DEMATERIALISATION OF SHARES AND LIQUIDITY:**

The share of the Company are traded in dematerialized form and are available for trading with both the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The shareholder can hold the company's share with any of the depository participant. The International Securities Identification No. (ISIN) for company's shares is INE600A01035. As on March 31, 2022, 99.45% shares of the company are in dematerialized form with the depositories.

**m) OUTSTANDING GLOBAL DEPOSITORY RECEIPTS OR AMERICAN DEPOSITORY RECEIPTS OR WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY**

As on March 31, 2022, the company does not have any outstanding GDRs/ ADRs/ Warrants or any other convertible instruments.

**n) LOCATION OF PLANT:** Kodiyat Road, Village: Sisarma, Udaipur (Raj.) -313031

**Sales office and Depot :** sales office at Delhi and, Mumbai, Depots at Silvassa, Bengaluru, Bhiwandi, Ghaziabad, Jabalpur and Zirakpur.

**o) ADDRESS FOR CORRESPONDENCE**

	Contact	Email	Address
Investor Relation Department of Company	Mr. Rajat Raja Kothari, Company Secretary and Compliance Officer	<a href="mailto:corporate@italica.com">corporate@italica.com</a>	PIL ITALICA LIFESTYLE LIMITED Kodiyat Road, Village Sisarma, Udaipur (Raj.) – 313031 Tel No.: 0294-2432271-72 Fax No.: 0294-2430411
Registrar & Transfer Agent	Link Intime India Pvt. Ltd.	<a href="mailto:rnthelpdesk@linkintime.co.in">rnthelpdesk@linkintime.co.in</a>	LINK INTIME INDIA PVT. LTD. 247 Park, C-101 1st Floor, LBS Marg, Vikroli(W), Mumbai- 400083 Tel No.: 022-49186000 Fax No.:022-49186060

**p) List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad – Not Applicable.**

**11) OTHER DISCLOSURES**

**a) Materially Significant related party transaction:** All the related party transactions have been done at arm's length price and in the ordinary course of Business with the prior approval of Audit Committee. Policy related to related party transactions of the company is also available on the website of the company at [www.italica.com](http://www.italica.com).

**b) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years:** The Company has not been penalized,



nor have the Stock Exchanges, SEBI or any statutory authority imposed any strictures, during the last three years, on any matter relating to capital markets.

- c) **Establishment of Vigil Mechanism/ Whistle Blower Policy:** In line with the best Corporate Governance practices, Company has put in place a system through which the Directors and Employees may report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct & Ethics without fear of reprisal. The Employees and Directors may report to the Compliance Officer and have direct access to the Chairman of the Audit Committee.
- d) **Details of compliance with mandatory requirements and adoption of the no mandatory requirements:** The Board of Directors periodically reviews the compliance of all applicable laws. The Company has fully complied with the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- e) **Web link where policy for determining 'material' subsidiaries is disclosed:** The policy for determining material subsidiaries is available on the website of the company at [www.italica.com](http://www.italica.com) although it is not applicable on company.
- f) **Web link where policy on dealing with related party transactions is disclosed:** The policy for determining related party transactions is available on the website of the company at [www.italica.com](http://www.italica.com)
- g) **Commodity Price Risk or Foreign exchange risk and hedging activities**  
The Company does not deal in commodities price risks and commodity hedging activities, hence the disclosure pursuant to SEBI Circular dated November 15, 2018 is not required to be given.
- h) **Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) :**Not Applicable
- i) **A certificate from a Company Secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority:** The Certificate of Company Secretary in practice is annexed as herewith as **Annexure 4** of this report.
- j) **Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year.** During the Financial Year 2021-22, the Board has accepted all the

recommendations of its Committees

- k) **Total fees for all services paid by the listed entity, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part:**The annual fees paid to Statutory Auditors during the Financial Year 2021-22 was Rs. 40000.
  - l) **Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013** – As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and rules made thereunder, Company has constituted Internal Complaints Committee which is responsible for Redressal of complaints related to sexual harassment. During the year under review, there were no complaints pertaining to sexual harassment.
  - m) The Company has followed all relevant Accounting Standards notified by the Companies (Indian Accounting Standards) Rules, 2015 while preparing Financial Statements for 2021-22.
- 12) **DISCLOSURE OF THE EXTENT TO WHICH THE DISCRETIONARY REQUIREMENTS AS SPECIFIED IN PART E OF SCHEDULE II.**
- a) **The Board of Directors:** The Company has fixed Chairman.
  - b) **Shareholder Rights:** As the Quarterly and Half Yearly Financial Results are published in the newspapers as well as displayed on the Company's website [www.italica.com](http://www.italica.com), hence the results are not sent to household of each of the shareholders. The complete Annual report is sent to each and every shareholder of the Company.
  - c) **Audit Qualifications:** The Auditors have raised no qualification on the financial statements for the year ended 31st March, 2022.
  - d) **Reporting of Internal Auditor:** The Internal Auditor of the Company reports directly to the Audit Committee of the Company.
- 13) **DISCLOSURE OF COMPLIANCE OF REGULATION 17 TO 27 AND CLAUSES (B) TO (I) OF SUB REGULATION (2) OF REGULATION 46.**  
The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 14) **DECLARATION SIGNED BY MANAGING DIRECTOR STATING THAT THE MEMBERS OF BOARD OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL HAVE AFFIRMED COMPLIANCE WITH**

### THE CODE OF CONDUCT OF CONDUCT OF BOARD OF DIRECTORS AND SENIOR MANAGEMENT

The Company is committed to conduct its business in accordance with the applicable laws, rules and regulations and with the highest standards of business ethics. The Board has adopted a Code of conduct for Directors and Senior Management of the Company. The Code is available on the website of the Company :[www.italica.com](http://www.italica.com) and the declaration is annexed as **Annexure 1** and forms part of corporate governance report.

### 15) COMPLIANCE CERTIFICATE FROM EITHER THE AUDITORS OR PRACTICING COMPANY SECRETARIES REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE SHALL BE ANNEXED WITH THE DIRECTORS REPORT.

The certificate from statutory auditor of the company regarding compliance of conditions of corporate governance is annexed as **Annexure 2** and forms an integral part of the Annual Report.

### 16) C.E.O. /C.F.O. Certification: The required certificate under Regulation 17(8) of the Listing Regulations signed by the Managing Director (C.E.O.) and the Chief Financial Officer (C.F.O.) is attached as **Annexure 3** with this report.

### 17) DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT / UNCLAIMED SUSPENSE ACCOUNT: The Company does not have any shares in the demat suspense account or unclaimed suspense account.

### 18) OTHER USEFUL INFORMATION FOR SHAREHOLDERS:

**Green Initiative by MCA:** In compliance with the provisions of Section 20 of the companies act, 2013 and as a continuous endeavor towards 'Go Green' initiative, the company proposes to send all correspondences/ communications through email to those shareholder's, who have registered their email Id with their depository participant's/ company registrar and share transfer agent. In case the shareholder's is desire to receive printed copy of such communications, they may send requisition to the company. The company will forthwith send a printed copy of the communication to the respective shareholder.

**Consolidation of Multiple Folios:** Shareholder(s) of the Company who have multiple accounts in identical name(s) or holding more than one Share Certificate in the same name under different Ledger Folio(s) are requested to apply for consolidation of such Folio(s) and send the relevant Share Certificates to the Company.

**Nomination Facility:** Provision of Section 72 of the Companies Act, 2013 read with rule 19(1) of the rules made thereunder extends nomination facility to individuals holding shares in the physical form. To help the legal heirs/successors get the shares transmitted in their favour, shareholder(s) are requested to furnish the particulars of their nomination in the prescribed Nomination Form. Shareholder(s) holding shares in Dematerialized form are requested to register their nominations directly with their respective DPs.

**Update your Correspondence Address / Bank Mandate / Email Id:** To ensure all communications/ monetary benefits received promptly, all shareholders holding shares in physical form are requested to notify to the Company change in their address / bank details / email Id instantly by written request under the signatures of sole/ first joint holder. Shareholder(s) holding shares in dematerialized form are requested to notify change in bank details / address / email Id directly with their respective DPs.

**Quote Folio No. / DP ID No.:** Shareholders / Beneficial Owners are requested to quote their Folio Nos. / DP ID Nos., as the case may be, in all correspondence with the Company. Shareholders are also requested to quote their Email IDs, Contact / Fax numbers for prompt reply to their correspondence.

For and on behalf of Board of Directors

### PIL ITALICA LIFESTYLE LIMITED

**Daud Ali**  
Chairman & Managing Director  
DIN : 00185336

**Narendra Bhanawat**  
Whole time Director & CFO  
DIN : 00146824

Date:21.05.2022

Place: Udaipur

### Annexure 1

#### Declaration affirming compliance with Code of Conduct

I hereby confirm that the company has obtained from all the members of the Board and Senior Management team, affirmation of Compliance with the Code of Conduct for Directors and senior Management in respect of the financial year ended on March 31, 2022.

For PIL ITALICA LIFESTYLE LIMITED

Sd/-  
Daud Ali  
Managing Director  
DIN: 00185336  
Date :01.04.2022  
Place : Udaipur

**Annexure 2****AUDITORS CERTIFICATE ON COMPLIANCE OF CORPORATE GOVERNANCE**

To,  
The Board of Directors  
PIL ITALICA LIFESTYLE LIMITED,  
Kodiyat Road, Sisarma  
Udaipur

We have examined the compliance of conditions of corporate governance by PIL ITALICA LIFESTYLE LIMITED ('the Company'), for the year ended on March 31, 2022, as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination, conducted in the manner described in the Guidance Note on Certificate of Corporate Governance issued by the Institute of Chartered Accountants of India, was limited to procedures and implementation thereof adopted by the company for ensuring compliance with the conditions of Corporate Governance. Our examination was neither an audit nor was it conducted to express an opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanation given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the provisions as specified in Chapter IV Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to Listing Agreement of the said Company with stock exchanges.

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 AKM & Associates  
Chartered Accountants  
ICAI FRN: 011616c

Akshita Trivedi  
(Partner)  
M.No. - 401760  
UDIN :22401760AJISCG8069

Place: Udaipur  
Date: 21.05.2022

**Annexure 3****CEO/CFO CERTIFICATION**

(Pursuant to Regulation 17(8) of SEBI (LODR) Regulations, 2015)

We, Daud Ali, Managing Director and Narendra Bhanawat, Whole Time Director and CFO of PIL ITALICA LIFESTYLE LIMITED, to the best of our knowledge and belief hereby certify that:

- a) We have reviewed financial statements and the cash flow statement of PIL ITALICA LIFESTYLE LIMITED for the year ended 31st March, 2022 and to the best of our knowledge and belief:
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting.

We have not come across any reportable deficiencies in the design or operation of such internal controls.

- d) We have indicated to the Auditors and the Audit Committee:
  - i) that there are no significant changes in internal control over financial reporting during the year;
  - ii) that there are no significant changes in accounting policies during the year; and
  - iii) that there are no instances of significant fraud of which we have become aware.

For PIL ITALICA LIFESTYLE LIMITED

SD/-  
Daud Ali  
Managing Director  
DIN: 0185336

Place: Udaipur  
Date: 21.05.2022

SD/-  
Narendra Bhanawat  
Whole Time Director &  
Chief Financial Officer  
DIN: 00146824



**Annexure 4**

**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 of  
PIL ITALICA LIFESTYLE LIMITED  
KODIYAT ROAD, VILLAGE: SISARMA  
UDAIPUR (RAJ.) – 313031

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of PIL ITALICA LIFESTYLE LIMITED having CIN – L25207RJ1992PLC006576 having registered office at Kodyat Road, Village: Sisarma, Udaipur (Raj.) – 313031 (hereinafter referred to as ‘the Company’), produced before me 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 my opinion and to the best of my 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 me / us by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup>March, 2022 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.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Mr. Daud Ali	00185336	01.05.1992
2	Mr. Narendra Bhanawat	00146824	21.07.2010
3	Mr. Magan Lal Sharma	00250883	15.06.2010
4	Mr. Mukesh Kumar Kothari	03103336	25.01.2010
5	Mrs. Namrata Babel	06910061	29.05.2014
6	Mrs. Asha Jain	00218335	07.03.2018

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 P. Talesara & Associates  
Company Secretaries

Sd/-  
(Pawan Talesara)  
Proprietor  
FCS No.: 8096, C P No.: 2674  
UDIN: F008096D000355377

Place: Udaipur (Raj.)  
Date: 21.05.2022

**BUSINESS RESPONSIBILITY REPORT**

**Section A: General Information about the company**

1	Corporate Identity Number (CIN) of the company	L25207RJ1992PLC006576
2	Name of the Company	PIL ITALICA LIFESTYLE LIMITED
3	Registered Address	KODIYAT ROAD,VILLAGE-SISARMA, DISTRICT-UDAIPUR(RAJ.) UDAIPUR RJ 313031 IN
4	Website	<a href="http://www.italica.com">www.italica.com</a>
5	E-mail ID	info@italica.com
6	Financial Year Reported	April 2021- March 2022
7	Sector that the company is engaged in	Manufacturing of Plastic Product
8	List of three key products that the company manufactures	Chairs, Crates and Dust bins
9	Total number of location where business activity is undertaken by the company	9
10	Markets served by the company	All over India

**Section B: Financial Details of Company**

1	Paid up Capital	Rs. 2350.00 LACS
2	Total Turnover	Rs. 6756.71 LACS
3	Total Profit	Rs. 251.38 LACS
4	Total Spending on Corporate Social Responsibility (CSR) as a percentage of profit after tax(%)	NOT APPLICABLE
5	List of activities in which expenditure in 4 above has been incurred	NOT APPLICABLE

**Section C: Other details**

1	Does the Company have any subsidiary company	Company does not have any subsidiary
2	Do the Subsidiary Company participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary Company	Not Applicable
3	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes,then indicate the percentage of such entity/entities? [Less than 30%, 30- 60%, More than 60%]	No

**Section D: BR Information**

1. Details of the Director and BR responsible for implementation of the BR policy / policies

a) Details of the Director responsible for implementation of the BR policy/policies and BR Head

1	DIN Number	00146824
2	Name	Narendra Bhanawat
3	Designation	Whole Time Director
4	Telephone Number	0294-2432272
5	e-mail ID	Narendra.bhanawat@italica.com

2. Principle-wise (as per NVGs) BR Policy/policies

(a) Details of Compliance

No	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for... P1: Ethics, Bribery & Corruption P2: Sustainability P3: Treatment of Employees P4: Stakeholders relation P5: Human Rights P6: Environment safety P7: Industry P8: CSR P9: Customer Excellence	Yes except P8. Company’s Code of Conduct sets out the principle & practices that must be observed toward Business Partner and Third Parties. CSR is not applicable on Company.								
2	Has the policy being formulated in consultation with the relevant stakeholders?	Yes, while formulating the policy documents, rights & obligations of concerned stakeholders are analysed in view of best Industry Practices.								
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Fairness, mutual respect and integrity are the cornerstones within the Company upon which our actions are based. The Company believes in benchmarking practices and global standards to the best possible extent.								
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	All Statutory Policies and Codes are adopted considering prevailing Legal requirements and approvals of respective authority levels [Board of Directors, its Committees and Company Management].								
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Implementation mechanism of all the Policies & Codes is presented to and reviewed by the respective authority levels periodically.								
6	Indicate the link for the policy to be viewed online?	<a href="http://www.italica.com">www.italica.com</a>								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes, the policies are communicated to all the stakeholders.								
8	Does the company have in-house structure to implement the policy/ policies.	Yes, The company has in-house structure to implement the policies.								
9	Does the Company have a grievance Redressal mechanism related to the policy/ policies to address stakeholders’ grievances related to the policy/ policies?	Yes, The company has in-house grievance Redressal mechanism.								
10	Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	The Company has carried out audits as applicable for the respective policies.								

3. Governance Related to BR

- a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company: 3-6 months by Chairman & Managing Director
- b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published? No

**Section E : Principle-wise Performance**

Principle 1 : Ethics, Bribery & Corruption

1	Does the policy relating to ethics, bribery and corruption cover only the company? Yes/No Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?	Yes
2	How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.	Nil



Principle 2 : Sustainability

1	List upto 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.	1) Recycle of waste water
2	For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional) : (a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain? (b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?	The Company is using recycle water for purpose of production and for garden
3	Does the company have procedures in place for sustainable sourcing (including transportation)? (a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.	Yes the company have procedures in place for 100 % of its input.
4	Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? (a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?	Yes, The company sources its goods from small local suppliers and they are being helped to develop their capacity by sharing data on quality improvement.
5	Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.	The company has been using recycled wastages for its final product which is approximately 2 % of its total production.

Principle 3 : Treatment of Employees

1	Please indicate the Total number of employees	199
2	Please indicate the Total number of employees hired on temporary/ contractual/casual basis.	Nil
3	Please indicate the Number of permanent women employees.	2
4	Please indicate the Number of permanent employees with disabilities	Nil
5	Do you have an employee association that is recognized by management	Nil
6	What percentage of your permanent employees is members of this recognized employee association?	Not Applicable
7	Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.	No. of Complaints filed during the year : Nil No. of complaints pending at the end of the financial year : Nil
8	What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year? (a) Permanent Employees (b) Permanent Women Employees (c) Casual/Temporary/Contractual Employees (d) Employees with Disabilities	50% NIL Not Applicable Not Applicable

Principle 4 : Stakeholders relation

1	Has the company mapped its internal and external stakeholders? Yes/No	Yes
2	Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.	Yes
3	Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.	No information with company for such stakeholders.

Principle 5 : Human Rights

1	Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/ Contractors/NGOs/Others?	The Code of Conduct of the Company provides for the human rights and it extends to Suppliers/ Contractors /NGOs etc.
2	How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?	There were no complaints with regard to Human rights violations.

Principle 6 : Environment safety

1	Does the policy related to Principle 6 cover only the company or extends to the Group/ Joint Ventures/Suppliers/Contractors/NGOs/others.	Yes it extends to all interested parties.
2	Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.	No
3	Does the company identify and assess potential environmental risks? Y/N	Yes
4	Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?	No
5	Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.	No
6	Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?	N.A.
7	Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.	Nil

Principle 7 : Industry

1	Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:	Yes, Udaipur Chambers of Commerce and Industries.
2	Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas ( drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)	No

Principle 8 : CSR

1	Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.	Not Applicable
2	Are the programmes/projects undertaken through in-house team/own foundation/external NGO/ government structures/any other organization?	Not Applicable
3	Have you done any impact assessment of your initiative?	Not Applicable
4	What is your company’s direct contribution to community development projects- Amount in INR and the details of the projects undertaken.	Not Applicable
5	Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.	No

Principle 9 : Customer Excellence

1	What percentage of customer complaints/consumer cases are pending as on the end of financial year.	There are no consumer cases pending as on end of financial year.
2	Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks(additional information)	Yes
3	Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.	No
4	Did your company carry out any consumer survey/ consumer satisfaction trends?	No

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF PIL ITALICA LIFESTYLE LIMITED

#### Report on the Audit of the Standalone Financial Statements

##### Opinion

We have audited the accompanying standalone financial statements of PIL ITALICA LIFESTYLE LIMITED (the "Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and a summary of 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, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022 and its profit, 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 ("SA"s) 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 obtained by us 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 judgement, 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 there on, and we do not provide a separate opinion on these matters.

On the facts and circumstances of the company and the audit, we determine that there are no key Audit matters to communicate.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, 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 do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that if there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### Management's Responsibilities 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 financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. 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 judgements 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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 SA's 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 SA's, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

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

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

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

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

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended:

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

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, as amended, 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 standalone financial statements.

ii. The Company did not have any long term contracts including derivatives contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate

Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(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 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 and (b) above, contain any material misstatement.

v. The Company has neither proposed nor paid any dividend during the previous year and during the current year hence compliance as per section 123 of the companies act is not applicable.

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.

For M/s AKM & Associates

Chartered Accountants

Firm Reg. No.011616C

sd/-

(Akshita Trivedi )

Partner

Membership No. 401760

Place: UDAIPUR

Date: 21.05.2022

UDIN: 22401760AJRNX3617

## ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of PIL Italica Lifestyle Limited)

Report on the Internal Financial Controls Over Financial Reporting 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 PIL ITALICA LIFESTYLE LIMITED (the “Company”) as of March 31, 2022 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

### Management’s Responsibility for Internal Financial Controls

The Management of the Company 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 (the “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 Act.

### Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting of the Company 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”) issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls 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 judgement, 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the criteria for internal financial control over financial reporting 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 ICAI.

For M/s AKM & Associates  
Chartered Accountants  
Firm Reg. No.011616C

sd/-  
(Akshita Trivedi )  
Partner  
Membership No. 401760

Place: UDAIPUR  
Date: 21.05.2022

UDIN: 22401760AJRNX3617



**ANNEXURE ‘B’ TO THE INDEPENDENT AUDITOR’S REPORT**

**(Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of PIL ITALICA LIFESTYLE LIMITED of even date)**

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

i. In respect of the Company’s Property, Plant and Equipment and Intangible Assets:

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) As explained to us, all the Property, Plant and Equipment have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to size of the company and nature of its assets. No material discrepancies were noticed on such physical verification.

(c) According to information’s and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment are held in the names of the company.

(d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) As explained to us that the inventory has been physically verified during the year by management. In our opinion the frequency of verification is reasonable and the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and nature of its business;and the company is maintaining proper records of inventory, no material discrepancies were noticed on physical verification of the inventory.

(b) The Company is availing working capital in excess of Rs. 5 crore during the year on the basis of security of current assets and the quarterly returns or statements filed by the company with financial institutions or banks in agreement with the books of account of the Company.

(iii) During the year the Company has made investments in and granted unsecured loans to companies, firms, Limited Liability

Partnerships or other parties but has not stood guarantee or provided security to any other entity,

a) During the year the Company has provided loans or provided advances in the nature of loans but has not stood guarantee or provided security to any other entity –

(A) the aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans or advances to subsidiaries, joint ventures and associates;

Loan to	Aggregate amount during the year	Amount outstanding as on 31/03/2022 Rs. In lakhs
Subsidiaries	NIL	NIL
Joint venture	NIL	NIL
Associates	NIL	NIL

(B) the aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans or advances to parties other than subsidiaries, joint ventures and associates;

	Aggregate amount during the year	Amount outstanding as on 31/03/2022 Rs. In lakhs
Loan to others	2011.87	4485.14

(b) The Company has neither provided guarantees nor given security. The investments made are not prejudicial to the interest of the Company. Further the terms and conditions of the grant of all loans and advances in the nature of loans, except wherever interest free loans have been granted, are not prejudicial to the Company’s interest.

(c) in respect of loans and advances in the nature of loans, no schedule of repayment of principal and payment of interest has been stipulated.

(d) In respect of aforesaid loans, there is no amount overdue for more than ninety days.

(e) During the year no loan or advance in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties;

(f) During the year the Company has granted loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment, the aggregate amount, percentage thereof to the total loans granted, aggregate amount of loans granted

to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013 are as under;

Aggregate amount (Rs. In lakhs)	% of the total loans granted	Aggregate amount of loans granted to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013 (Rs. In lakhs)
NIL	NIL	NIL

- iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi) The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company. In respect of statutory dues:
- vii) (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees’ State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees’ State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

- (b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2022 on account of disputes are given below:

Nature of the statute	Nature of dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount ₹ in lacs
Penalty of enforcement directorate (Net of Predeposit)	Penalty	Rajasthan high court, Jodhpur	2003-2004	122.00

- viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix) (a) The Company has not defaulted in repayment of dues to a financial institution, bank.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority
- (c) The term loans were applied for the purpose for which the loans were obtained.
- (d) On an overall examination of the financial statements of the Company, funds raised on short- term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) The Company do not have any subsidiary, associate and joint venture hence, reporting under clause 3(ix)(e) and (f) of the Order are 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 is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) No whistle blower complaints received by the Company during the year (and upto the date of this report), while determining the nature, timing and extent of our audit procedures.
- xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable
- xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

- xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv) In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii) The Company has not incurred cash losses during the financial year covered by our audit and 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, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- xx) The Company does not qualify under the provisions of section 135 of the Companies Act, 2013 accordingly reporting under clause 20 (a) and (b) of the order is not applicable.
- xxi) Clause xxi of CARO,2020 is not applicable as this audit report is relating to standalone financial statements.

For M/s AKM & Associates  
Chartered Accountants  
Firm Reg. No.011616C  
sd/-  
(Akshita Trivedi )  
Partner  
Membership No. 401760  
Place: UDAIPUR  
Date: 21.05.2022  
UDIN: 22401760AJIRNX3617



Balance Sheet as at March 31, 2022

Rs. In Lakhs

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
<b>A ASSETS</b>			
<b>1 Non Current assets</b>			
(a) Property, plant and equipment	4	1,284.25	735.15
(b) Capital work in progress		-	-
(c) Investment Properties		-	-
(d) Goodwill		-	-
(e) Other Intangible assets	5	2.38	2.43
(f) Intangible Assets under Development		-	-
(g) Biological Assets other than bearer plants		-	-
(h) Financial Assets			
(1) Investments	6	248.93	-
(2) Trade receivables		-	-
(3) Loans		-	-
(4) Others		-	-
(i) Deferred Tax Assets (net)	34	56.54	141.08
(j) Other Non Current assets	7	91.13	91.13
<b>Total Non Current Assets</b>		<b>1,683.23</b>	<b>969.79</b>
<b>2 Current Assets</b>			
(a) Inventories	8	1,453.66	1,733.57
(b) Financial Assets			
(1) Investments		-	-
(2) Trade Receivables	9	447.85	477.74
(3) Cash and cash equivalents	10	7.07	8.97
(4) Bank Balances other than cash and cash equivalents	11	118.16	113.08
(5) Loans	12	4,490.17	3,831.17
(6) Others		-	-
(c) Current Tax Assets (Net)		-	-
(d) Other Current Assets	13	233.35	348.30
<b>Total Current Assets</b>		<b>6,750.26</b>	<b>6,512.83</b>
<b>Total Assets</b>		<b>8,433.49</b>	<b>7,482.62</b>
<b>B EQUITY AND LIABILITIES</b>			
(a) Equity Share Capital	14	2,350.00	2,350.00
(b) Other Equity	15	4,301.89	4,050.51
<b>Total Equity</b>		<b>6,651.89</b>	<b>6,400.51</b>
<b>Liabilities</b>			
<b>1 Non Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	16	97.15	16.69
(i) (a) Lease Liabilities		-	-
(ii) Trade Payables		-	-
(iii) Other Financial Liabilities		-	-
(b) Provisions		-	-
(c) Deferred Tax Liabilities Net		-	-
(d) Other Non Current Liabilities		-	-
<b>Total Non Current Liabilities</b>		<b>97.15</b>	<b>16.69</b>
<b>2 Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	17	1,303.28	572.61
(i) (a) Lease Liabilities		-	-
(ii) Trade Payables	18	182.40	341.64
(iii) Other Financial Liabilities		-	-
(b) other current liabilities	19	180.92	136.63
(c) Provisions	20	17.85	14.54
(d) Current Tax Liabilities (Net)		-	-
<b>Total Current Liabilities</b>		<b>1,684.45</b>	<b>1,065.42</b>
<b>Total Liabilities</b>		<b>1,781.60</b>	<b>1,082.11</b>
<b>Total Equity and Liabilities</b>		<b>8,433.49</b>	<b>7,482.62</b>

See accompanying notes to financial statements 1 to 53  
As per our report on even date

**For M/s AKM & Associates**

Chartered Accountants  
Firm Reg. No.011616C  
Sd/-  
**(Akshita Trivedi)**  
Partner  
Membership No. 401760  
Place: UDAIPUR  
Date: 21.05.2022

For and on behalf of the Board of Directors

Sd/- Sd/-  
**Daud Ali** **Narendra Bhanawat**  
Managing Director Whole Time Director & Chief Financial Officer  
DIN : 00185336 DIN : 00146824  
Sd/-  
**Rajat Raja Kothari**  
Company Secretary  
M. No.: A51610

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

Rs. In Lakhs

Particulars	Notes	For the year ended March 31, 2022		For the year ended March 31, 2021	
Revenue From Opeartions	21		6,756.71		5,472.21
Other Income	22		19.08		12.61
<b>Total Income</b>			<b>6,775.79</b>		<b>5,484.82</b>
<b>Expenses</b>					
Cost of materials consumed	23		3,976.02		3,393.36
Purchases of traded goods	24		125.53		65.23
Changes in inventories of Finished goods, WIP and Stock In Trade	25		191.73		(322.78)
Employee benefit expenses	26		685.90		541.90
Finance costs	27		80.88		39.07
Depreciation and amortization expenses	28		56.45		48.30
Other expenses	29		1,323.35		1,224.60
<b>Total expenses</b>			<b>6,439.86</b>		<b>4,989.68</b>
<b>Profit before exceptional item and tax</b>			<b>335.93</b>		<b>495.14</b>
Exceptional items			-		-
<b>Profit before tax</b>			<b>335.93</b>		<b>495.14</b>
<b>Tax expenses:</b>					
Current Tax			-		-
Deferred tax	34	84.55	84.55	124.62	124.62
<b>Profit for the year from continuing operations</b>			<b>251.38</b>		<b>370.52</b>
Profit for the year from dis continuing operations					
Tax expenses of discontinuing operations			-		-
<b>Profit (Loss) for the period</b>			<b>251.38</b>		<b>370.52</b>
Other comprehensive income					
(a) Items that will not to be reclassified to P&L					
Remeasurement of the defined benefit plan					
Income Tax on items not to be reclassified to P&L			-		-
(b) Items that will be reclassified to P&L					
Income Tax on items reclassified to P&L			-		-
<b>Total comprehensive income for the year</b>			<b>251.38</b>		<b>370.52</b>
Earning per share of continuing operation(of Re 1/-each)					
Basic earning per share Rs.	30		0.11		0.16
Diluted earnings per share Rs.	30		0.11		0.16
Earning per share of dis continuing operation(of Re 1/-each)					
Basic earning per share Rs.					
Diluted earnings per share Rs.					
Earning per share of continuing and dis continued operation					
Basic earning per share Rs.			0.11		0.16
Diluted earnings per share Rs.			0.11		0.16

See accompanying notes to financial statements 1 to 53  
As per our report on even date

**For M/s AKM & Associates**

Chartered Accountants  
Firm Reg. No.011616C  
Sd/-  
**(Akshita Trivedi)**  
Partner  
Membership No. 401760  
Place: UDAIPUR  
Date: 21.05.2022

For and on behalf of the Board of Directors

Sd/-  
**Daud Ali**  
Managing Director  
DIN : 00185336  
Sd/-  
**Rajat Raja Kothari**  
Company Secretary  
M. No.: A51610

Sd/-  
**Narendra Bhanawat**  
Whole Time Director & Chief Financial Officer  
DIN : 00146824

## Cash Flow Statement for the year ended March 31, 2022

Rs. In Lakhs

Particulars	For the year ended March 31, 2022		For the year ended March 31, 2021	
<b>(A) CASH FLOW FROM OPEARTING ACTIVITIES</b>				
Net profit before tax		335.93		495.14
<b>Adjustments to reconcile profit to net cash provided by operating activities :</b>				
Depreciation and amortization expenses	56.45		48.30	
Interest expenses	80.88		39.07	
Interest income	(356.98)		(262.98)	
Provision for leave encashment	3.31		2.56	
Profit on sale of property,plant and equipment	(19.08)	(235.42)	-	(173.05)
<b>Operating profit before working capital changes</b>		<b>100.51</b>		<b>322.09</b>
<b>Changes in assets and liabilities</b>				
(Increase) /Decrease non current assets-other assets		-		(39.89)
(Increase) /Decrease in inventories		279.91		(616.72)
(Increase) /Decrease in trade receivables		29.89		116.83
(Increase) /Decrease in current assets-loans		(659.00)		200.19
(Increase) /Decrease in other current assets		114.94		(76.11)
(Increase) /Decrease in Bank Balances other than cash and cash equivalent		(5.08)		(113.08)
		<b>(239.34)</b>		<b>(528.78)</b>
Increase /(Decrease ) in trade payables	(159.24)		(112.88)	
Increase /(Decrease ) in other current liabilities	44.29	(114.95)	37.36	(75.52)
<b>Cash generated from operations</b>		<b>(354.29)</b>		<b>(604.30)</b>
From exceptional items		-		-
Income taxes paid during the year		-		-
<b>Net cash generated from operating activities</b>		<b>(253.78)</b>		<b>(282.21)</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchases of Property, Plant and Equipments	(605.50)		(165.94)	
Non current investments	(248.93)		1.00	
Proceeds from sale of property,plant and equipment	19.08		-	
<b>Net cash generated from investing activities</b>		<b>(835.35)</b>		<b>(164.94)</b>
<b>(B) CASH FLOW FROM FINANCING ACTIVITIES</b>				
Proceeds from Borrowings	811.13		211.05	
Interest paid	(80.88)		(39.07)	
Interest income	356.98		262.98	
<b>Net cash generated from finaning activities</b>		<b>1,087.23</b>		<b>434.96</b>
Net increase /decrease in cash and cash equivalents		<b>(1.90)</b>		<b>(12.19)</b>
Opening balance of cash and cash equivalents		8.97		21.16
Closing balance of cash and cash equivalents		7.07		8.97

See accompnaying notes to financial statements. 1 to 53  
As per our report on even date

**For M/s AKM & Associates**

Chartered Accountants

Firm Reg. No.011616C

Sd/-

(Akshita Trivedi )

Partner

Membership No. 401760

Place: UDAIPUR

Date: 21.05.2022

For and on behalf of the Board of Directors

Sd/-

**Daud Ali**

Managing Director

DIN : 00185336

Sd/-

**Rajat Raja Kothari**

Company Secretary

M. No.: A51610

Sd/-

**Narendra Bhanawat**

Whole Time Director & Chief Financial Officer

DIN : 00146824



## STATEMENT OF CHANGES IN EQUITY for the year ended March 31, 2022

Rs. In Lakhs

### (A) EQUITY SHARE CAPITAL

Equity Share Capital	Balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
For the year ended on March 31, 2022	2,350.00	-	2,350.00
For the year ended on March 31, 2021	2,350.00	-	2,350.00

### (B) Other Equity

Other Equity	Securities Premium	General Reserve	Retained Earnings	Money Received Against warrants	Total
Balances at the beginning of reporting period April 1, 2021	4,036.00	25.13	(10.62)	-	4,050.51
Profit for the year	-	-	251.38	-	251.38
Balances at the end of reporting period March 31, 2022	<b>4,036.00</b>	<b>25.13</b>	<b>240.76</b>	-	<b>4,301.89</b>
Balances at the beginning of reporting period April 1, 2020	4,036.00	25.13	(381.14)	-	3,679.99
Profit for the year	-	-	370.52	-	370.52
Balances at the end of reporting period March 31, 2021	<b>4,036.00</b>	<b>25.13</b>	<b>(10.62)</b>	-	<b>4,050.51</b>

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

#### Note - 1 Corporate Information

PIL ITALICA LIFESTYLE LIMITED (The Company) is a public limited company domiciled India and incorporated under the provisions of Companies Act, 1956. The Company is engaged in the manufacturing of Plastic Molded furniture and other articles. The Company was incorporated on March 16, 1992 and has its registered office at Kodyat Road, Sisarma, Udaipur (Rajasthan), The Company shares are listed on National Stock Exchange and Bombay Stock Exchange.

#### Note - 2 Significant Accounting Policies

##### Statement of Compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013. The financial statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013.

#### Note - 3 Basis of Preparation

The financial statements are prepared in accordance with the historical cost convention, except for certain items that are measured at fair values, as explained in the accounting policies.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or

liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and / or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102 – Share-based Payment, leasing transactions that are within the scope of Ind AS 17 – Leases, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 – Inventories or value in use in Ind AS 36 – Impairment of Assets.

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

#### Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

**Property, Plant and Equipment – Tangible Assets**

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any.

Cost is inclusive of inward freight, duties and taxes and incidental expenses related to acquisition. In respect of major projects involving construction, related pre-operational expenses form part of the value of assets capitalised. Expenses capitalised also include applicable borrowing costs for qualifying assets, if any. All up gradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Items of property, plant and equipment are depreciated in a manner that amortizes the cost (or other amount substituted for cost) of the assets after commissioning, less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 on a straight line basis. Land is not depreciated.

The estimated useful lives of property, plant and equipment of the Company are as follows:

Buildings	30 Years
Plant and Equipment	25 Years
Furniture and Fixtures	10 Years
Vehicles	8 Years
Office Equipment	5 Years

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease.

Property, plant and equipment’s residual values and useful lives are reviewed at each Balance Sheet date and changes, if any, are treated as changes in accounting estimate.

**Intangible Assets**

Intangible Assets that the Company controls and from which it expects future economic benefits are capitalised upon acquisition and measured initially:

- a. for assets acquired in a business combination or by way of a government grant, at fair value on the date of acquisition/grant
- b. for separately acquired assets, at cost comprising the purchase price (including import duties and nonrefundable taxes) and directly attributable costs to prepare the asset for its intended use.

Internally generated assets for which the cost is clearly identifiable are capitalised at cost. Research expenditure is recognised as an expense when it is incurred. Development costs are capitalised only after the technical and commercial feasibility of the asset for sale or use has been established. Thereafter, all directly attributable expenditure incurred to prepare the asset for its intended use are recognised as the cost of such assets. Internally generated brands, websites and customer lists are not recognised as intangible assets.

The useful life of an intangible asset is considered finite where the rights to such assets are limited to a specified period of time by contract or law (e.g., patents, licenses, trademarks, franchise and servicing rights) or the likelihood of technical, technological obsolescence (e.g., computer software, design, prototypes) or commercial obsolescence (e.g., lesser known brands are those to which adequate marketing support may not be provided). If, there are no such limitations, the useful life is taken to be indefinite. Intangible assets that have finite lives are amortized over their estimated useful lives by the straight line method unless it is practical to reliably determine the pattern of benefits arising from the asset. An intangible asset with an indefinite useful life is not amortized.

All intangible assets are tested for impairment. Amortization expenses and impairment losses and reversal of impairment losses are taken to the Statement of Profit and Loss. Thus, after initial recognition, an intangible asset is carried at its cost less accumulated amortization and / or impairment losses.

The useful lives of intangible assets are reviewed annually to determine if a reset of such useful life is required for assets with finite lives and to confirm that business circumstances continue to support an indefinite useful life assessment for assets so classified. Based on such review, the useful life may change or the useful life assessment may change from indefinite to finite. The impact of such changes is accounted for as a change in accounting estimate.

**Impairment of Assets**

Impairment loss, if any, is provided to the extent, the carrying amount of assets or cash generating units exceed their recoverable amount.

Recoverable amount is higher of an asset’s net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life.

Impairment losses recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortization or depreciation) had no impairment loss been recognised in previous years.

**Inventories**

- (a) The valuation is on the basis of F I F O method.
- (b) Raw Materials, Stores and Spare Parts, Colors and Pigments

etc. and Stock in transit are valued at cost.

- (c) Finished Goods and Work-in-Process are valued at estimated cost or net realizable value whichever is lower.
- (d) Scrap is valued at net realizable value.

#### Foreign Currency Transactions

The functional and presentation currency of the Company is Indian Rupee.

Transactions in foreign currency are accounted for at the exchange rate prevailing on the transaction date. Gains/ losses arising on settlement as also on translation of monetary items are recognised in the Statement of Profit and Loss.

Exchange differences arising on monetary items that, in substance, form part of the Company's net investment in a foreign operation (having a functional currency other than Indian Rupee) are accumulated in Foreign Currency Translation Reserve.

#### Financial instruments, Financial assets, Financial liabilities and Equity instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities. Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date when the Company commits to purchase or sell the asset.

#### Financial Assets

##### Recognition:

Financial assets include Investments, Trade receivables, Advances, Security Deposits, Cash and cash equivalents. Such assets are initially recognised at transaction price when the Company becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

##### Classification:

Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

Financial assets are classified as those measured at:

- (a) amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and/ or interest.
- (b) fair value through other comprehensive income (FVTOCI),

where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.

- (c) fair value through profit or loss (FVTPL), where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in the Statement of Profit and Loss in the period in which they arise.

Trade receivables, Advances, Security Deposits, Cash and cash equivalents etc. are classified for measurement at amortised cost while investments may fall under any of the aforesaid classes. However, in respect of particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, an irrevocable election at initial recognition may be made to present subsequent changes in fair value through other comprehensive income.

##### Impairment:

The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

##### Reclassification:

When and only when the business model is changed, the Company shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through other comprehensive income, fair value through profit or loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

##### De-recognition:

Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Company has transferred substantially all of the risks and rewards of ownership. Concomitantly, if the asset is one that is measured at:

- (a) amortised cost, the gain or loss is recognised in the Statement of Profit and Loss;
- (b) fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the



asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

#### Income Recognition:

Interest income is recognised in the Statement of Profit and Loss using the effective interest method. Dividend income is recognised in the Statement of Profit and Loss when the right to receive dividend is established.

#### Financial Liabilities

Borrowings, trade payables and other financial liabilities are initially recognised at the value of the respective contractual obligations. They are subsequently measured at amortised cost. Any discount or premium on redemption / settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet.

Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

#### Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

#### Equity Instruments

Equity instruments are recognised at the value of the proceeds, net of direct costs of the capital issue.

#### Revenue

Revenue is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of returns and discounts to customers. Revenue from the sale of goods includes duties which the Company pays as a principal but excludes amounts collected on behalf of third parties, such as goods and service tax.

Revenue from the sale of goods is recognised when significant risks and rewards of ownership/control have been transferred to the customer, which is mainly upon delivery, the amount of revenue can be measured reliably and recovery of the consideration is probable. Revenue from services is recognised in the periods in which the services are rendered.

#### Government Grant

The Company may receive government grants that require compliance with certain conditions related to the Company's operating activities or are provided to the Company by way of financial assistance on the basis of certain qualifying criteria.

Government grants are recognised when there is reasonable assurance that the grant will be received, and the Company will comply with

the conditions attached to the grant. Accordingly, government grants:

- (a) related to or used for assets are included in the Balance Sheet as deferred income and recognised as income over the useful life of the assets.
- (b) related to incurring specific expenditures are taken to the Statement of Profit and Loss on the same basis and in the same periods as the expenditures incurred.
- (c) by way of financial assistance on the basis of certain qualifying criteria are recognised as they become receivable.

In the unlikely event that a grant previously recognised is ultimately not received, it is treated as a change in estimate and the amount cumulatively recognised is expensed in the Statement of Profit and Loss.

#### Employee Benefits

- i) Short-term Employee benefits Liabilities for wages and salaries including nonmonetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are classified as short term employee benefits and are recognized as an expense in the Statement of Profit and Loss as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.
- ii) Post-Employment Benefits Defined Contribution Plans

Payments made to a defined contribution plan such as Provident Fund maintained with Regional Provident Fund Office and Superannuation Fund are charged as an expense in the Statement of Profit and Loss as they fall due.

#### Defined Benefit Plans

##### Gratuity Fund

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. Gratuity is payable to all eligible employees on death or on separation/termination in terms of the provisions of the payment of the Gratuity (Amendment) Act, 1997 or as per the Company's scheme whichever is more beneficial to the employees.

##### Provident Fund

The contributions to the Provident Fund of employees are made to a Government administered Provident Fund and there are no further obligations beyond making such contribution.

- iii) Other Long Term Employee Benefits

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by the employees upto the end of the reporting period using the

projected unit credit method

Re-measurements are recognised in profit or loss in the period in which they arise. Actuarial gains and losses in respect of such benefits are charged to Statement of Profit and Loss in the period in which they arise.

#### Leases

Leases are recognised as a finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

#### Company as a Lessee

Assets used under finance leases are recognised as property, plant and equipment in the Balance Sheet for an amount that corresponds to the lower of fair value and the present value of minimum lease payments determined at the inception of the lease and a liability is recognised for an equivalent amount.

The minimum lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in the Statement of Profit and Loss.

Rentals payable under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the term of the relevant lease unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

#### Company as a Lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Where the Company is a lessor under an operating lease, the asset is capitalised within property, plant and equipment and depreciated over its useful economic life. Payments received under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the term of the lease.

#### Taxes on Income

Taxes on income comprises of current taxes and deferred taxes. Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised for the future tax consequences to the extent it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised.

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 liabilities are offset when there is legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances related to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realize the asset and settle the liability simultaneously.

#### Claims

Claims against the Company not acknowledged as debts are disclosed after a careful evaluation of the facts and legal aspects of the matter involved.

#### Provisions

Provisions are recognised when, as a result of a past event, the Company has a legal or constructive obligation; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. The amount so recognised is a best estimate of the consideration required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. In an event when the time value of money is material, the provision is carried at the present value of the cash flows estimated to settle the obligation.

#### Financial and Management Information Systems

The Company's Accounting System is designed to comply with the relevant provisions of the Companies Act, 2013, to provide financial information appropriate to the businesses and facilitate Internal Control.

#### Use of estimates and judgements

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

#### A. Judgements in applying accounting policies

The judgements, apart from those involving estimations (see note below), that the Company has made in the process of applying its accounting policies and that have a significant effect on the amounts recognised in these financial statements pertain to useful life of intangible assets. The Company is required to determine whether its intangible assets have indefinite or finite life which is a subject matter of judgement. Certain trademarks

have been considered of having an indefinite useful life taking into account that there are no technical, technological or commercial risks of obsolescence or limitations under contract or law. Other trademarks have been amortized over their useful economic life. Refer notes to the financial statements.

**B. Key sources of estimation uncertainty**

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

**1. Useful lives of property, plant and equipment and intangible assets:**

As described in the significant accounting policies, the Company reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period.

**2. Fair value measurements and valuation processes:**

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party valuers, where required, to perform

the valuation. Information about the valuation techniques and inputs used in determining the fair value of various assets, liabilities and share based payments are disclosed in the notes to the financial statements.

**3. Actuarial Valuation:**

The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in other comprehensive income. Such valuation depend upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the financial statements.

**4. Claims, Provisions and Contingent Liabilities:**

In the case of litigations where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty. Information about such litigations is provided in notes to the financial statements.



Note - 4 (PROPERTY, PLANT AND EQUIPMENT)

Rs. In Lakhs

Particulars	Owned Assets							
	Land -Free hold	Building	Plant and Equipment	Moulds	Furniture and fixtures	Vehicles	Office Equipments	Total
<b>Year ended March, 2022</b>								
<b>GROSS CARRYING AMOUNT</b>								
Opening Gross Caring Amount	11.43	685.66	916.17	3,025.89	1.93	9.24	33.27	4,683.59
Additions	-	61.21	190.67	301.89	1.97	45.57	3.25	604.56
Disposals/Adjustment	-	-	(87.97)	-	-	-	-	(87.97)
<b>Closing Gross Carrying Amount</b>	<b>11.43</b>	<b>746.87</b>	<b>1,018.87</b>	<b>3,327.78</b>	<b>3.90</b>	<b>54.81</b>	<b>36.52</b>	<b>5,200.18</b>
<b>ACCUMULATED DEPRECIATION</b>								
Opening Accumulated Depreciation	-	524.41	756.74	2,646.30	0.90	5.86	14.23	3,948.44
Depreciation charged during the year	-	21.71	6.50	18.03	0.23	4.70	4.29	55.46
Disposals/Adjusments	-	-	(87.97)	-	-	-	-	(87.97)
<b>Closing Accumulated Depreciation</b>	<b>-</b>	<b>546.12</b>	<b>675.27</b>	<b>2,664.33</b>	<b>1.13</b>	<b>10.56</b>	<b>18.52</b>	<b>3,915.93</b>
<b>Net Carrying Amount</b>	<b>11.43</b>	<b>200.75</b>	<b>343.60</b>	<b>663.45</b>	<b>2.77</b>	<b>44.25</b>	<b>18.00</b>	<b>1,284.25</b>
<b>Year ended March, 2021</b>								
<b>GROSS CARRYING AMOUNT</b>								
Opening Gross Caring Amount	11.43	685.66	912.36	2,875.09	1.93	9.24	23.33	4,519.04
Additions	-	-	3.81	150.80	-	-	9.94	164.55
Disposals/Adjustment	-	-	-	-	-	-	-	-
<b>Closing Gross Carrying Amount</b>	<b>11.43</b>	<b>685.66</b>	<b>916.17</b>	<b>3,025.89</b>	<b>1.93</b>	<b>9.24</b>	<b>33.27</b>	<b>4,683.59</b>
<b>ACCUMULATED DEPRECIATION</b>								
Opening Accumulated Depreciation	-	502.78	749.16	2,632.75	0.68	4.77	10.74	3,900.88
Depreciation charged during the year	-	21.63	7.58	13.55	0.22	1.09	3.49	47.56
Disposals/Adjusments	-	-	-	-	-	-	-	-
<b>Closing Accumulated Depreciation</b>	<b>-</b>	<b>524.41</b>	<b>756.74</b>	<b>2,646.30</b>	<b>0.90</b>	<b>5.86</b>	<b>14.23</b>	<b>3,948.44</b>
<b>Net Carrying Amount</b>	<b>11.43</b>	<b>161.25</b>	<b>159.43</b>	<b>379.59</b>	<b>1.03</b>	<b>3.38</b>	<b>19.04</b>	<b>735.15</b>

Note 4.1- The Company do not have any capital work in progress.

Note-4.2 - Title deeds of all the immovable properties are in name of company.

Note 4.3- The Company do not have any Benami property and no proceedngs is pending under the Benami Transactions (prohibition) Act,1988

Note 4.4- The assets were not revalued during the year.

Note - 5 (INTANGIBLE ASSETS)

Rs. In Lakhs

Particulars	Owned Assets	
	Software	Total
<b>Year ended March, 2022</b>		
<b>GROSS CARRYING AMOUNT</b>		
Opening Gross Caring Amount	17.36	17.36
Additions	0.94	0.94
Disposals/Adjustment	-	-
<b>Closing Gross Carrying Amount</b>	<b>18.30</b>	<b>18.30</b>
<b>ACCUMULATED DEPRECIATION</b>		
Opening Accumulated Depreciation	14.93	14.93
Depreciation charged during the year	0.99	0.99
Disposals/Adjusments	-	-
<b>Closing Accumulated Depreciation</b>	<b>15.92</b>	<b>15.92</b>
<b>Net Carrying Amount</b>	<b>2.38</b>	<b>2.38</b>

Rs. In Lakhs

Particulars	Owned Assets	
	Software	Total
<b>Year ended March, 2021</b>		
<b>GROSS CARRYING AMOUNT</b>		
Opening Gross Caring Amount	15.96	15.96
Additions	1.40	1.40
Disposals/Adjustment	-	-
<b>Closing Gross Carrying Amount</b>	<b>17.36</b>	<b>17.36</b>
<b>ACCUMULATED DEPRECIATION</b>		
Opening Accumulated Depreciation	14.18	14.18
Depreciation charged during the year	0.75	0.75
Disposals/Adjusments	-	-
<b>Closing Accumulated Depreciation</b>	<b>14.93</b>	<b>14.93</b>
<b>Net Carrying Amount</b>	<b>2.43</b>	<b>2.43</b>

Note 5.1 - No intangible assets is under development hence ageing schedule is not applicable.

**Note 6 - Non Current Assets (Investments)**

Particulars	As at March 31, 2022	As at March 31, 2021
UNQUOTED 1421 (p.y. nil) Compulsorily Convertible Preference Shares each of Rs. 10 in Atmosphere Workspace Solutions Private Limited	248.93	-
<b>Total</b>	<b>248.93</b>	<b>-</b>

**Note 7 - Other Non Current Financial Assets**

Particulars	As at March 31, 2022	As at March 31, 2021
Security deposits	91.13	91.13
<b>Total</b>	<b>91.13</b>	<b>91.13</b>

**Note 8 - Current Assets (Inventories)**

Particulars	As at March 31, 2022	As at March 31, 2021
Lower of cost or net realizable value		
(a) Raw Material	526.81	606.03
(b) Work in progress	40.06	67.56
(c) Finished goods	769.80	940.74
(d) Stock in trade	12.25	5.55
(e) Stores and spares	29.14	36.39
(f) Packing material	75.60	77.30
<b>Total</b>	<b>1,453.66</b>	<b>1,733.57</b>

**Note 9 - Trade Receivables (at amortized cost)**

Particulars	As at March 31, 2022	As at March 31, 2021
Trade Receivables -Considered good secured	-	-
Trade Receivables -Considered good un secured	447.85	477.74
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables -Credit Im- paired	-	-
Trade Receivables -Considered doubtful--unsecured	337.57	337.57
<b>Total</b>	<b>785.42</b>	<b>815.31</b>
less -Allowances for doubtful re- ceivables	337.57	337.57
<b>Total</b>	<b>447.85</b>	<b>477.74</b>

**Trade receivables ageing schedule for the year ended as on March 31, 2022 and March 31, 2021:**

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Trade receivables - considered good -- Unsecured -31.03.2022	428.92	1.34	8.54	9.05	-	447.85
Trade receivables - considered doubtful - Unsecured -31.03.2022	-	-	-	-	337.57	337.57
<b>Total 31.03.2022</b>	<b>428.92</b>	<b>1.34</b>	<b>8.54</b>	<b>9.05</b>	<b>337.57</b>	<b>785.42</b>
Trade receivables - considered good -- Unsecured -31.03.2021	453.82	5.93	10.25	7.74	-	477.74
Trade receivables - considered doubtful -- Unsecured -31.03.2021	-	-	-	-	337.57	337.57
<b>Total 31.03.2021</b>	<b>453.82</b>	<b>5.93</b>	<b>10.25</b>	<b>7.74</b>	<b>337.57</b>	<b>815.31</b>

**Note 10 - Cash and Cash Equivalents**

Particulars	As at March 31, 2022	As at March 31, 2021
Balances with banks in current accounts	5.17	4.22
Cash in hand	1.90	4.75
<b>Total</b>	<b>7.07</b>	<b>8.97</b>

**Note 11 - Bank Balances (Other than cash and cash equivalents)**

Particulars	As at March 31, 2022	As at March 31, 2021
Balances with banks in fixed de- posit (Fixed deposit having maturity more than three month, less than 12 Month)	118.16	113.08
<b>Total</b>	<b>118.16</b>	<b>113.08</b>

**Note 11.1 - Balance includes accrued interest on FDR**

**Note 12 - Loans (at amortized cost)**

Particulars	As at March 31, 2022	As at March 31, 2021
Current Loans and advances to employees -Considered good-Unsecured	5.03	5.26
Loans and advances to employees -Considered doubtful-Unsecured	-	-
Loan to others - Considered good -unsecured	4,485.14	3,825.91
Loan to others - Considered doubt- ful - Unsecured	-	-
Loans which have significant in- crease in Credit Risk	-	-
Loans -Credit impaired	-	-
<b>Total</b>	<b>4,490.17</b>	<b>3,831.17</b>

Note 12.1 - No loan given to Promoters, Directors, Key Managerial personnel and related parties, hence loan given to promoters as % of loan is zero.

Note 13 - Other Assets

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured, Considered Goods		
Prepaid Expenses	5.04	5.77
others	213.32	262.57
Balances with government authorities	14.99	79.96
<b>Total</b>	<b>233.35</b>	<b>348.30</b>

Note 14 - Equity Share Capital

Rs. In Lakhs

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. Of Shares	Amount	No. Of Shares	Amount
Authorised Equity Shares of Rs 1 each	25,00,00,000	2,500.00	25,00,00,000	2,500.00
<b>Total</b>	<b>25,00,00,000</b>	<b>2,500.00</b>	<b>25,00,00,000</b>	<b>2,500.00</b>
Issued, subscribed and fully paid up Equity Shares of Rs 1 each	23,50,00,000	2,350.00	23,50,00,000	2,350.00
<b>Total</b>	<b>23,50,00,000</b>	<b>2,350.00</b>	<b>23,50,00,000</b>	<b>2,350.00</b>

Note 14.1 - Reconciliation of No. of Shares

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. Of Shares	Amount	No. Of Shares	Amount
Shares outstanding at the beginning of the year	23,50,00,000	2,350.00	23,50,00,000	2,350.00
Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	23,50,00,000	2,350.00	23,50,00,000	2,350.00

Note 14.2 - Names of Share Holders holding more than 5%

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Equity Shares	%	No. of Equity Shares	%
DA Trade Tech Private limited (formerly known as Dawood Investment Pvt ltd)	11,74,00,000	49.96	15,50,57,200	65.98

Note 14.3 Shares held by promoter at the end of the year

Promoter Name	No. Of Sharers	% of total shares	% changes during the year
Daud Ali	3,16,200	0.13	
DA Trade Tech Private limited (formerly known as Dawood Investment Pvt ltd)	11,74,00,000	49.96	(16.02)

Note 14.4 - No Bonus Shares allotted during the period of five years immediately preceding the year.

Note 14.5 - Other Disclosures - The Company has one class of equity shares havin a par value @ Re 1 per share held. Each equity share holder is entitled to dividends as and when declared by the company. In the event of liquidation, the equity share holders are eligible to receive the remaining assets of the company after distribution of all preferential amount in proportion to their share holding.

The Company has not allotted any shares pursuant to contract without payment being received in cash.

There are no call unpaid on equity shares

No shares have been reserved for issue on option.

No equity shares have been forfeitted,

Note 15 - Other Equity

Particulars	As at March 31, 2022	As at March 31, 2021
<b>1. SECURITIES PREMIUM</b>		
As per the last year accounts	4,036.00	4,036.00
Add: Addition during the year	-	-
	<b>4,036.00</b>	<b>4,036.00</b>
<b>2. GENERAL RESERVE</b>		
As per the last year accounts	25.13	25.13
<b>3. RETAINED EARNINGS</b>		
As per the last year accounts	(10.62)	(381.14)
Add: Surplus for the year	251.38	370.52
	<b>240.76</b>	<b>(10.62)</b>
<b>TOTAL</b>	<b>4,301.89</b>	<b>4,050.51</b>

1) Share Premium :

The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve. The reserve is utilised in accordance with the provisions of the Act.

2) General Reserve

This includes the amount received from the Government under an incentive scheme for capital expansion and on the expiry of requisite period, the amount was transferred to it.

3) Retained Earnings:

This Reserve represents the cumulative profits of the Company and effects of re-measurement of defined benefit obligations. This Reserve can be utilized in accordance with the provisions of the Companies Act, 2013.



**Note 16 - Borrowings (Non Current)**

Particulars	As at March 31, 2022	As at March 31, 2021
Secured		
Uco Bank		
Guaranteed Emergency credit	9.30	16.69
Covid emergency credit	60.33	-
Car loan	27.52	-
<b>Total</b>	<b>97.15</b>	<b>16.69</b>

Note - See 17 (a)

**Note 17 - Borrowings (Current)**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Secured</b>		
Repayable on Demand		
From Banks		
<b>Uco Bank</b>		
Cash Credit Facilities	842.52	278.80
<b>ICICI BANK</b>		
Overdraft	93.76	96.00
Unsecured - Other than related parties	367.00	197.81
<b>Total</b>	<b>1,303.28</b>	<b>572.61</b>

(a) Borrowings from UCO Bank is secured against equitable mortgage of land and building of the Company situated at Kodyat Raod, Sisarma, Udaipur-313001 and by way of first charge on all current assets such as raw material, finished goods, work -in progress, stores and spares, book debts, and packing materials etc. It is also secured by way of personal guarantees of Mr.Daud Ali, Managing Director of the Company. The car loan from uco bank is secured against hypothecation of Car.Rate of interest as on 31.03.2022 is 9.45 % per annum. Overdraft from ICICI Bank is secured against Fixed Deposit receipt of the Company and rate of interest on overdraft as on 31.03.2022 is 5.9 %.

(b) There is no continuing default in the payment of interest.

**Note 18 - Current Liabilities (Trade Payables)**

Particulars	As at March 31, 2022	As at March 31, 2021
Total Outstanding of creditors micro and small enterprises	-	-
Total Outstanding of creditors other than micro and small enterprises	182.40	341.64
<b>Total</b>	<b>182.40</b>	<b>341.64</b>

Disputed Dues ( MSME and Others) NIL

**Trade payables ageing schedule for the year ended as on March 31, 2022 and March 31, 2021:**

Particulars	Less than one year	1 year to 2 year	2 year to 3 year	more than 3 year	Total
Outstanding dues to MSME -31.03.2022	-	-	-	-	-
Outstanding dues to MSME -31.03.2021	-	-	-	-	-
Others- 31.03.2022	182.40	-	-	-	<b>182.40</b>
Others - 31.03.2021	334.14	0.21	7.29	-	<b>341.64</b>

**Note 19 - Current Liabilities (Other Current Liabilities)**

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Statutory remittances	43.23	7.04
(b) Current maturities of long term borrowings	11.86	24.13
(c) Other payables	125.83	105.46
<b>Total</b>	<b>180.92</b>	<b>136.63</b>

**Note 20 - Current Liabilities (Provisions)**

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for employee benefit	-	-
Provision for leave encashment	17.85	14.54
<b>Total</b>	<b>17.85</b>	<b>14.54</b>

**Note 21 - Revenue from Operations**

Rs. In Lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(a) Sale of products	6,399.73	5,209.23
(b) Interest	356.98	262.98
<b>Revenue from operations</b>	<b>6,756.71</b>	<b>5,472.21</b>

**Note 22 - Other Income**

Rs. In Lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(a) Subsidy	-	12.61
(b) Profit on sale of assets	19.08	-
<b>Total</b>	<b>19.08</b>	<b>12.61</b>

**Note 23 - Cost of Material Consumed**

Rs. In Lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening Stock	542.92	286.97
Add - Purchases	3,959.91	3,649.31
Less - Closing Stock	526.81	542.92
<b>Total</b>	<b>3,976.02</b>	<b>3,393.36</b>

**Note 24 - Purchase of Traded Goods**

Rs. In Lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Purchases	125.53	65.23
<b>Total</b>	<b>125.53</b>	<b>65.23</b>

**Note 25 - Changes in inventories of finished goods, work-in-progress**

Rs. In Lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Inventories at the end of the year:		
Finished goods	769.80	940.73
Stock in trade	12.25	5.55
Work-in-progress	40.06	67.56
	<b>822.11</b>	<b>1,013.84</b>
Inventories at the beginning of the year:		
Finished goods	940.73	580.57
Stock in trade	5.55	66.52
Work-in-progress	67.56	43.97
	1,013.84	691.06
<b>Net (increase) / decrease</b>	<b>191.73</b>	<b>(322.78)</b>

**Note 26 - Employee Benefits Expenses**

Rs. In Lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries and wages	616.49	496.45
Contributions to provident and other funds	45.47	34.61
Staff welfare expenses	23.94	10.84
<b>Total</b>	<b>685.90</b>	<b>541.90</b>

Refer note 32

**Note 27 - Finance Costs**

Rs. In Lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest expense on:		
Borrowings	80.88	39.07
<b>Total</b>	<b>80.88</b>	<b>39.07</b>

**Note 28 Depreciation and amortization expenses**

Rs. In Lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation Expenses	55.46	47.56
Amortization Expenses	0.99	0.74
<b>Total</b>	<b>56.45</b>	<b>48.30</b>

**Note 29 - Other Expenses**

Rs. In Lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Consumption of stores and spare parts	45.54	30.31
Consumption of packing materials	175.21	143.67
Power and fuel	263.95	263.96
Lease rent	163.12	208.44
Other Manufacturing Expenses	55.74	103.42
Other Miscellaneous expenses	44.23	43.07
Advertisement and Publicity Expenses	32.98	24.67
Rent	162.57	104.04
Travelling and conveyance	90.99	74.39
Freight and forwarding	127.84	97.06
Sales Expenses	35.51	23.63
Business Promotion Expenses	10.85	19.24
Discount and incentive	62.07	47.29
Commission on sales	25.22	18.64
Legal and professional	27.53	22.77
<b>Total</b>	<b>1,323.35</b>	<b>1,224.60</b>

**Note 30 - Earning per share**

Particulars	2021-2022	2020-2021
1) Profit after tax attributable to owners of the company	251.38	370.52
2) Earning used in the calculation of basic earnings for the year	251.38	370.52
3) Weighted average number of equity shares used as denominator for calculating Basic EPS	23,50,00,000	23,50,00,000
4) Weighted average number of equity shares and convertible warrants used as denominator for calculating diluted EPS	23,50,00,000	23,50,00,000
5) Basic earnings per share	0.11	0.16
6) Diluted earning per share	0.11	0.16
7) Face value per equity Share (Rs)	1.00	1.00

**Note 31 - Contingent Liabilities**

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Guarantee issued by the banks in respect of import of Capital Goods under EPCG	49.75	49.75
(b) Penalty imposed by the Enforcement Directorate -Net of deposit under protest	122.00	122.00

**Note 32 - Retirement and other Employee Benefits**

(a) Family pension scheme

The contribution are based on fixed percentage of the employees salary, subject to a ceiling as prescribed in the scheme.

**Defined Benefit plans**

(a) **Providend Fund**

The contribution are based on fixed percentage of the employees salary.

**Contribution to defined contribution plan, recognised as expenses for the year is as under**

Rs. In Lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Employers Contribution to providend fund	14.84	12.59
Empolyers contribution to pension fund	18.39	15.85
Empolyers contribution to EDLI	1.10	0.74
Empolyers contribution to Nationl pension scheme	6.02	-
Empolyers contribution to ESI	5.12	5.43
<b>Total</b>	<b>45.47</b>	<b>34.61</b>

(b) **Gratuity Plan**

The Gratuity plan is governed by Payment of gratuity act, 1972. Under the Act an employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the members length of service and salary at retirement age. The Companys defined benefit plans are funded with LIC. The Company does not have any liberty to manage the funds provided by LIC.

**Note 33 - Segmental Reporting**

The Company has identified four reportable segment i.e Manufacturing, trading, services and finance taking in to account nature of product. The accounting policies adopted for segment reporting are in line with accounting policy of the company

**Segment-wise Revenue, Results and Capital Employed**

Rs. In Lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Segment Revenue</b>		
1 Manufacturing	6,399.73	5,209.23
2 Finance	356.98	262.98
<b>Gross value of sales and services</b>	<b>6,756.71</b>	<b>5,472.21</b>
Less -Inter Segment transfers	-	-
<b>Revenue From Operation</b>	<b>6,756.71</b>	<b>5,472.21</b>
Other Income	19.08	12.61
<b>Total Revenue</b>	<b>6,775.79</b>	<b>5,484.82</b>
<b>Segment results</b>		

1	Manufacturing	158.78	333.69
2	Finance	238.94	187.91
	<b>Total Segment Results</b>	<b>397.72</b>	<b>521.60</b>
	Other Income	19.08	12.61
	Profit before Interest and tax	<b>416.80</b>	<b>534.21</b>
	Less -Interest	80.88	39.07
	Profit before tax	<b>335.92</b>	<b>495.14</b>
	Provision for tax		
	Income Tax	-	-
	Deferred Tax	84.54	124.62
	<b>Profit after tax</b>	<b>251.38</b>	<b>370.52</b>
	<b>Segment Assets</b>		
1	Manufacturing	3,948.35	3,656.71
2	Finance	4,485.14	3,825.91
	<b>Total</b>	<b>8,433.49</b>	<b>7,482.62</b>
	<b>Segment Liabilities</b>		
1	Manufacturing	1,781.60	1,082.09
2	Trading	-	-
3	Services	-	-
4	Finance	-	-
	<b>Total</b>	<b>1,781.60</b>	<b>1,082.09</b>
	<b>Capital Employed</b>	<b>6,651.89</b>	<b>6,400.53</b>
	<b>Capital Expenditure</b>		
	Manufacturing	605.50	165.94
	<b>Depreciation and amortization</b>		
	Manufacturing	56.45	48.30

**Note 34 - Current Tax, Deferred Tax and Deferred Tax Assets**

The major components for the year ended March 31, 2022 are as under

**TAX RECONCILIATIONS**

Rs. in lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Tax expenses recognised in the Statement of Profit and Loss		
Current Tax :		
Current tax on profits for the year	-	-
Deferred tax (Net)	84.55	124.62
<b>Total income tax (Deferred Tax) expenses</b>	<b>84.55</b>	<b>124.62</b>

**Deferred Tax (Liabilities)**

Rs. in lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Property Plant and Equipment and others	-	-
<b>Total deferred tax liabilities</b>	<b>-</b>	<b>-</b>

Deferred Tax (Assets)

Rs. in lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Property, plant and equipment and others	56.54	141.08
<b>Total deferred tax Assets</b>	<b>56.54</b>	<b>141.08</b>

<b>Net Deferred tax (Liabilities)/ Assets</b>	<b>56.54</b>	<b>141.08</b>
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Movement in Deferred tax Assets

Particulars	Property, plant and equipment	Other deferred tax liability	MAT	Other Deferred Tax Assets	Deferred Tax Liabilities/ Asset (Net)
As at 31st March, 2020	262.69	-	-	3.01	265.70
(Charged)/Credited to profit and Loss account	(125.26)	-	-	0.65	(124.61)
As at 31st March, 2021	137.43	-	-	3.66	141.09
(Charged)/Credited to profit and Loss account	(85.39)	-	-	0.84	(84.55)
As at 31st March, 2022	52.04	-	-	4.50	56.54

The company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgment is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

The Company has opted taxation under section 115 BAA of income tax act, as per provisions of this section minimum alternate tax is not payable.

Note 35 - Financial Instruments

Financial Instruments and Related Disclosures :

1. Capital Management

The Company's financial strategy aims to support its strategic priorities and provide adequate capital to its businesses for growth and creation of sustainable stakeholder value. The Company funds its operations through internal accruals. The Company aims at maintaining a strong capital base largely towards supporting the future growth of its businesses as a going concern.

2. Categories of Financial Instruments

Particulars	Note	As at March 31, 2022		As at March 31, 2021	
		Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets (Measured at amortised cost)					
(i) Cash and cash equivalent	10	7.07	7.07	8.97	8.97
(ii) Trade receivables	9	447.85	447.85	477.74	477.74
Total Financial assets		454.92	454.92	486.71	486.71
Financial Liabilities (Measured at amortised cost)					
(i) Trade Payables	18	182.40	182.40	341.64	341.64
<b>Total financial liabilities</b>		<b>182.40</b>	<b>182.40</b>	<b>341.64</b>	<b>341.64</b>

3. FINANCIAL RISK MANAGEMENT

The activities of the Company exposes it to a number of financial risks namely market risk, credit risk and liquidity risk. The Company seeks to minimize the potential impact of unpredictability of the financial markets on its financial performance. The Company does regularly monitor, analyze and manage the risks faced by the Company and to set and monitor appropriate risk limits and controls for mitigation of the risks.

A. MANAGEMENT OF MARKET RISK:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risks: interest rate risk, price risk and currency rate risk. Financial instruments affected by market risk includes borrowings and investments. The Company has international trade operations and is exposed to a variety of market risks, including currency and interest rate risks.

(i) Management of interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has not borrowed funds.

(ii) Management of price risk:

The Company has no surplus for investment in debt mutual funds, deposits etc. The Company does make deposit with the banks to provide security against Overdrafts given by the banks. Deposit is made in fixed rate instrument. In view of this it is not susceptible to market price risk, arising from changes in interest rates or market yields which may impact the return and value of the investments.

B. MANAGEMENT OF CREDIT RISK:

Credit risk refers to the risk of default on its obligations by a counterparty to the Company resulting in a financial loss to the Company. The Company is exposed to credit risk from its



operating activities (trade receivables) and foreign exchange transactions and financial instruments.

Credit risk from trade receivables is managed through the Company’s policies, procedures and controls relating to customer credit risk management by establishing credit limits, credit approvals and monitoring creditworthiness of the customers to which the Company extends credit in the normal course of business. Outstanding customer receivables are regularly monitored. The Company has no concentration of credit risk as the customer base is widely distributed.

The Company’s historical experience of collecting receivables and the level of default indicate that credit risk is low and generally uniform across markets; consequently, trade receivables are considered to be a single class of financial assets. All overdue customer balances are evaluated taking into account the age of the dues, specific credit circumstances, the track record of the counterparty etc. Loss allowances and impairment is recognised, where considered appropriate by responsible management.

**C. MANAGEMENT OF LIQUIDITY RISK:**

Liquidity risk is the risk that the Company may not be able to meet its present and future cash obligations without incurring unacceptable losses. The Company’s objective is to maintain at all times, optimum levels of liquidity to meet its obligations. The Company closely monitors its liquidity position and has a cash management system. The Company maintains adequate sources of financing including debt and overdraft from domestic and international banks and financial markets at optimized cost.

The Company’s Current assets aggregate to Rs.6750.26 lakhs (2021 – Rs.6512.43 lakhs;) including Cash and cash equivalents and Other bank balances of Rs.7.07 lakhs (2021 – Rs.8.97 lakhs) against an aggregate Current liability of Rs. 1684.45 lakhs( 2021 – Rs. 1065.42 Lakhs); Non-current liabilities due between one year to three years amounting to Rs. 97.15 lakhs( 2021 – Rs. 16.69) and Non-current liability due after three years amounting to Rs. NIL (2021 – NIL;) on the reporting date. Further, while the Company’s total equity stand 6651.89 lakhs( 2021 – Rs. 6400.51 Lakhs), it has non-current borrowings of Rs. 97.15 lakhs ( 2021 – 16.69 lakhs ). In such circumstances, liquidity risk or the risk that the Company may not be able to settle or meet its obligations as they become due does not exist.

**D. Fair value measurement**

**Fair value hierarchy**

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities.

Level 2: Inputs other than quoted price included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

The fair value of financial instruments that are not traded in

an active market is determined using market approach and valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparty.

The fair value of trade receivables, trade payables and other Current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature. Where such items are Non-current in nature, the same has been classified as Level 3 and fair value determined using discounted cash flow basis. Similarly, unquoted equity instruments where most recent information to measure fair value is insufficient, or if there is a wide range of possible fair value measurements, cost has been considered as the best estimate of fair value.

There has been no change in the valuation methodology for Level 3 inputs during the year. The Company has not classified any material financial instruments under Level 3 of the fair value hierarchy. There were no transfers between Level 1 and Level 2 during the year.

The following table presents the fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

Particulars	Fair value hierarchy	As at March 31, 2022		As at March 31, 2021	
		Fair Value		Fair Value	
<u>Financial assets</u>					
<u>(Measured at amortised cost)</u>					
(i) Cash and cash equivalent	L2	7.07	7.07	8.97	8.97
(ii) Trade receivables	L2	447.85	447.85	477.74	477.74
<b>Total Financial Assets</b>		<b>454.92</b>	<b>454.92</b>	<b>486.71</b>	<b>486.1</b>
<u>Financial Liabilities</u>					
<u>(Measured at amortised cost)</u>					
(i) Trade payables	L2	182.40	182.40	341.64	341.64
<b>Total Financial Liabilities</b>		<b>182.40</b>	<b>82.40</b>	<b>341.64</b>	<b>341.64</b>

**Note-36**

The Company has not been declared wilful defaulter by any bank and institution.

**Note-37**

No charges are pending to be created with Registrar of companies and no satisfaction of charges is pending.

**Note 38- Ratios**

The following are analytical ratios for the year ended March 31, 2022 and March 31, 2021

Particulars	Numerator	Denominator	31st March 2022	31st March 2021	Variance	Remark
Current Ratio	Current assets	Current liabilities	4.00	6.11	-34.53%	In view of increase in borrowing
Debt - Equity Ratio	Total Debt	Shareholder's Equity	0.26	0.17	52.94%	In view of increase in debt
Debt Service Coverage Ratio	EBITDA	Interest plus principal	5.36	14.90	-64.03%	Heavy fluctuation and higher raw material prices resulted in to less profit
Return on Equity (ROE)	Net Profits after taxes	Average Shareholder's Equity	3.85%	5.96%	-35.40%	Heavy fluctuation and higher raw material prices resulted in to less profit
Inventory turnover ratio	Sale of products	Average Inventory	4.01	3.65	9.86%	-
Trade receivables turnover ratio	Revenue	Average Trade Receivable	14.64	10.22	43.25%	In view of increase in revenue
Trade payables turnover ratio	Purchases of services and other expenses	Average Trade Payables	17.05	10.29	65.69%	in view of reduction in trade payables
Net capital turnover ratio	Revenue	Working Capital	1.33	1.00	33.00%	In view of increase in debt
Net profit ratio	Net Profit	Revenue	3.70%	6.75%	-45.19%	Heavy fluctuation and higher raw material prices resulted in to less profit
Return on capital employed (ROCE)	Earning before interest and taxes	Capital Employed(4)	6.17%	8.31%	-25.75%	Heavy fluctuation and higher raw material prices resulted in to less profit
Return on Investment(ROI) Unquoted	Income generated from investments	Time weighted average investments				No income generated from investment.

**Note-39**

The company has utilized funds for the purpose for which they were borrowed.

**Note-40**

The company has not received funds from any person or entities including foreign entities to further lend or invest or provide any guarantee, security to third party.

**Note-41**

The Company has not made any scheme of arrangement during the year.

**Note-42**

The books of accounts are tallied with stock statement submitted by the company with bank.

**Note -43**

There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961 ( 43 of 1961).

**Note -44**

There were no transactions relating to struck off companies.

**Note 45 - RELATED PARTY DISCLOSURE**

Disclosures in respect of related parties pursuant to IND AS 24

**Party is given below:**

- (i) Holding Company
  - (a) DA Tradetech Private Limited ( Formerly known as Dawood Investment Private Limited)
  - (ceased to be holding company w e f 23.09.2021)

During the year following transactions were carried out with the related parties in the ordinary course of business at arm length price.

Rs. in lakhs

Name of related party	Nature of relation	2021-2022	2020-2021	Nature of transaction
Mr. Daud Ali	key managerial personnel	46.84	34.72	Remuneration
Mr. Daud Ali	key managerial personnel	-	110.00	Loan taken
Mr. Narendra Bhanawat	key managerial personnel	5.39	4.96	Remuneration
Eduvisor Services Private Limited	Managing Director has control	1,134.90	-	Amount recd. towards loan paid
Genext Students Private Limited	Managing Director son has control	0.45	0.85	Rent Paid

**Closing Balances**

Eduvisor Services Private Limited (Loan)	NIL
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No amount in respect of the related parties have been written off/ back are provided for during the year. Related party relationship has been identified by the Management and relied upon by the auditors.

**Note 46**

There are no Micro, Small and Medium Enterprises, to whom the Company owes dues (principal and/or interest), which are outstanding for more than 45 days as at the balance sheet date. During the year, there have been no payments made to Micro, Small and Medium Enterprises beyond 45 days. There were no amounts on account of interest due that were payable for the period where the principal has been paid but interest under the MSMED Act, 2006 not paid. Further, there were no amounts towards interest accrued that were remaining unpaid at the end of accounting year. Accordingly, there were no amounts due to further interest due and payable in the succeeding years. The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

Information relating to the Micro, Small and Medium Enterprises	As at 31.03.2022	As at 31.03.2021
(a) The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year; (i) Principal amount (ii) Interest	-	-
(b) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-

(e) 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 enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
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**Note 47**

Balances of banks, sundry debtors and trade payables, current liabilities etc. as on March 31, 2022 are subject to confirmation and reconciliation.

**Note 48**

In the opinion of the Management, there is no impairment of assets in accordance with the Ind AS -36 as on the Balance Sheet date.

**Note 49**

There are no amounts due to be credited to Investor Education and Protection Fund in accordance with Section 125 of the Companies Act, 2013 as at the year end.

**Note 50**

There are no significant subsequent events that would require adjustments or disclosures in the financial statements as on the balance sheet date.

**Note 51**

The financial statements were authorised for issue by the Board of Directors on 21.05.2022

**Note 52**

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

**Note 53**

Previous year's figures have been reclassified/regrouped wherever necessary to conform with the current year's Financial Statements.

<b>For M/s AKM &amp; Associates</b> Chartered Accountants Firm Reg. No.011616C	For and on behalf of the Board of Directors Sd/- <b>Daud Ali</b> Managing Director DIN : 00185336	Sd/- <b>Narendra Bhanawat</b> Whole Time Director & Chief Financial Officer DIN : 00146824
Sd/- <b>(Akshita Trivedi )</b> Partner Membership No. 401760 Place: UDAIPUR Date: 21.05.2022	Sd/- <b>Rajat Raja Kothari</b> Company Secretary M. No.: A51610	



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