

July 27, 2022

1.	National Stock Exchange of India Limited Exchange Plaza Plot No. C/1, G Block Bandra - Kurla Complex Bandra (E), Mumbai - 400 051 Scrip Code: EVERESTIND	2.	BSE Limited Phiroze Jeejeebhoy Towers Dalal Street, Mumbai - 400 001. Scrip Code: 508906
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Dear Sir/ Madam,

Sub. : Annual Report for the Financial Year 2021-22

We wish to inform you that the 89th Annual General Meeting of the Company will be held on Thursday, August 25, 2022 at 3.00 pm (IST) through Video Conferencing.

Pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Annual Report of the Company for the Financial Year 2021-22, which is being sent to the members of the Company through electronic mode.

This is for your information and records.

Thanking you

Yours faithfully,
For Everest Industries Limited



Neeraj Kohli
Company Secretary & Head Legal

Improving people's lives by reimagining spaces



everest

ANNUAL REPORT
2021-22

A sneak peek into spaces
reimagined by us.



Everest - New Head Office

Mumbai

“ When we studied products by Everest, we realised that they are very simple, straight lined and mostly grey in colour. As we understood their products better, they became the central theme of our design. We designed an office which is subtle, having a simple, clean, Scandinavian look while accentuating the beauty of Everest products.”

Ar. Ankura Patel

Director & Co-Founder of ANA Designs

[Click here for a virtual tour.](#)





W Hotel,
Goa

“ The Kuala Lumpur based firm Design Wilkes had an aim to create Hotel W, Goa’s melange of the rustic and the dramatic, which made it the perfect project to use Artewood that combines high-end aesthetics with environment-friendly advantages, to create a splendid experience of beauty and functionality. ”



Wilderness Resort,
Kaziranga

“ Weather resistant and high on durability, Everest Heavy Duty Boards were ideal for the wet tropical rain forest of Kaziranga in Assam. ”



**St. Mount
Carmel Church,**
Thiruvananthapuram

“ Everest’s high-performance, asbestos-free, Hi-Tech roofing sheets were the first choice for the St. Mount Carmel Church in Thiruvananthapuram. The beautiful terracotta red colour roof retains the cultural flavour of the region and stands out against the lush green surroundings. ”



**RVN Paper
Boards Pvt Ltd.,**
Vapi

“ Supercolour sheets have added advantages over conventional fibre cement roofing sheets, such as resistance against algae, fungus, and a unique characteristic of water repellence, thus making it an obvious choice for the project. ”



Britannia Industries,
Tirunelveli

“ Everest provided a tailor made solution focused on process requirements of the customer. Moreover, we overcame the challenge of the location being far from our manufacturing unit. ”



Pragati One,
Rewari

“ Pragati was a complex and challenging project which successfully came together as a result of the strenuous efforts made by the team. We completed the entire project in a record time of 150 days. ”

Forward Looking Statement

In this annual report, we have disclosed forward-looking information to enable investors to comprehend our prospects and make informed investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expect', 'project', 'intend', 'plan', 'believe', 'make', 'contain' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties, and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated, or projected. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events, or otherwise.

Corporate Information

Board of Directors

Anant Talaulicar - Non Executive Chairman
Padmini Sekhsaria - Vice Chairperson
Alok Nanda - Director
Rajesh Joshi - Managing Director & CEO
B. L. Taparia - Director
Bhavna Doshi - Director
M. L. Gupta - Director
Rajendra Chitale - Director

Company Secretary

Neeraj Kohli

Auditors

M/s SRBC & Co LLP

Bankers

Axis Bank
HDFC Bank
ICICI Bank
Kotak Mahindra Bank
State Bank of India
Yes Bank

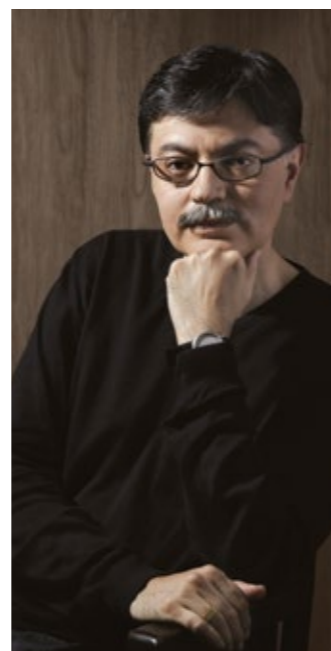
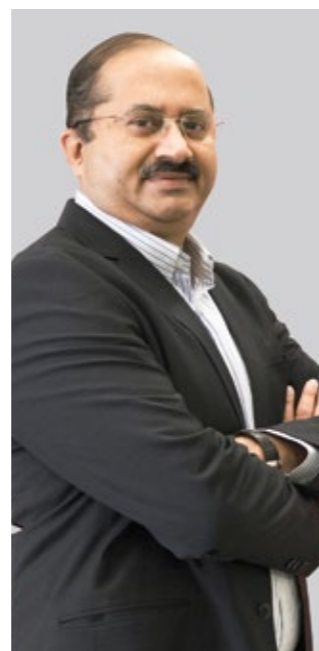
Registered Office

Gat 152, Lakhmapur, Taluka Dindori,
Nashik - 422 202

Registrar and Share Transfer Agents

MCS Share Transfer Agent Limited
F-65, Okhla Industrial Area,
Phase - I, New Delhi - 110 020

Board of Directors



Anant Talaulicar
Non Executive Chairman

B.E. (Mech.), Master's degree in Engineering (University of Michigan) and MBA (Tulane University). He has 34 years of rich experience (16 years in the U.S.A) in the fields of Manufacturing, Project Management and Finance.

Padmini Sekhsaria
Vice Chairperson

Diploma in Economics (London School of Economics) and M.Sc. in Financial Economics, (University of London). She has experience in multiple sectors including technology, human capital, financial intermediation, retail, and general management.

Rajesh Joshi
Managing Director & CEO

B.E. (Electronics & Communication), MBA. He has over 25 years of experience which ranges from consumer products, telecom, and retail, holding executive positions at Asian Paints, Future Group, Bharti Airtel, and Pidilite.

Alok Nanda
Director

Founder and CEO of Alok Nanda & Company Communications Pvt. Ltd. a creative brand consultancy. He has advised some of India's leading brands and companies from various sectors such as service, real estate, e-commerce, construction, hospitality and so on. Brands include Lodha – India's largest real estate developer, Marico, Unilever, Ambuja Cements, Taj Hotels etc.

B. L. Taparia
Director

B.Com., L.L.B., F.C.S. He has more than 40 years of experience in legal, secretarial, finance and accounts, taxation, procurement, internal audit, HR, health and safety, sustainability areas, and corporate governance.

Bhavna Doshi
Director

Fellow member of Institute of Chartered Accountants of India. An expert in taxation, restructuring, business valuation, she has contributed immensely to several Indian companies and multi national companies over the last 3 decades.

M. L. Gupta
Director

B.Tech. (Hons.) from IIT Kharagpur. He has 45 years of experience in the Cement and Building Products industry in production and commercial decision making. He was the Managing Director of Everest from 2002 to 2010.

Rajendra Chitale
Director

Chartered Accountant & LLB, Managing Partner of M/s Chitale & Associates, a leading boutique international structuring, tax, and legal advisory firm, and MP Chitale & Co., a reputed accounting firm. He has been part of several prestigious committees like Government of India, the Takeover Panel of the SEBI and so on.

Management Team

Ashish Choudhary

Head, Operations and Supply Chain Management

Mechanical Engineer, Bachelor in Business Administration and MBA from Kelley School of Business (Indiana University, USA). He has over 31 years of experience in the field of Manufacturing and Supply Chain Management. He has worked for notable companies like Kirloskar Brothers Ltd. and Cummins India. He is 6 sigma green belt certified and 6 sigma certified sponsor.

Dr. Trissa Joseph

Vice President, Research & Development

Doctorate in Chemistry (National Chemical Laboratory, Pune), Business Leadership Program at Mays Business School College, Texas, USA. She has primarily worked in the field of cement chemistry, cement design and cement technologies. She also has 21 papers and 9 patents in her name. With a career spanning over 20 years, she has worked with notable companies like Lupin Laboratories Ltd, National Chemical Laboratory etc.

Puneet Sharma

Business Head, Roofing

Commerce Graduate (University of Rajasthan, Jaipur), MBA from IIPM. He joins us from Asian Paints where he spent the last 16 years of his professional career. He has handled sales responsibilities in various parts of India and has also done a couple of stints in Marketing. In his last assignment as AGM Sales – he was responsible for the sales of Asian Paints in West India.

Rahul Chopra

Business Head, Boards & Panels

B.A.(Economics) from St. Xaviers College. He has been with Everest since 1987. He is today an expert in marketing and sales, business operations, market activation, brand building, and handling a large team.

Neeraj Kohli

Company Secretary & Head Legal

B.com (Hons) from Shri Ram College of Commerce, Delhi University, Fellow Member of the Institute of Company Secretaries of India, Associate Member of The Institute of Cost Accountants of India, and LL.B. from Delhi University. He has a rich experience of over 30 years in Secretarial and Legal matters.

Niranjan Gokhale

Head Strategy

B.E. (College of Engineering, Pune), Master’s degree in Engineering (Lehigh University, USA); MBA (McMaster University, Canada); CPIM from APICS (USA). He has about 28 years of experience in USA, Canada, India and South Africa with Global Automotive, Consulting, Chemical & Fertilizers and industrial goods companies including Coopers & Lybrand, Ford Motor Company, Foskor Pty and the Tata Group.

Sricharan Vulchi

Business Head, Steel Buildings

Mechanical Engineer with distinction from Osmania University, Hyderabad and postgraduate in management with specialization in Marketing from LBSIM, New Delhi. He has over 21 years of rich experience in Pre-Engineered Buildings & Steel Structures. In his professional career he has worked in India and abroad with notable companies like Kirby Building Systems India Ltd, Aster Building Solutions Ltd etc.

Sulaksha Shetty

Chief Human Resources Officer

M.A. and Masters in Labour studies from University of Mumbai. She has more than two decades of experience. She has worked in organizations such as Godrej and Boyce, Saint Gobain, Holcim (ACC Ltd.) and Abbott Healthcare. She is also the Founder-Director of Lead Earth Foundation, an NGO established to work on Sustainable Development and to support Inclusive Growth. Founder director of social enterprise, Life Is Beautiful Business Services Pvt Ltd.

Pramod Nair

Chief Financial Officer

B.com and Chartered Accountant. He has over 14 years of rich experience in managing finance primarily in FMCG companies and has worked with Hindustan Unilever Limited and True North Managers, an Indian private equity firm. He is an expert in performance management, accounting, Finance controllership and Business Process Transformation.

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Rethinking spaces to enhance lives

An illustrious journey of 88 years is marked by significant milestones, each a testament to how we withstood every challenge and reinvented ourselves, to offer lifestyle experiences that are in essence, aspirational & modern. Inspired by our rich legacy and driven by the need to create solutions that are more reliable, efficient, and sustainable, we embarked on a transformational journey of improving people's lives by reimagining spaces. Aligned with this, we stay focused on rethinking our industry and innovating cutting-edge solutions gratifying the need for the uniqueness that adds value to our stakeholders, enhances user experience, fosters sustainable development, and has a positive impact on people and the planet.



Chairman's Message



Anant Talaulicar
Non Executive Chairman

Dear Shareholders,

I am delighted to share the Annual Report of your Company for the financial year 2021-22.

It gives me great pleasure to inform you that Everest successfully navigated significant global demand and supply side shocks to deliver profitable growth without any debt. This was made possible by the relentless dedication and commitment of every member of the Everest family. As we delivered a strong financial performance, the health and safety of our people remained our priority. The company ensured that all the employees and contractual workers were protected with our PAN-India vaccination drives.

Commitment to our Core Values of Respect, Excellence and Integrity

Events in the last year have only reinforced the commitment to our Company Vision

“To Improve People’s Lives by Reimagining Spaces” and the way of achieving it by practicing our core values of “Respect, Excellence and Integrity (REI)” in all aspects of our business. We expanded our technology investments, maintained the highest standards of governance and brought a sharp focus to our community improvement activities in the areas of livelihood, education, health and environment which are strongly supported by our employee’s talents. During the year, Everest inaugurated a new 25,000 sq. ft. corporate headquarters office in Mumbai. The fresh colours, abundance of fresh light and earthy tonality of the whole office is designed to connect us to our Indian roots and values. At the same time, we



Our path to value creation will entail earning superior margins through differentiated products, accelerated growth in all our core businesses, expanding our capacities, increasing productivity and digital initiatives to elevate our customer experiences. This report celebrates our journey of resilience and continued transformation of our business.

have ensured a minimalistic, Scandinavian look and feel. The office showcases the various dimensions and possibilities of our products prominently.

Macroeconomic Conditions

Globally the near-term outlook for growth is weak and inflation is expected to be higher than previously envisioned. India’s underlying economic fundamentals remain strong despite the short-term turbulences caused by the emergence of various COVID-19 variants, supply-chain disruptions arising out of the Russia-Ukraine crisis, and rising inflation. India continues to have the highest levels of growth among all the major economies. While change is inevitable, we are cautiously optimistic as we move into the next fiscal.

Way Forward

We see the present macroeconomic and competitive challenges as an opportunity to create strategic agility (Speed) into our operating model and enhancing the performance of the organization. Our path to value creation will entail earning superior margins through differentiated products, accelerated growth in all our

core businesses, expanding our capacities, increasing productivity and digital initiatives to elevate our customer experiences. This report celebrates our journey of resilience and continued transformation of our business. Our long-term strategic plans across our business units and functions are aligned with Environment, Social and Governance (ESG) principles and give us the optimism to create a bright future for all our stakeholders.

Under the guidance of our experienced and dynamic leadership along with the passion and commitment of our employees, I am confident that we will be able to realize the full potential of Everest Industries Limited in the coming years.

My sincere thanks to my fellow Board members, the leadership team, employees, shareholders, network partners and vendors for their continued support which has helped us serve our customers even better during these tough times. As we embark into the new fiscal year, we rededicate ourselves “To Improve People’s Lives By Reimagining Spaces”.



Built on the 3S Approach

Strength. Speed. Safety.

Trendsetting since 1934, Everest has blazed new trails as one of India's leading and comprehensive building solutions providers with offerings in roofing, ceiling, wall, flooring, and cladding products in the building products segment. Everest uses the 3S approach in offering one-of-a-kind integrated building solutions for industrial, commercial, and residential applications.



As we continue to manage the business dynamically to address the uncertainties, we continue to enhance our focus on understanding the changing needs and aspirations of our customers across our businesses. It is our endeavour to address these through innovative products and solutions - with a strong value proposition for our customers.

Rajesh Joshi

Managing Director & CEO

1,00,000
Villages

7,000
Dealer Outlets

3,000
Buildings

1,400
Employees

600
Cities

88
Years

35
Countries

33
Sales Depots

7

Plants Operating 24/7

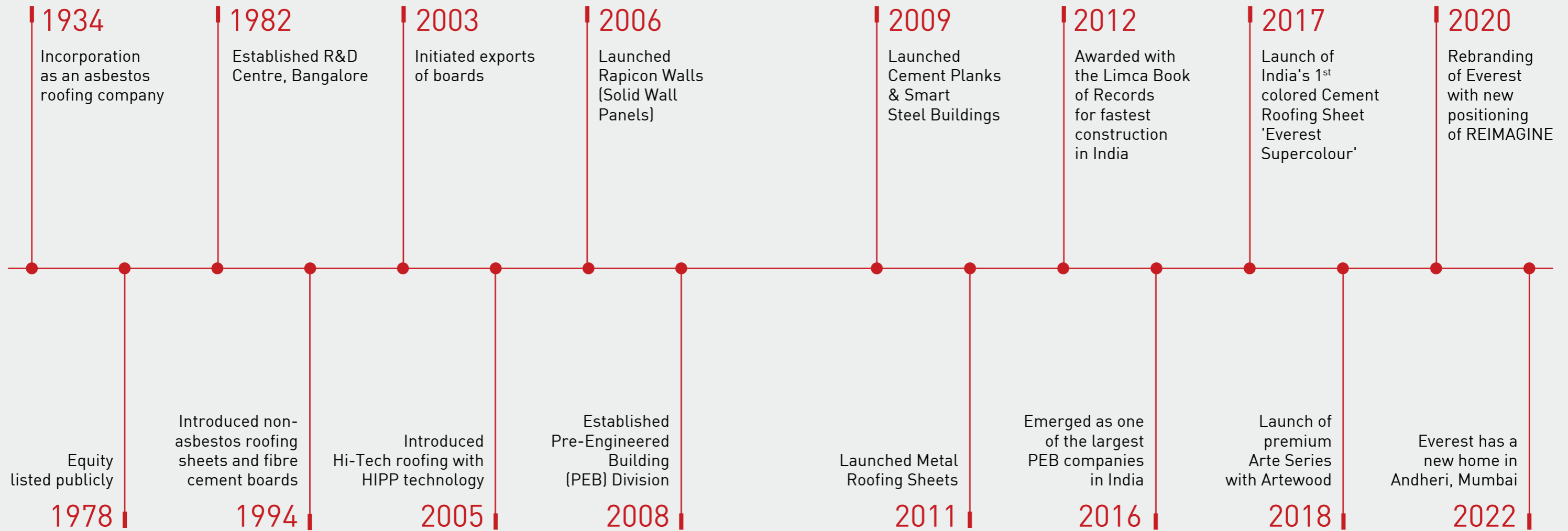
Mission

Everest will be the deepest penetrated housing and building solutions provider by delivering Strength, Speed, and Safety to its customers in all its target markets.

Vision

To Improve People's lives by Reimagining Spaces.

Our Journey of Growth



Core Values

At Everest, we believe in continuous growth through innovation and high performance. But exceptional results should be achieved in a way that's in consonance with our core values. These values are non-negotiable; they are a way of life at Everest, deeply etched into our people's hearts and minds.



Respect

To care for and value all people, regardless of their position, race, or gender.

- To care for the interests of the company as our own, so our every word and action reflects it
- To respect and protect the environment with every decision we make



Excellence

To continually raise the bar beyond the expected in everything we do.

- To deliver with speed and innovation
- Excellence is an outcome of sincerity, passion and an inner commitment to succeed



Integrity

To live by our word to customers, colleagues, and business partners.

- To act with honesty, fairness, and transparency
- To follow the law in letter and in spirit
- To do the right thing, even when no one is looking



Boards and Panels

Everest boards and panels provide a sustainable and cost-effective option to architects, interior designers and project management consultants. Made using environment-friendly fibre cement, these products are suited for a wide range of applications namely Cladding, Facades, Drywall partition, Interior and Exterior wall lining, ceilings, Roof-tile underlays, roof sharking, Prefab structures and Mezzanine floors. Additionally, they can be used in making Furnitures, Kitchen and Wardrobe carcasses.

Everest Boards are made at our state-of-the-art plants in Nashik and Bhagwanpur (Roorkee) with digitally-controlled processes. They are durable, moisture resistant, fire and termite resistant and are GreenPro and IGBC certified.

Product Offerings

Multi-purpose Boards

Heavy Duty Boards

Artescape

Artewood

Artestone

Rapicon Panels



For 360 view visit
<https://bit.ly/evereststall>

Key Highlights

16

Countries We Export to

2,117

No. of Projects Undertaken



The construction methodologies which will gain acceptance will be those which require less manpower, time and are of better quality. At Everest Boards and Panels, we are pushing the boundaries to set new paradigms for innovation in the fibre cement space by adding an entire range of high end finished products. Improving engagement with specifiers, accelerating the secondary demand through dealers with a structured BTL approach and training contractors for reliable application has been the key growth drivers.

Arpita Roy Luthra

Head of Marketing - Boards & Panels

Roofing

Everest has long been a pioneer of roofing solutions in India. Our new-age roofing products cater to clients across residential, commercial, and industrial sectors while offering durability, sustainability, affordability, and aesthetics.

With six roofing sheet manufacturing plants across the country, and a distribution reach of more than 1 lakh villages and 600 towns, Everest today is a brand synonymous with roofing in India.

Product Offerings

Fibre Cement Roofs

Supercolour

Hi-Tech Roofing

EPDM Washers

Key Highlights

9,555

Dealer Network

1,094

No. of Projects Undertaken



The consumer is at the center of everything we do at Everest. We constantly strive to understand the needs and aspirations of our consumers to add value in their lives through our products and services. Everest is an iconic brand that has earned the trust of our consumers and channel partners through its 88 years of existence. Going forward, we are passionate about taking the Everest brands to greater heights by capturing the hearts and minds of our consumers through a continued focus on quality, innovation and by keeping up with the changing needs of our consumers.

Surabhi Sharma

Head of Marketing - Roofing



Steel Buildings

Everest has reimagined the construction space by introducing Pre-Engineered Steel Buildings – globally acclaimed due to their inherent advantages.

Our Steel Buildings division has built a truly staggering variety of Pre-Engineered buildings from five-star hotels to airplane hangars and warehouses. We provide end-to-end, integrated solutions ranging from project briefing to final on-site installation and more.

Product Offerings

[Pre-Engineered Buildings](#)

[Smart Steel Buildings](#)

Key Highlights

47

No. of Projects Undertaken

6

No. of FMCG Projects

“

In the modern era of construction, few factors have been guiding the growth of Pre-Engineered Building manufacturing companies. Providing the sustainable, economical solutions and timely completion of projects have been the mantras of this Industry. We have also seen that PEB Companies are no longer restricted to simple buildings but have been exposed to more complex structures like high-rise buildings, process plants, large span structures and hi-tech Grade A warehouses catering to the booming e-commerce industry. At Everest, Steel Building systems have been geared up with evolving challenges of the industry through innovative design techniques, meticulous execution planning and development of reliable execution partners for on-time delivery. This attempt has been appreciated by top Blue Chip companies of India by awarding repeat orders as a testimony of our abilities.

Amit Khaparde

Head of Sales and Marketing

Where Brand Meets Creativity

Roofing Solutions

- Conducted various ATL and BTL activities like unipole branding, railway station branding, van branding etc.
- Launched 'Waah! Ye Ghar Kiska Hai' as part of "Apni Pehchan" campaign in various regional languages across key markets
- Launched a new business catalogue on the India Mart Platform for better quality leads
- Conducted 100 campaigns during the year which included lead generation and branding campaigns on Facebook
- Rebranded Everest logo and communication strategy to give the brand a modernized look

Everest Steel Buildings

- Launched digital engagement programs on multiple platforms
- Conducted several marketing campaigns for end-users, influencers



Boards and Panels

- Conducted retail BTL campaign **RAID** (Reach and Awareness amongst Influencers and Dealer network) in key towns of Lucknow, Ahmedabad, Kerala
- Shop-in-shop displays at premium distributors in Delhi market for better engagement with turnkey contractors, architects, and interior designers
- Conducted digital campaigns for influencers and end-users to showcase superior properties of HD drywalls, Rapicon Drywalls, and Everest Arterange
- Participation in multiple events focused at architects and interior designers to promote the new age building solutions



3.5 million+

Social Media Reach

4,47,487

LinkedIn Impressions with an Engagement Rate of 7.01%



Awards & Accolades

Gold Award for SMED Stream and Poka-Yoke Stream in Qcfl at Kaizen, Poka-Yoke, SMED & LCA Virtual Competition 2021

Gold Award for Renovative Category at the 41st CII National Kai-Zen Competition 2021

Awarded for the safety and quality performance at IndoSpace Khopoli project at the 51st National Safety Week campaign

Performance at a Glance

Revenue from Operations	(₹ in Crores)
2019-20	1,283.75
2020-21	1,213.24
2021-22	1,361.19

EBITDA	(₹ in Crores)
2019-20	51.86
2020-21	121.46
2021-22	98.34

Net Worth	(₹ in Crores)
2019-20	453.00
2020-21	510.03
2021-22	543.90

ROCE	(%)
2019-20	5.3
2020-21	18.8
2021-22	12.8

EBITDA Margin	(%)
2019-20	4.0
2020-21	10.0
2021-22	7.2












PAT	(₹ in Crores)
2019-20	13.73
2020-21	57.59
2021-22	44.12

PAT	(%)
2019-20	1.1
2020-21	4.7
2021-22	3.2

Debt to Equity Ratio	(:)
2019-20	0.17
2020-21	0.06
2021-22	0.04

Earnings Per Share	(₹)
2019-20	8.8
2020-21	36.8
2021-22	28.2

The Year in Retrospect

1.  Achieved all-time high Roofing sales volumes in FY 21-22.
2.  Strategic initiatives taken to expand network and penetrate deeper into the rural market for the Roofing Division.
3.  Steel Buildings Division installed 'Tekla' for error free detailing to achieve smooth progression at sites.
4.  Significant investments drove Go-to-Market (GTM) strategy for 'Rapicon Panels' in 16 towns for Boards and Panel Business.
5.  Implemented 'Neev', 'Pehchan' and 'Kaushal' programs for Boards and Panel business for enhanced engagement and a uniform experience for PAN-India contractors.
6.  Upgraded manufacturing capabilities for Heavy Duty Boards to enhance productivity.
7.  Strengthened internal teams to map new geographies and improve processes.
8.  Grabbed mid-sized orders by tapping Tier 2 markets such as Motihari, Bhavnagar, Bhagalpur, Indore, Ujjain, and Jaipur in Roofing.
9.  Launched new textures in the "Artescape" series in Boards and Panels.
10.  Created additional space, installed new-age machineries and implemented advanced technologies to enhance operational and product efficiencies.
11.  Launched new product development initiative, enabled by investments in research and development, to create long-term product roadmaps.



Empowering Communities

Empowering Communities

'Improving people's lives' is embedded in our corporate philosophy and reflects significantly through our actions. Everest's Corporate Social Responsibility initiatives are directed towards empowering the communities that we work and live in and provide the underserved an opportunity for a better life. Our CSR interventions are designed in the areas of Healthcare, Livelihood & Education, and Environment through long-term partnerships, community relationships, and employee engagement programs. The programs are helmed by our CSR arm - Everest Foundation.



Livelihood & Education

The youth of a nation shapes its present and paves the way for its future. Our Skill Development Program is focused at empowering India's adolescents and youth by training them and creating sustainable livelihood opportunities. Under this initiative, vocational training is imparted through the Everest Skill Development Center to construction workers, school students, and football aspirants from the marginalised communities. During the year, it benefitted 1,139 students across Lakhmapur in Maharashtra, Kymore in Madhya Pradesh, and Bhagwanpur in Uttarakhand.

1,139

No. of people benefitted



Healthcare

Our healthcare interventions are aimed at eradicating tobacco consumption completely and creating a tobacco-free community by educating school students on the ill effects of tobacco consumption.

580 schools

Converted to tobacco-free under the act COTPA-2003

30,725

No. of students impacted



Employee Engagement Program

At Everest, we encourage our employees to catalyze growth opportunities for the underserved communities. Aligned with this, our Employee Volunteer Program has been institutionalized with the motto - 'Together, let's make a difference'. During the year, our employees engaged themselves in various awareness drives like World Tobacco Day, World Youth Skills Day, World Environment Day, among others and served as change-makers of the society.

157

Employees volunteered

Everest Foundation's response to COVID-19

As the Delta variant of the COVID-19 virus engulfed the entire nation, Everest formed a cross-functional COVID Task Force which supported the communities by creating awareness on precautionary measures of COVID and Vaccination awareness.



Key Interventions in FY 21-22

- Conducted sessions on emotional and mental well-being and COVID-19 precautionary measures in regional languages for students, parents and community
- Provided oxygen cylinders and concentrators to the health care centers, government hospitals
- Distributed food, medical kits, and essential supplies to the community

12,448

People in 30 villages





Designed to impress, and built to last

Central Vista

Project name

The Central Vista revamp was largely possible due to the relocation of the 27 age-old Defence offices to the new complexes. This paved the way for the construction of 12, G+7 buildings, which are now part of the Defence Office Complex project at Africa Avenue & K G Marg, New Delhi. Defence Ministry officers and staff from pre-independence hutments of the North & South Block vicinities have been relocated to the new premises.

This massive project was completed in a record time of 240 days. The Drywall systems, a new-age technology solution by Everest, was used for the first time to build a project of such scale. External and internal walls were erected using Everest Heavy Duty and Standard boards for wet and dry areas. This resulted in a sustainable building design by providing an insulated cover to the building.

Dry Wall construction technology generates low dust during construction, it consumes less or no water and produces lesser debris or construction waste thereby saving resources and energy.

Key Highlights

13,624 Sq. mtr.

External wall area

19,827 Sq. mtr.

Internal wall area

Drywall System

Application

240 Days

Record time



Nurturing Future Sports Stars

Sophia High School, Bangalore

Project name

Sisters of Notre Dame, responsible for running the popular Sophia Girls School in Bangalore, wished to further add to the sports facilities on campus. The school was located at the heart of the city, which warranted sustainable construction methods. The Everest team worked closely with the architects in constructing the façade with fibre cement boards and participated in the mock-up.

The complexity of the project required both teams to work closely together to complete the project on time. The Everest design team facilitated the fruition of the project with drawings and specifications, while training the execution group to maintain installation quality standards. This resulted in a futuristic structure to help push the quest for the Gold at the Olympics.

"The 2.5 mts. cantilever for the badminton and basketball court had to be closed with a light skin, hence fibre cement boards from Everest were used for the external wall as against concrete blocks or brick work."

- Y V Architects

Key highlights

19,000

Square feet area

Heavy Duty Board

Product used

External Drywall System

Application

4 Months

Time taken to complete the project



Britannia gets a Greenfield integrated project

Britannia Industries Limited

Project name

The task was to make the rusk and biscuit manufacturing facility, a greenfield integrated project. The 7 buildings required for this project faced many challenges such as the coordination and execution of the project from multiple teams across different locations. Debris and stagnation of water due to heavy rains at the site also posed numerous challenges. Since the project was in the humid and sweltering conditions of Tirunelveli, Tamil Nadu, it was up to the Everest team to deliver the project keeping these key parameters in mind.

The thermal performance of the building was enhanced by packing the interior walls with double-skin insulated materials. Exquisite ventilation facilities were setup through proper air-change systems. The selection of natural lighting systems helped maintain a proper lighting balance to maximize aesthetics and performance. To keep the roof leak proof, special flashings were used to cover all openings. Due to the collective efforts of the consultant and design team, the completed buildings met all client criterias.

Key Highlights

3,10,000

Square feet area

Pre-engineered structural steel

Product used

Manufacturing Facility

Application

7 No. of buildings

Constructed



Towards A Sustainable Future

Commercial Poultry Farm

Project name

Situated around lush greenery in a town named Erode, Tamil Nadu, is a 20-year-old, 20 acres commercial egg-producing farm. The farm is home to 2 lakh chickens and was built using Everest's fibre cement roofing sheets. For poultry farm owners, the key requirement is roof insulation and humidity control. A well-insulated roof reduces solar heat and avoids water seepage in the monsoons.

Everest Supercolour is made with imported fibre mesh technology and advanced online colour technology that's designed to solve issues of poultry farm owners. On installation, Everest Supercolor sheets have anti-fungal and moisture resistance properties, proven to be more effective than normal AC sheets. Also, lower temperature inside the shed protected the chickens from scorching heat and hence increased productivity.

The poultry farm owner was so impressed with the results that he wanted to build additional sheds with Everest Supercolour only.

Key Highlights

20

Acres area

Supercolour

Product used

Roofing

Application

5,38,195 Sq. ft.

Roof Sheet cover

MANAGEMENT DISCUSSION ANALYSIS

OVERVIEW OF GLOBAL ECONOMY

2021-22 has been yet another exceptional year. After rebounding to an estimated 5.5 percent, the global growth is expected to decelerate to 4.1 percent in the current year, reflecting continued COVID-19 flare-ups, diminished fiscal support, higher food and energy prices, and lingering supply bottlenecks.

Globally the near-term growth outlook is weak and inflation will be much higher than previously envisioned. The global growth is projected to soften further to 3.2 percent in 2023 on account of the tightening of macroeconomic policies and inflation. The output and investment will also remain lower on account of the persistent scarring from the pandemic.

Supply chains across the world were disrupted by Russia's invasion of Ukraine and subsequent sanctions on Russia. The central banks continue to wrestle with unprecedented levels of inflation. The global economic conditions will be extremely taxing for various countries as they navigate through these fundamental challenges.

OVERVIEW OF THE INDIAN ECONOMY

As per the International Monetary Fund (IMF), India's Gross Domestic Product (GDP) has grown by 8.9% in 2021-22, which is the highest among the leading economies. India's GDP is expected to grow at 8.2% in 2022-23. The ongoing vaccination drives, infrastructure spending, emphasis on manufacturing, and recovery in consumption along with rising rural incomes will drive growth in the Indian economy.

India's underlying economic fundamentals remain strong despite the short-term turbulences caused by the emergence of newer COVID-19 variants, supply-chain disruptions arising out of the Russia-Ukraine crisis, and rising inflation. Resilience in the agriculture sector and reducing unemployment levels also add to the positive economic outlook. Growth-enhancing policies and schemes such as production-linked incentives and increased infrastructure spending will start kicking in from 2023. This will result in a strong multiplier effect on jobs, income, and productivity - leading to accelerated economic growth.



The Union Budget 2022-23 laid focus on infrastructure investments, with a Capital Expenditure (Capex) that is 35.4 percent higher than previous year's budget. This is expected to further promote economic activity, support job creation, and attract foreign as well as private investments. While various macroeconomic parameters point towards sustained growth, other global developments should not be overlooked.

RURAL INDIA GROWTH

2020-21 saw the Indian economy register its worst-ever contraction since independence and also the first since 1979-80. There have been four instances of negative GDP growth earlier. All of them were drought years during which the agricultural growth was lower than the GDP growth.

Despite a record economic contraction and a 34% reduction in MNRGA allocations in 2021-22, the farm sector demonstrated strong resilience and grew by 3.6%. The overall rural economy is likely to do well on the back of high commodity prices and the forecast of a good monsoon.

URBAN INDIA GROWTH

India's population stood at 121 crores in 2011 with an urbanization level of 31.1% (Census of India, 2011). Urbanization helps in fostering economic prosperity. Urbanization is expected to reach 50% by 2045. The Tier 2 and Tier 3 cities could benefit from the next wave of urbanization in the country.

India aims to become a USD 5 trillion economy by 2025-26. Initiatives such as Aatmanirbhar Bharat, the National Infrastructure Pipeline, and the National Monetization Pipeline are expected to accelerate economic development in the urban centers of India.

INDUSTRIAL SECTOR IN INDIA

2021-22 was a watershed year for the Indian economy. Policies like Aatmanirbhar Bharat accelerated the implementation of various Production Linked Incentive (PLI) schemes. They resuscitated the economy, reduced trade dependencies, and promoted ease of doing business. The post-pandemic recovery in India has been led by sectors like the automobile sector, digital infrastructure and services, healthcare, and the metallurgical sector.

REAL ESTATE SECTOR AND HOUSING GROWTH

The Indian real estate sector has witnessed high growth in recent times with a rise in demand for office as well as residential spaces. Over 1,700 acres of land deals were

recorded in the top seven Indian cities in 2021-22. According to Colliers India, a property consultant, institutional investments in the Indian real estate sector increased by 4% to reach ₹ 36,500 crores (USD 5 billion) in 2021. A surge in demand for office spaces in SEZs is also expected by the real estate developers following the replacement of the existing SEZ Act.

From July 2020 to December 2020, the demand for office market space in the top eight cities of India shot up. There were transactions to the tune of 22.2 million sq. ft. (MSF). New completions were recorded at 17.2 MSF during the same period. The Information Technology (IT/ITeS) sector dominated this trend with 41% share in the second half of 2020 followed by the BFSI and Manufacturing sectors with 16% share each. Other Services and Co-working sectors recorded a share of 17% and 10%, respectively. India is expected to deliver 46 MSF in 2022. Experts believe that in India about three houses are built per 1,000 population per year as against the required construction rate of five houses per 1,000 population. The current shortage of housing in urban areas is estimated to be 10 million units. An additional 25 million units of affordable houses are required by 2030 to fulfill this shortage.

OUTLOOK

The Russia-Ukraine crisis and sanctions imposed on Russia thereafter, have caused the commodity and oil prices to skyrocket. This has worsened the global inflationary pressure and prompted governments and central banks to reassess their monetary policies. With a resolution to the Ukraine crisis looking unlikely, global central banks already trying to tame inflation. The global economic growth is expected to slow down due to a combination of waning fiscal impetus, tightening monetary policy, continued drag from COVID-19, and supply chain bottlenecks.

The economy in India is going through a very challenging situation of high inflation and a possible economic slowdown, especially in rural areas. With money becoming dearer, we can expect real estate prices to remain steady. In these uncertain times, Everest is creating new products and market segments, 'to improve people's lives by reimagining spaces'.



BUSINESS SEGMENT OVERVIEW

Roofing Division

Roofing Industry

The roofing industry consists of product categories that include Asbestos Cement Sheets (ACS), clay tiles, metal roofs, plastic, and others. Roofing products find their application in the residential segment as well as commercial segments such as poultry, dairy, and MSMEs. The overall Indian roofing market is expected to grow at a CAGR of 1.5% to 2% by volume in the next 5 years. The rural demand for ACS remained resilient in spite of COVID-19. Good monsoon, higher farm income, and growth in the dairy and poultry market propelled the demand for ACS. A sharp rise in the price of steel in 2021-22 resulted in the shift of preferences from metal sheets to ACS. The organized ACS industry grew by approximately 2.7% in 2021-22. The industry in India is approximately 4.25 million metric tons and is valued at ₹ 4,560 crores.

Cost

Inflationary pressures on raw material prices impacted the cost of key inputs such as cement and fibre. Also, freight costs increased by more than 10% as compared to 2020-21, on account of higher oil prices. This had an adverse impact on profitability. The business responded to these cost pressures by increasing product prices, undertaking cost reduction by implementing efficiency initiatives like Six Sigma.

Our Business Performance

The second wave of COVID-19 affected our plant and logistics operations. It resulted in a supply shortfall and had an adverse impact on the business in the first quarter of 2021-22. The business bounced back strongly in the subsequent quarters. Significant efforts were made in the year to reach the end consumers via advertising campaigns; expansion of the distribution network and deeper engagement with our channel partners and influencers. This has created a strong foundation for renewed growth in 2022-23.



Boards & Panels Division

Boards & Panels Industry

Fibre Cement Boards (FCB) meet interior and exterior application requirements and are used for drywalls, partitions, wall panelings, façades, claddings, ceilings, roof underlays and floor substrates. The category has gained popularity for being environmentally friendly. Due to favorable reviews from architects, interior designers and project consultants, the demand for fibre cement boards has increased significantly with the adoption of new ways to build efficiently and economically.

The high cost of wood products has also resulted in higher usage of Fibre Cement Boards. The current consumption in India is low at 0.3 kg per person versus 20 kg per person in similar countries like Thailand. The industry is expected to witness high value growth at a 13.5% CAGR from 2022 to 2026, based on growth in the real estate sector.

Cost

Exponential increase in pulp prices owing to inflation impacted our raw material cost significantly in the last financial year, apart from increase in cement prices. Freight was also up on account of higher diesel prices. The business responded by increasing the selling prices in all its markets. Exports had a healthy pipeline of orders, although margins continued to be low on account of high sea freights. The approach was to reduce manufacturing cost, create product differentiator and promote value-added products for better realization.

Our Business Performance

Everest focused on growth in its value-added products. Products such as Everest Heavy Duty Boards, Artewood & Artestone Cladding, and Artescape Ceilings are being increasingly specified by Architects and Interior Designers. Growth also improved on account of better distribution and secondary demand facilitated by training programs for contractors and installers. Awareness about our products and solutions improved by engaging with influencers.



ESBS Division

Steel Building Industry

The Indian pre-engineered buildings market is expected to grow to USD 3.56 billion value by 2023 with a CAGR value growth of 11% - 12%. Key growth drivers include, growth in demand for Grade A warehouses, logistics parks and data centers. Further, Make-in-India opportunities are expected to attract investments in key sectors such as Aerospace and Pharmaceutical.

Volatility in steel prices and the preference for traditional Reinforced Cement Concrete construction (RCC) are some of the challenges faced by the industry. Despite the ongoing economic challenges, the sector is expected to show steady growth in the coming year due to the need for faster and more environment-friendly construction.

Cost

Increase in steel prices has delayed decision-making of prospective customers. The Company has been able to pass on the price increase to customer effectively. Also, increase in freight cost on account of higher oil prices put pressure on profitability. The business responded to these cost pressures through efficient sourcing of steel and buying items that are closer to our factory or job site.

Our Business Performance

In April 2021, a month of production was lost on account of ban on industrial oxygen due to COVID-19. Many projects were put on hold or got delayed. Spiraling steel prices, erratic supplies and low availability of manpower adversely impacted the steel business. Since the end of the FY 2021-22, the markets have started to open up. With our new brand positioning of 'Reimagine' and by innovating our products, and processes, we have successfully leveraged this upside and made in-roads into leading FMCG and cement companies.

QUALITY

The quality of our processes, products, and services is a key focus area for the organization. It is the most important driver in achieving customer satisfaction. To improve quality, the Company launched 'Six Sigma Projects', 'Zero Defects', and the 'First Time Right' (FTR) initiatives in 2021-22. The initiatives entail a data-based approach to make improvements and reduce cost. In 2021-22, a total of 16 Six Sigma projects were completed in areas of quality, productivity and inventory. This resulted in significant savings for the company. These initiatives also won multiple awards at various national level competitions.

FINANCIAL PERFORMANCE 2021-22

The second wave of COVID-19 had a very significant impact on the business. As the markets reopened, the demand for Boards, Panels, and Steel Buildings picked up. The Export business, however, continued to face challenges, despite significant demand, on account of higher shipping costs

driven by the lower availability of containers. The roofing business gained momentum during the fourth quarter of the year. The Boards and Panels business saw a significant growth in the second half of the year and achieved the highest ever sales.

The profitability for the year was significantly impacted due to inflation in all the key raw materials and logistics cost. While the Steel business managed to pass on the increased material cost to the customers, the Building products segment could only do so partially. In 2021-22, the manufacturing and other expenses, which were low in the previous year owing to curtailed operations at factories, were restored to normal levels. Judicious investments were made in marketing activities to support sales. Other income included GST subsidy and write back of provisions. During the year, the Company continued to generate cash and was able to use its accruals to fund capital expenditure and working capital requirements.

The trend of some of the key financial ratios is given in the table below:

	2021-22	2020-21	2019-20
Return on Net Worth ¹	8.4%	11.5%	3.1%
Return on Capital Employed ¹	12.3%	17.9%	5.3%
Basic EPS	28.2	36.8	9.0
Debtors Turnover Ratio	23.9	19.3	15.8
Inventory Turnover Ratio	2.5	2.3	2.3
Interest Coverage Ratio	22.1	24.8	4.0
Current Ratio	1.4	1.4	1.4
Debt Equity Ratio	0.0	0.1	0.2
Operating Profit Margin	3.0%	7.2%	1.5%
PBT Margin	4.9%	7.7%	1.6%
Net Profit Margin	3.2%	4.7%	1.1%

¹These ratios have been impacted due to lower profitability in the year.

RISKS AND OPPORTUNITIES

Opportunities

While ACS faces competition from steel sheets, it remains competitive. It is preferred by rural customers because it is durable and competitive. The demand is robust on account of higher disposable income in the rural areas, increased farm productivity and greater number of nuclear families.

The Indian FCB market will benefit from increased requirements for eco-friendly products and need for hassle-free construction. There is also a strong demand for quality

FCB products from India in the Export markets. Everest, being a pioneer in the FCB segment in India, is well-positioned to seize this opportunity.

The PEB industry is expected to grow at a CAGR of 11% - 12% in the next 5 to 10 years as pre-engineered buildings become the norm as compared to RCC on account of a very superior value proposition. The PEB business will also benefit from the spill over effects of COVID-19 and geopolitical conflicts which could enhance India's status as a preferred alternate investment destination. Multinationals

may prefer India to shift their current operations from China and Eastern Europe. Everest with its long history and track record of successful projects is placed well to exploit this demand.

Risks

Risk management is integral to Everest’s strategy. Efforts are being made to ensure that the risks are minimized or eliminated. Everest follows a structured integrated risk management approach. This includes stringent implementation and evaluation of appropriate policies, processes, and periodic reviews with the Board’s Risk Management Committee. It helps us to mitigate the potential risks. Some of the most important risks and risk-mitigation strategies include:

Raw Material Price Volatility

Chrysotile fibre, cement, pulp and steel are the primary raw materials used by the Company. Any fluctuation in raw material prices is bound to have an impact on the Company’s profitability if the Company is not able to pass it on to the customers. The Company has developed and put in place various procedures and processes to reduce the impact of raw material price volatility. Also, the business closely monitors such changes. It ensures that such price increases are passed on to the consumers or suitable cost reduction actions are taken to contain the impact.

Availability of Chrysotile Fibre and Pulp

Chrysotile fibre and pulp are only available from a few vendors around the world, with some of the largest ones being based out of Russia. The ongoing war between Russia and Ukraine poses a risk for sourcing these raw materials. However, Everest is deploying various de-risking initiatives to ensure continued supply.

Increased Competition in Fibre Cement Board (FCB) Business

In the FCB business, there is a threat of experienced international FCB manufacturers entering the Indian market and setting up their manufacturing facilities. Other companies have added capacity. They may resort to aggressive pricing and credit terms for the offtake of this additional capacity. Everest has the first-mover advantage and is proactively working towards improving awareness amongst its influencers (architects, builders and contractors) and customers by conducting various conferences, tradeshows, seminars, and other such interactive sessions.

Dependence on Roofing Business

The Company’s revenue and profits depend to a large extent on the Roofing business. The Company has hedged against this risk by diversifying its product portfolio and improving its share of revenue from other non-roofing businesses. Currently, the roofing business caters to the rural markets while the boards and panels business caters to the urban markets. On the other hand, ESBS business caters to the business needs of all industries. This results in a healthy mix of customers for our Company.

Uncertainty Over Use of Chrysotile Fibre

The amount of chrysotile fibre used in the manufacturing of cement sheets in India is relatively low. The Company is working in a structured manner to develop and further strengthen our portfolio of non-asbestos products. The Company has implemented appropriate systems and processes to ensure compliance to all statutory and regulatory norms. It has a strong audit structure to ensure workplace safety and employee wellbeing.

COVID-19

The disruptions on account of COVID-19 affected the business last year. However, the Company mitigated that risk by ensuring → 99.5% vaccination for its employees and contract workmen. Though the subsequent waves may result in unplanned shutdowns and demand-supply volatility, we believe that the impact will be of much lesser severity than what we have experienced in the past.

Internal Control Systems and their Adequacy

Everest has deployed an internal control system that is commensurate to its size of operations and the nature of its business. It ensures that assets are protected, transactions are authorized, documented, and reported accurately. These are routinely tested and certified by Statutory as well as Internal Auditors and cover all offices, factories and key business areas. Internal audit ensures compliance of systems and processes with specified standards and enables safeguarding of the Company’s assets. The audit reports are presented to the Audit Committee of the Board of Directors and significant observations reviewed at length. The Committee examines the findings as well as the adequacy and effectiveness of the internal control systems and discusses them with the statutory and internal auditors to take corrective actions if necessary.



HR INITIATIVES

Our employees are the cornerstone of the organization; and thus, we continually strive to promote a respectful and engaged workplace. At the end of 2021-22, Everest had a headcount of 1,420 employees. Through our performance-driven culture, we encourage people to deliver excellence. Talent attraction, employee development and their well-being, equal opportunity, and cordial relations are important pivots to build a future-ready organization. Key focus areas are:

Culture building with a focus on core values of Respect, Excellence and Integrity (REI)

Values socialization was carried out across the Company in a phased manner to inculcate the core values of REI. Senior leadership engaged on a monthly basis with employees to reinforce the key principles of REI. The Company has also launched REI Awards to recognize employees who made an exemplary display of these values.

New Talent Pipeline

18 bright Management Trainees were hired from premier Business Schools in the country. They went through a structured 9 months program including on-the-job learning stint including roles in Sales and Marketing, Operations, and Human Resources. Everest also hired 10 Project Trainees, 4 Chartered Accountants and 29 GETs and DETs from campuses across the country to strengthen talent pipeline across all functions.

Employee Engagement

Everest has undertaken numerous initiatives to improve employee engagement. This includes, Everest Vidya Puraskar for children of employees who performed exceptionally well in 10th & 12th grades; Everest Ekjut - for 24/7 free support to employees on various pillars of emotional wellbeing during COVID times/peak of COVID pandemic.

Industrial Relations

Cordial industrial relations were maintained across all the manufacturing locations. Long Term Settlements (LTS) was signed for Bhagwanpur Works in April 2021 and Calcutta Works in August 2021.

Talent Development

In 2021-22, the Company imparted an average of 5 man-days training per employee. A comprehensive capability-building training system for multiple functions was introduced. In partnership with NMIMS Mumbai, 18 young and high-performing officers in junior management roles were nominated and taken through the Executive Development Program ‘Pratibha 2.0’. Key learning interventions were launched for upskilling supervisors (‘Nirmaan’ program) and first-line manager’s (‘Utkarsh’ program).



Diversity and Inclusion

40 women employees were recruited during 2021-22. This constituted 11% of the total recruits for the year across distinct roles and geographical locations. Everest also launched ASMI, a Diversity and Inclusion platform that convenes regularly to facilitate a supportive work environment and nurturing women workforce in diverse roles.

RESEARCH & DEVELOPMENT

R&D enables in bringing new and improved products into the marketplace that deliver greater value to the stakeholders. To accelerate innovation, Everest is investing significantly in building its R&D capability and infrastructure. Everest is setting up a brand-new state-of-the-art R&D facility. The facility will enable developing new products and processes for building material applications.

INFORMATION TECHNOLOGY

Information Technology (IT) has become a key enabler in driving business growth by improving efficiencies and implementing effective process controls. In view of this, Everest re-implemented SAP to incorporate new features and processes. The entire IT infrastructure has been moved to the cloud to ensure business continuity. The Company has engaged industry experts to evaluate the security risks to its IT infrastructure and is undertaking adequate mitigation measures.

EVEREST FOUNDATION – CSR DIVISION

Everest is committed to improving the lives of people by empowering communities and creating a sustainable impact in the areas it operates. It undertakes all its CSR initiatives through its CSR arm - Everest Foundation. The Foundation engages with external organizations to bring expertise and strength and ensure a larger and sustainable impact. CSR projects are designed based on the needs of the community, structured assessments and consultative engagement with



all stakeholders. Everest, through its CSR arm, is also a member of the United Nations Global Compact. All its social initiatives are aligned with the Sustainable Development Goals. Some key initiatives were as follows:

COVID-19 Response

In response to the unprecedented situation in 2021-22 created by the COVID-19, Everest took several initiatives to support the local communities and migrant workers. The COVID-19 response action included the distribution of health kits, medical equipment like oxygen cylinders to government hospitals, and PPE kits to health workers. COVID-19 vaccination awareness drive was also organized in Kymore, Madhya Pradesh; Bhagwanpur, Uttarakhand; Podanur, Tamil Nadu; Jambusar, Gujarat.

Digital workshops for creating awareness about the precautionary measures against COVID-19 were organized for front line workers, hospital staff, teachers. Sanitizers, masks, and other precautionary kits were distributed among the community. Community-level educational sessions were organized and posters, banners and leaflets were distributed.

Everest Healthy Child Program

The Everest Healthy Child Program educates children from the underserved communities on the ill-effects of tobacco, in association with Salaam Mumbai Foundation. In 2021-22, it benefited 30,725 students and 5,921 stakeholders

from Nashik (Maharashtra) and Katni (Madhya Pradesh) through various school-level, block-level, and district-level workshops. A total of 536 schools in 15 blocks of Nashik district and 44 schools from Vijayraghavgarh taluka of Katni district were declared tobacco-free.

Everest Skill Training Program

- Building Master Training Program
Everest's flagship program 'Building Master Training (BMT)' offers skill up-gradation training to marginal construction workers for improving their lives. With expert training from Everest, marginal workers can erect/construct a better building and earn better wages. The BMT program was conducted in five districts of four states (Uttar Pradesh, Punjab, Maharashtra, and Odisha) and has benefited 383 trainees. The programs were implemented by Everest in partnership with National Skill Development Corporation (NSDC), Construction Industry Development Council (CIDC), and BASIX Academy for Building Lifelong Employability (B-ABLE).
- Skill Training Program: Bhagwanpur
Everest, in partnership with Ambuja Cement Foundation, started a skill development project for the youth. The program covered more than 20 villages near Bhagwanpur, Uttarakhand. 95 young minds, including a healthy mix of both genders were



enrolled under this program and trained to work as Assistant Electricians and RACW - Field Engineer (Refrigeration Air Conditioner and Washing Machine). 52 of them completed their training and have been successfully employed.

- **Career Development Center: Kymore, Madhya Pradesh**
In 2021-22, 187 students from 20 villages of Kymore Nagar Panchayat were provided training related to employment, spoken English and personality development. 234 students benefited through the Career Facilitation Program which included sharing of employment-related information, resume writing, organizing job fairs, and training on soft skills.
- **Skill Development Center: Somnathpur, Odisha**
A skill development was initiated during the year in partnership with Sambhav Foundation. The Company intends to train 240 youth every year from 20 nearby villages to work as Assistant Electrician and Fitter in the fabrication industry.
- **Skill Development Program: Lakhmapur, Maharashtra**
Everest Foundation, in collaboration with Salaam Bombay Foundation, has started a skill development program in the Dindori, Nashik district (Maharashtra)

for students studying in classes 9 and 10. The program aims to develop market-related business skills and build career aspiration within these students. It encourages them to continue their school education. 243 students from 5 schools were trained in 2021-22 on various skills like home appliances repair, mobile repair, bakery & confectionaries, and beauty & wellness.

Everest Football Academy

Everest Football Academy promotes sports and fitness amongst youth by engaging professional coaches and supporting them to participate in various competitions. The Academy is currently training 150 students belonging to various age groups ranging from 5 to 17 years. The Academy has received two certificates of appreciation from the All India Football Federation (AIFF) for organizing Girls Play Festival and promoting sports among rural youth. In 2021-22, three students were awarded sports scholarships in colleges through this initiative. Seven students from the Under 14 category and three students from the Under 17 category got selected for Coimbatore District South Zone Team.

NOTICE

Notice is hereby given that the Eighty Nineth (89th) Annual General Meeting ("AGM" or "Meeting") of the members of Everest Industries Limited ("Company") will be held on **Thursday, August 25, 2022 at 3.00 pm** through Video Conferencing ("VC") to transact the following businesses:

Ordinary Business

1. Adoption of Financial Statements

To receive, consider and adopt (a) the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2022 and the reports of the Board of Directors and Auditors thereon; and (b) the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2022 and the report of Auditors thereon and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolutions as **Ordinary Resolutions**:

- RESOLVED THAT the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2022 and the reports of the Board of Directors and Auditors thereon, laid before the 89th Annual General Meeting, be and are hereby considered and adopted.
- RESOLVED THAT the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2022 and the report of Auditors thereon, laid before the 89th Annual General Meeting, be and are hereby considered and adopted.

2. Declaration of dividend on equity shares for the financial year ended March 31, 2022

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

"RESOLVED THAT a dividend at the rate of ₹ 6.00/- (Rupees Six only) per equity share of ₹ 10/- each fully paid-up of the Company, as recommended by the Board of Directors, be and is hereby declared for the financial year ended March 31, 2022 and the same be paid out of the profits of the Company for the financial year ended March 31, 2022."

3. Appointment of Ms. Padmini Sekhsaria (DIN 00046486) as a Director, liable to retire by rotation

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

RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Ms. Padmini Sekhsaria (DIN 00046486), who retires by rotation at this Meeting, and being eligible, offers herself for re-appointment, be and is hereby appointed as a Director of the Company, liable to retire by rotation.

Special Business

4. Ratification of remuneration of the Cost Auditors for the financial year ending March 31, 2023

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

RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the remuneration of ₹ 5,00,000/- (Rupees Five Lakhs Only) payable to M/s. Chandra Wadhwa & Co., Cost Accountants (Firm Registration Number 00239), appointed by the Board of Directors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2023, be and is hereby ratified and confirmed.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

5. Approval for payment of commission to Mr. Anant Talaulicar, Non-Executive Chairman for the financial year 2022-23

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

RESOLVED THAT in accordance with the provisions of the Section 197 of the Companies Act, 2013 ("Act") and rules made thereunder (including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force) and pursuant to the approval of the Board of Directors of the Company (hereinafter referred to as "Board") on the recommendation of the Nomination & Remuneration Committee, the approval of the members of the

Company be and is hereby accorded for payment of remuneration by way of commission upto ₹ 2,00,00,000/- (Two crores rupees only) to Mr. Anant Talaulicar (DIN 00031051), Non-Executive Chairman of the Company for the financial year 2022-23 subject to the limit of four percent (4%) of net profits of the Company computed in the manner referred to in Section 198 of the Act ("Net Profits") which shall be apart from the commission of upto one percent (1%) of Net Profits payable to Non-Executive Directors for the financial year 2022-23.

RESOLVED FURTHER THAT the approval of the members of the Company be and is hereby accorded for payment of aforesaid commission to Mr. Anant Talaulicar under regulation 17(6)(ca) and other applicable provisions, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, being in excess of fifty percent (50%) of the total annual remuneration payable to all Non-Executive Directors of the Company for the financial year 2022-23.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, things, matters including signing/execution of document(s) and to take all such steps as may be necessary, proper or expedient to give effect to aforesaid resolution without being required to seek any further consent or approval of the members.

By Order of the Board
For **Everest Industries Limited**

Neeraj Kohli

Place: New Delhi Company Secretary & Head-Legal
Date: May 27, 2022 Membership No. FCS 3089

Regd. Office: GAT 152, Lakhmapur,
Taluka Dindori, Nashik- 422 202
(Maharashtra)
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CIN: L74999MH1934PLC002093
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Notes:

1. The Statement pursuant to Section 102(1) of the Companies Act, 2013 ("Act") with respect to the special business set out in the Notice is annexed hereto.
2. The Ministry of Corporate Affairs ("MCA") has vide its general circular No. 20/2020 dated 5th May 2020, general circular No. 02/2021 dated 13th January 2021, general circular No. 19/21 dated 8th December 2021, circular No. 21/2021 dated 14th December 2021, general circular No. 02/2022 dated 05th May, 2022 and Securities and Exchange Board of India ("SEBI") vide its circular number SEBI / HO / CFD / CMD1 / CIR / P / 2020 / 79 read with SEBI / HO / CFD / CMD2 / CIR / P / 2021 / 11 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 (hereinafter collectively referred to as "Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC, without the physical presence of the members at a common venue. In compliance with the provisions of the Act, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Circulars, the AGM of the Company is being held through VC.
3. Participation of members through VC will be reckoned for the purpose of quorum for the AGM as per section 103 of the Act.
4. Since this AGM is being held through VC pursuant to the Circulars, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the route map, proxy form and attendance slip are not annexed to this notice.
5. In compliance with the aforesaid Circulars, Notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2021-22 will also be available on the Company's website at www.everestind.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the e-voting website of Central Depository Services (India) Limited ("CDSL") at www.evotingindia.com. On specific request, the hard copy of Notice of AGM along with Annual Report 2021-22 will be sent to the concerned member. Member are requested to place such request either by writing an email to compofficer@everestind.com or by sending a requested letter to the Compliance Officer of the Company, Level 3, Tower 14, Solitaire Corporate Park, Chakala, Andheri (E), Mumbai – 400093.

6. Members holding shares in physical mode and who have not registered their email address with the Company/ Registrar & Share Transfer Agent ("RTA"), are requested to update their email addresses with the Company's RTA, MCS Share Transfer Agent Limited to receive copies of the Annual Report 2021-22 in electronic mode. Members may follow the process detailed below for registration of email ID to obtain the report and update of bank account details for the receipt of dividend.

Process to be followed	
For availing the following investor services, send a written request in the prescribed forms to the RTA of the Company, MCS Share Transfer Agent Limited either by email to helpdeskdelhi@mcsregistrars.com or admin@mcsregistrars.com or by post to F-65, Okhla Industrial Area, Phase-1, New Delhi-110020.	
Form for availing investor services to register PAN, email address, bank details and other KYC details or changes/update thereof for securities held in physical mode.	Form ISR-1
Update of signature of securities holder	Form ISR-2
For nomination as provided in the Rules 19(1) of Companies (share capital and debenture) Rules,2014	Form SH-13
Declaration to opt out	Form ISR-3
Cancellation of nomination by the holder(s) (along with ISR-3)/ Change of Nominee	Form SH-14
Forms for requesting issue of Duplicate Certificate and other services requests for shares held in physical form	Form ISR-4
The Forms for updating the above details are available at the website of the Company at www.everestind.com .	

7. Members holding shares in dematerialized mode are requested to contact to their respective Depository Participant ("DP") to register/update their email address.
8. The Members can join the AGM in the VC mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. Members may note that the VC Facility, provided by CDSL, allows participation of upto 1,000 members on a first-come first-served basis. The large members (i.e. members holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, auditors, etc. can

- attend the 89th AGM without any restriction on account of first-come- first-served principle.
9. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM through VC. Corporate members intending to authorize their representatives to participate and vote at the Meeting are requested to send a certified copy of the Board resolution / authorization letter to the Company or upload the same on the e-voting portal of CDSL at www.evotingindia.com.
 10. Members whose shareholding is in electronic mode are requested to direct notifications about change of address and updates about bank account details to their respective DP. Members whose shareholding is in physical mode are requested to opt for the Electronic Clearing System ("ECS") mode to receive dividend on time in line with the Circulars. We urge members to utilize the ECS for receiving dividends. Please refer to point no. 6 for the process to be followed for updating bank account details.
 11. Members may note that the Board of Directors, in its meeting held on May 27, 2022 has recommended a dividend of ₹ 6.00/- per share. The dividend, once approved by the members in the ensuing AGM will be paid within 30 days from the date of AGM, electronically through various online transfer modes to those members who have updated their bank account details. For members who have not updated their bank account details, dividend warrants / demand drafts will be sent out to their registered address in due course. To avoid delay in receiving the dividend, members are requested to update their KYC with their depositories (where shares are held in dematerialized mode) and with the Company's RTA (where shares are held in physical mode) to receive the dividend directly into their bank account on the payout date.
 12. The Company has fixed Thursday, **August 18, 2022 as the "Record Date/ Cut-off Date"** for determining entitlement of members to dividend for the financial year ended March 31, 2022 and for the purpose of voting at AGM.
 13. The dividend as recommended by the Board of Directors, if approved by the members at the AGM, shall be paid to those members whose names stand on the Register of Members of the Company on the closing hours of business on Thursday August 18, 2022. The dividend in respect of shares held in dematerialized form in the depository system will be paid to the beneficial owners of the shares as on the closing hours of business on Thursday August 18, 2022 as per the list provided by the respective Depositories for this purpose.
 14. Pursuant to Finance Act, 2020, dividend income will be taxable in the hands of the members w.e.f. April 1, 2020 and the Company is required to deduct tax at source ("TDS") from dividend paid to the members at prescribed rates as per the Income Tax Act, 1961 ("the IT Act"). In general, to enable compliance with TDS requirements, members holding shares in Demat form are requested to complete and / or update their Residential Status, PAN, Category as per the IT Act with their DP or in case shares are held in physical form, with the Company please refer to point no.6 for the process to be followed for updating PAN. For details, members may refer to the "Communication on TDS on Dividend Distribution" appended to this Notice of the AGM.
 15. Pursuant to the provisions of Section 125(5) of the Act, the Company has transferred the unpaid or unclaimed dividends from time to time on due dates to the Investor Education and Protection Fund ("IEPF") established by the Central Government. Pursuant to the provisions of IEPF (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on the date of closure of previous financial year i.e. March 31, 2021 on the website of the Company at www.everestind.com and also on the website of the IEPF.
 16. The certificate received from the Secretarial Auditors of the Company for Employee Stock Option Schemes (i.e. ESOS 2017, ESOS 2018, ESOS 2019 and ESOS 2021) as required under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, Register of Directors & Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, Register of Contracts or Arrangements in which the Directors are interested maintained under Section 189 of the Act and the documents referred in the explanatory statement will be open for electronic inspection without any fee by the members from the date of circulation of this Notice upto the date of AGM, i.e. August 25, 2022. Members seeking to inspect such documents can send an email to compofficer@everestind.com.
 17. Members are informed that in case of joint holders attending the AGM through VC, only such joint holder who is first in the order of names will be entitled to vote.
 18. As per Regulation 40 of Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares, members holding shares in physical form are requested

to consider converting their holdings to dematerialized form. Members can contact the Company or Company's RTA for assistance in this regard.

19. As per the provisions of section 72 of the Act, the facility for submitting nomination is available for members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The forms can be downloaded from the Company's website at www.everestind.com. Members are requested to submit the details to their DP in case the shares are held by them in electronic form and to the RTA, in case the shares are held in physical form.
20. SEBI vide its Circular No. SEBI/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021 read with clarification circular SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/687 dated December 14, 2021 mandated furnishing of details of PAN, email address, mobile number, bank account details and nomination by holders of physical securities in the Form ISR-1, for registering or updating of signature in Form ISR-2 and nomination details in Form SH-13. Forms are available on the website of the Company at www.everestind.com. In the view of the same, Members are requested to send the above Forms and all communications relating to shares, change of address, bank details, email address, telephone/ mobile numbers, Permanent Account Number (PAN) etc. to the Company's RTA at the address: MCS Share Transfer Agent Limited (Unit: Everest Industries Limited), F-65, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi-110 020, Ph: +91 1141406150-52 email: helpdeskdelhi@mcsregistrars.com. If the shares are held in dematerialized mode, then change of address, bank details, email address, telephone/ mobile number, Permanent Account Number (PAN), nomination, etc. should be furnished to their respective DPs. Folios wherein any one of the cited document/ details mentioned are not available on or after April 1, 2023, shall be frozen by the Registrars and Transfer Agent of the Company (RTA) and members will not be eligible to lodge grievance or avail service request from the RTA and not eligible for receipt of dividend in physical mode.

Please also note that after December 31, 2025, the frozen folios shall be referred by RTA/ Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and / or Prevention of Money Laundering Act, 2002.

21. VOTING THROUGH ELECTRONIC MEANS

- (a) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of AGM will be provided by CDSL.
- (b) Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC and cast their votes through e-voting.
- (c) The Notice calling the AGM has been uploaded on the website of the Company at www.everestind.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.
- (d) Any person who becomes a member of the Company after dispatch of the Notice of the Meeting and holding shares as on the cutoff date i.e. August 18, 2022 may obtain the login details in the manner as provided in the notice.
- (e) **Instructions for members for e-voting and joining AGM:**
 - (i) The remote e-voting period begins on August 21, 2022 from 9.00 am onwards and ends on August 24, 2022 at 5.00 pm. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date)

of August 18, 2022 may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the AGM date would not be entitled to vote at the AGM through VC.

(iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

(iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining AGM for Individual shareholders holding securities in Demat mode with CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. If the user is not registered for Easi/ Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting

Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/ CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

- (v) Login method for e-Voting and joining AGM for Physical shareholders and shareholders other than individual holding in Demat form.
- 1) The shareholders should log on to the e-voting website www.evotingindia.com
 - 2) Click on "Shareholders" module.
 - 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
 - 4) Next enter the Image Verification as displayed and Click on Login.
 - 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
 - 6) If you are a first-time user follow the steps given below:

For Physical shareholders and other than individual shareholders holding shares in Demat.	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
	Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.

Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.
	If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant ←Company Name→ on which you choose to vote.
- (x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) Additional Facility for Non - Individual Shareholders and Custodians - For Remote Voting only.
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; compofficer@everestind.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

22. Instructions for shareholders attending the AGM through VC & e-voting during meeting are as under:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request by Wednesday, August 17, 2022 till 5.00 p.m. mentioning their name, demat account number/folio number, email id, mobile number at compofficer@everestind.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries by Wednesday, August 17, 2022 till 5.00 p.m. mentioning their name, demat account number/folio number, email id, mobile number at compofficer@everestind.com. These queries will be replied to by the company suitably.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM.
9. Only those shareholders, who are present in the AGM through VC facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.

10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
23. Members who have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no 1800 22 55 33.
24. All grievances connected with the AGM and/ or facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or contact at toll free no 1800 22 55 33.
25. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. Thursday, August 18, 2022.
26. Mr. Tanuj Vohra, Company Secretary (Membership No. F5621) and in his absence Mr. Vishhal Arorah, Company Secretary (Membership No. F5958) of M/s. TVA & Co. LLP, Company Secretaries have been appointed as the Scrutinizer to scrutinize the electronic voting at AGM including remote e-voting process in a fair and transparent manner.
27. The Scrutinizer shall after the conclusion of electronic voting at the AGM, will unblock the votes casted through remote e-voting and through electronic voting at the AGM in the presence of at least two witnesses not in the employment of the Company and shall submit a consolidated scrutinizer's report of the total votes casted in favour or against, if any, to the Chairman of the Meeting or in his absence by the Managing Director, within a period of not exceeding 2 working days from the conclusion of the Meeting, who shall countersign the same and declare the results of the voting forthwith.
28. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company (www.everestind.com) and on CDSL e-voting website immediately after the declaration of results by the Chairman of the Meeting or a person authorized by him and the same shall be communicated to BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

Explanatory Statement

The following Explanatory Statement in terms of Section 102 of the Companies Act, 2013 is annexed to and forms part of the Notice convening the 89th Annual General Meeting:

Item No. 3: Appointment of Ms. Padmini Sekhsaria (DIN 00046486) as a Director, liable to retire by rotation

Though not statutorily required, the following is being provided as additional information to the members.

Pursuant to the provisions of Section 152 and applicable provisions of the Companies Act, 2013 ("Act"), not less than two-thirds of total number of Directors of the Company shall be liable to retire by rotation. One third of these Directors must retire from office at each AGM, but each retiring director is eligible for re-election at such meeting. Independent directors are not subject to retirement by rotation.

Based on the terms of appointment, executive directors and the non- executive & non-independent directors are subject to retirement by rotation. Ms. Padmini Sekhsaria, being the longest serving member and who is liable to retire, being eligible, seeks reappointment. The Board recommends her re-appointment.

Except Ms. Padmini Sekhsaria, none of the other Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise, in the resolution set out at Item No. 3. The Board commends the resolution at Item No. 3 for approval of the members by way of an Ordinary Resolution.

Item No. 4: Ratification of remuneration of the Cost Auditors

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s. Chandra Wadhwa & Co., Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2023.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the members of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 4 of the Notice for ratification of the remuneration payable to the Cost Auditors of the Company for the financial year ending March 31, 2023.

None of the Directors, Key Managerial Personnel of the Company and their relatives (to the extent of their shareholding in the Company, if any) are, in any way, concerned or interested, financially or otherwise, in the Ordinary Resolution set out at Item No. 4 of the Notice.

The Board commends Ordinary Resolution set out at Item No. 4 of the Notice for members consideration and ratification.

Item No. 5: Approval for payment of commission to Mr. Anant Talaulicar, Non- Executive Chairman for the financial year 2022-23.

The members at the 87th Annual General Meeting held on August 27, 2020 approved the appointment of Mr. Anant Talaulicar as an Independent Director of the Company with effect from November 21, 2019 for a term of five (5) consecutive years. Subsequently, the Board appointed Mr. Anant Talaulicar as Non-Executive Chairman of the Company with effect from June 25, 2020.

Mr. Talaulicar has about 36 years of rich experience (16 years in USA) in the fields of Manufacturing, Project Management, Finance etc. Mr. Talaulicar earned a Bachelor's degree in Mechanical Engineering from Mysore University. He received a Master's degree in Engineering from the University of Michigan in 1985 and MBA from Tulane University in 1987. He was Chairman and Managing Director of Cummins Group in India from March 2004 till October 2017.

Since joining the Board, Mr. Talaulicar has taken active interest in significant strategic matters of the Company and his contribution has been immense and invaluable. His role in the corporate strategy and business development of the Company has been significant. Mr. Talaulicar as Non Executive Chairman not only offers the Company his expertise in growth of all segments of the business but also plays an important role in guiding and mentoring the leadership team of the Company.

Mr. Talaulicar has played a significant role in all operational aspects of the Company for the financial year 2021-22. He has been continuously monitoring implementation of strategies & initiatives and taking corrective actions wherever required. He is also involved in drawing strategies for taking the Company to the next level.

The members of the Company in the Annual General Meeting held on August 25, 2021, passed a special resolution approving payment of remuneration by way of commission upto ₹ 2,00,00,000/- (Rupees Two Crores) to Mr. Anant Talaulicar for the financial year 2021-22, subject to the limit of four percent (4%) of net profits of the Company computed in the manner referred to in Section 198 of the Companies Act, 2013. The Board on the recommendation of NRC, in its meeting held on May 27, 2022 approved the payment of commission to Mr. Talaulicar of 2,00,00,000/- (Rupees Two Crores) for the financial year 2021-22.

The Board at its meeting held on May 27, 2022, on the recommendation of Nomination & Remuneration Committee and subject to approval of members of the Company,

has given its approval for payment of commission to Mr. Talaulicar upto ₹ 2,00,00,000/- (Rupees Two Crores) for the financial year 2022-23 subject to the limit of 4% of net profits of the Company computed in the manner referred to in Section 198 of the Companies Act, 2013 ("Act"). The aforesaid commission to the Non-Executive Chairman shall be over and above 1% commission payable to the Non-Executive Directors for the financial year 2022-23 pursuant the special resolution dated March 7, 2021 passed by the members of the Company through postal ballot.

As per section 197 of the Act, remuneration to Non-Executive Directors by way of commission exceeding 1% of the net profits of the Company per annum, calculated in accordance with the provisions of Section 198 of the Act, can be paid by passing Special Resolution in the general meeting.

Further, as per the Regulation 17(6)(ca) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), approval of the members by way of Special Resolution is required every year in case the annual remuneration payable to a single Non-Executive Director exceeds 50% of the total annual remuneration payable to all Non-Executive Directors.

As the proposed commission payable to Non-Executive Chairman for the financial year 2022-23 would exceed 50% of the total annual remuneration payable to all the Non-Executive Directors, members approval by way of Special Resolution is sought pursuant to the provisions of Regulation 17(6) (ca) of the SEBI Listing Regulations. Members approval by way of Special Resolution is also required under section 197 of the Act as the commission payable to the Non-Executive Chairman would exceed limit of 1%.

Additional information in respect of Mr. Anant Talaulicar pursuant to Secretarial Standard 2 is annexed to this Notice.

The Board commends the Special Resolution set out at Item No. 5 of the Notice for approval of the members for payment of commission to Mr. Anant Talaulicar, Non-Executive Chairman for the financial year 2022-23. Mr. Talaulicar is interested in the Special Resolution as set out at Item No. 5 with respect to commission payable to him. The relative(s) of Mr. Talaulicar may be deemed to be interested in the said Special Resolution to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors/ Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 5 of the Notice.

ADDITIONAL INFORMATION IN RESPECT OF MR. ANANT TALAULICAR PURSUANT TO THE LISTING REGULATIONS AND THE SECRETARIAL STANDARD ON GENERAL MEETINGS

Name of Director	Mr. Anant Talaulicar
Date of Birth	11.7.1961
Age	61 Years
Experience	36 Years
Date of first appointment on the Board	21.11.2019
Expertise in specific functional areas	Manufacturing, Project Management, Finance
Qualifications	B.E.(Mech), Master's degree in Engineering and MBA
Remuneration last drawn (Financial Year 2021-22)	₹ 2,04,50,000/-*
Names of other entities in which the person also holds the directorship.	1 Birlasoft Limited 2 India Nippon Electricals Limited 3 The Hi-Tech Gears Limited 4 KPIT Technologies Limited 5 Ushajaivant Foundation 6 Jakson Engineers Limited 7 Jakson Limited 8 Pinnacle Industries Limited 9 Endurance Technologies Limited 10 Everest Foundation
Names of other entities in which the person also holds Membership/ Chairmanship of Committees of the Board	1 KPIT Technologies Limited- [Chairman of Nomination & Remuneration Committee, Corporate Social Responsibility Committee, Audit Committee, Enterprise Risk Management Committee] 2 Birla Soft Limited - [Chairman of Nomination & Remuneration Committee and Member of Audit Committee, Enterprise Risk Management Committee and Corporate Social Responsibility Committee] 3 India Nippon Electricals Limited - [Member of Audit Committee] 4 Jakson Limited - [Chairman of Nomination and Remuneration Committee and member of Audit Committee] 5 Jakson Engineers Limited- [Member of Audit Committee]
Shareholding in the Company (as on March 31, 2022)	Nil
Relationship with other Directors, Manager and other Key Managerial Personnel of the company	None
Number of Meetings of Board attended during the year	7 out of 7
Terms and conditions of appointment/ re-appointment/ remuneration	Refer to item no. 5 of the Notice and the corresponding Explanatory Statement

* Commission & Sitting Fees for attending Board and Committee meetings

By Order of the Board
For **Everest Industries Limited**

Neeraj Kohli
Company Secretary & Head-Legal
Membership No. FCS 3089

Place: New Delhi
Date: May 27, 2022

Regd. Office: GAT 152, Lakhmapur,
Taluka Dindori, Nashik- 422 202
(Maharashtra)
Tel : 02557-250375/462,
Fax : 02557-250376
CIN: L74999MH1934PLC002093
E-mail : compofficer@everestind.com

[Refer Note 14 of the Notice of 89th AGM]

Taxability of Dividends

Communication on Tax Deduction at Source (TDS) on Dividend Distribution

As you are already aware that w.e.f. 1st April 2020, Dividend Distribution Tax u/s 115-O of the Income-tax Act, 1961 ("the IT Act") payable by domestic companies on declaration of dividend has been abolished. Pursuant to this amendment and certain consequential amendments brought vide Finance Act, 2020, the Company would be under an obligation to deduct tax at source ("TDS") in accordance with the provisions of the IT Act, from dividend distributed on or after 1st April 2020.

Please take note of the below TDS provisions and information/document requirements for each shareholder:

Section 1: For all Members - Details that should be completed and /or updated, as applicable

All Members are requested to ensure that the below details are completed and/or updated, as applicable, in their respective demat account/s maintained with the Depository Participant/s; or in case of shares held in physical form, with the Company, by August 9, 2022. Please note that these details as available on record date will be relied upon by the Company, for the purpose of complying with the applicable TDS provisions:

- I. Valid Permanent Account Number (PAN).
- II. Residential status as per the Act i.e. Resident or Non-Resident for FY 2022-23.
- III. Category of the Member:
 - i. Mutual Fund
 - ii. Insurance Company
 - iii. Alternate Investment Fund (AIF) Category I and II
 - iv. AIF Category III
 - v. Government (Central/State Government)
 - vi. Foreign Portfolio Investor (FPI)/Foreign Institutional Investor (FII): Foreign Company
 - vii. FPI/FII: Others (being Individual, Firm, Trust, AJP, etc.)
 - viii. Individual
 - ix. Hindu Undivided Family (HUF)
 - x. Firm
 - xi. Limited Liability Partnership (LLP)
 - xii. Association of Persons (AOP), Body of individuals (BOI) or Artificial Juridical Person (AJP)
 - xiii. Trust
 - xiv. Domestic company
 - xv. Foreign company.
- IV. Email Address.
- V. Address.

Section 2: TDS provisions and documents required, as applicable for relevant category of Members

Members are requested to take note of the TDS rates and document/s, if any, required to be submitted to the Company by August 9, 2022 for their respective category, in order to comply with the applicable TDS provisions.

I. For Resident Members:

- i. **Mutual Funds:** No TDS is required to be deducted as per section 196(iv) of the IT Act subject to specified conditions. Self-attested copy of valid SEBI registration certificate needs to be submitted.
- ii. **Insurance companies:** No TDS is required to be deducted as per section 194 of the IT Act subject to specified conditions. Self-attested copy of valid IRDA registration certificate needs to be submitted.
- iii. **Category I and II Alternative Investment Fund:** No TDS is required to be deducted as per section 197A (1F) of the IT Act subject to specified conditions. Self-attested copy of valid SEBI registration certificate needs to be submitted.
- iv. **Recognised Provident funds:** No TDS is required to be deducted as per Circular No.18/2017 subject to specified conditions. Self-attested copy of a valid order from Commissioner under Rule 3 of Part A of Fourth Schedule to the IT Act, or Self-attested valid documentary evidence (e.g. relevant copy of registration, notification, order, etc.) in support of the provident fund being established under a scheme framed under the Employees' Provident Funds Act, 1952 needs to be submitted.
- v. **Approved Superannuation fund:** No TDS is required to be deducted as per Circular No.18/2017 subject to specified conditions. Self-attested copy of valid approval granted by Commissioner under Rule 2 of Part B of Fourth Schedule to the IT Act needs to be submitted.
- vi. **Approved Gratuity Fund:** No TDS is required to be deducted as per Circular No.18/2017 subject to specified conditions. Self-attested copy of valid approval granted by Commissioner under Rule 2 of Part C of Fourth Schedule to the IT Act needs to be submitted.
- vii. **National Pension Scheme:** No TDS is required to be deducted as per Sec 197A (1E) of the IT Act.
- viii. **Government (Central/State):** No TDS is required to be deducted as per Sec 196(i) of the IT Act.
- ix. **Any other entity entitled to exemption from TDS:** Valid self-attested documentary evidence (e.g.

relevant copy of registration, notification, order, etc.) in support of the entity being entitled to exemption from TDS needs to be submitted.

x. Other resident Members:

- a) TDS is required to be deducted at the rate of 10% u/s 194 of the IT Act.
- b) No TDS is required to be deducted, if aggregate dividend distributed or paid or likely to be distributed or paid during the financial year to individual shareholder does not exceed ₹ 5000.
- c) No TDS is required to be deducted on furnishing of valid Form 15G (for individuals, with no tax liability on total income and income not exceeding maximum amount which is not chargeable to tax) or Form 15H (for individual above the age of 60 years with no tax liability on total income).
- d) TDS is required to be deducted at the rate prescribed in the lower tax withholding certificate issued u/s 197 of the Act, if such valid certificate is provided.
- e) TDS is required to be deducted at the rate of 20% u/s 206AA of the IT Act, if valid PAN of the shareholder is not available.
- f) TDS shall be deducted at the rate of 20% u/s 206AB of the IT Act, if the shareholder is a specified person within the meaning of Sec. 206AB(3). Specified person shall mean a person who has not furnished the return of income for the financial year 2020-21 and the aggregate of tax deducted at source and tax collected at source in his case is rupees fifty thousand or more in the said financial year. In the case of resident shareholders, if PAN of a shareholder is not updated, it shall be assumed that the shareholder is a "specified person" for the purpose of section 206AB of the Act and TDS would be regulated accordingly.

195 or u/s 196D (for FII & FPI) as the case may be, of the IT Act

- b. Shareholder may be entitled to avail lower TDS rate as per Double Tax Avoidance Treaty (DTAA) between India and the country of tax residence of the shareholder as modified by Multilateral Instrument ('MLI'), on furnishing the below specified documents
 - 1) Self-attested copy of PAN;
 - 2) Self-attested copy of valid Tax Residency Certificate (TRC) obtained from the tax authorities of the country of which the shareholder is a resident;
 - 3) Self-declaration in Form 10F; and
 - 4) Self-declaration on letterhead of having no Permanent Establishment in India, Beneficial ownership of shares and eligibility to claim treaty benefits (as per Annexure 1 to this Communication).
- c. TDS is required to be deducted at the rate prescribed in valid lower tax withholding certificate issued u/s 197 of the IT Act, if such valid certificate is provided, except in case of FII and FPI whose TDS is to be effected u/s 196D.
- d. In case of FII and FPI, copy of SEBI registration certificate
- e. TDS is required to be deducted at applicable rates who is not a "specified person" as per section 206AB and twice the applicable rate who is a "specified person" as per section 206AB. However, if a duly signed and verified declaration confirming that he/she does not have a PE in India is submitted, the provisions of Section 206AB would not come into play and TDS would be deductible at the normally applicable rate. In absence of such a declaration, TDS would be regulated as per the provisions of section 206AB of the Act.

Details and / or documents as mentioned above in Section 1 and Section 2, as applicable to the Member, need to be sent, duly completed and signed, through registered email address of the Member with PAN being mentioned in the subject of the email to reach by August 9, 2022. Please note that communication in this regard, shall not be accepted post August 9, 2022.

II. For Non-resident Members:

- i. **Any entity entitled to exemption from TDS:** Valid self-attested documentary evidence (e.g. relevant copy of registration, notification, order, etc. by Indian tax authorities) in support of the entity being entitled to exemption from TDS needs to be submitted.
- ii. **Other non-resident Members including FPI and FII:**
 - a. TDS is required to be deducted at the rate of 20% (plus applicable surcharge and cess) u/s

Section 3: Other general information for the Members:

- I. For all self-attested documents, Members must mention on the document "certified true copy of the original". For all documents being sent / accepted by email, the Member undertakes to send the original document/s on the request by the Company.
- II. In case, the dividend income is assessable to tax in the hands of a person other than the registered Member as on the Record Date, then in terms of Rule 37BA of Income Tax Rules 1962, registered Member is required to furnish a declaration containing the name, address, PAN of the person to whom TDS credit is to be given and reasons for giving credit to such person.
- III. Shareholders holding Equity shares under multiple accounts under different status / category and single PAN, may note that, higher of the tax as applicable to the status in which shares held under a PAN will be considered on their entire holding in different accounts.
- IV. TDS deduction certificate will be sent to the Members' registered email address in due course.
- V. Surcharge rates applicable for financial year 2022 - 23 for non-residents including FII & FPI:

(i) Individual, HUF, AOP, BOI, AJP, Trust

Dividend Income	Rate
Upto ₹ 50 lakhs	Nil
Income exceeds ₹ 50 lakhs but does not exceed ₹ 1 crore	10%
Income exceeds ₹ 1 crore	15%

(ii) Co-operative society or Firm

Aggregate Income	Rate
Income exceeds ₹ 1 crore but does not exceed ₹ 10 crores	7%
Income exceeds ₹ 10 crores	12%

(iii) Foreign company

Aggregate Income	Rate
Income exceeds ₹ 1 crore but does not exceed ₹ 10 crores	2%
Income exceeds ₹ 10 crores	5%

- VI. Surcharge rate shall be applicable as per relevant provisions of Income Tax Act, 1961.
- VII. Health and Education Cess of 4% is applicable for financial year 2022 - 2023 for non-residents.
- VIII. Application of TDS rate is subject to necessary due diligence and verification by the Company of the shareholder details as available in register of Members on the Book Closure Date, documents, information available in public domain, etc. In case of ambiguous, incomplete or conflicting information, or the valid information/documents not being provided, the Company will arrange to deduct tax at the maximum applicable rate.
- IX. In case TDS is deducted at a higher rate, an option is still available with the shareholder to file the return of income and claim an appropriate refund, if eligible.
- X. In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided / to be provided by the Member/s, such Member/s will be responsible to indemnify the Company and also, provide the Company with all information / documents and co-operation in any appellate proceedings.

Note: Above communication on TDS sets out the provisions of law in a summary manner only and does not purport to be a complete analysis or listing of all potential tax consequences. Shareholders should consult with their own tax advisors for the tax provisions applicable to their particular circumstances.

(Refer Section 2(III)(ii)(b)(4) of above Communication on TDS on Dividend Distribution)

ANNEXURE 1

Format for Declaration for Claiming Benefits under DTAA

Date: _____

To,

Everest Industries Limited
LEVEL 3, TOWER 14,
SOLITAIRE CORPORATE PARK,
CHAKALA, ANDHERI (E),
MUMBAI - 400093
Email: compofficer@everestind.com

Subject: Declaration for eligibility to claim benefit under Double Taxation Agreement between Government of India and Government of..... <mention country of tax residency> ("DTAA"), as modified by Multilateral Instrument ("MLI"), if applicable

With reference to above, I/We wish to declare as below:

- I/We, <Full name of the shareholder>, having permanent account number (PAN) under the Indian Income tax Act, <mention PAN >, and holding <mention number of shares held> number of shares of the Company under demat account number/ folio number as on the Record date August 18, 2022, am/are a tax resident of <country name> in terms of Article 4 of the DTAA as modified by MLI (if applicable) and do not qualify as a 'resident' of India u/s 6 of the Indian Income-tax Act, 1961 ("the IT Act"). A copy of the valid tax residency certificate for <period>, which is valid as on the Record Date, is attached herewith.
- I/We am/are eligible to be governed by the provisions of the DTAA as modified by MLI (if applicable), in respect of the dividend income and entitled to claim the treaty benefits including but not limited to the Principal Purpose Test (PPT), limitation of benefit clause (LOB), Simplified Limitation of Benefits (SLOB), period of holding of shares etc. as applicable. I/We specifically confirm that my/our affairs /affairs were not arranged such that the main purpose or the principal purpose thereof was to obtain tax benefits available under the applicable tax treaty.
- I/We am/are the legal and beneficial owner of<No. of Shares> shares held in the Company. Further, I/ We am/are the beneficial owner of dividend income to be received from the Company in respect of aforementioned shares.
- I/We am/are tax resident of <mention country of tax

residency> and assessed therein as a tax resident and I/We am/are not a fiscally transparent entity.

- I/We do not have a Permanent Establishment ("PE") in India in terms of Article 5 of the DTAA as modified by MLI (if applicable) or a fixed base in India and the amounts paid/payable to us, in any case, are not attributable to the PE or fixed base, if any, which may have got constituted otherwise.
- I/We do not have a PE in a third country and the amounts paid/payable to us, in any case, are not attributable to a PE in third jurisdiction, if any, which may have got constituted otherwise.
- I/We do not have a Business Connection in India according to the provision of section 9(1)(i) of the Act and the amounts paid/payable to us, in any case, are not attributable to business operations, if any, carried out in India.
- We do not have a Place of Effective Management [under Section 6(3) of the IT Act] in India (if shareholder is a company).

I/We hereby certify that the declarations made above are true and bonafide. In case in future, any of the declarations made above undergo a change, we undertake to promptly intimate you in writing of the said event. You may consider the above representations as subsisting unless intimated otherwise.

I/we in the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided by me, I will be responsible to pay and indemnify such income tax demand (including interest, penalty, etc.) and provide the Company with all information / documents that may be necessary and co-operate in any proceedings before any income tax / appellate authority.

For <Mention the name of the payee>

Authorised Signatory
<Name of the person signing>
<Designation of the person signing>

BOARD'S REPORT

To
The Members of Everest Industries Limited

Your Directors take great pleasure in presenting Eighty-Ninth (89th) Annual Report of Everest Industries Limited ("Company" or "Everest") together with the Audited Financial Statements for the financial year ended March 31, 2022 and Auditor's Report thereon.

FINANCIAL RESULTS

(₹ In Crores)

Particulars	Financial Year ended			
	Standalone		Consolidated	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
Net Revenue from operations & Other Income	1390.30	1,222.10	1394.10	1,226.80
Profit before Depreciation & Finance Costs	98.30	122.10	98.30	120.80
Less : Depreciation	28.60	25.30	28.60	25.30
: Finance Costs	3.10	3.90	3.10	3.90
Profit before Tax	66.60	92.80	66.50	91.60
Tax Expense	22.40	35.20	22.40	35.20
Profit for the year	44.10	57.60	44.10	56.40
Other comprehensive income for the year, net of tax	-0.40	1.00	-0.40	1.00
Total comprehensive income for the year, net of tax	43.70	58.60	43.70	57.40
Add: Balance in Profit & Loss Account	374.90	318.00	373.40	317.60
Profit Available for Appropriation	418.60	376.50	417.10	375.00
Appropriations:				
Dividend	11.70	1.60	11.70	1.60
Closing Balance	406.90	375.00	405.30	373.40

DIVIDEND

The Board of Directors ("Board") have recommended a dividend of ₹ 6.00 per equity share of ₹10/- each for the financial year ended March 31, 2022 subject to the approval of the members. The total outgo on account of dividend will be ₹ 9.4 crores as against ₹ 11.7 crores for the previous financial year.

PERFORMANCE REVIEW

The Company has achieved a Total Income of ₹ 1,390.3 crores during the financial year 2021-22 ("Year"). The Highlights of the Company's performance on standalone basis during the Year are as under:

- Revenue for the Year at ₹ 1390.3 crores was higher by 13.8 % as compared with ₹1222.1 crores in the previous year. Top line in Building Products segment recorded a increase of 8.7% whereas in the Steel Buildings segment the same recorded a decrease of 25.4%.
- Production volume in the two business segments were as follows:
 - In Building Products segment the production for the Year at 876212 MT was higher by 19.0% over 736316 MT in the previous year.
 - In Steel Buildings segment the production for the Year at 24390 MT was at the same level at 24259 MT in the previous year.

3. Operating Profit (EBIDTA) during the Year at ₹ 98.30 crores was lower by 19.40% over ₹ 122.10 crores in the previous year.
4. Profit before Tax during the Year at ₹ 66.60 crores was lower by 28.30% as compared to ₹ 92.80 crores in the previous year.
5. Cash profit was ₹ 72.80 crores as compared to ₹ 77.20 crores in the previous year.

The consolidated revenue of the Company for the Year was ₹ 1394.10 crores higher by 13.60 % from ₹ 1226.80 crores in the previous year. The consolidated operating profit for the Year was ₹ 98.30 crores as compared to ₹ 120.80 crores in the previous year. Consolidated Profit after Tax for the Year was ₹ 44.10 crores as against ₹ 56.40 crores in the previous year.

COVID -19

The Company has considered the possible effects that may result from the global health pandemic relating to COVID-19 on its operations. Management has taken external and internal factors into account for assessing the possible impact of COVID-19 on various elements of its financial results, including its liquidity position and the recoverability of assets. The Company will continue to monitor any material changes to future economic conditions and the consequent impact on its business, if any.

TRANSFER TO RESERVES

The Company proposes to retain the entire amount of profits in the Profit and Loss account.

SHARE CAPITAL

During the Year under review, the share Capital of the Company has increased from ₹15,63,63,400 to ₹15,67,80,770 on account of allotment of shares to the employees of the Company under Employees Stock Option Schemes.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors state that:

- a) in the preparation of the annual accounts for the financial year ended March 31, 2022, the applicable accounting standards have been followed and there are no material departures from the same;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on March 31, 2022 and of the profit of the Company for that period;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for

- d) preventing and detecting fraud and other irregularities; the Directors have prepared the annual accounts on a 'going concern' basis;
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of Section 152 of the Companies Act, 2013 ("Act"), Ms. Padmini Sekhsaria, Director of the Company, retires by rotation at the forthcoming Annual General Meeting and being eligible, offers herself for re-appointment. The Board of Directors recommends her re-appointment as Director of the Company.

Mr. Y. Srinivasa Rao, Whole Time Director designated as Executive Director of the Company requested the Board of Directors for being allowed to retire from the position of Whole Time Director and resigned as Director of the Company with effect from the close of the business hours on April 9, 2021 due to personal reasons. The Board accepted his request for retirement from the position of Whole Time Director and his resignation as Director of the Company with effect from the close of the business hours of April 9, 2021.

Mr. Nikhil Dujari, Chief Financial Officer and Key Managerial Personnel of the Company tendered his resignation with effect from the close of the business hours of May 10, 2021. The Board, on the recommendation of NRC and the Audit Committee has appointed Mr. Pramod Nair, Vice President – Finance of the Company as Chief Financial Officer (CFO) and designated him Whole time Key Managerial Personnel (KMP) of the Company with effect from May 11, 2021.

Mr. Narotam Sekhsaria (DIN: 00276351), Non-Executive Director of the Company has resigned from the Board with effect from April 29, 2022. The Board expressed its appreciation for the invaluable contribution and guidance provided by Mr. Narotam Sekhsaria during his tenure as director of the Company.

DECLARATION FROM INDEPENDENT DIRECTORS

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under the both Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015 and also not debarred from holding the office of director pursuant to any SEBI order or any such authority.

All the Independent Directors of the Company have registered themselves in the data bank maintained with the Indian Institute of Corporate Affairs and have confirmed their compliance with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014.

In the opinion of the Board all independent directors possess strong sense of integrity and having requisite experience, qualification and expertise as well as independent of the management.

BOARD EVALUATION

Pursuant to the provisions of the Act and Listing Regulations, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Board Committees. The exercise was carried out through a structured evaluation process covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, leadership attribute of directors through vision and values, strategic thinking and decision making, adequacy of business strategy, etc.

The performance evaluation of the Independent Directors was done by the entire Board excluding the Directors being evaluated. The performance evaluation of the Non-Independent Directors was carried out by the Independent Directors. The Board of Directors expressed their satisfaction with the evaluation process.

HOLDING, SUBSIDIARIES, ASSOCIATE & JOINT VENTURE COMPANIES

Falak Investment Private Limited, Promoter of the Company is the holding company of the Company.

The Company has a subsidiary in Mauritius viz. Everest Building Products. This company operates as a holding company for its subsidiary in the UAE. During the Year, the subsidiary earned an interest income of ₹ 0.01 lakhs and a net loss of ₹ 2.5 lakhs mainly for normal operating expenses.

The Mauritius subsidiary has a subsidiary, Everestind FZE incorporated in UAE. Everestind FZE is a legal entity involved in the trading of Company's products in the Middle East and foreign markets. During the Year, entity earned a total income of ₹ 4242.3 lakhs and a net loss of ₹ 2.2 lakhs out of trading of Company's products.

In terms of proviso to sub-section (3) of Section 129 of the Act, the salient features of the financial statement of the subsidiaries is set out in the prescribed Form AOC-1, which forms part of the Board's Report as **Annexure -1**. During the financial year 2021-22, no Company has become or ceased to be a Joint Venture or Associate of the Company.

DEPOSITS

The Company has not accepted any deposits from the public during the Year and, as such, no amount on account of principal or interest on public deposits was outstanding as on March 31, 2022.

CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of corporate governance and adhere to the corporate governance requirements set out by Securities and Exchange Board of India ("SEBI"). A separate Report on Corporate Governance along with a certificate from M/s TVA & Co. LLP, Company Secretaries on compliance with the conditions of Corporate Governance as stipulated under Listing Regulations is provided as part of this Annual Report.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

During the Year, the Company has not entered into any contract/arrangement with a related party as specified under section 188 of the Act. Therefore, disclosure in Form AOC-2 is not required.

CORPORATE SOCIAL RESPONSIBILITY

In accordance with the requirements of Section 135 of Act, the Company has constituted a Corporate Social Responsibility (CSR) Committee. The composition and terms of reference of the CSR Committee are provided in the Corporate Governance Report.

The CSR Policy may be accessed on the Company's website at the link https://www.everestind.com/uploads/Files/194invuf_CSR-Policy-Final-1-4-2021.pdf The Company has identified four focus areas of engagement which are as under:

- Livelihood enhancement - skill development, training and employment generation
- Promotion of education, and sports.
- Preventive health care and Sanitation
- Environmental Sustainability

The Company also undertakes other need-based initiatives in compliance with Schedule VII to the Act.

Annual Report on CSR activities for the financial year 2021-22 in the prescribed format is annexed as **ANNEXURE-2** to this Board's Report. CSR activities of the Company which were being done through Everest Foundation (Trust) will be transferred & continued through Everest Foundation (Section 8 company).

BUSINESS RESPONSIBILITY REPORT

Business Responsibility Report for the Year under review, as stipulated under Regulation 34 of Listing Regulations in the prescribed format is annexed as **ANNEXURE-3** to this Board's Report.

EMPLOYEES' STOCK OPTION SCHEME

The Nomination and Remuneration Committee of the Board of the Company, inter-alia, administers and monitors the Employees' Stock Option Schemes of the Company in accordance with the applicable SEBI regulations.

The applicable disclosures as stipulated under the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 as on March 31, 2022 with regard to the Employees' Stock Option Schemes (ESOS) are provided in **ANNEXURE-4** in the Board's Report and may be accessed on the Company's website at the link <https://www.everestind.com/disclosures-under-statutory-enactments>

The Company has received certificate from the Secretarial Auditors of the Company that the Schemes have been implemented in compliance with the Securities & Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (Previously known as Securities & Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 which were repealed w.e.f. 13th August 2021) and as per special resolutions passed by the members in the Annual General Meetings. The certificate shall be available for electronic inspection by the members during the 89th Annual General Meeting.

STATUTORY AUDITORS

M/s. SRBC & CO LLP, Chartered Accountants (Registration No. 324982E/E300003), have been appointed as the Auditors of the Company for a period of five years in the 88th Annual General meeting of the Company held on August 25, 2021 till the conclusion of the 93rd Annual General Meeting of the Company.

AUDITORS' REPORT

There are no qualifications, reservations or adverse remarks made by M/s. SRBC & CO LLP, Chartered Accountants, Statutory Auditors of the Company, in their report for the financial year ended March 31, 2022.

The Statutory Auditors have not reported any incident of fraud to the Audit Committee or to the Board of Directors under section 143(12) of the Act during the Year under review.

COST AUDITORS

The Company is required to maintain the cost records as specified by the Central Government under section 148(1) of the Act and accordingly such accounts and records are made and maintained. As per the requirement of Central Government and pursuant to Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company has been carrying out audit of its cost records.

The Board of Directors on the recommendation of Audit Committee has appointed M/s Chandra Wadhwa & Co., Cost

Accountants as Cost Auditors to audit the cost records of the Company for the financial year 2022-23. As required under the Act, a resolution seeking approval of the members for the remuneration payable to the Cost Auditor forms part of the Notice convening the forthcoming 89th Annual General Meeting.

SECRETARIAL AUDITOR AND SECRETARIAL STANDARDS

The Board has appointed M/s TVA & Co. LLP, Practicing Company Secretaries to conduct the Secretarial Audit of the Company for the financial year 2021-22 as required under Section 204 of the Act and the rules made thereunder. The Secretarial Audit Report for the financial year 2021-22 is attached as **ANNEXURE-5** to the Board's Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

During the Year, the Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

DISCLOSURES

AUDIT COMMITTEE

The Audit Committee of the Board as on March 31, 2022 comprises of Mr. Rajendra Chitale (Chairman), Mr. B. L. Taparia (Member), Mr. M. L. Gupta (Member), Mrs. Bhavna Doshi (Member), Ms. Padmini Sekhsaria (Member) and Mr. Anant Talaulicar (Member). For details, please refer to Corporate Governance Report attached to the Annual Report. The Board has accepted all the recommendations made by the Audit Committee.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee of the Board, as on March 31, 2022, comprises of Mr. B. L. Taparia (Chairman), Mr. M.L. Gupta (Member), Mrs. Bhavna Doshi (Member), Ms. Padmini Sekhsaria (Member) and Mr. Anant Talaulicar (Member). For details, please refer to Corporate Governance Report attached to this Annual Report.

The Nomination and Remuneration Committee has framed the Nomination, Remuneration and Board Diversity Policy which lays down the criteria for appointment of Directors on the Board of your Company and guides organization's approach to Board Diversity. No changes were made in the Policy during the financial year. Nomination, Remuneration and Board Diversity Policy is available on the website of the Company at https://everestind.com/uploads/Files/342invuf_Nomination-BoardDiversityPolicy.pdf

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The CSR Committee of the Board, as on March 31, 2022, comprises of Ms. Padmini Sekhsaria (Chairperson), Mr. M.L. Gupta (Member), Mr. Alok Nanda (Member),

Mr. Rajesh Joshi (Member) and Mr. Anant Talaulicar (Member). Mr. Anant Talaulicar was appointed as a member of CSR Committee with effect from May 28, 2021. For details, please refer to Corporate Governance Report which is part of this Annual Report.

STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee of the Board, as on March 31, 2022, comprises of Mr. M. L.Gupta (Chairman), Mr. Rajesh Joshi (Member) and B. L.Taparia (Member). For details, please refer to Corporate Governance Report which is part of this Annual Report.

VIGIL MECHANISM POLICY/WHISTLE BLOWER POLICY

Pursuant to Section 177 of the Act read with rules made thereunder and the Listing Regulations, the Company has in place a mechanism for Directors, employees, vendors, customers and other stakeholders to report concerns about unethical behaviour, actual or suspected fraud, violation of Code of Conduct of the Company etc. The mechanism also provides for adequate safeguards against victimization of Whistle Blower who avail the mechanism and also provides for direct access to the Whistle Blower to the Audit Committee. Pursuant thereto, a dedicated helpline "Ethics Helpline" has been set-up which is managed by an independent professional organization.

The Vigil Mechanism Policy may be accessed on the Company's website at the link https://everestind.com/uploads/Files/163invuf_VigilMechanismPolicy.pdf

RISK MANAGEMENT

In financial year 2021-22, the Company continued to strengthen its comprehensive system to promptly identify risks, assess their materiality and take measures to minimize their likelihood and losses. The Company has Risk Management Policy to mitigate the risks. The Risk Management Committee was constituted by the Board on 27.5.2021. The Risk Management Committee comprises of Mr. B. L.Taparia (Chairman), Mr. Rajendra Chitale (Member), Mr. Anant Talaulicar (Member), Ms. Padmini Sekhsaria (Member) and Mr. Rajesh Joshi (Member).

The Risk Management Committee is assisted by the Management team comprising of the following:

- BU Head – Roofing
- BU Head – Boards & Panels
- BU Head – ESBS
- Chief Financial Officer (CFO)
- Internal Auditor
- Chief Human Resources Officer (CHRO)
- VP – Manufacturing
- Head – IT

For details, please refer to Corporate Governance Report attached to this Annual Report.

INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls and that such internal financial controls are adequate and operating effectively. The Audit Committee reviews report presented by the Internal Auditors. It maintains constant dialogue with Statutory and Internal Auditors to ensure that internal control systems are operating effectively. For more details, refer to the 'Internal control systems and their adequacy' section in the Management Discussion and Analysis Report, which forms part of this Annual Report.

NUMBER OF MEETINGS OF THE BOARD

The Board met seven (7) times during the Year, the details of which are given in the Corporate Governance Report that forms part of this Annual Report. The intervening gap between any two meetings was within the period prescribed under the Act and Listing Regulations

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY THE COMPANY

The details of investments covered under the provisions of Section 186 of the Act are disclosed in the Note No 2.05 to the Standalone Financial Statements. The Company has neither given any loans nor provided any security or fresh guarantee under Section 186 of the Act during the Year.

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

The required particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required are attached as **ANNEXURE- 6** to the Board's Report.

ANNUAL RETURN

The Annual Return as required under Section 92 and Section 134 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is available on the Company's website at the link https://www.everestind.com/uploads/Files/477invuf_89thAnnualGeneralMeeting.pdf

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended, a statement showing the names and other particulars of the top ten employees in terms of remuneration drawn set out in the said rules are provided in **ANNEXURE-7** the Board's Report.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in **ANNEXURE- 8** to the Board's Report.

DIVIDEND DISTRIBUTION POLICY

Dividend Distribution Policy of the Company was approved by the Board on August 3, 2021, and may be accessed on the Company's website at the link https://www.everestind.com/uploads/Files/433invuf_Dividend-Distribution-Policy-aug21.pdf

GENERAL

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

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
3. Managing Director & CEO of the Company did not receive any remuneration or commission from any of its subsidiaries.
4. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status of the Company and its future operations.
5. No material changes and commitments affecting the financial position of the Company have occurred from the end of the last financial year till the date of this report.
6. No change in the nature of the business of the Company happened during the Year under review.

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

Your Directors further state that during the Year under review, the Company has complied with provisions relating to the constitution of Internal Complaints Committee under the provisions of the Sexual Harassment of Women at Workplace

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

HUMAN RESOURCES

The Company has continuously adopted structures that help to attract best external talent and promote internal talent to higher roles and responsibilities. Everest's people-centric focus providing an open work environment, fostering continuous improvement and development helped several employees realize their career aspiration during the Year.

INDUSTRIAL RELATIONS

During the Year, the industrial relations at all the works of the Company were cordial.

ACKNOWLEDGEMENT

Your Directors wish to place on record their gratitude to the Company's business associates, trade partners, dealers, customers, shareholders, vendors, bankers, technology providers and other stakeholders all over India and overseas for the continued support and co-operation extended by them to the Company during the Year. Your Board also thanks to the Government of India, State Governments and other Government Authorities for their continued support and encouragement to the Company and look forward to their support in future.

Your Directors especially wish to place on record their sincere appreciation of the efficient services rendered by the Company's motivated team members from all Zones, Works and Offices.

For and on behalf of the Board

Place: Mumbai **Anant Talaulicar** **Rajesh Joshi**
Date: May 27, 2022 Chairman Managing Director & CEO

ANNEXURE – 1

FORM AOC – 1

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENTS OF SUBSIDIARIES, ASSOCIATE OR JOINT VENTURES OF THE COMPANY

(Pursuant to first proviso to Sub-Section (3) of Section 129 of the Companies Act, 2013, read with Rule 5 of the Companies (Accounts) Rules, 2014).

PART A: SUBSIDIARIES

Name of the Subsidiary	[₹ In Lakhs]	
	Everest Building Products	Everestind FZE
1. Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01.04.2021 To 31.03.2022	01.04.2021 To 31.03.2022
2. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	USD ₹ 75.8071	AED ₹ 20.6836
3. Share capital	36.67	192.92
4. Reserves & surplus	(36.13)	(354.35)
5. Total assets	3.62	1,207.45
6. Total Liabilities	3.08	1,368.88
7. Investments	-	-
8. Total Income	0.01	4,242.27
9. Profit/(Loss) before taxation	(2.53)	(2.23)
10. Provision for taxation	-	-
11. Profit/(Loss) after taxation	(2.53)	(2.23)
12. Proposed Dividend	-	-
13. % of shareholding	100%	100%

Note: Everestind FZE, UAE (incorporated on 18th December, 2013) is the wholly owned subsidiary of the Company's wholly owned subsidiary i.e. Everest Building Products, Mauritius (incorporated on 9th September, 2013).

PART B: ASSOCIATES AND JOINT VENTURES: Not applicable

For and on behalf of the Board

Anant Talaulicar **Rajesh Joshi** **Pramod Nair** **Neeraj Kohli**
Chairman Managing Director & CEO Chief Financial Officer Company Secretary

Place: Mumbai
Date: May 27, 2022
New Delhi
Date: May 27, 2022

ANNEXURE - 2

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FINANCIAL YEAR 2021-22

[Pursuance to Section 135 of Companies Act, 2013 & Rules made there under]

1.	Brief outline on the Company's CSR Policy	The Corporate Social Responsibility (CSR) policy has been developed in consonance with Section 135 of the Companies Act 2013 and in accordance with the CSR Rules notified thereof by the Ministry of Corporate Affairs, Government of India and shall apply to all CSR projects undertaken by Everest Industries Limited ('EIL') as per schedule VII of the Act, within the geographical limits of India only, for the benefit of marginalized, disadvantage, poor or deprived sections of the community and the environment with an objective to improve people's lives by empowering communities and thereby creating sustainable impact in the areas we operate. The activities that the Company has undertaken under the CSR Policy areas pertaining to Livelihood enhancement-training and skill development, Preventive healthcare and sanitation, Promotion of education & sport and Environment sustainability etc.																														
2.	Composition of CSR Committee as on March 31, 2022:	<table border="1"> <thead> <tr> <th>Sl. No.</th> <th>Name of Director</th> <th>Designation/ Nature of Directorship</th> <th>Number of meetings of CSR Committee held during the year</th> <th>Number of meetings of CSR Committee attended during the year</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>Ms. Padmini Sekhsaria</td> <td>Chairperson</td> <td>2</td> <td>2</td> </tr> <tr> <td>2.</td> <td>Mr. Anant Talaulicar (Appointed as a member of CSR committee w.e.f May 28, 2021)</td> <td>Member</td> <td>1</td> <td>1</td> </tr> <tr> <td>3.</td> <td>Mr. Rajesh Joshi</td> <td>Member</td> <td>2</td> <td>2</td> </tr> <tr> <td>4.</td> <td>Mr. M. L. Gupta</td> <td>Member</td> <td>2</td> <td>2</td> </tr> <tr> <td>5.</td> <td>Mr. Alok Nanda</td> <td>Member</td> <td>2</td> <td>2</td> </tr> </tbody> </table>	Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year	1.	Ms. Padmini Sekhsaria	Chairperson	2	2	2.	Mr. Anant Talaulicar (Appointed as a member of CSR committee w.e.f May 28, 2021)	Member	1	1	3.	Mr. Rajesh Joshi	Member	2	2	4.	Mr. M. L. Gupta	Member	2	2	5.	Mr. Alok Nanda	Member	2	2
Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year																												
1.	Ms. Padmini Sekhsaria	Chairperson	2	2																												
2.	Mr. Anant Talaulicar (Appointed as a member of CSR committee w.e.f May 28, 2021)	Member	1	1																												
3.	Mr. Rajesh Joshi	Member	2	2																												
4.	Mr. M. L. Gupta	Member	2	2																												
5.	Mr. Alok Nanda	Member	2	2																												
3.	Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.	https://www.everestind.com/overview-investors https://www.everestind.com/disclosures-under-statutory-enactments																														
4.	Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).	Not Applicable																														
5.	Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any	Not Applicable																														
6.	Average net profit of the company as per section 135 (5).	INR 8347.90 Lakhs																														
7.	(a) Two percent of average net profit of the company as per section 135(5)	INR 166.96 Lakhs																														
	(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	Nil																														
	(c) Amount required to be set off for the financial year, if any	Nil																														
	(d) Total CSR obligation for the financial year (7a+7b-7c)	INR 166.96 Lakhs (Note: Board of Directors of the Company has approved budget of INR 174.42 Lakhs for utilization on CSR activities undertaken by the Company for the financial year ended on March 31, 2022. Accordingly, amount of ₹ 63.34 lakh, remaining unspent as of March 31, 2022, has been transferred to designated 'Unspent CSR Account' for spending on the ongoing activities undertaken by the Company under its CSR policy.)																														

8 (a) CSR amount spent or unspent for the financial year: Details given below

Total Amount Spent for the Financial Year. (in lakhs)	Amount Unspent (in lakhs)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer.	Name of the Fund	Amount.	Date of transfer
111.44	63.34	28-04-2022	NA	NA	NA

(b) Details of CSR amount spent against ongoing projects for the financial year: Details given below

(1) S. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act.	(4) Local area (Yes/No)	(5) Location of the Project (State, District)	(6) Project duration	(7) Amount allocated for the project (in lakhs)	(8) Amount spent in the current financial Year (In lakhs)	(9) Amount transferred to Unspent CSR Account for the project as per Section 135 (6) (in lakhs)	(10) Mode of Implementation - Direct (Yes/No)	(11) Mode of Implementation - Through Implementing Agency (Name, CSR Registration number)
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A. Budget allocation for the 'Ongoing Projects'

1	Everest Skill Development Center	(ii) Promoting education, employment enhancing vocation	Yes	Madhya Pradesh, Maharashtra, Katni, Nashik	01-04-2020 to 31-03-2024	19.99	3.49	16.50	Yes	Everest Foundation	CSR00003563
2	Building Master Training	skills and livelihood enhancement projects	Yes	Maharashtra, Saharanpur, Uttar Pradesh, Punjab, Orissa, Chandigarh	01-04-2020 to 31-03-2024	41.10	27.87	13.23	Yes	Everest Foundation	CSR00003563
3	Everest Football Academy	(ii) Promoting education	Yes	Tamil Nadu, Coimbatore	01-04-2020 to 31-03-2024	15.90	9.24	6.66	Yes	Everest Foundation	CSR00003563
4	Everest Healthy Child Programme (Response to Covid-19 and ill effects of tobacco)	Preventing Health care and Sanitation	Yes	Madhya Pradesh, Maharashtra, Katni & Nashik	01-04-2020 to 31-03-2024	25.14	16.66	8.48	Yes	Everest Foundation	CSR00003563
5	Everest Skill Development Program	(ii) Promoting education, employment enhancing vocation skills and livelihood enhancement projects	Yes	Orissa, Somnathpur	1-1-22-to 31-12-24	41.00	22.53	18.47	Yes	Everest Foundation	CSR00003563
Total						143.13	79.79	63.34*			

* Refer Note to 7(d) herein above.

(c) Details of CSR amount spent against other than ongoing projects for the financial year: Detail given below:

(1) S. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act.	(4) Local area (Yes/No).	(5) Location of the Project (State, District)	(6) Amount spent in the current financial Year (in lakhs)	(7) Mode of Implementation - Direct (Yes/ No).	(8) Mode of Implementation -Through Implementing Agency (Name, CSR Registration number)
1.	Covid-19 Response Project	Preventive healthcare vocation skills and livelihood enhancement projects	Yes	West Bengal, Orissa, Madhya Pradesh, Maharashtra, Tamil Nadu, Gujarat, Kolkata, Balasore, Podanur, Katni, Lakhmapur	17.76	Yes	Everest Foundation
2.	Need assessment	Preventive healthcare vocation skills and livelihood enhancement projects	Yes	Gujrat, West-Bengal, Bharuch, Kolkata	8.58	Yes	Everest Foundation
Total						26.34	

(d) Amount spent in Administrative Overheads –	INR 5.31 Lakhs
(e) Amount spent on Impact Assessment, if applicable-	Not Applicable
(f) Total Amount spent for the financial Year (8b+8c+8d+8e)-	INR 111.44 Lakhs
(g) Excess amount for set off, if any-	Not Applicable

Sl. No.	Particular	Amount (in lakhs)
(i)	Two percent of average net profit of the company as per section 135(5)	166.96
(ii)	Total amount spent for the Financial Year	111.44
(iii)	Excess amount spent for the financial year [(ii)-(i)]	NA
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NA
(v)	Amount available for set off in succeeding financial years[(iii)-(iv)]	NA

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in lakhs)	Amount spent in the Reporting Financial Year (in lakhs)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years. (in lakhs)
				Name of the Fund	Amount (in lakhs)	Date of transfer	
1.	2020-21	56.79	56.79	NA	NA	NA	0
2.	2019-20	NA	NA	NA	NA	NA	NA
3.	2018-19	NA	NA	NA	NA	NA	NA
TOTAL		56.79	56.79				

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in lakhs)	Amount spent on the project in the reporting Financial Year (in lakhs)	Cumulative amount spent at the end of reporting Financial Year. (in lakhs)	Status of the project- Completed /Ongoing
1.	EIL/CSR00003563/0001-0002	Education, training and livelihood support programme (Skill Training Programme)	01-04-2020	3 years	272.99	48.28	105.23	Ongoing
2.	EIL/CSR00003563/0004	Everest Healthy Child Programme (Response to Covid-19 and ill effects of tobacco)	01-04-2020	3 years	144.14	4.79	31.67	Ongoing
3.	EIL/CSR00003563/0003	Everest Football Academy	01-04-2020	3 years	63.97	3.72	18.39	Ongoing
TOTAL					481.10	56.79	155.28	

10.	In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).	Not Applicable
	a) Date of creation or acquisition of the capital asset(s).	
	b) Amount of CSR spent for creation or acquisition of capital asset.	
	c) Details of the entity or public authority or beneficiary under whose name such capital assets is registered, their address etc.	
	d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).	
11.	Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5)	The Company could not spend 2% of the average net profit as per section 135(5) of the Act on its CSR activities during the Financial Year 2021-22 since the said activities and project implementation thereunder were adversely affected and delayed due to Covid-19 induced limitations. Many CSR activities planned for the year could not be completed or could be partially completed because of precautionary COVID-19 guidelines and restrictions on travelling, gatherings for trainings or awareness sessions etc. Schools were closed, so project related to students got on hold or partially done with limited capacity through virtual mode. etc. Thus Resultantly, the Company has spent INR 111.44 Lakhs on CSR activities out of obligation to spend INR 166.96 Lakhs. The balance amount has been transferred to 'Unspent CSR Account' by the Company and shall be spent during the ensuing 3 (three) financials years on Ongoing Projects.

For and on behalf of the Board

Rajesh Joshi
 Managing Director & CEO
 Place: Mumbai
 Date: 27 May, 2022

Padmini Sekhsaria
 Chairperson, CSR Committee
 Place: London
 Date: 27 May, 2022

ANNEXURE-3

BUSINESS RESPONSIBILITY REPORT FOR THE FY 2021-22

In terms of Regulation 34 of the Listing Regulations

Section A: General Information About the Company	
1. Corporate Identity Number (CIN) of the Company	L74999MH1934PLC002093
2. Name of the Company	Everest Industries Limited
3. Registered address	GAT 152, Lakhmapur, Taluka Dindori, Nashik-422202, Maharashtra
4. Website	www.everestind.com
5. E-mail id	sulaksha.shetty@everestind.com
6. Financial Year reported	2021-22
7. Sector(s) that the Company is engaged in (industrial activity code-wise)	Building Products – 23959 Steel Buildings – 41003 [As per NIC 2008]
8. List three key products/services that the Company manufactures/ provides (as in balance sheet)	The Building Products: <ul style="list-style-type: none"> • Roofing, Boards & Panels, • Heavy Duty Boards, • Rapicon walls Steel Buildings: <ul style="list-style-type: none"> • Pre-Engineering Steel Buildings
9. Total number of locations where business activity is undertaken by the Company	The company operates from India with its 7 manufacturing plants and 3 Offices across the country.
I. Number of International Locations (Provide details of major 5)	
II. Number of National Locations	
10. Markets served by the Company – Local/State/National/ International/	The Company serves in both national and international markets.

Section B: Financial Details of the Company	
1. Paid up Capital (INR)	₹ 1567.81 (lakhs)
2. Total Turnover (INR)	₹ 139034.54 (lakhs)
3. Total profit after taxes (INR)	₹ 4412.31 (lakhs)
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	1.3% (₹ 111.44 Lakhs) of average net profit of the Company for last three financial years calculated as per section 198 of the Companies Act, 2013.
5. List of activities in which expenditure in 4 above has been incurred:-	The CSR amount is spent in following broad areas: <ul style="list-style-type: none"> I. Livelihood enhancement and Education II. Health & Environment:

Section C: Other Details

- Does the Company have any Subsidiary Company/ Companies?**
Yes, the Company has 2 subsidiary companies. Please refer to Annexure -1 of Board's Report in the Annual Report.
- Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)**
No, the subsidiary companies do not participate in the BR initiatives of the Company.
- 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%]**
The Company is working towards including its supply chain in their BR initiatives. However, none of its

suppliers or distributors is a part of BR Initiatives.

Section D: BR Information

1. Director/Directors responsible for BR

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

The CSR Committee of the Board of Directors is responsible for implementation of BR policies. The members of the CSR Committee are as follows:

S. No	DIN Number	Name	Designation
1.	00046486	Ms. Padmini Sekhsaria	Chairperson of CSR Committee
2.	00088685	Mr. M. L. Gupta	Member of CSR Committee
3.	02149755	Mr. Alok Nanda	Member of CSR Committee
4.	08855031	Mr. Rajesh Joshi	Member of CSR Committee
5.	00031051	Mr. Anant Talaulicar	Member of CSR Committee

(b) Details of the BR head

DIN Number (if applicable)	Not Applicable
Name	Sulaksha Shetty
Designation	CHRO & BRR Head
Telephone number	022-6977 2000
E-mail id	sulaksha.shetty@everestind.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/ policy for	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national / international standards? If yes, specify? (50 words)	The company's policies are aligned with various standards in order to practice national or international benchmarks such as ISO 9001, ISO 14001, ISO 45001 and NVG Guidelines issued by Ministry of Corporate affairs, Government of India.								
4.	Has the policy being approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5.	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6.	Indicate the link for the policy to be viewed online?	https://www.everestind.com/uploads/Files/343inuvf_BusinessResponsibilityPolicy.pdf								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8.	Does the company have in-house structure to implement the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10.	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?*	N	N	N	N	N	N	N	N	N

* The Company has initiated Business responsibility reporting from FY 2019-20. An internal audit/evaluation or independent third-party audit will be conducted as and when it is deemed necessary.

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why:

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	The company has not understood the principles									Not Applicable
2.	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									Not Applicable
3.	The company does not have financial or manpower resources available for the task									Not Applicable
4.	It is planned to be done within next 6 months									Not Applicable
5.	It is planned to be done within the next 1 year									Not Applicable
6.	Any other reason (please specify)									Not Applicable

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. Within 3 months, 3-6 months, Annually, more than 1 year

The Business Responsibility performance of the Company is assessed annually by the CSR Committee.

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

The Business Responsibility Report of the Company will be published annually. Further details can be availed from link: <https://www.everestind.com/annual-reports>

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities:

The Company foundation is based on its values of respect, excellence, and integrity when it comes to design and development products and services. The Company understands its obligations on social and environmental concerns, risks, and opportunities. Thus, the Company is committed to work with its stakeholders to mitigate the environmental and social impacts of its products throughout their life cycle. We manufacture products responsibly with minimum negative impact on environment. Everest Industries has been focusing on following products which are reducing the risk to the environment and also to help as eco-friendly products for the future.

- The non-asbestos fibre boards are cement Roofing product in the brand name in Hitech is commercialised and being sold in the Market. Fibre cement Roofing sheet formulation is a carefully balanced blend of synthetic and natural organic fibres, fillers and cement which produces an eco-friendly product that has become recognized as a major advance in roofing and cladding application.
- Non asbestos fibre is cement boards used for various applications for ceiling and other activities. Microbial product is eco-friendly innovative product which can be used for ceiling applications in hospitals, pharma's and food manufacturing sectors. Artewood (Non asbestos cement boards) is also an eco-friendly innovative product for both interior and exterior applications with finished aesthetics.
- Rapicon Panel: Everest Solid Wall Panels (Rapicon) are made of sandwiched Fibre cement boards and light weight aerated concrete as a core material.

Section E: Principle-Wise Performance

Principle 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?

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?

This is very much part of the Company's policy. The Company's core value is Respect, Excellence and integrity. All the employees, including the workers are also trained on the value. Ethics, Transparency and Accountability Policy is applicable to the Directors and employees of the Company across all its functions, units and branches.

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.

During the financial year 2021-22, 3 complaints were received and resolved by the Company.

The Rapicon is eco-friendly product used for rapid wall constructions. Everest Panels are GRIHA certified Green Products too.

2. For each such product, provide the following details in respect of resources 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?

	FY 2021-22			FY 2020-21		
	Hi-tech	Boards	Rapicon Panels	Hi-tech	Boards	Rapicon Panels
Specific Energy Consumption (kwh/MT)	81.53	87.99	34.46	89.67	90.01	32.59
Water Consumption (kL/MT)	0.25	0.44	0.43	0.25	0.50	0.43
Raw Material Yield (m2n/MT)	153.37	165.20	1.32	156.55	164.90	1.29

(b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

- The product Hi-tech is being used as a Roofing material. It requires negligible energy or water during installation.
- Non asbestos fibre cement boards: Microbial product is a ceiling product. Board is a Dry wall construction hence, energy and water usage during its application is negligible at customers end. Artewood and other products are value added innovative products with aesthetics that require negligible energy or water usage during their applications.
- Rapicon Panels: Rapicon is a Dry wall construction, hence water usage in construction on site is negligible. Further it has excellent thermal properties that facilitate in maintaining good Air Conditioning in Building. These are energy efficient building products, and are also non-combustible and tested for fire and toxicity ratings.

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.

All our plants are ISO 14001 and ISO 9001 certified. We try to source the raw materials from the nearest resources. Cement, Silica are the main local raw materials which are sourced from the nearby locations depending on its suitability in our product. We use maximum quantity of fly ash which is generated waste from thermal power plants as one of the raw material from the nearest locations across our plants. Approximately about 10% of our raw materials are sustainable.

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?

All major raw materials are sourced from major cement Industries and flyash from nearest thermal power stations, waste pulp manufacturers from cotton waste and paper waste materials from industries available nearby our plants. We encourage and support them to meet their production capacities and enhance the capacities etc. We use a lot of local vendors for fabrication and many small accessories and services required to the plant. If there is a need for their capacity improvement, we also support.

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.

At Everest, waste management and recycling are well established. In the non-asbestos fibre cement roofing product in the brand name of Hi-tech, we use about 1.5 to 2 % of pulp which is generated from the waste, around 7 to 10 % of Fly ash waste generated from thermal power plants and all green waste produced in the plant is 100% recycled.

In fibre cement boards we use flyash from 15 to 30% in different products, we use recycled waste of around 2 to 3% and also we use around 3 to 4% of recycled pulp.

Similarly in Wall panels, we use around 34 to 38% of flyash and around 2% recycled waste and 100% wet waste generated in plant.

Principle 3: Businesses should promote the wellbeing of all employees

1. Please indicate the total number of employees:

The total number of permanent employees is 1420 (868 on roll employees and 552 on roll workmen).

2. Please indicate the total number of employees hired on temporary/ contractual /casual basis:

The total number of hired on temporary/contractual/casual basis is 2310 employees.

3. Please indicate the number of permanent women employees:

The total number of women employees is 55.

4. Please indicate the number of permanent employees with disabilities.

There are 2 employees with special abilities.

5. Do you have an employee association that is recognized by management?

Yes, employees and workers are represented by unions/associations at our manufacturing locations. The unions/associations recognized by management are affiliated either of; Indian National Trinamool Trade Union Congress (INTTUC), Indian National Trade Union Congress (INTUC), Bhartiya Mazdoor Sangh (BMS), Center for Trade Union (CITU), Socialist Unity Centre of India (SUCI), Anna Thozhisangha Peravai (ATP), All India United Trade Union Centre (AIUTUC) and Independent Trade Unions of employees/workers of the Company.

6. What percentage of your permanent employees is members of this recognized employee association?

36% of total permanent employees are member of these recognized employee associations.

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.	Category	No. of complaints filed during the financial year	No. of complaints pending as on end of the financial year
1	Child / forced /involuntary labours	Nil	Nil
2	Sexual harassment	Nil	Nil
3	Discriminatory employment	Nil	Nil

8. What percentage of your under mentioned employees were given safety & skill upgradation training in the last year?

No.	Category	Safety	Skill upgradation
(a)	Permanent Employees	82%	70%
(b)	Permanent Women employees	93%	50%
(c)	Casual/temporary/ contractual employees	82%	80%
(d)	Employees with special abilities	100%	50%

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

1. Has the company mapped its internal and external stakeholders? Yes/No

Yes, during the reporting period, the Company has mapped its internal and external stakeholders.

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?

Yes, the Company purpose is "to improve people's lives by reimagining spaces" thus it has identified disadvantaged, vulnerable and marginalized communities in the vicinity of the manufacturing plants as most vulnerable external stakeholders. The villagers, youth, marginal construction workers, children and women emerged as target groups and hence are being catered through CSR projects.

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?

The company through its CSR arm 'Everest Foundation' which aims "to improve people's lives by empowering communities thereby creating sustainable impact in the areas we operate in", it has initiated various programmes to engage with disadvantaged, vulnerable and marginal stakeholders. Due to the pandemic, the Foundation focused on preventive health programme and supported the communities around its manufacturing locations with Covid Response projects and it is also educating community on the ill effects of tobacco use. The Foundation through its training and livelihood support programme are building skills in marginal construction workers, youth and women. The sports and community empowerment initiatives have benefitted community around business.

Principle 5: Businesses should respect and promote 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?

Respect, Integrity and Excellence are the important core values of the Company which entails 'to care for and value people regardless of position, race or gender and follow the law in latter in spirit'. Thus, the company ensures that neither the company nor any of its stakeholders indulge in any form of human rights violations. The policy on human rights is applicable to employees, directors, customers, suppliers, vendors and investors.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

During the reporting period, no complaints were received.

Principle 6: Business should respect, protect, and make efforts to restore the environment

1. Does the policy related to Principle 6 cover only the company or extends to the group/ joint ventures/ suppliers/ contractors/ NGOs/other

The Policy applies to the directors and employees of the Company across all its directors, employees, suppliers, vendors etc.

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.

Yes, the Company respects and protects the environment with every decision it makes. The Company has taken initiatives to combat climate change which include reduction of carbon emissions by using alternate renewable energy where we are utilizing 11% (1.1 MWp Solar Power Plant on BOOT) and 6.7% (0.5 MWp Solar Power Plant on BOOT) renewable energy in our Lakhmapur Works and Podanur Works respectively. In addition to solar energy, we are also replacing a part of furnace oil in boilers with biomass briquettes. During the reporting period, we have consumed 6062 MT of Briquettes in thereby replacing 2638 MT of FO.

3. Does the company identify and assess potential environmental risks? Y/N

Yes, the Company believes in taking informed decisions when it comes to environmental risks and opportunities. In order to identify and assess potential risks we conduct Environmental impact assessment at the manufacturing plants as per statutory requirement.

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, we don't have any project on Clean Development Mechanism.

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.

The Company has implemented various initiatives w.r.t. clean technology, energy efficiency and renewable energy such as replacing furnace oil with biomass briquette, increase the use of solar energy (BOOT model) in the total energy consumption etc. We have implemented state of the art technology to increase energy efficiency. We are exploring captive solar power plant at one of our manufacturing units.

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Yes, the emissions/waste generated by the Company during the year is within permissible limits given by CPCB/SPCB(s).

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.

One case filed by MPPCB against the Company is pending in CJM Court, Katni.

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

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:

The Company is a member of the following Industry Associations

- (a) Confederation of Indian Industry (CII)
- (b) The Fibre Cement Products Manufacturers' Association (FCPMA)
- (c) Construction Industry Development Council (CIDC)

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)

The Company engages with the industry associations and participates on policy matters and initiatives that impact

the interest of our stakeholders. Through our industry association memberships, we are a part of the broader policy development and consensus-building process.

Principle 8: Businesses should support inclusive growth and equitable development

1. Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

The Company is committed "to improve people's lives by empowering communities and thereby creating sustainable impact in the areas we operate in". The Company has well designed CSR policy and strategies in place to bring positive and sustainable change in the communities through effective and innovative programme. The Company has developed programme based on needs and demand in the community we operate. All its stakeholder groups which are significant for the projects at various stages of programme development and implementation are engaged in process. The following are the areas of intervention;

- (a) Livelihood enhancement & Education: Training and skill building, based on skills livelihoods assistance are provided to enhance income. English conversational courses, sports & fitness training are being trained to the youth to enhance the quality of the lives of youth and children.
- (b) Health & Environment: Promotive and preventive healthcare services through health advocacy, responding immediate health need to promote quality life. Other than Health, the company is contributing towards the environment sustainability through its constant efforts on tree plantation and restore greenery.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?

To give greater attention to the CSR programme, the company has established 'Everest Foundation' which is a registered trust established in 2015. The Foundation implements projects directly by using internal resources and expertise and works in neighboring communities of the Company. Although, Everest Foundation is sole owner of all its community, but to bring external expertise and knowledge to make programme more effective, we collaborate with likeminded organizations at different stages of programme.

3. Have you done any impact assessment of your initiative?

Evaluation and impact assessments are undertaken at every critical phase of the program or at the maturity stage

of the project. These assessments are undertaken by internal expert or external consultants and organizations specializing in the subject. During the year, no impact assessment was done by external agency. However, two assessments studies were carried out for need assessment of new projects in Kolkata and Dahej.

4. What is your company's direct contribution to community development projects-Amount in INR and the details of the projects undertaken?

Total amounts spend on CSR activities in FY 2021-22 is 111.44 lakhs. Out of which 106.13 lakhs spent on direct expenditure towards community development projects and 5.31 lakhs has been spent on overhead expenses. The amount was spent on following programme:

Preventive health, hygiene and Sanitation: COVID response projects were implemented in 7 States/Districts around the Everest manufacturing facilities covering 19 villages/localities. Everest Healthy Child Programme (Response to COVID-19 and ill effects of tobacco) was implemented to generate awareness on the ill effect of Tobacco in Nashik (Maharashtra) and Katni (Madhya Pradesh) districts and also made 580 schools Tobacco Free. Also, there was COVID prevention program through Vaccination awareness drive, IEC Material distribution and also provided necessary medical equipment's to health care centers and hospitals. The cumulative spent on these programme is INR 43.00 Lakhs.

Education, Training & Livelihood Support: The Building Master Training program has benefitted 383 marginal construction workers and enhanced the technical skills of the beneficiaries in Saharanpur, Balasore, Bijnor, Nashik and Chandigarh. Youth training program is being continued in Somnathpur and Bhagwanpur on various hard trade training skills. The School vocational training program has trained more than 240 students in skill training like Home Appliances, Mobile Repair etc. Students were trained for Computer Education, Advanced Tally, Logistic and Supply Chain and Digital Marketing in Kymore of Madhya Pradesh. The cumulative spent on these programme is INR 53.89 Lakhs

Sports Promotions & Community Empowerment: A Football Academy is being run at Coimbatore to train youth and organize Football Training. Total 150 students are undergoing training in the academy. Many of them are aspiring to play at district and state level. The Total spend for the year is 9.24 Lakhs.

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.

The Company believes in need-based CSR, the programmes are designed in consultation with the local communities determining their demands/needs. Therefore, there is a sense of ownership that instills leading to a successful adoption of the community development initiative. Further, during the course of the project implementation, we work towards building the capacity of local community and stakeholders to ensure sustainability of the programme e.g. in training and livelihood programmes, building the capacity of community and empower them to make projects self-sustainable.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.

We have a formal system of receiving customer complaints, as on March 31, 2022, 2.5 % of the complaints received are pending for resolution. All the complaints above 15 days are zero.

As far as the Consumer cases, during the financial year there are two cases pending in the court of District Consumer Forum

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)

The product information and labelling are governed by Bureau of Indian Standard (BIS). The company displays product information on the product labels. These details are over and above the products information as per BIS rules and guidelines.

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.

There is no case against the Company relating to unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during last five years and pending as on end of the financial year 2021-22.

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

Yes. The consumer plays an important part in our value chain. The company carries out the customer satisfaction and feedback surveys etc. to improve internal performance and fine tune the market offerings and products.

ANNEXURE-4

DISCLOSURE PURSUANT TO REGULATION 14 OF SEBI (SHARE BASED EMPLOYEE BENEFITS AND SWEAT EQUITY) REGULATIONS, 2021, FOR THE FINANCIAL YEAR 2021-22.

The Employees Stock Option Schemes approved by the Company are in compliance with SEBI Regulations. There is no variation in the Schemes which are valid as on date.

- A. Relevant disclosures in terms of the accounting standards prescribed by the Central Government in terms of Section 133 of the Companies Act, 2013 including the "Guidance note on accounting for employee share-based payments" issued by ICAI or any other relevant accounting standards as prescribed from time to time are disclosed in Notes to Accounts No. 2.48 to Standalone Financials Statements for the year ended March 31, 2022
- B. Diluted EPS on issue of shares in accordance with "Indian Accounting Standard (Ind AS) 33 - Earnings per Share" issued by ICAI: ₹ 28.20/- (Standalone) and ₹ 28.18/- (Consolidated).

C. Details related to Employees Stock Option Schemes are given below:

Name of the Scheme	ESOS - 2017	ESOS - 2018	ESOS - 2019	ESOS-2021
Date of shareholders approval	26th July, 2017	25th July, 2018	24th July, 2019	25th August, 2021
Total number of options approved under ESOS	1,80,000	1,80,000	1,80,000	10,00,000
Total number of options granted under ESOS	1,60,000 options were granted on 24th January, 2018	1,70,000 options were granted on 23rd January, 2019	16,450 Options were granted on 24th March, 2020	1,31,992 Options were granted on 9th February, 2022
Vesting requirements	The vesting period shall be 1 (one) year from the date of grant of options			Note 2
Exercise price or pricing formula	₹ 571 per option	₹ 477 per option	₹ 127 per option	₹ 635 per option
	Being the average closing price of the shares during the two weeks preceding the date of grant of options or closing price of the Company's shares on the Exchange on the date prior to the date of grant of options, whichever is less. If the shares of the Company are listed on more than one Stock Exchange the price of the Company on the Stock Exchange where there is highest trading volume on the date prior to the date of grant of options shall be considered.			Note 3
Maximum term of options granted	The Exercise Period shall commence from the date of expiry of Vesting Period and will continue up to four (4) years thereafter.			
Source of shares (Primary, Secondary or combination)	Primary issue of shares			
Variation in terms of options	None			
Method used for accounting of ESOPs	Fair Value of options			
Where the company opts for expensing of the options using the intrinsic value of the options, the Difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed.	NA			
The impact of this difference on profits and on EPS of the company shall also be disclosed.	Nil			

D. Options movement during the year for each ESOS Schemes of the Company (FY 2022):

Name of the Scheme	ESOS - 2017	ESOS - 2018	ESOS - 2019	ESOS-2021
Number of options outstanding at the beginning of the period	92,590	1,12,245	14,350	-
Number of options granted during the year	-	-	-	1,31,992
Number of options forfeited / lapsed during the year	29,575	40,675	2,150	-
Number of options vested during the year	-	-	-	-
Number of options exercised during the year	5,240	27,505	8,992	-
Number of shares arising as a result of exercise of options	5,240	27,505	8,992	-
Money realized by exercise of options (INR), if scheme is implemented directly by the company	29,92,040	1,31,19,885	11,41,984	-
Loan repaid by the Trust during the year from exercise price received	NA	NA	NA	NA
Number of options outstanding at the end of the year	57,775	44,065	3,208	1,31,992
Number of options exercisable at the end of the year	57,775	44,065	3,208	1,31,992
Weighted average exercise prices and weighted average fair values of options shall be disclose separately for options whose exercise price either equals or exceeds or is less than the market price of the stock.				
- Weighted average exercise price of options	N.A	N.A	N.A	₹ 635.00
- Weighted average fair value of options	N.A	N.A	N.A	₹ 273.08
A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:				
Weighted average share price				
- Exercise price	₹ 571.00	₹ 477.00	₹ 127.00	₹ 635.00
- Expected volatility	47.51%	38.82%	44.14%	49.65%
- Option life (comprising vesting period and exercise period)	5 years	5 years	5 years	5 years
- Expected dividends	0.18%	1.41%	5.82%	1.18%
- Risk free rate of return	7.26%	7.35%	6.35%	5.84%
The method used and the assumptions made to incorporate the effects of expected early exercise	Historical data and pattern for early exercise of Options is not uniform, hence not considered in expected life calculations.			
How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility	Volatility is the measure of the amount by which a price has fluctuated or is expected to fluctuate during a period. The measure of volatility used in the Black-Scholes options pricing model is the annualized standard deviation of the continuously compounded rates of return on the stock over a period of time. For calculating volatility, the daily volatility of the stock prices on the BSE Limited, over twelve months period prior to the date of grant has been considered.			
Whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition	No other feature has been considered for fair valuation of options except as mentioned in the points above.			

E. Details of options granted to senior managerial personnel or identified employees during the year ended March 31, 2022:

Particulars	Options Granted
Rajesh Joshi (Managing Director & CEO)	48,717
Rahul Chopra (Senior Vice President & Business Head - Boards & Panel)	13,137
Ashish Choudhary (Vice President-Operations & Supply Chain)	13,102
Niranjan Gokhale (Head – Strategy)	9,217
Sulaksha Shetty (Chief Human Resources Officer)	7,861
Neeraj Kohli (Company Secretary & Head Legal)	3,876
Any other employees who received a grant in any one year of options amounting to 5% or more of the options granted during that year; and	NA
Identified employees who were granted options during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant.	NA

Notes:

- The Company in its Annual General Meeting held on 29th June, 2016 and 27th August, 2020 had passed Special Resolution approving Employees’ Stock Option Scheme 2016 and Employees’ Stock Option Scheme 2020 respectively however, no options have been granted by the Company in the financial year 2016-17 and 2020-21.
- Options granted under ESOS-2021 shall vest with the grantee as per the following schedule: (i) The first tranche comprising 20% of the number of options granted shall vest upon completion of one year from the date of grant. (ii) The second tranche comprising 30% of the number of options granted shall vest upon completion of two years from the date of grant (iii) The third tranche comprising 50% of the number of options granted shall vest upon completion of three years from the date of grant.
- The exercise price per option shall be not less than the previous two weeks average closing price or closing price of the Company’s shares on the Stock Exchange on the date prior to the date of grant of the options, whichever is less. If the shares of the Company are listed on more than one Stock Exchange, then the price shall be determined as regards each Stock Exchange by applying the abovementioned formula and the lowest of the price so determined shall be the exercise price for the purposes of the ESOS-2021.

For and on behalf of the Board

Place: Mumbai
May 27, 2022

Anant Talaulicar
Chairman

Rajesh Joshi
Managing Director & CEO

ANNEXURE 5

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members
Everest Industries Limited
CIN: L74999MH1934PLC002093
GAT 152, Lakhmapur, Taluka Dindori
Nashik-422202, Maharashtra, India

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

Based on our verification of the Company’s Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on 31st March, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company for the Financial Year ended on 31st March, 2022 according to the provisions of:

- The Companies Act, 2013 (the Act) and the rules made thereunder;
- The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- 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;
- The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’): -
 - The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with client;
 - The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
 - The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; and
 - The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(vi) We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with following Acts, Laws and Regulations applicable specifically to the Company:

- a) The Bureau of Indian Standards Act, 2016 and Rules made thereunder;
- b) The Boilers Act, 1923 and Rules made thereunder;
- c) The Petroleum Act, 1934 and Rules made thereunder;
- d) The Explosives Act, 1884 and Rules made thereunder;

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with BSE Ltd. and National Stock Exchange of India Ltd. (NSE).
- (iii) Codes and Policies adopted by the Company.

We further report that during the period under review the following Regulations and Guidelines were not applicable to the Company:

- (i) Rules and Regulations prescribed by the Reserve Bank of India under Foreign Exchange Management Act, 1999 with respect to the Foreign Direct Investment and External Commercial Borrowings;
- (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (iii) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (iv) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; and
- (v) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018.

We further report that during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

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

We further report that adequate notice is given to all directors to schedule the Board Meetings and agenda and detailed notes on agenda were sent within the prescribed time in Law, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Decisions carried through by the Board do not have any dissenting views and hence, no relevant recordings were made in the minutes book maintained for the purpose.

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

We further report that during the audit period there were following event/action in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards, etc. having a major bearing on the Company's affairs:

- (i) Change in Key Managerial Personnel/Board of Directors

Mr. Y. Srinivasa Rao, Whole Time Director of the Company, has resigned from his position with effect from April 10, 2021. The Company has duly filed necessary intimations in this regard with the Stock Exchange and the Registrar of Companies (Mumbai).

Mr. Nikhil Dujari, Chief Financial Officer of the Company, has resigned from his position with effect from May 11, 2021. The Company has duly filed necessary intimations in this regard with the Stock Exchange and the Registrar of Companies (Mumbai).

The Board of Directors of the Company in its meeting held on May 7, 2021 has appointed Mr. Pramod Nair as Chief Financial Officer w.e.f. May 11, 2021. The Company has duly filed necessary intimations in this regard with the Stock Exchange and the Registrar of Companies (Mumbai).

- (ii) Payment of Commission to Non-Executive Chairman

The Board of Directors of the Company in its meeting held on May 27, 2021 has decided to pay Commission upto ₹ 2,00,00,000 (Two crores) to Mr. Anant Talaulicar, Non-Executive Chairman of the Company, for the financial year 2021-22, subject to the limit of 4% of Net Profits of the Company. The Company has duly obtained the shareholders consent through Special Resolution dated August 25, 2021 and has filed necessary intimations in this regard with the Stock Exchange and the Registrar of Companies (Mumbai).

- (iii) Declaration and Payment of Final Dividend

The Board in its meeting held on May 27, 2021 had proposed to recommend the final dividend at the rate of ₹ 7.50/- (Rupees Seven and Fifty Paise only) per equity share of ₹ 10/- each fully paid-up share capital of the Company, which shall be paid out of the profits of the Company for the Financial Year 2020-21 and the dividend as recommended by the board was also approved by the shareholder of the company in the Annual General Meeting held on August 25, 2021. The Company has duly made the payment of such final dividend to its shareholders in compliance with the provisions of the Companies Act, 2013.

- (iv) Appointment of Statutory Auditor

The Board has appointed M/s SRBC & Co. LLP, Chartered Accountants, having Registration No. 324982E/E300003 as Statutory Auditor of the Company to conduct the statutory audit of the Company for a term of five years from the conclusion of Eighty-Eighth (88th) Annual General Meeting till the conclusion of Ninety-Third (93rd) Annual General Meeting. The said appointment of Statutory Auditor was made in its Board Meeting held on May 27, 2021 as recommended by the Audit Committee in its meeting held on May 27, 2021 and such appointment and remuneration was also approved by the shareholders of the Company in the Annual General Meeting held on August 25th, 2021

- (v) Re-Appointment of Cost Auditor

The Board had re-appointed M/s. Chandra Wadhwa & Co., Cost Accountants, having Registration No. 00239 as Cost Auditor of the Company to conduct the audit of the Cost Records of the Company for the Financial Year 2021-22. The said re-appointment of Cost Auditors was made in its Board Meeting held on May 27, 2021 as recommended by the Audit Committee in its meeting held on May 27, 2021 and such appointment and remuneration was also ratified and confirmed by the shareholders of the Company in the Annual General Meeting held on August 25th, 2021.

For **TVA & Co. LLP**
Company Secretaries

Tanuj Vohra
Partner

M. No.: F5621, C.P. No.: 5253
UDIN: F005621D000410071
RP L2015UP000900

Date: 27.5.2022
Place: Delhi

Note: This report is to be read with our letter of even date which is annexed as 'Annexure A' and forms an integral part of our report.

Annexure-A

To,
The Members,
Everest Industries Limited
CIN: L74999MH1934PLC002093
GAT 152, Lakhmapur
Taluka Dindori
Nashik-422202
Maharashtra, India

- Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the various compliances but the maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion and the compliance of the provisions of Corporate and other applicable laws, rules and regulations is the responsibility of the management of the Company. Our examination was limited to the verification of procedures on test basis.
- We have not verified the correctness and appropriateness of the financial records and Books of accounts of the Company.
- We have obtained necessary management representation about the compliance of various laws, correctness of information shared and happening of events, wherever required.
- Compliance with respect to the filings of various reports, returns, forms, certificates and documents under the various statutes as mentioned in our report is the responsibility of the management of the Company. Our examination was limited to checking the execution and timeliness of filing and we have not verified the contents of such reports, returns, forms, certificates etc.
- 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.

ANNEXURE 6

PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO REQUIRED UNDER THE COMPANIES (ACCOUNTS) RULES, 2014

A. Conservation of Energy :

(i) Steps taken or Impact on Conservation of Energy:

- Energy conservations initiatives are implemented in the plants resulted in reduction of Specific Energy Consumption in Boards and Hitech Roofing's manufacturing lines.
- Installation of LED Lights to substitute conventional Lightings systems in the plants to reduce the Power Consumption.
- Inefficient equipment replaced with Energy efficient equipment.

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

- Podanur Works has Captive 500 KWp Solar Power plant which generated 7% requirement of the plant.
- Lakhmapur Works has Captive 1100 KWp Solar Power plant which generated 11% requirement of the plant.

(iii) Capital Investment on Energy Conservation Equipment:

During the Financial year, Company invested ₹ 216.68 Lakh in energy conservation equipment.

B. Technology Absorption :

(i) The efforts made towards technology absorption:

- Installed Energy efficient Vacuum systems at Kolkata Works and Somnath Works.
- Developed new finishes in Designer Ceiling tiles.

(ii) Benefits derived like product improvement and product development:

- Reduction in Power consumption
- Launched new finishes in range of Designer Ceiling tiles.

(iii) In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year) following information may be furnished:

- details of technology imported: NIL
- the year of import: NIL
- whether the technology been fully absorbed: NIL
- if not fully absorbed, areas where absorption has not taken place, and the reasons thereof: N.A.

(iv) Expenditure incurred on Research and Development:

(₹ In Lakhs)

Particulars	Current year	Previous Year
i. Capital	-	-
ii. Recurring	247.26	35.84
iii. Total	247.26	35.84
iv. Total R & D expenditure as a percentage of total turnover	0.18%	0.03%

C. Foreign Exchange Earnings and Outgo

(₹ In Lakhs)

Particulars	Current year	Previous Year
Foreign Exchange Earnings	3,702.93	3,207.36
Foreign Exchange Used	24,395.33	19,846.65

For and on behalf of the Board

Place: Mumbai
Date: May 27, 2022

Anant Talaulicar
Chairman

Rajesh Joshi
Managing Director & CEO

ANNEXURE 7

STATEMENT PURSUANT TO RULE 5(2) & (3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 FOR THE YEAR ENDED MARCH 31, 2022

Top ten employees in terms of remuneration drawn / name of employees in receipt of remuneration of not less than ₹ 1,02,00,000/- per year if employed for the whole year and in receipt of remuneration at a rate which, in the aggregate, was not less than eight lakh and fifty thousand rupees per month if employed for a part of the financial year;

Sr. No.	Name	Designation	Qualification	Age (Years)	Experience (Years)	Remuneration Gross (₹ In Lakhs)	Date of Commencement of Employment	Previous Employment	% of shares held in the Company
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1.	Rajesh Joshi	Managing Director & CEO	Engineer and MBA	52	26	318.56	01.09.2020	ICA Pidilite (CEO)	NIL
2.	*Y. Srinivasa Rao	Executive Director	B.Sc. Engg. (Mech)	58	36	191.56	20.08.1997	Samcor Glass Ltd. (Manager)	0.00**
3.	Ashish Choudhary	VP (Business Process RE-Engineering)	Diploma - ME, MBA	51	33	115.39	05.10.2020	Cummins	NIL
4.	Dr. Trissa Joseph	VP(Research & Development)	Ph.D (Chemistry)	50	27	105.19	13.04.2021	Avery Dennison (India) Pvt. Ltd.	NIL
5.	Krishnakumar Subramanian	Senior Vice President & Head Business Unit	B.Tech (Mech), Executive MBA	50	29	105.13	25.04.2018	Larsen & Toubro Limited	NIL
6.	Pramod Nair	Chief Financial Officer	C.A.	39	13	95.09	26.04.2021	True North Managers LLP	0.00**
7.	Rahul Chopra	Sr.Vice President & Head Roofing Business	B.A(H)	57	35	90.21	01.01.1988	Nil	0.02
8.	Niranjan Madhusudan Gokhale	Head Strategy	B.E.,MBA	55	28	82.16	06.01.2020	Jaksons Group	NIL
9.	Sunil G Luthra	Financial Controller	M.COM, ACMA	52	30	75.87	20.10.2020	Johnson & Johnson	NIL
10.	Sulaksha Shetty	Chief Human Resources Officer	Master in Labour Studies	45	22	67.57	01.12.2020	Abbott Health Care Pvt Limited, CRY.	NIL

*Mr. Y. Srinivasa Rao ceased to be Director of the Company w.e.f. close of business hours on April 9,2021.

** Mr. Y. Srinivasa Rao held 5 equity shares and Mr. Pramod Nair held 350 equity shares of the Company as on March 31, 2022.

Notes:

- Gross Remuneration shown above is subject to tax and comprises of salary, allowances, monetary value of perquisites, company's contribution to provident fund, officer's superannuation fund, performance incentives/commission.
- All the above employments are permanent in nature except Mr. Rajesh Joshi, which is contractual.
- None of the above employees are related to any Director of the Company.

For and on behalf of the Board

Place: Mumbai
Date: May 27, 2022

Anant Talaulicar
Chairman

Rajesh Joshi
Managing Director & CEO

ANNEXURE 8

DETAILS PURSUANT TO THE PROVISIONS OF SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2017

a. The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;

Non Executive Directors	Ratio of the remuneration of each director to median remuneration of the employees
M. L.Gupta	1:2.7
Bhavna Doshi	1:2.6
B. L.Taparia	1:3.0
Narotam Sekhsaria	1:0.7
Padmini Sekhsaria	1:1.1
Rajendra Chitale	1:3.4
Alok Nanda	1:2.3
Anant Talaulicar	1:48.9
Executive Directors	
Rajesh Joshi	1:76.1
*Y. Srinivasa Rao	1:45.8

*Mr. Y.Srinivasa Rao ceased to be Director of the Company w.e.f. close of business hours on April 9,2021

b. The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year ended March 31, 2022;

Name of Person	Remuneration (₹ in lakhs)		% increase in remuneration
	2020-21	2021-22	
M.L. Gupta	12.20	11.40	-6.50
Bhavna Doshi	11.60	10.70	-7.70
B.L. Taparia	13.00	12.60	-3.10
Narotam Sekhsaria	3.20	2.80	-12.50
Padmini Sekhsaria	5.00	4.50	-10.00
Rajendra Chitale	14.40	14.10	-2.10
Alok Nanda	10.20	9.80	-3.90
Anant Talaulicar	205.00	204.50	-0.20
Rajesh Joshi	204.17	318.56	56.00
Y. Srinivasa Rao*	187.08	191.56	NA
Mr. Nikhil Dujari**	101.57	15.98	NA
Mr. Neeraj Kohli	29.07	36.82	26.70

*Mr. Y. Srinivasa Rao ceased to be Director of the Company w.e.f. close of business hours on April 9, 2021, therefore percentage is not applicable. His remuneration for the financial year 2021-22 includes leave encashment & Gratuity of ₹ 144.68 Lakhs and Commission of ₹ 32.40 Lakhs for the financial year 2020-21 and remuneration for the financial year 2020-21 includes leave encashment of ₹ 6 Lakhs.

** Mr. Nikhil Dujari ceased to be Chief Financial Officer of the Company w.e.f close of business hours on May 10, 2021, therefore percentage increase is not applicable

Note: Mr. Pramod Nair was appointed as Chief Financial Officer of the Company w.e.f May 11, 2021, therefore his name is not mentioned in the above table.

c. The percentage increase in the median remuneration of employees in the financial year : 9%

d. The number of permanent employees on the rolls of company : 1420

e. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration

The average increase in salaries of employees other than managerial personnel in 2021-22 was 9.05%. Percentage increase in the managerial remuneration for the year was 4.67%.

f. Affirmation that the remuneration is as per the remuneration policy of the Company

The Company's remuneration policy is driven by the success and performance of the individual employees and the Company. Through its compensation package, the Company endeavors to attract, retain, develop and motivate a high-performance staff. The Company follows a compensation mix of fixed pay, benefits and performance based variable pay. Individual performance pay is determined by business performance and the performance of the individuals measured through the quarterly appraisal process. The Company affirms remuneration is as per the remuneration policy of the Company.

For and on behalf of the Board

Place: Mumbai
Date: May 27, 2022

Anant Talaulicar
Chairman

Rajesh Joshi
Managing Director & CEO

CORPORATE GOVERNANCE REPORT

1. COMPANY'S PRACTICE ON CORPORATE GOVERNANCE

Corporate Governance is the combination of practices and compliance with laws and regulations leading to effective control and management of the Organization. We consider stakeholders as our partners in our success and remain committed to maximizing stakeholder value. Good Corporate Governance leads to long term stakeholders' value. Corporate Governance rests upon the four pillars of transparency, disclosure, monitoring and fairness. Your Company is committed to the adoption of and adherence to the best Corporate Governance practices at all times and continuously benchmarks itself with the best standards of Corporate Governance, not only in form but also in spirit.

2. BOARD OF DIRECTORS

The Company has a high-profile Board of Directors ("Board") with varied management expertise. The Board's roles, functions, responsibilities and accountabilities are known to them due to their vast experience, Notice, Agenda and Minutes of the Board Meetings/Committee Meetings are circulated to the Directors well in advance and confirmed at the subsequent meetings.

A. Composition of Board

The Board as on March 31, 2022 comprised of Mr. Anant Talaulicar, Non-Executive Chairman & Independent Director, Mr. Narotam Sekhsaria and Ms. Padmini Sekhsaria as Non-Executive Directors, Mr. M. L. Gupta, Mr. B. L. Taparia, Mrs. Bhavna Doshi, Mr. Rajendra Chitale and Mr. Alok Nanda as Non-Executive Independent Directors and Mr. Rajesh Joshi as Managing Director & Chief

C. Key Board skills, expertise and competencies

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

Leadership	Ability to inspire, motivate and offer direction and leadership to others and represent the company before internal and external stakeholders.
Management	Knowledge or expertise or understanding of sound management and business principles or experience of working in senior management position of any organization.
Financial expertise	An understanding of financial statements and the accounting principles used by the company to prepare its financial statements; including the ability to assess the general application of such accounting principles in connection with the accounting for the company.

Executive Officer. The Company has an appropriate size of the Board for real strategic discussion and avails benefit of diverse experience and viewpoints. The composition of the Board is in conformity with the requirements of Regulation 17(1) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

B. Non-Executive Directors' compensation and disclosures

The Non-Executive Directors are paid sitting fee as well as commission for attending various meetings of the Board & Committees within the limits prescribed under Section 197(1) of the Companies Act, 2013 ("Act"). The amount of commission is based on the performance of the Company vis-à-vis role and performance of the Non-Executive Directors. The commission is approved by the Board and is within the limits already approved by the Shareholders. No stock options were granted to Non-Executive Directors during the financial year under review 2021-22 ("year").

The Non-Executive Directors did not have any material pecuniary relationship or transactions with the Company except the payment of sitting fees and commission to them during the year.

Directors are not serving as Independent Directors in more than seven listed companies. The Directors of the Company who holds the position as Whole Time Director in the Company do not serve as Independent Director in more than three listed companies.

Governance	Commitment to the highest standards of governance with clear understanding of roles and responsibilities of Board of a Company and responsibilities as Director
Strategy Development and Implementation	Experience in developing and implementing business strategies or ability to give strategic insights to key business objectives.
Global Business	Experience in driving business success in markets around the world, with an understanding of diverse business
Knowledge of Media sector	Understanding of the working of Media Sector including but not limited to areas like challenges, opportunities, business models, revenue streams, business processes & practices etc.
Legal and Regulatory	Understanding of the regulatory environment under the Company operates along with exposure in handling regulatory matters with a listed company or major organization and/or experience providing legal/regulatory advice and guidance within a complex regulatory regime.
Risk Management	Experience in enterprise risk management in the relevant industry, and understanding of the Boards role in the oversight of risk management principles.
Human resource	Experience in developing strategies or handling matters like development of talent and retention, succession planning etc.
Technical	Experience in Manufacturing, Production process and other technical aspects of the Business, Research and Development knowledge for new products and product lines.

Core skills, expertise and competencies required	Anant Talaulicar Non-Executive Chairman & Independent Director	Padmini Sekhsaria Non-Executive Director	Narotam Sekhsaria Non-Executive Director	M. L. Gupta Independent Director	B. L. Taparia Independent Director	Bhavna Doshi Independent Director	Rajendra Chitale Independent Director	Alok Nanda Independent Director	Rajesh Joshi Managing Director & CEO
Leadership	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Management	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Financial expertise	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Governance	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Strategy Development and Implementation	Yes	Yes	Yes	-	-	-	-	Yes	Yes
Global Business	Yes	-	Yes	-	-	Yes	Yes	-	-
Knowledge of Media sector	Yes	Yes	Yes	Yes	-	-	-	Yes	-
Legal and Regulatory	Yes	Yes	Yes	Yes	Yes	Yes	Yes	-	Yes
Risk Management	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Human resource	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Technical	Yes	-	Yes	Yes	-	-	-	-	-

D. Other provisions as to Board and Committees

During the year, seven meetings of the Board of Directors were held on May 7, 2021, May 27, 2021, August 3, 2021, November 10, 2021, February 10, 2022, February 22, 2022 and March 23, 2022 with clearly defined agenda, circulated well in advance before each meeting. The maximum time gap between any two consecutive meetings did not exceed 120 days. The necessary quorum was present for all the meetings

None of the Directors on the Board are members of more than 10 Committees or Chairman of more than 5 Committees across the Companies in which they are Directors. Necessary disclosures regarding Committee positions in other public Companies in the beginning of every financial year have been made by the Directors as per Regulation 26(2) of the SEBI Listing Regulations.

Details of attendance of Directors at Board Meetings held during the period under review and at the last Annual General Meeting (AGM) held on August 25, 2021, with particulars of their Directorships and Chairmanship/ Membership of Board Committees of other public limited companies and listed companies (as per the disclosures received from Directors) showing the position as on March 31, 2022 are given below:

Name of Director	Particulars of attendance		No. of Directorships and Committee Membership/Chairmanship held in other public Companies (including listed entities)*			Category of Directors	Directorship in other listed entity (Category of Directorship)
	Board Meetings	Last AGM	Other Directorship	Other Committee Member	Other Committee Chairman		
Mr. Anant Talaulicar (DIN: 00031051)	7 of 7	Yes	8	4	1	Non-Executive Chairman & Independent Director	<ul style="list-style-type: none"> Birlasoft Limited (Independent, Non-Executive Director) Endurance Technologies Limited (Independent, Non-Executive Director) India Nippon Electricals Limited (Independent, Non-Executive Director) The HI-Tech Gears Limited (Non-Executive Director) KPIT Technologies Limited (Independent, Non-Executive Director)
**Mr. Narotam Sekhsaria (DIN: 00276351)	7 of 7	YES	3	-	-	Non-Executive Director	<ul style="list-style-type: none"> Ambuja Cements Limited (Non-Independent, Non-Executive Director) ACC Limited (Non-Independent, Non-Executive Director)
Ms. Padmini Sekhsaria (DIN: 00046486)	7 of 7	Yes	1	1	-	Non-Executive Director	<ul style="list-style-type: none"> Vedanta Limited, (Independent, Non-Executive Director)
Mr. M. L. Gupta (DIN: 00088685)	7 of 7	Yes	-	-	-	Independent Non-Executive Director	Nil
Mr. B. L. Taparia (DIN: 00016551)	5 of 7	Yes	-	-	-	Independent Non-Executive Director	Nil
Mrs. Bhavna Doshi (DIN: 00400508)	6 of 7	Yes	7	3	5	Independent Non-Executive Director	<ul style="list-style-type: none"> Sun Pharma Advanced Research Company Limited (Independent, Non-Executive Director) NUVOCO Vistas Corporation Limited (Independent, Non-Executive Director) KPIT Technologies Limited (Independent, Non-Executive Director) IndusInd Bank Ltd. (Independent, Non-Executive Director)
Mr. Rajendra Chitale (DIN: 00015986)	7 of 7	Yes	5	4	2	Independent Non-Executive Director	<ul style="list-style-type: none"> Ambuja Cements Limited (Independent, Non-Executive Director)
Mr. Alok Nanda (DIN: 02149755)	7 of 7	Yes	-	-	-	Independent Non-Executive Director	Nil
Mr. Rajesh Joshi (DIN: 08855031)	7 of 7	NA	-	-	-	Executive (Managing Director & CEO)	Nil

* Other directorships do not include Directorship as alternate directorships, directorships of private limited companies, companies incorporated under section 8 of Companies Act, 2013 and of companies incorporated outside India. Chairmanships/Memberships of Board Committees include only Audit and Stakeholders Relationship Committees of public limited companies.

** Mr. Narotam Sekhsaria ceased to be Director of the Company w.e.f. 29.4.2022

The Company has received declarations of independence as prescribed under Section 149(6) & (7) of the Act and Regulation 16(1)(b) of SEBI Listing Regulations from Independent Directors. All requisite declarations have been placed before the Board. In the opinion of the Board, the Independent Directors fulfil the conditions specified in SEBI Listing Regulations and are independent of the Management.

Other than Mr. Narotam Sekhsaria and Ms. Padmini Sekhsaria, none of other Directors of the Company are related to any other Director of the Company. Ms. Padmini Sekhsaria is daughter of Mr. Narotam Sekhsaria. However, Mr. Narotam Sekhsaria ceased to be Director of the Company w.e.f. 29.4.2022

Mr. Tanuj Vohra of TVA & Co. LLP, Practicing Company Secretaries, has issued a certificate as required under the SEBI Listing Regulations, confirming that none of the Directors on the Board of the Company have been debarred or disqualified for being appointed or continuing as Directors of companies by the Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority. The certificate is enclosed with this report.

E. Code of Conduct

The Board of Directors has adopted and laid down the Code of Conduct for all Directors and Senior Management Personnel, which comprises of members of Management one level below the Executive Director, including all Functional, Works and Zonal Heads. The Code is posted and available on the Company's website at the link https://www.everestind.com/uploads/Files/85invuf_Code-of-conduct.pdf

The members of the Board and Senior Management Personnel have affirmed the compliance with the Code applicable to them during the year ended on March 31, 2022. The Annual Report of the Company contains a declaration by the Managing Director & Chief Executive Officer in terms of Para D of Schedule V of the SEBI Listing Regulations based on the compliance declarations received from the Board and Senior Management.

F. Performance Evaluation

Pursuant to the provisions of the Act and SEBI Listing Regulations, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Board Committees. The exercise was carried out through a structured evaluation process covering various aspects of the Board's

functioning such as adequacy of the composition of the Board and its Committees, leadership attribute of directors through vision and values, strategic thinking and decision making, adequacy of business strategy etc.

The performance evaluation of the Independent Directors was done by the entire Board excluding the Directors being evaluated. The Board of Directors expressed their satisfaction with the evaluation process.

G. Familiarization Programme conducted for Independent Directors

The details of Familiarization programme are available on the Company's website at the link <https://everestind.com/disclosures-under-statutory-enactments>

3. BOARD COMMITTEES

The Board has constituted five Committees namely Audit Committee, Stakeholders Relationship Committee, Risk Management Committee, Nomination & Remuneration Committee and Corporate Social Responsibility Committee.

3.1 AUDIT COMMITTEE

A. Qualified and Independent Audit Committee

The Company complies with Section 177 of the Act as well as requirements under SEBI Listing Regulations pertaining to the Audit Committee. The Audit Committee, as on March 31, 2022, consists of six members out of which five members are Independent Non-Executive Directors and one members is Non Executive Director. All members of the Committee are financially literate and having the requisite financial management expertise. Mr. Rajendra Chitale is the Chairman of the Audit Committee, who is an Independent Director. Mr. Chitale attended the AGM held on August 25, 2021.

B. Terms of Reference

The Committee has its Charter. The brief description of terms of reference of the Audit Committee are mentioned below:

- Oversight of the Company's financial reporting process and the disclosure of its financial information.
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company.
- Approval of payment to statutory auditors for any other services rendered by them.
- Reviewing with the management, the annual

financial statements and auditor’s report thereon.

- Matters required to be included in the Director’s Responsibility Statement to be included in the Board’s Report.
- Changes, if any, in accounting policies and practices and reasons for the same.
- Major accounting entries involving estimates based on the exercise of judgment by management.
- Significant adjustments made in the financial statements arising out of audit findings.
- Compliance with listing and other legal requirements relating to financial statements.
- Approval of the related party transactions as per policy of the Company.
- Review and monitor the auditor’s independence and performance, and effectiveness of audit process.
- Scrutiny of inter-corporate loans and investments.
- Evaluation of internal financial controls and risk management systems.
- Reviewing with the management, performance of statutory and internal auditor(s) and adequacy of the internal control systems.
- Reviewing the adequacy of internal audit function, if any, including frequency of internal audit.
- Discussion with internal auditor(s) of any significant findings and follow up there on.
- Reviewing the findings of any internal observations by the internal auditor(s) into matters where there is irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- To review the functioning of the Vigil Mechanism.
- Management discussion and analysis of financial condition and results of operations.
- Such other matters as may from time to time be required by any statutory or regulatory authority to be attended by the Committee.
- Consider other matters, as from time to time be referred to it by the Board.

C. Composition, its meetings and attendance :

The Committee, as on March 31, 2022, comprises of Mr. Rajendra Chitale (Chairman), Mr. B. L.Taparia (Member), Mr. M. L.Gupta (Member), Mrs. Bhavna Doshi (Member), Ms. Padmini Sekhsaria (Member) and Mr. Anant Talaulicar (Member).

During the year, five Audit Committee Meetings were held on May 07, 2021, May 27, 2021, August 03, 2021, November 10, 2021 and February 10, 2022. The number of meetings held and number of meetings attended by the Members during the year are given below:

Name of Director	Category	Number of meetings held	Number of meetings attended
Mr. Rajendra Chitale	Independent Director (Chairman)	5	5
Mr. B. L. Taparia	Independent Director	5	5
Mr. M. L. Gupta	Independent Director	5	5
Mrs. Bhavna Doshi	Independent Director	5	5
Ms. Padmini Sekhsaria	Non-Executive Director	5	5
Mr. Anant Talaulicar	Independent Director	5	5

Managing Director, Chief Financial Officer, Internal Auditor, Statutory Auditors and Senior Management Executives of the Company attend the Audit Committee meetings by invitation. The Company Secretary acts as the Secretary of the Committee. All the recommendations made by the Audit Committee during the year were accepted by the Board.

3.2 STAKEHOLDERS RELATIONSHIP COMMITTEE

A. Composition

Stakeholders Relationship Committee, as on March 31, 2022, comprises of Mr. M. L. Gupta (Chairman), Mr. Rajesh Joshi (Member) and Mr. B. L. Taparia (Member).

B. Terms of Reference

The brief description of terms of reference of the Stakeholders Relationship Committee are mentioned below:

- To consider and resolve the grievances of security holders of the Company
- To approve applications for transfer, transmission, transposition of shares and

mutation of share certificates including issue of duplicate certificates, split, sub-division or consolidation of certificates and to deal with all related matters

- To look into and redress the shareholders / investors grievances relating to:
 - Transmission of shares;
 - Non-receipt of dividends;
 - Non-receipt of annual reports; and
 - Any other complaint concerning the Shareholders / investors.
- The Committee will oversee the performance of the Registrars and Share Transfer Agents of the Company.
- Such other matters as may from time to time be required by any statutory or regulatory authority to be attended by the Committee.
- Consider other matters, as from time to time be referred to it by the Board.

C. Meetings and attendance during the year

During the year, three meetings of the Stakeholders Relationship Committee were held on May 26, 2021, August 02, 2021 and February 09, 2022. The number of meetings held and number of meetings attended by the Members during the year are given below:

Name of Director	Category	Number of meetings held	Number of meetings attended
Mr. M. L. Gupta	Independent Director	3	3
Mr. Rajesh Joshi	Managing Director & CEO	3	3
Mr. B. L. Taparia	Independent Director	3	2

The Stakeholders Relationship Committee has approved transmission of shares six(6) times and issue of duplicate shares three (3) times during the year. During the year, the Company has received three complaints from the shareholders and the same were duly resolved to the satisfaction of the concerned shareholder.

Mr. Neeraj Kohli, Company Secretary is the Compliance Officer of the Company.

All the recommendations made by the Stakeholders Relationship Committee during the year were accepted by the Board.

3.3 Risk Management Committee

A. Composition

The Risk Management Committee of the Company was constituted w.e.f. May 28,2021 and as on March 31, 2022 comprises of Mr. B. L. Taparia (Chairman), Mr. Rajendra Chitale (Member), Mr. Anant Talaulicar (Member), Ms. Padmini Sekhsaria (Member) and Mr. Rajesh Joshi (Member).

B. Terms of Reference

The brief description of terms of reference of the Risk Management Committee are mentioned below:

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

C. Meetings and attendance during the year

During the year, two meetings of Risk Management Committee were held on November 8, 2021 and February 7, 2022. The number of meetings held and the number of meetings attended by the Members during the year are given below:

Name of Director	Category	Number of meetings held	Number of meetings attended
Mr. B.L. Taparia	Independent Director	2	1
Mr. Rajendra Chitale	Independent Director	2	2
Mr. Anant Talaulicar	Independent Director	2	2
Ms. Padmini Sekhsaria	Non-Executive Director	2	2
Mr. Rajesh Joshi	Managing Director & CEO	2	2

All the recommendations made by the Risk Management Committee during the year were accepted by the Board.

3.4 NOMINATION AND REMUNERATION COMMITTEE

A. Composition

The Nomination and Remuneration Committee, as on March 31, 2022, comprises of Mr. B. L. Taparia (Chairman), Mr. M. L. Gupta (Member), Mrs. Bhavna Doshi (Member), Ms. Padmini Sekhsaria (Member) and Mr. Anant Talaulicar (Member).

B. Terms of reference

The Terms of Reference of Nomination and Remuneration Committee inter-alia includes:

- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and to carry out evaluation of every Directors' performance.
- Formulation of the criteria for determining qualifications, positive attributes and independence of the Director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees.
- Determine/ review on behalf of Board of Directors of the Company the compensation package, service agreements and other employment conditions for Managing/Whole Time Director(s).

- Devising a policy on diversity of Board of Directors.
- Determine on behalf of the Board of Directors of the Company the quantum of annual increments/incentives on the basis of performance of the Key Managerial Personnel. Delegate any of its power/ function as the Committee deems appropriate to Senior Management of the Company.
- Formulate, amend and administer stock options plans and grant stock options to Managing / Whole Time Director(s) and employees of the Company.
- Consider other matters, as from time to time be referred to it by the Board.
- Such other matters as may from time to time be required by any statutory or regulatory authority to be attended by the Committee

C. Meetings and attendance during the year

During the year, four meetings of Nomination and Remuneration Committee were held on May 7, 2021, May 26, 2021, November 9, 2021 and February 9, 2022

The number of meetings held and number of meetings attended by the Members during the year are given below:

Name of Director	Category	Number of meetings held	Number of meetings attended
Mr. B.L. Taparia	Independent Director	4	3
Mr. M. L. Gupta	Independent Director	4	4
Mrs. Bhavna Doshi	Independent Director	4	3
Ms. Padmini Sekhsaria	Non-Executive Director	4	4
Mr. Anant Talaulicar	Independent Director	4	4

All recommendations made by the Nomination and Remuneration Committee during the year were accepted by the Board.

D. Remuneration policy

The Remuneration policy of your Company is a comprehensive policy which is competitive, in consonance with the industry practices and rewards good performance of the employees of the Company. The policy ensures equality, fairness and consistency in rewarding the employees on

the basis of performance against set objectives. The Company endeavors to attract, retain, develop and motivate a high-performance workforce. The Company follows a compensation mix of fixed and variable pay. Individual performance pay is determined by business performance and the performance of the individuals measured through the half yearly appraisal process.

The Nomination, Remuneration and Board Diversity Policy of the Company is available on the website of the Company at <https://everestind.com/uploads/Files/342invuf-Nomination-BoardDiversityPolicy.pdf>

E. Details of Remuneration of Executive Directors for the Financial Year 2021-22

Name and Designation	Mr. Rajesh Joshi (Managing Director & CEO)	Mr. Y. Srinivasa Rao (Executive Director)
Tenure of Appointment	Three Years ending on August 31, 2023	Ceased to be Executive Director w.e.f. the close of business hours on April 9, 2021
Salary (₹)	80,76,840	1,80,000
Perquisites/ Allowances (₹)	1,43,43,881	2,25,000
Commission (₹)	76,58,000	32,40,000*
Contributions to Provident Fund/ Superannuation Fund (₹)	17,76,900	48,600
Others (Leave Encashment & Gratuity) (₹)	-	1,44,67,692
Total (₹)	3,18,55,621/-	1,91,56,292/-

*Commission is for the financial year 2020-21.

Notice period for termination of appointment of Executive Directors is three months on either side. Apart from the salary in lieu of the notice period, no other severance fees are payable.

Name	Mr. Narotam Sekhsaria	Ms. Padmini Sekhsaria	Mr. M. L. Gupta	Mr. B. L. Taparia	Mrs. Bhavna Doshi	Mr. Rajendra Chitale	Mr. Alok Nanda	Mr. Anant Talaulicar
Sitting fees (₹)	2,80,000	4,50,000	4,40,000	3,60,000	3,70,000	4,10,000	2,80,000	4,50,000
Commission (₹)	-	-	7,00,000	9,00,000	7,00,000	10,00,000	7,00,000	2,00,00,000
Total (₹)	2,80,000	4,50,000	11,40,000	12,60,000	10,70,000	14,10,000	9,80,000	2,04,50,000

- Notes:** 1. Mr. M.L. Gupta holds 10,000 equity shares, Mr. B. L.Taparia holds 7,000 equity shares, Mr. Rajendra Chitale holds 4,007 equity shares and Mr. Alok Nanda holds 10 equity shares of the Company as on March 31, 2022. None of the remaining Non-executive Directors hold any shares of the Company.
2. There has been no pecuniary relationship or transactions other than above of the Non-Executive Directors vis-à-vis the Company during the year under review.

During the year Mr. Rajesh Joshi, Managing Director & CEO was granted 48,717 options under Employees Stock Options Scheme 2021 on February 9, 2022 at the exercise price of ₹ 635 per option. Options granted under ESOS-2021 shall vest as per the following schedule: (i) The first tranche comprising 20% of the number of options granted shall vest upon completion of one year from the date of grant. (ii) The second tranche comprising 30% of the number of options granted shall vest upon completion of two years from the date of grant (iii) The third tranche comprising 50% of the number of options granted shall vest upon completion of three years from the date of grant. The Exercise Period shall commence from the date of expiry of Vesting Period and will continue up to four (4) years thereafter.

F. Details of Remuneration of Non-Executive Directors for the Financial Year 2021-22

The Non-Executive Directors are entitled to sitting fee for attending the Board/ Committee Meetings. The Non-Executive Directors are paid sitting fees at the rate of ₹40,000/- for each Board Meeting; ₹20,000/- for each Audit Committee Meeting; ₹ 10,000/- for each Nomination and Remuneration Committee Meeting, ₹ 5,000/- for each Stakeholder Relationship Committee Meeting; ₹ 15,000/- for each Risk Management Committee Meeting and ₹ 5,000/- for each Banking Facility Committee Meeting. The members of the Company in the Annual General Meeting held on August 25, 2021, passed a special resolution approving payment of remuneration by way of commission upto ₹ 2,00,00,000/- (Rupees Two Crores) to Mr. Anant Talaulicar, Non-Executive Chairman of the Company for the financial year 2021-22 subject to the limit of four percent (4%) of net profits of the Company computed in the manner referred to in Section 198 of the Companies Act, 2013 ("Net Profits"). The Non-Executive Directors are also paid commission up to 1% of the net profit of the Company as decided by the Board of Directors. The sitting fee and commission paid to the Non-Executive Directors for the year ended March 31, 2022 are as under:

G. Performance Evaluation Criteria

Performance Evaluation Criteria for Independent Directors has been explained in the Board’s Report under the heading “Board Evaluation”.

*Mr. Anant Talaulicar was appointed as a member of Corporate Social Responsibility Committee w.e.f. May 28, 2021.

Mr. Y.Srinivasa Rao ceased to be member of Corporate Social Responsibility Committee w.e.f. April 1,2022

The Company has formulated CSR Policy which may be accessed on the Company’s website at the link-https://everestind.com/uploads/Files/194invuf_CSR-Policy-Final-1-4-2021.pdf For further details, please refer Board Report as well as Annual Report on CSR Activities forming part of this report.

All the recommendations made by the CSR Committee during the year were accepted by the Board.

3.5 CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

A. Composition

The Corporate Social Responsibility Committee, as on March 31, 2022, comprises of Ms. Padmini Sekhsaria (Chairperson), Mr. M.L. Gupta (Member), Mr. Alok Nanda (Member), Mr. Rajesh Joshi (Member) and Mr. Anant Talaulicar (Member).

B. Terms of Reference

The Terms of Reference of Corporate Social Responsibility Committee inter-alia includes:

- a) To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activity or activities to be undertaken by the Company as per the Schedule VII of the Companies Act, 2013;
- b) To recommend the amount of expenditure to be incurred on the activities related to CSR;
- c) To monitor the Corporate Social Responsibility Policy of the Company from time to time;
- d) To monitor the implementation of Business Responsibility Policy of the Company from time to time; and
- e) To consider other matters, as from time to time, may be referred to it by the Board.

C. Meetings and attendance during the year:

During the year, two meetings of Corporate Social Responsibility Committee (CSR) were held on May 26, 2021 and February 9, 2022. The number of meetings held and the number of meetings attended by the Members during the year are given below:

Name of Director	Category	Number of meetings held	Number of meetings attended
Ms. Padmini Sekhsaria	Non-Executive Director	2	2
Mr. M.L. Gupta	Independent Director	2	2
Mr. Alok Nanda	Independent Director	2	2
Mr. Rajesh Joshi	Managing Director & CEO	2	2
Mr. Anant Talaulicar *	Independent Director	1	1

4. Independent Directors Meeting

Independent Directors are regularly updated on the performance of the Company, strategy going forward and new initiatives being taken/ proposed to be taken by the Company. The Independent Directors Mr. M. L. Gupta, Mr. B. L. Taparia, Mrs. Bhavna Doshi, Mr. Rajendra Chitale, Mr. Alok Nanda and Mr. Anant Talaulicar met on March 23, 2022 without the attendance of non-independent directors and members of the management to:

- i. Review the performance of non-independent directors, the Board as a whole;
- ii. Review the performance of the Chairman of the Company, taking into account the views of executive directors and non-executive directors.
- iii. Assess the quality, quantity and timelines of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

5. DISCLOSURES

5.1 SUBSIDIARY COMPANY

The Company has two foreign subsidiaries viz., Everest Building Products in Mauritius and Everestind FZE in Jebel Ali Free Zone, Dubai, UAE.

5.2 BASIS OF RELATED PARTY TRANSACTIONS

The particulars of transactions between the Company and its related parties are as per the Indian Accounting Standard 24 “Related Party Disclosures” prescribed by the Companies (Indian Accounting Standards) Rules, 2015 are disclosed in the Standalone Annual Accounts (Note No. 2.37). During the year, there were no loans and advances to firms/companies in which directors are

interested and the Company had taken omnibus approval from Audit Committee for export of Fibre Cement Boards and Panels to its wholly owned subsidiary viz. Everestind FZE in Dubai, UAE. There were no transactions with related parties during the year, which were not in the normal course of business as well as not on an arm’s length basis. Further, no related party transaction has been taken place which is materially significant or that may have potential conflict with the interests of the Company at large.

5.3 DISCLOSURE OF WEBLINK OF POLICY FOR DETERMINING MATERIAL SUBSIDIARIES AND POLICY ON DEALING WITH RELATED PARTY TRANSACTIONS

As required by SEBI Listing Regulations, web link of the website of the Company where members can view or download Policy for determining Material Subsidiaries is https://everestind.com/uploads/Files/162invuf_MaterialSubsidiaryPolicy.pdf and for Policy on dealing with related party transactions is https://www.everestind.com/uploads/Files/457invuf_PMRPT-1.pdf

5.4 RISK MANAGEMENT

The Company has Risk Management Policy to mitigate the risks. The Company manages and monitors the principal risks and uncertainties that can impact its ability to achieve its strategic objectives. The Internal Auditor of the Company prepares quarterly risk analysis reports which are reviewed and discussed in the Audit Committee Meetings.

The Company has a risk management committee to govern in identifying, tracking, monitoring and reporting risks that impact the Company and its stakeholders. The Company has Risk Management Policy to mitigate the risks. The Internal Auditor of the Company prepares quarterly risk analysis reports which are reviewed and discussed in the Audit Committee Meetings.

5.5 PROCEEDS FROM PUBLIC ISSUES, RIGHT ISSUES AND PREFERENTIAL ISSUES ETC.

During the financial year, the Company has not raised any money from public issues, right issues, preferential issues etc.

5.6 MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report have been included separately in this Annual Report.

5.7 VIGIL MECHANISM POLICY

Pursuant to Section 177 of the Act and rules made thereunder and the SEBI Listing Regulations, the

Company has in place a mechanism for Directors, employees, vendors and customers to report concerns about unethical behaviour, actual or suspected fraud, violation of Code of Conduct of the Company etc. The mechanism also provides for adequate safeguards against victimization of Whistle Blower who avail the mechanism and also provides for direct access to the Whistle Blower to the Chairman of the Audit Committee. Pursuant thereto, a dedicated helpline “Ethics Helpline” has been set-up which is managed by an independent professional organization. Whistle Blower can report concern through any of the following:

- E-mail : everest@ethicalview.com
- National Toll Free : 1800 209 9098
- Phone Number
- Fax Number : +91 (22) 66459131
- Address : PO Box No. 6, Pune – 411001

We affirm that during the financial year ended March 31, 2022, no employee has been denied access to the Audit Committee. The Company has formulated Vigil Mechanism Policy which may be accessed on the Company’s website at the link-https://www.everestind.com/uploads/Files/163invuf_VigilMechanismPolicy.pdf

5.8 COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES

Business risk evaluation is an ongoing process within the Company. The Company imports certain raw materials from various sources for manufacturing of building products. The Company enters into long term contracts with some suppliers for procurement of raw materials. The Company does not undertake hedging activities for any of commodities it procures.

The Company has managed the foreign exchange risk with appropriate hedging activities relating to its firm commitment and in accordance with policies of the Company. The aim of the Company’s approach to manage currency risk is to leave the Company with the no material residual risk. The assessment is periodically evaluated by the Board Members. The details of foreign currency exposure are disclosed in Note No. 2.35 of the standalone financial statements. Accordingly, the disclosure pursuant to SEBI Circular dated November 15, 2018 is not required to be given.

5.9 There is no non-compliance by the Company and no penalty, stricture imposed on the Company by Stock Exchange(s) or SEBI or any other Statutory Authority on any matter related to capital markets, during the last three years.

5.10 The Company is in compliance with the mandatory requirements in respect of Corporate Governance to the extent applicable as required under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

5.11 The Company has adopted the following non-mandatory requirements under Regulation 27(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

- Modified opinion (s) in Audit Report
- Reporting of Internal Auditor

6. SHAREHOLDERS

- The quarterly results are put on the Company's website www.everestind.com.
- The Company sends Annual Report through email to those Shareholders who have registered their email ids with Depository Participant (DP) and with the Registrar and Share Transfer Agent (RTA) of the Company & physical copies of Annual Report to those Shareholders whose email Ids are not registered with DP/RTA. However, in compliance with the circulars issued by Ministry of Corporate Affairs and SEBI, notice of the 89th Annual General Meeting along with the Annual Report 2021-22 is being sent only through electronic mode to those members whose email addresses are registered with the Company/ Depositories. The physical copies of Annual Report are /will be sent to the Shareholders who request for the same.

7. MEANS OF COMMUNICATION

The Quarterly/Half Yearly/Annual Financial Results of the Company are forwarded to BSE Limited and National Stock Exchange of India Limited where the Company's shares are listed and also published in Business Standard/Financial Express, Mumbai & Sakal, Nashik. The Quarterly/Half Yearly/Annual Financial Results are also displayed on the Company's website

10. GENERAL BODY MEETINGS (HELD IN THE LAST 3 YEARS)

Year	AGM/EGM	Venue of the meeting	Date	Time
2021	AGM	Through Video Conferencing	August 25, 2021	03.00 P.M.
2020	AGM	Through Video Conferencing	August 27, 2020	11:30 A.M.
2019	AGM	GAT 152, Lakhmapur, Taluka Dindori, Nashik-422202 (Maharashtra)	July 24, 2019	12.30 P.M
2019	EGM	GAT 152, Lakhmapur, Taluka Dindori, Nashik-422202 (Maharashtra)	February 26, 2019	11.00 A.M

No other General Body Meeting held in the last three years.

During the financial year 2021-22, no resolution was passed through postal ballot and on the date of this report no resolution is proposed to be passed through postal ballot.

www.everestind.com and Stock Exchanges websites <https://www.nseindia.com> and www.bseindia.com. Presentations to analysts and institutional investors and other general information about the Company are also available on the Company's website.

8. PREVENTION OF INSIDER TRADING

In compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("SEBI PIT Regulations"), the Company has adopted Code of Practices and procedures for Fair Disclosure and Code of conduct to regulate, monitor and reporting trading by insiders. The codes advise procedures to be followed and disclosures to be made, while dealing in shares of the Company and cautioning them on consequences of non-compliances.

In compliance with the SEBI PIT Regulations, the Company has instituted "Everest Insider Compliance Portal", an IT tool through which a structured digital database is maintained containing the names of such persons or entities as the case may be with whom Unpublished Price Sensitive Information is shared along with the Permanent Account Number or any other identifier authorized by law where Permanent Account Number is not available. Database in IT tool is with adequate internal controls and checks as per the requirements of SEBI PIT Regulations.

9. COMPLIANCE CERTIFICATE BY CEO/CFO

The Managing Director & CEO and the Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of SEBI Listing Regulations. The Managing Director & CEO and the Chief Financial Officer also give quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33 of SEBI Listing Regulations. The annual certificate given by the Managing Director & CEO and the Chief Financial Officer is published in this Annual Report

Details of Special Resolution(s) passed at Annual General Meetings during the last three years

- At the 86th Annual General Meeting held on July 24, 2019, Special Resolutions were passed for:
 - fixing the remuneration payable to Mr. Manish Sanghi, Managing Director of the Company.
 - re-appointment of Mr. M. L. Gupta as an Independent Director of the Company.
 - authorising the Board of Directors of the Company to issue and allot shares under Employees' Stock Option Scheme -2019 to the specified employees during the financial year 2019-20.
- At the 87th Annual General Meeting held on August 27, 2020, Special Resolutions were passed for:
 - Re-appointment of Mr. Y. Srinivasa Rao, as Whole Time Director designated as Executive Director.
 - Waiver of recovery of excess managerial remuneration paid to Mr. Manish Sanghi, Managing Director during the financial year 2019-20.
 - Waiver of recovery of excess managerial remuneration paid to Mr. Y. Srinivasa Rao, Executive Director during the financial year 2019-20.
 - Payment of remuneration to Mr. Manish Sanghi, Managing Director of the Company for the period April 01, 2020 to September 30, 2021
 - Approval of Employees' Stock Option Scheme 2020.
- At the 88th Annual General Meeting held on August 25, 2021, Special Resolutions were passed for:
 - Appointment of Mr. Rajesh Joshi (DIN 08855031), as Director and as Managing Director & Chief Executive Officer of the Company
 - Approval of Employees' Stock Option Scheme 2021
 - Approval for payment of commission to Mr. Anant Talaulicar, Non-Executive Chairman for the financial year 2021-22

11. Company is in compliance with the requirement of Corporate Governance specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 as well as Schedule V of the SEBI Listing Regulations. A Certificate by practicing company secretaries confirming compliance of the conditions of the Corporate Governance annexed to this report.

12. GENERAL SHAREHOLDER'S INFORMATION

i	Annual General Meeting	Thursday, August 25, 2022 at 3.00 pm (IST) through Video Conferencing ("VC")
ii	Financial Year	April 1, 2021 to March 31, 2022
iii	Record Date	18th August, 2022
iv	Sending of Annual Report	On or before August 3, 2022
v	Dividend	₹ 6.00 per equity share of face value of ₹ 10/- each.
vi	Dividend Payment date	Dividend, if any, declared in the forthcoming 89th Annual General Meeting will be paid on or before September 23, 2022.
vii	Unclaimed/Unpaid Dividend for the previous years.	The Company is required to transfer dividends which have remained unpaid/unclaimed for a period of seven years to the Investor Education & Protection Fund established by the Government. Unclaimed/unpaid dividend for the year March 31, 2014 has been transferred to the Investor Education & Protection Fund established by the Government. The Company will transfer the dividend for the year ended March 31, 2015, which have remained unclaimed to the said fund in October, 2022. Members who have not claimed/encashed their dividend/dividend warrants for the Financial Year 2014-2015 & onwards may approach the Company for obtaining demand draft in lieu of unpaid dividend.
viii	Financial year calendar for 2022 -23 (Tentative)	
	a) Results for the quarter ending June 30, 2022	2nd week of August, 2022
	b) Results for the quarter ending September 30, 2022	2nd week of November, 2022
	c) Results for the quarter ending December 31, 2022	2nd week of February, 2023
	d) Results for the quarter ending/ Annual March 31, 2023	2nd week of May, 2023
ix	Stock Exchanges on which Company's Shares are listed	BSE Limited and National Stock Exchange of India Limited Annual Listing fees for the Financial Year 2022-23 has been paid to the respective stock exchanges within the prescribed time.
x	Corporate Identification Number (CIN) of the Company	L74999MH1934PLC002093
xi	Registered Office	GAT 152, Lakhmapur, Taluka Dindori, Nashik-422202 (Maharashtra)

13. STOCK CODE

BSE Limited - 508906
PhirozeJeejeebhoy Towers
Dalal Street, Mumbai - 400 001

National Stock Exchange of India Limited - EVERESTIND
Plot No. C/1, G Block
Bandra - Kurla Complex
Bandra (E), Mumbai - 400 051

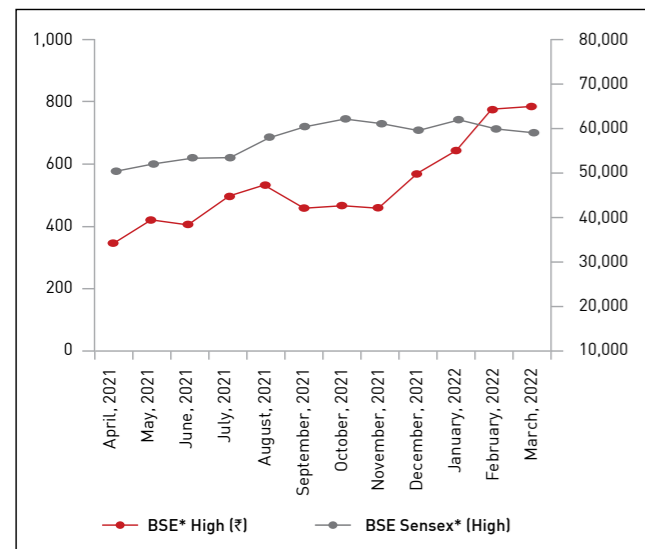
ISIN of the Company - INE295A01018

14. MARKET PRICE INFORMATION

i. The reported high and low share prices during the year ended March 31, 2022 on BSE, where your Company's shares are traded vis-à-vis BSE Sensex, are given below:

MONTH	BSE*		BSE SENSEX*	
	HIGH (₹)	LOW (₹)	HIGH	LOW
April, 2021	344.00	275.00	50,375.77	47,204.50
May, 2021	419.00	316.20	52,013.22	48,028.07
June, 2021	405.00	344.20	53,126.73	51,450.58
July, 2021	498.95	367.00	53,290.81	51,802.73
August, 2021	534.00	406.75	57,625.26	52,804.08
September, 2021	458.65	412.50	60,412.32	57,263.90
October, 2021	465.75	409.00	62,245.43	58,551.14
November, 2021	459.70	361.25	61,036.56	56,382.93
December, 2021	565.00	372.70	59,203.37	55,132.68
January, 2022	642.55	532.95	61,475.15	56,409.63
February, 2022	775.00	566.45	59,618.51	54,383.20
March, 2022	783.20	562.40	58,890.92	52,260.82

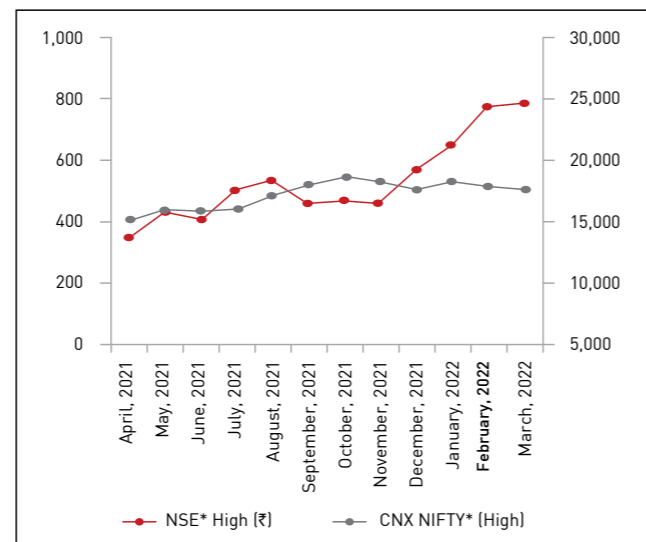
*Based on BSE website



ii. The reported high and low share prices during the year ended March 31, 2022 on the NSE, where your Company's shares are traded vis-à-vis CNX Nifty are given below:

MONTH	NSE*		CNX NIFTY*	
	HIGH (₹)	LOW (₹)	HIGH	LOW
April, 2021	344.00	275.50	15044.35	14151.40
May, 2021	429.00	313.35	15606.35	14416.25
June, 2021	405.95	345.15	15915.65	15450.90
July, 2021	500.00	371.20	15962.25	15513.45
August, 2021	534.30	406.95	17153.50	15834.65
September, 2021	459.00	412.10	17947.65	17055.75
October, 2021	465.70	393.50	18604.45	17452.90
November, 2021	457.70	365.50	18210.15	16782.40
December, 2021	565.55	371.20	17639.50	16410.20
January, 2022	642.00	535.25	18350.95	16836.80
February, 2022	774.90	566.60	17944.60	16203.25
March, 2022	783.70	562.35	17559.80	15671.45

*Based on NSE website



15. REGISTRAR & SHARE TRANSFER AGENT (RTA)

M/s MCS Share Transfer Agent Limited
F-65, First Floor, Okhla Industrial Area, Phase - I
New Delhi-110020,
Phone No. 011-41406149 41406151, 41406152,
Fax No. 011-41709881
E-mail : helpdeskdelhi@mcsmregistrars.com

16. SHARE TRANSFER SYSTEM

Pursuant to the amendment in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and

subsequent notification(s) issued by SEBI, w.e.f. April 1, 2019 except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository. All the requests received from shareholders for transmission etc. are processed by the Share Transfer Agent of the Company within the stipulated time as prescribed in the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 or in any other applicable law.

17. SHAREHOLDING AS ON MARCH 31, 2022

A. Distribution of Shareholding as on March 31, 2022

No. of Equity Shares	No. of Shareholders	% of Shareholders	Total No. of Shares held	% of Shareholding
1 to 500	23424	93.80	1674325	10.68
501 to 1000	868	3.48	644880	4.11
1001 to 2000	338	1.35	496952	3.17
2001 to 3000	93	0.37	230743	1.47
3001 to 4000	54	0.22	198238	1.26
4001 to 5000	42	0.17	196983	1.26
5001 to 10000	70	0.28	517514	3.30
10001 to 50000	67	0.27	1440321	9.19
50001 to 100000	8	0.032	602255	3.84
100001 and above	9	0.036	9675866	61.72
Total	24973	100.00	15678077	100.00

B. Shareholding Pattern as on March 31, 2022

Sr. No.	Category	No. of Shares held	% of Shareholding
1	Promoters	7933409	50.60
2	Mutual Funds/ UTI	27583	0.18
3	Financial Institutions/ Banks	175	0.00
4	Central Government/ State Government(s)	44476	0.28
5	Insurance Companies	187	0.00
6	Foreign Institutional Investors	818798	5.22
7	Bodies Corporate	1197728	7.64
8	Individuals	5344352	34.09
9	Trusts & Foundations	50	0.00
10	NRI's	310421	1.98
11	NBFC Registered with RBI	898	0.01
Total		15678077	100.00

18. OUTSTANDING GDRS/ADRS/WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments.

19. DEMATERIALIZATION OF SHARES

98.95% of the Equity Shares of the Company have been dematerialised as on March 31, 2022. The Company's shares can be traded only in dematerialised form as per SEBI notification. The Company has entered into an agreement with NSDL and CDSL whereby shareholders have the option to dematerialize their shares with either of the depositories. The Company's shares are regularly traded on BSE and NSE.

20. RECONCILIATION OF SHARE CAPITAL

As stipulated by SEBI, a qualified Practicing Company Secretary carries out quarterly audit of Reconciliation of Share Capital to reconcile the share capital held with Depositories (i.e. NSDL & CDSL) in dematerialised form and share capital held in physical form with the total issued and listed share capital of the Company.

21. DETAILS OF TOTAL FEES PAID TO STATUTORY AUDITORS

The details of total fees for all services paid by the Company and its subsidiaries, on consolidated basis,

to the statutory auditors and all entities in the network firm/network entity of which statutory auditors is a part, are as follows:

Amount in Lakhs

Particulars	For the financial year ended March 31, 2022	For the financial year ended March 31, 2021
Audit fee	39.00	39.00
Limited Review	21.00	24.00
Reimbursement of expenses	1.05	1.65
Total	61.05	64.65

22. CREDIT RATINGS

The Company obtained credit Ratings from CRISIL Limited and ICRA Limited for its banking facilities. Credit rating of the Company as at the end of financial year 2021-22 are given below:

Rating Agency	Credit Rating
ICRA Limited	Long term Rating: {ICRA} A+ (Stable) Short Term Rating: {ICRA} A1+
CRISIL Limited	Long term Rating: CRISIL A+/STABLE Short term Rating: CRISIL A1

23. There were no pending cases at the beginning of the financial year as well as no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

24. LOCATION OF PLANTS OF THE COMPANY

Kymore Works	Kolkata Works	Lakhmapur Works
Everest Nagar, P.O. Kymore Dist. Katni - 483880 Madhya Pradesh	1, Taratola Road, Garden Reach Kolkata - 700024 West Bengal	GAT 152, Lakhmapur Taluka Dindori, Nashik - 422202 Maharashtra
Podanur Works	Bhagwanpur Works	Somnathpur Works
Podanur P.O. Coimbatore - 641023 Tamil Nadu	158 & 159, Lakesari, Pargana Bhagwanpur, Tehsil Roorkee - 247661 Uttarakhand	Z5, IID Centre, Somnathpur Tehsil Remuna, Dist. Baleswar - 756019 Odisha
Ranchi Works	Narmada Works	
Sarwal Namkum, Opp. Tola - Charna Bera Ranchi - 834010 Jharkhand	E-68, GIDC Dahej-3, Dahej, Dist. Bharuch-392130 Gujarat	

25. DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT - NIL

26. ADDRESS FOR CORRESPONDENCE

- a. For any complaints relating to non-receipt of shares after transmission, change of address, mandate etc., dematerialization of shares or any other query relating to shares shall be forwarded to the Share Transfer Agents directly at the address given hereunder. Members are requested to provide complete details regarding their queries quoting folio number/DP ID No./Client ID No., number of shares held etc.

M/s. MCS Share Transfer Agent Ltd.
(Unit: Everest Industries Limited)
F-65, First Floor, Okhla Industrial Area,
Phase - I, New Delhi-110020.
Tel : 011-41406149,41406151, 41406152,
Fax : 011-41709881
E-mail : helpdeskdelhi@mcsregistrars.com

- b. For any query on any point in Annual Report, non-receipt of Annual Report, non-receipt of dividend etc., the complaint should be forwarded to the kind attention of Mr. Neeraj Kohli, Company Secretary & Head-Legal, Compliance Officer of the Company at the following address:

Everest Industries Limited
Level 3, Tower 14,
Solitaire Corporate Park, Chakala, Andheri (E),
Mumbai - 400093. Tel.: 022-6977 2000

Members can also register their complaints at compofficer@everestind.com, an exclusive email ID, designated by the Company for the purpose of registering complaints by investors, in compliance of Regulation 6(2) (d) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

For and on behalf of the Board

Place: Mumbai Date: May 27, 2022
Anant Talaulicar Chairman
Rajesh Joshi Managing Director & CEO

DECLARATION OF COMPLIANCE WITH CODE OF CONDUCT OF BOARD OF DIRECTORS AND SENIOR MANAGEMENT

This is to certify that as provided under Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and the Senior Management personnel have affirmed compliance with the Code of Conduct for the financial year ended March 31, 2022.

For Everest Industries Limited

Rajesh Joshi

Managing Director & CEO

Place: Mumbai
Date: May 24, 2022

CEO/ CFO CERTIFICATION

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

We have reviewed financial statements and the cash flow statement for the financial year ended March 31, 2022 and that to the best of our knowledge and belief:

- i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- ii. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

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.

We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

We have indicated to the auditors and the Audit Committee:

- i. significant changes in internal control over financial reporting during the year;
- ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
- iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or any employee having a significant role in the company's internal control system over financial reporting.

For Everest Industries Limited

Place: Mumbai
Date: May 18, 2022

Pramod Nair
Chief Financial Officer

Rajesh Joshi
Managing Director & CEO

COMPLIANCE CERTIFICATION

To,
The Members of
Everest Industries Limited
CIN: L74999MH1934PLC002093
GAT 152, Lakhmapur, Taluka Dindori
Nashik-422202, Maharashtra, India

1. We have examined the compliance of the conditions of Corporate Governance by Everest Industries Limited ('the Company') for the Financial Year ended on 31st March, 2022, as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as referred to in Regulation 15(2) of such regulations.
2. The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to the review of the procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us and the representation made by the directors and the management, we certify that the Company has complied with the mandatory conditions of Corporate Governance as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
4. We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For TVA & Co. LLP

Company Secretaries

Tanuj Vohra

Partner

M. No.: F5621, C.P. No.: 5253

UDIN: F005621D000455169

RP L2015UP000900

Place: Delhi

Date: 27.05.2022

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
Everest Industries Limited
CIN: L74999MH1934PLC002093
GAT No. 152, Lakhmapur, Taluka Dindori
Nashik-422202, Maharashtra, India

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Everest Industries Limited having CIN L74999MH1934PLC002093 and having registered office at GAT No. 152, Lakhmapur, Taluka Dindori, Nashik-422202, Maharashtra, India (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para C Sub clause (10)(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and its officers and the representation given by the Management, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on 31st 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	Murari Lal Gupta	00088685	08/07/2002
2	Bhanwarlal Jiwanmal Taparia	00016551	10/05/2013
3	Bhavna Gautam Doshi	00400508	25/10/2013
4	Alok Mahinder Nanda	02149755	23/01/2019
5	Rajendra Prabhakar Chitale	00015986	23/01/2019
6	Padmini Sekhsaria	00046486	26/02/2019
7	Narotam Satyanarayan Sekhsaria	00276351	26/02/2019
8	Anant Jaivant Talaulicar	00031051	21/11/2019
9	Rajesh Arvind Joshi	08855031	01/09/2020

It is solemnly the responsibility of Directors to submit relevant declarations and disclosures with complete and accurate information in compliance with the relevant provisions. Further, ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For TVA & Co. LLP
Company Secretaries

Tanuj Vohra
Partner
M. No.: F5621, C.P. No.: 5253
UDIN: F005621D000455169
RP L2015UP000900

Place: Delhi
Date: 27.05.2022

INDEPENDENT AUDITOR'S REPORT

To the Members of Everest Industries Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Everest Industries Limited ("the Company"), which comprise the Balance sheet as at March 31, 2022, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit including other comprehensive income, its cash flows and the changes in equity 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 (SAs), as 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

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

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

Key audit matters	How our audit addressed the key audit matter
(a) Revenue recognition for long term projects and recoverability of receivables (as described in Note 1.4a of the standalone financial statements)	<ul style="list-style-type: none"> Our audit procedures included testing of Company's revenue recognition accounting policies in compliance with Ind AS 115. We obtained an understanding of the process followed by the Company in determination of the estimates for evaluating contract obligations and contract revenue We performed test of controls over management process of estimation of contract obligations, recording of project costs incurred, computation of revenue recognized under the input method in Ind AS 115 and review of recoverability of receivables. We tested sample contracts to evaluate appropriate identification of contract obligations, recording of project costs incurred, reasonability of estimates of costs to complete including change orders, if any, and appropriateness of the timing of recognizing the revenue from the contracts We also tested the invoices raised and computation for revenue recognized, over a period of time under the input method as per Ind AS 115.

- We examined the management assessment of onerous contracts, liquidation damages, and other penalties charged by the customer
- We examined contracts where there were significant overdue receivables with marginal or no movement to determine the level of provisioning required in the receivable.
- We tested the adequacy of disclosures in the financial statements in compliance with Ind AS 115.

Uncertain tax positions impacting valuation of tax provision (as described in note 1.4(b) of the standalone financial statements)

The Company has ongoing disputes with the Income tax departments on income tax computation for certain assessment years. These disputes are pending with different Appellate authorities and at the Courts. The management has assessed the future outcome of these ongoing proceedings and exposures which directly affects the valuation of tax provisions in the financial statements. As the future outcome of these matters and the accounting effects thereof, are based on assessment of complex matters which may take time to finally resolve, the valuation of tax provision related to uncertain tax positions has been considered as key audit matter in our audit of the standalone financial statements.

- We obtained details of completed tax assessments and demands for the assessment years under dispute as of March 31, 2022.
- We performed test of control over management process of assessment and estimates with regard to the existing tax disputes and uncertain tax positions.
- We inspected written communication between the Company and the tax authorities and involved tax specialists to assess the management's underlying assumptions in estimating the tax provisions and the possible outcome of the disputes.
- We also considered the effect of any new information in the current financial year 2021-22 in respect of carried forward uncertain tax positions to evaluate if there is a change in the management's position on these uncertainties.
- We tested the adequacy of provisioning and disclosures relating to uncertain tax positions in accordance with the requirements of Ind AS 12.

We have determined that there are no other key audit matters to communicate in our report.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report of the Company, 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 such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management 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, cash flows and changes in equity of the Company in accordance

with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's

report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (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 the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity 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 Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (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 with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (g) In our opinion, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to 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 – Refer Note 2.33 to the standalone financial /statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There 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, as disclosed in note 2.58 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including

foreign entities ("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, as disclosed in the note 2.58 to the standalone financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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; and
- v. Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) above contain any material misstatement.
- vi. (a) The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.
- (b) As stated in note 2.47 to the standalone financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per **Vinayak Pujare**

Partner

Membership Number: 101143

UDIN: 22101143AJTMJN7843

Place of Signature: Mumbai

Date: May 27, 2022

Annexure "1" referred to in paragraph under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
 - (B) The Company has maintained proper records showing full particulars of intangibles assets.
- (b) All Property, Plant and Equipment were physically verified by the management in the previous year in accordance with a planned programme of verifying them once in three years which is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2022.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The Management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the coverage and the procedure of such verification by the Management is appropriate. Discrepancies of 10% or more in aggregate for each class of inventory were not noticed on such physical verification and have been properly dealt with in the books of account.
- (b) As disclosed in note 2.53 to the financial statements, the Company has been sanctioned working capital limits in excess of ₹ five crores in aggregate from banks during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/statements read with the subsequent revisions filed by the Company with such banks are in agreement with the books of accounts of the Company

- (iii) (a) During the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.
- (b) During the year the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company.
- (c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c), 3(iii)(d), 3(iii)(e) and 3(iii)(f) of the Order are not applicable to the Company.
- (iv) There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act, 2013 and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of value added steel products, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

- b) The dues of 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 statutory dues have not been deposited on account of any dispute, are as follows:

(₹ in lakhs)

Name of the applicable Act	Nature of dues	Forum where the dispute is pending	Period to which the amount relates	Amount involved	Amount Paid	Amount unpaid	
Income Tax Act, 1961	Demand on account of disallowance of certain claims	High Court	2007-08	79.39	79.39	-	
			2009-10				
		CIT(Appeals)	AY 2004-05 to 2018-19	7,999.89	1,148.88	6,851.01	
	Total			8,079.28	1,228.27	6,851.01	
The Central Excise Act, 1944	Demand on account of wrong availment of cenvat credit	Assistant Commissioner	2008 to 14	9.86	4.92	4.94	
		Deputy Commissioner	2009-10	0.70	0.40	0.30	
		Joint Commissioner	2009-10	14.29	-	14.29	
		Commissioner (Appeals)	2006-07 to 2011-12	7.75	-	7.75	
		Commissioner	2007-08 to 2013-14	522.23	-	522.23	
		Appellate Tribunal	2009-10, 2014-15, 2015-16	322.52	29.34	293.18	
	Demand of service tax under section 76 of Finance Act 1994	Assistant Commissioner	2017-18	13.05	13.05	-	
		Total			890.40	47.71	842.69
	Sales Tax Laws	Demand on account of non-collection of statutory forms etc.	Assistant Commissioner	1994-95	0.47	-	0.47
				2016-17	20.28	-	20.28
Joint Commissioner			1999-2000, 2000-01, 2007-08 & 2008-09	19.25	9.38	9.87	
Additional Commissioner			2015-16	36.30	1.37	34.93	
Commissioner (Appeal)			1997-98, 2000-01 to 2002-03 & 2006-07	26.38	13.64	12.74	
Joint Commissioner (Appeals)			2009-10 to 2010-11 & 2013-14	117.23	95.79	21.44	
Deputy Commissioner (Assessment)			2012-13, 2013-14 & 2014-15	402.95	229.00	173.95	
Deputy Commissioner (Assessment)			2015-16, 2017-18	7,647.98	37.00	7,610.98	
Appellate Tribunal			1997-98 to 1998-99 and 2009-10 to 2013-14	61.11	35.56	25.55	
Demand on account of purchase tax on fly ash			Madras High Court	1990-91, 1992-93 & 1995-1996	13.18	12.89	0.29
		Assessing Officer	1996-97	5.83	5.83	-	
Demand on account of reversal of input tax credit		Deputy Commissioner	2013-14	10.76	3.79	6.97	
		Additional Joint Commissioner	2009-10	2.33	2.33	-	
Demand on account of stock transfers considered as Interstate sales		Central Sales Tax Appellate Authority	1994-1995 & 1995-1996	676.34	0.34	676.00	
Demand on account of differential rate		Assistant Commissioner	2016-17	1,994.13	199.40	1,794.73	
Penalty for late payment of entry tax	High Court, Orissa	2012-13	4.39	4.39	-		
	Appl DC (CT), Coimbatore	2014-18	34.93	5.20	29.73		
	Total			11,073.84	655.91	10,417.93	

- viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.
- (d) The Company did not raise any funds during the year hence, the requirement to report on clause (ix)(d) of the Order is not applicable to the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares / fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) No fraud by the Company or no material fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT - 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.
- (xii) The Company is not a Nidhi Company as per the provisions of the Act. Accordingly, the requirement to report on clause 3(xii) of the Order is not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 [2 of 1934] are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (d) There is not a Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses in the current year and in the immediately preceding financial year respectively.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report

on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in note 2.59 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of

the Companies Act, 2013 (the Act) within a period of six months of the expiry of the financial year, in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 2.46 to the financial statements.

(b) All amounts that are unspent under section (5) of section 135 of Companies Act, pursuant to any ongoing project, has been transferred to special account in compliance of with provisions of sub section (6) of section 135 of the said Act. This matter has been disclosed in note 2.46 to the financial statements.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Vinayak Pujare**
Partner
Membership Number: 101143
UDIN: 22101143AJTMJN7843

Place of Signature: Mumbai
Date: May 27, 2022

Annexure '2' to the Independent Auditor's Report Of Even Date On The Standalone Financial Statements Of Everest Industries Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

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

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the

Company's internal financial controls with reference to these standalone financial statements.

Meaning of Internal Financial Controls With Reference to these Standalone Financial Statements

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of 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 With Reference to Standalone Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2022, 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 issued by the ICAI.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Vinayak Pujare**
Partner
Membership Number: 101143
UDIN: 22101143AJTMJN7843

Place of Signature: Mumbai
Date: May 27, 2022

STANDALONE BALANCE SHEET

AS AT MARCH 31, 2022

Particulars	Note Reference	₹ in lakhs)	
		As at March 31, 2022	As at March 31, 2021
A ASSETS			
1 Non-current assets			
Property, plant and equipment	2.01	34,139.47	34,520.87
Right-of-use asset	2.04	5,561.06	751.21
Capital work in progress	2.02	1,904.93	1,342.50
Intangible assets	2.03	108.03	246.52
Financial assets			
(i) Investment	2.05	-	-
(ii) Other financial assets	2.06	994.54	5,504.56
Other non current assets	2.07	43.00	187.80
Income tax assets (net)	2.08	1,924.60	1,838.77
Total - non-current assets		44,675.63	44,392.23
2 Current assets			
Inventories	2.09	33,276.41	25,528.24
Financial assets			
(i) Trade receivables	2.10	5,588.46	5,815.92
(ii) Cash and cash equivalent	2.11	9,642.43	4,773.86
(iii) Bank balances other than (ii) above	2.12	6,741.09	8,492.11
(iv) Other financial assets	2.06	1,162.31	356.49
Other current assets	2.07	4,789.48	3,698.22
Total - current assets		61,200.18	48,664.84
TOTAL ASSETS		1,05,875.81	93,057.07
B EQUITY AND LIABILITIES			
1 Equity			
Equity share capital	2.13	1,567.81	1,563.63
Other equity	2.14	52,822.58	49,439.21
Total equity		54,390.39	51,002.84
2 Non-current liabilities			
Financial liabilities			
(i) Lease liabilities	2.15	4,837.64	426.72
Deferred tax liabilities (net)	2.39	2,660.30	2,679.73
Total - non-current liabilities		7,497.94	3,106.45
3 Current liabilities			
Financial liabilities			
(i) Lease liabilities	2.15	659.59	403.75
(ii) Trade payables	2.16		
(a) total outstanding dues of micro enterprises and small enterprises		1,418.77	787.14
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		15,506.45	15,623.43
(iii) Deposits from dealers	2.17	1,892.17	3,043.65
(iv) Other financial liabilities	2.18	2,413.80	1,703.38
Provisions for retirement benefits	2.19	426.67	484.61
Other current liabilities	2.20	11,448.75	6,889.50
Income tax liabilities (net)	2.21	10,221.28	10,012.32
Total - current liabilities		43,987.48	38,947.78
TOTAL EQUITY AND LIABILITIES		1,05,875.81	93,057.07

See accompanying notes forming part of the standalone financial statements

As per our report of even date

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration No : 324982E/E300003

For and on behalf of the Board of Directors

per **Vinayak Pujare**
Partner
Membership No : 101143

Anant Talaulicar
Chairman
DIN No. 00031051

Rajesh Joshi
Managing Director & CEO
DIN No. 08855031

Pramod Nair
Chief Financial Officer

Neeraj Kohli
Company Secretary

Mumbai
May 27, 2022

Mumbai
May 27, 2022

Mumbai
May 27, 2022

Mumbai
May 27, 2022

New Delhi
May 27, 2022

STANDALONE STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2022

Particulars	Note Reference	₹ in lakhs)	
		For the year ended March 31, 2022	For the year ended March 31, 2021
A Income			
Revenue from operations	2.22	1,36,118.56	1,21,324.10
Other income	2.23	2,915.98	889.01
Total income		1,39,034.54	1,22,213.11
B Expenses			
(a) Cost of raw material consumed	2.24	77,598.53	61,223.62
(b) Purchase of traded goods	2.25	299.26	365.92
(c) (Increase)/ decrease in inventories of finished goods, work-in progress and traded goods	2.26	(3,588.23)	3,659.96
(d) Employee benefits expense	2.27	12,917.54	10,884.43
(e) Finance costs	2.28	314.83	390.02
(f) Depreciation and amortization expense	2.29	2,863.53	2,531.47
(g) Other expenses	2.30	41,973.18	33,873.70
Total expenses		1,32,378.64	1,12,929.12
C Profit before tax		6,655.90	9,283.99
Tax expenses			
(a) Current tax	2.31	2,239.82	4,100.32
(b) Deferred tax (Net of MAT credit entitlement)	2.31 & 2.39	3.77	(575.51)
Total tax expenses		2,243.59	3,524.81
D Profit for the year		4,412.31	5,759.18
E Other comprehensive income			
(i) Items that will not be reclassified subsequently to the statement of profit or loss			
(a) Re-measurement gains/(losses) on defined benefit plans		(66.38)	148.92
(b) Income tax effect		23.20	(52.04)
Other comprehensive income/(loss) for the year, net of tax		(43.18)	96.88
F Total comprehensive income for the year, net of tax		4,369.13	5,856.06
Earnings per equity share (refer note 2.41)			
[Face value - ₹ 10 per share]			
Basic earnings per share (Rupees)		28.20	36.83
Diluted earnings per share (Rupees)		28.20	36.83

See accompanying notes forming part of the standalone financial statements

As per our report of even date

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration No : 324982E/E300003

For and on behalf of the Board of Directors

per **Vinayak Pujare**
Partner
Membership No : 101143

Anant Talaulicar
Chairman
DIN No. 00031051

Rajesh Joshi
Managing Director & CEO
DIN No. 08855031

Pramod Nair
Chief Financial Officer

Neeraj Kohli
Company Secretary

Mumbai
May 27, 2022

Mumbai
May 27, 2022

Mumbai
May 27, 2022

Mumbai
May 27, 2022

New Delhi
May 27, 2022

STANDALONE STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2022

Particulars	(₹ in lakhs)	
	Year ended March 31, 2022	Year ended March 31, 2021
A. Cash flow from operating activities		
Profit before tax	6,655.90	9,283.99
Adjustments for:		
Depreciation and amortisation expenses	2,863.53	2,531.47
Finance costs	314.83	390.02
Interest income	(404.34)	(603.62)
Loss on sale of property, plant and equipment assets (net)	359.29	57.51
Liabilities / provisions no longer required written back	(2,358.14)	(74.56)
Share based payment to employees	19.10	3.08
Provision for impairment of capital work in progress	176.29	360.20
Provision for government subsidy	-	577.07
Impairment of doubtful trade receivables	306.43	875.23
Impact of fair valuation of financial instruments	8.69	(2.59)
Operating profit before working capital changes	7,941.58	13,397.80
Working capital adjustments:		
(Increase)/decrease in inventories	(7,748.17)	5,538.21
(Increase)/decrease in trade receivables	(78.97)	97.64
(Increase)/decrease in other non current financial assets	(315.96)	(55.20)
(Increase)/decrease in other non current assets	42.61	31.29
(Increase)/decrease in other current financial assets	(399.25)	66.30
(Increase)/decrease other current asset	(1,157.63)	(9.93)
Increase/(decrease) in trade payables	2,872.79	1,931.97
Increase/(decrease) in deposits from dealers	(1,151.48)	(171.02)
Increase/(decrease) in other financial liabilities	670.66	431.15
Increase/(decrease) in other current/ non current liabilities	4,559.25	1,522.98
Increase/(decrease) in provisions	(57.94)	(51.73)
Cash generated from operations	5,177.49	22,729.46
Income tax (paid)/refund	(2,116.69)	3,713.49
Net cash flows from operating activities	3,060.80	26,442.95
B. Cash flow from investing activities		
Capital expenditure on Property, plant and equipment	(3,380.14)	(1,664.43)
Proceeds from sale of fixed assets	376.18	44.56
Bank balances not considered as cash and cash equivalents		
- Investment in fixed deposits not considered as cash & cash equivalents	6,190.28	(12,892.81)
Interest received	375.82	538.81
Net cash flow generated from/(used in) investing activities	3,562.14	(13,973.87)
C. Cash flow from financing activities		
Proceeds from issue of equity shares	4.18	-
Securities premium received	168.37	-
(Repayment) of long-term borrowings	-	(5,042.38)
Payment of financial Lease liabilities	(667.99)	(328.60)
Proceeds/(repayment) of short-term borrowings	-	(2,118.93)
Interest paid	(92.28)	(283.97)
Dividend paid during the year	(1,166.65)	(163.38)
Net cash flows used in financing activities	(1,754.37)	(7,937.26)
Net change in cash and cash equivalents (A)+(B)+(C)	4,868.57	4,531.82
Cash and cash equivalents at the beginning of the year	4,773.86	242.04
Cash and cash equivalents at year end	9,642.43	4,773.86

Note : (i) Figures in brackets are outflows/deductions
(ii) The above cashflow statement is prepared under the "Indirect method" as set out in the Indian Accounting Standards (Ind AS 7) - Statement of Cash Flows

See accompanying notes forming part of the standalone financial statements

As per our report of even date

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration No : 324982E/E300003

For and on behalf of the Board of Directors

per **Vinayak Pujare**
Partner
Membership No : 101143

Anant Talaulicar
Chairman
DIN No. 00031051

Rajesh Joshi
Managing Director & CEO
DIN No. 08855031

Pramod Nair
Chief Financial Officer

Neeraj Kohli
Company Secretary

Mumbai
May 27, 2022

Mumbai
May 27, 2022

Mumbai
May 27, 2022

Mumbai
May 27, 2022

New Delhi
May 27, 2022

STANDALONE STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2022

Particulars	(₹ in lakhs)				
	A. Equity share capital				
	Numbers of share	Amount			
Balance as at March 31, 2020	1,56,36,340	1,563.63			
Changes in equity share capital during the year	-	-			
Balance as at March 31, 2021	1,56,36,340	1,563.63			
Changes in equity share capital during the year	41,737	4.18			
Balance as at March 31, 2022	1,56,78,077	1,567.81			
B. Other equity					
Particulars	Attributable to equity shareholders of the Company				Total other equity
	Securities premium	General reserve	Share based payment reserve	Retained earnings	
As at March 31, 2020	1,373.17	9,848.91	718.17	31,796.18	43,736.43
Profit for the year	-	-	-	5,759.18	5,759.18
Other comprehensive income	-	-	-	96.88	96.88
Total comprehensive income for the year	1,373.17	9,848.91	718.17	37,652.24	49,592.49
Dividend paid during the year	-	-	-	(156.36)	(156.36)
Compensation options granted during the year/Changes during the year (net)	-	-	3.08	-	3.08
Transferred from share based payment reserve on exercise and lapse of options	244.56	-	(244.56)	-	-
Balance as at March 31, 2021	1,617.73	9,848.91	476.69	37,495.88	49,439.21
Balance as at March 31, 2021	1,617.73	9,848.91	476.69	37,495.88	49,439.21
Profit for the year	-	-	-	4,412.31	4,412.31
Other comprehensive income	-	-	-	(43.18)	(43.18)
Total comprehensive income for the year	1,617.73	9,848.91	476.69	41,865.01	53,808.34
Dividend paid during the year	-	-	-	(1,173.23)	(1,173.23)
Compensation options granted during the year/Changes during the year (net)	-	-	19.10	-	19.10
Securities premium on shares issued during the year	168.37	-	-	-	168.37
Transferred from share based payment reserve on exercise and lapse of options	229.11	-	(229.11)	-	-
Balance as at March 31, 2022	2,015.21	9,848.91	266.68	40,691.78	52,822.58

See accompanying notes forming part of the standalone financial statements

As per our report of even date

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration No : 324982E/E300003

For and on behalf of the Board of Directors

per **Vinayak Pujare**
Partner
Membership No : 101143

Anant Talaulicar
Chairman
DIN No. 00031051

Rajesh Joshi
Managing Director & CEO
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Company Secretary

Mumbai
May 27, 2022

Mumbai
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New Delhi
May 27, 2022

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

NOTE 1.1 CORPORATE INFORMATION

Everest Industries Limited ('the Company') is engaged in manufacturing and trading of building products like roofing products, boards and panels, other building products and accessories and manufacturing of components of pre-engineered steel buildings and related accessories.

The financial statements for the year ended March 31, 2022 were approved by the Board of Directors and authorised for issue on May 27, 2022.

NOTE 1.2 BASIS OF PREPARATION

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

These financial statements have been prepared on the historical cost or at amortised cost, except for the following assets and liabilities:

- derivative financial instruments are measured at fair value;
- employee defined benefit assets/(liability) are recognised as the net total of the fair value of plan assets, plus actuarial losses, less actuarial gains and the present value of the defined benefit obligation;

NOTE 1.3

Summary of significant accounting policies

(i) Current Vs Non-Current Classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- Expected to be settled in normal operating cycle

- Held primarily for the purpose of trading
- Due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalent. The Company has identified twelve months as its operating cycle.

(ii) Cash Dividend

The Company recognises a liability to make cash distributions to the shareholders of the Company when the distribution is approved by the shareholder in the Annual General Meeting of the Company.

(iii) Fair values measurements

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

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

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

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

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

- Level 1** - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2** - Other techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3** - Techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

(iv) Property, Plant and Equipment

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property plant and equipment recognised as at April 1, 2016, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property plant and equipment.

Property, plant & equipment and capital work in progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met, directly attributable cost of bringing the asset to its working condition for the intended use. Such cost includes the cost of replacing part of the plant and equipment.

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of repairs and maintenance are recognised in the statement of profit and loss as incurred.

The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the

asset and has useful life that is materially different from that of the remaining asset.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the Statement of Profit or Loss when the asset is derecognised.

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

(v) Depreciation on Property, plant & equipment

- Lease hold improvements (LHI) & leasehold lands are amortised on straight line basis over the period of lease or useful life whichever is lower.

- Depreciation on other Property, plant & equipment is provided on straight line basis at the rates based on the estimated useful life of the assets. The Company, based on management estimates, depreciates the assets over estimated useful lives which coincides with the useful life prescribed in Schedule II to the Companies Act, 2013.

The Company, based on technical assessment made by technical expert and management estimate, depreciates certain items of plant and equipment over estimated useful lives of 15 years which are different from the useful life of 8 years, prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

- Depreciation on Property, plant & equipment added/ disposed off during the year is provided on pro-rata basis with respect to date of acquisition/ disposal.

(vi) Intangible assets

Intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Technical know-how is amortised over the term of the agreement. Computer software is amortised over the estimated useful life of 3 years.

An item of intangible assets is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the Statement of Profit or Loss when the asset is derecognised. The residual values, useful lives and methods of amortisation of intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

(vii) Research and development costs

Research and development costs of revenue nature are charged to the Statement of Profit and Loss when incurred. Fixed assets utilised for research and development are capitalised and depreciated in accordance with the rates set out in Note 1.3 (iv) above.

(viii) Revenue Recognition

- Revenue from contract with customers**

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

In respect of pre-engineered building contracts, revenue is recognised over a period of time using the input method (equivalent to percentage-of-completion method; POCM) of accounting with contract costs incurred determining the degree of completion of the performance obligation.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers on behalf of the government.

Effective April 1, 2018, the Company has applied Ind AS 115 "Revenue from contracts with customers" which establishes a comprehensive framework for determining whether, how much and when revenue

is to be recognised. Ind AS 115 replaces Ind AS 18 "Revenue" and Ind AS 11 "Construction Contracts". The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018). The Company has adopted Ind AS 115 using the modified retrospective approach. Under the modified retrospective approach, there were no significant adjustments required to the retained earnings at April 1, 2018. Also, the application of Ind AS 115 did not have any significant impact on recognition and measurement of revenue and related items in the financial statements.

- Interest**

For all debt instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR).

EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. Interest income is included in finance income in the statement of profit and loss.

(ix) Financial Instruments

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

- Financial assets**

Initial recognition and measurement

On initial recognition, a financial asset is recognised at fair value, in case of financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction cost are recognised in the statement of profit and loss. In other cases, the transaction cost are attributed to the acquisition value of the financial asset.

Subsequent measurement

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

Investments in subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognized in the statement of profit and loss.

Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

Impairment of financial assets

The Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the trade receivable.

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

The impairment losses and reversals are recognised in Statement of Profit and Loss.

- Financial liabilities**

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the EIR method.

Other financial liabilities (Loans and borrowings)

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

The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Derivative financial instruments and hedge accounting

The Company uses derivative financial instruments such as foreign exchange forward contracts, option contracts and swap contracts to hedge its foreign currency risk.

Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value at the end of each reporting period.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(x) Inventories

Inventories are valued at the lower of cost and the net realisable value after providing for obsolescence and other losses, where considered necessary and includes all applicable costs incurred in bringing goods to their present location and condition. The basis for determining cost for various categories of inventories is as follows:

Stores and spare parts	-	Moving Weighted average
Raw materials	-	Moving Weighted average
Materials in transit	-	At cost
Work in progress and Finished goods	-	Material cost determined on moving weighted average basis plus appropriate share of labour, manufacturing and other overheads.
Stock in trade	-	Moving Weighted average

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

(xi) Retirement and other Employee Benefits

Employee benefits include provident fund, superannuation, performance incentives, gratuity and compensated absences.

Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange of services rendered by employees is recognised during the period when the employee renders the services. These benefits include compensated absences and performance incentives.

Post-employment benefit plans

The Company has various schemes of retirement benefits namely provident fund, superannuation schemes and gratuity, which are administered by trustees of independently constituted trusts recognised by the Income-tax authorities.

The Company's contributions towards provident fund are deposited in a trust formed by the Company under the Employees Provident Fund and Miscellaneous

Provisions Act, 1952. Contributions to superannuation fund are deposited in a separate trust. These trusts are recognised by the Income Tax authorities. The contributions to the trusts are managed by the trustees of the respective trusts.

The Company's superannuation scheme is considered as defined contribution scheme. The Company has no obligation, other than the contribution payable to the super-annuation fund. The Company recognizes contribution payable to the super-annuation fund scheme as an expense, when an employee renders the related service.

The Provident Fund (administered by a Trust) is a defined benefit scheme where by the Company deposits an amount determined as a fixed percentage of basic pay to the fund every month. The benefit vests upon commencement of employment. The interest credited to the accounts of the employees is adjusted on an annual basis to conform to the interest rate declared by the government for the Employees Provident Fund. The Company has adopted actuary valuation based on project unit credit method to arrive at provident fund liability as at year end. The Provident Fund scheme additionally requires the Company to guarantee payment of interest at rates notified by the Central Government from time to time, for which shortfall as at the Balance Sheet date, if any, is provided for.

The Company operates a defined benefit gratuity plan, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. Remeasurements, comprising of actuarial gains and losses, and the return on plan assets (excluding net interest), are recognised to OCI in the period in which they occur and are not reclassified to profit or loss.

Benefits comprising compensated absences constitute other employee benefits. The liability for compensated absences is provided on the basis of an actuarial valuation done by an independent actuary at the year end. Actuarial gains/losses are immediately taken to the statement of profit and loss for the period in which they are occur.

(xii) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

(xiii) Foreign Exchange Transactions and balances

The functional currency of the company is India Rupees.

Initial recognition

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Conversion

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency exchange rate at the reporting date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date and exchange gains and losses arising on settlement and restatement are recognised in the statement of profit and loss. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

(xiv) Taxation

Tax expense represents the sum of current tax and deferred tax.

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the reporting date and includes any adjustment to tax payable in respect of previous years. Subject to exceptions below, deferred tax is provided, using the balance sheet method, on all deductible temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes,

on carry forward of unused tax credits and unused tax loss; deferred income tax is not recognised on the initial recognition (including MAT) of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and deferred tax assets are recognised only to the extent that it is more likely than not that they will be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Tax relating to items recognized outside profit or loss is recognised outside profit or loss (either in other comprehensive income or equity).

The carrying amount of deferred tax assets (including MAT credit available) is reviewed at each reporting date and is adjusted to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

(xv) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(xvi) Impairment of Non-financial Assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal or its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses, are recognised in the statement of profit and loss

Intangible assets with indefinite useful lives are tested for impairment annually, as appropriate and when circumstances indicate that the carrying value may be impaired.

(xvii) Provisions and contingencies

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. The expense relating to any provision is presented in the statement of profit or loss, net of any reimbursement.

(xviii) Contingent liability

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

(xix) Share based payment transaction

Selected employees of the Company receive remuneration in the form of equity settled instruments, for rendering services over a defined vesting period. Equity instruments granted are measured by reference to the fair value of the instrument at the date of grant.

The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

(xx) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease i.e. if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section 1.3 (iv) Impairment of tangible and intangible assets.

(ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

(iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms.. Contingent rents are recognised as revenue in the period in which they are earned.

(xxi) Segment reporting

Operating segment are reported in a manner consistent with the internal reporting provided to chief operating decision maker (CODM). The managing director is considered to be the 'Chief Operating Decision Maker' (CODM).

Refer Note 2.38 for segment information presented.

(xxii) Government grants and subsidies

Grants and subsidies from the government are recognised when there is reasonable assurance that the Company will comply with the conditions attached to them, and the grant/subsidy will be received.

When the grant or subsidy relates to revenue, it is recognised as income on a systematic basis in profit or

loss over the periods necessary to match them with the related costs, which they are intended to compensate.

Where the grant relates to an asset, it is recognised as deferred income and released to income when on a systematic basis when related conditions or obligations are met by the Company.

(xxiii) Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdraft as they are considered an integral part of the company's cash management.

(xxiv) Rounding of amounts

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

NOTE 1.4 SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of asset and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(a) Uncertainty on the Estimation of the Total Construction Revenue and Total Construction Cost: The Company recognises revenue from the construction contracts over the period of contract as per the input method of IND AS 115 "Revenue from contracts with the customers". The contract revenue is determined based on proportion of contract cost incurred to date compared to estimated total contract cost which involves significant judgement, identification of contractual obligations, and the company's right to receive payments for performance completed till date, risk on collectability due to liquidation damages and other penalties imposed by the customers, possible effects from Covid 19 pandemic, change in scope and consequential revised contract price and recognition of the liability for loss making contracts/onerous obligations etc. The Company has efficient, coordinated system for calculation and forecasting its revenue and expense reporting. However actual project outcome may deviate positively or negatively from the company's calculation and forecasting which could impact the revenue recognition up to the stage of project completion and is recognised prospectively in the financial statements.

(b) Tax Uncertainties: The Company has open tax issues, ongoing proceedings and exposures at various levels of authorities. Where management makes a judgement that an outflow of funds is probable and a reliable estimate of the outcome of the dispute can be made, provision is made for the best estimate of the liability. In estimating any such liability, the Company applies a risk-based approach. These estimates take into account the specific circumstances of each dispute and relevant external advice, are inherently judgemental and could change substantially over time as each dispute progresses and new facts emerge.

The Company continues to believe that it has made adequate provision for the liabilities likely to arise from open assessments. Where open issues exist the ultimate liability for such matters may vary from the amounts provided and is dependent upon the outcome of assessments with the relevant tax authorities or the litigation proceedings.

(c) Useful Lives of Property, Plant and Equipment: The Company uses its technical expertise along with historical and industry trends for determining the economic life of

an asset/component of an asset. The useful lives are reviewed by the management periodically and revised, if appropriate. In case of a revision, the unamortised depreciable amount is charged over the remaining useful life of the assets.

(d) Measurement of Defined Benefit Obligation: The cost of the defined benefit gratuity plan and other Long term employee benefits (Compensated Absences) and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is sensitive to changes in these assumptions.

(e) Share-based Payments: The Company measures the cost of equity-settled transactions with employees using Black-Scholes model to determine the fair value of the liability incurred on the grant date. Estimating fair value for share-based payment transactions require determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

(f) Impairment in subsidiaries: Determining whether the investments in subsidiaries are impaired requires an estimate of the value in use of investments. In considering the value in use, the management anticipates the future commodity prices, capacity utilisation of plant, operating margins, discount rates and other factors of the underlying businesses/operations of the subsidiaries.

(g) Expected Credit Loss: The Company makes provision of expected credit losses on trade receivables using a provision matrix. The provision matrix is based on its historical observed default rates, adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and Company makes appropriate provision wherever outstanding is for longer period and involves higher risk.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Particulars	2.01 PROPERTY, PLANT AND EQUIPMENT										Total	
	Freehold Land	Leasehold Land	Buildings on Freehold Land	Building on Leasehold Land	Lease Hold Improvements	Plant and Equipment	Furniture and fixtures	Vehicles	Office Equipments	Others (Roads)		
Cost												
At March 31, 2020	1,408.13	2,611.13	4,173.63	8,258.19	47.83	24,750.15	856.88	200.21	673.34	372.28	43,351.77	
Additions	-	-	58.58	42.53	-	1,441.87	8.48	79.39	15.16	-	1,646.01	
Disposals	-	-	-	-	-	(287.13)	-	(89.33)	(3.16)	-	(379.62)	
At March 31, 2021	1,408.13	2,611.13	4,232.21	8,300.72	47.83	25,904.89	865.36	190.27	685.34	372.28	44,618.16	
Additions	-	-	227.18	95.61	663.04	1,002.69	154.50	-	163.48	10.34	2,316.84	
Disposals	-	-	-	-	-	(576.27)	(4.97)	(104.35)	(10.56)	-	(696.15)	
At March 31, 2022	1,408.13	2,611.13	4,459.39	8,396.33	710.87	26,331.31	1,014.89	85.92	838.26	382.62	46,238.85	
Accumulated depreciation												
At March 31, 2020	-	121.62	579.98	873.27	4.47	5,610.33	367.19	29.23	446.81	168.63	8,201.53	
Depreciation charge for the year	-	33.57	162.52	217.85	1.21	1,515.50	83.93	27.76	94.32	36.65	2,173.31	
Disposals	-	-	-	-	-	(239.48)	-	(35.77)	(2.30)	-	(277.55)	
At March 31, 2021	-	155.19	742.50	1,091.12	5.68	6,886.35	451.12	21.22	538.83	205.28	10,097.29	
Depreciation charge for the year	-	75.29	167.12	177.37	7.09	1,542.74	82.52	23.23	39.56	36.82	2,151.74	
Disposals	-	-	-	-	-	(100.84)	(4.39)	(38.32)	(6.10)	-	(149.65)	
At March 31, 2022	-	230.48	909.62	1,268.49	12.77	8,328.25	529.25	6.13	572.29	242.10	12,099.38	
Net Book Value												
At March 31, 2021	1,408.13	2,455.94	3,489.71	7,209.60	42.15	19,018.54	414.24	169.05	146.51	167.00	34,520.87	
At March 31, 2022	1,408.13	2,380.65	3,549.77	7,127.84	698.10	18,003.06	485.64	79.79	265.97	140.52	34,139.47	

Note : (a) Property, plant and equipment with carrying amount of ₹ 17,566.97 lakhs (as at March 31, 2021 ₹ 18,279.49 lakhs) have been mortgaged as security for fund based and non fund based credit facilities from bank.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

2.02 CAPITAL WORK IN PROGRESS

Particulars	(₹ in lakhs)	
	As at March 31, 2022	As at March 31, 2021
Capital work in progress	1,904.93	1,342.50
Total	1,904.93	1,342.50

Note : Net off of provision for impairment of ₹ 591.55 lakhs (previous year ₹ 520.20 lakhs) (refer note 2.55)

Capital work in progress (CWIP) Ageing Schedule

Particulars	Amount in CWIP for a period of					Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years		
Projects in progress	758.93	-	21.91	1,124.09		1,904.93
Projects temporarily suspended	-	-	-	-		-
Total	758.93	-	21.91	1,124.09		1,904.93

Particulars	Amount in CWIP for a period of					Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years		
Projects in progress	158.68	-	3.08	1,180.74		1,342.50
Projects temporarily suspended	-	-	-	-		-
Total	158.68	-	3.08	1,180.74		1,342.50

Project completion is overdue for CWIP → 3 years due to delay in Land allocation and impact of COVID-19, with costs overruns being assessed.

2.03 INTANGIBLE ASSETS

Particulars	(₹ in lakhs)	
	Computer Software	Total
Cost		
At March 31, 2020	496.38	496.38
Addition	246.06	246.06
Disposals	-	-
At March 31, 2021	742.44	742.44
Addition	4.00	4.00
Disposals	-	-
At March 31, 2022	746.44	746.44
Accumulated amortisation		
At March 31, 2020	438.76	438.76
Amortisation for the year	57.16	57.16
At March 31, 2021	495.92	495.92
Amortisation for the year	142.49	142.49
At March 31, 2022	638.41	638.41
Net book Value		
At March 31, 2021	246.52	246.52
At March 31, 2022	108.03	108.03

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

2.04. RIGHT-OF-USE ASSETS

Particulars	Category of ROU assets			Total
	Leasehold Land	Building	Computer	
Cost				
At March 31, 2020	925.45	-	-	925.45
Addition	-	358.13	-	358.13
Disposals	-	-	-	-
At March 31, 2021	925.45	358.13	-	1,283.58
Addition	-	5,327.37	240.80	5,568.17
Disposals	-	(358.13)	-	(358.13)
At March 31, 2022	925.45	5,327.37	240.80	6,493.62
Accumulated depreciation				
At March 31, 2020	231.37	-	-	231.37
Depreciation charge for the year	231.36	69.64	-	301.00
At March 31, 2021	462.73	69.64	-	532.37
Depreciation charge for the year	231.36	292.72	45.22	569.30
Disposals	-	(169.11)	-	(169.11)
At March 31, 2022	694.09	193.25	45.22	932.56
Net book Value				
At March 31, 2021	462.72	288.49	-	751.21
At March 31, 2022	231.36	5,134.12	195.58	5,561.06

Set out below are the carrying amount of lease liabilities and the movement during the period :

	As at March 31, 2022	As at March 31, 2021
Balance as on April 1, 2021		
Opening lease liability	830.47	741.34
Lease liability addition	5,301.21	343.43
Accretion of interest on lease liability	222.55	74.30
Payment of lease rentals	667.99	328.60
Deletion	189.01	-
Lease liability as at March 31, 2022	5,497.23	830.47
Current lease liability (see note 2.15)	659.59	403.75
Non-current lease liability (see note 2.15)	4,837.64	426.72
The maturity analysis of lease liabilities are disclosed		
The effective interest rate for lease liabilities is 9% with maturity between 2022-2031		
The following are the amount recognised in profit or loss:		
Depreciation expense of right of use assets	569.30	301.00
Interest expense on lease liability	222.55	74.30
Total amount recognised in profit or loss	791.85	375.30

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

2.05 INVESTMENTS IN SUBSIDIARIES - AT COST

	(₹ in lakhs)	
	As at March 31, 2022	As at March 31, 2021
Non Current		
Investment in unquoted equity instruments of subsidiaries		
16,87,453 shares (previous year 16,87,453 shares) equity shares of USD. 1. each fully paid up of Everest Building Products, Mauritius*	201.67	201.67
Less: Provision for impairment	(201.67)	(201.67)
	-	-

* The subsidiary Company, under which the proposed fibre Cement Board project in UAE, was being set up, had decided not to pursue the project in the earlier year. Accordingly, the investment has been carried at the value less provision for impairment.

2.06 OTHER FINANCIAL ASSETS

	(₹ in lakhs)	
	As at March 31, 2022	As at March 31, 2021
Non Current		
Unsecured, considered good (at amortised cost)		
a. Security deposits	763.80	642.74
b. Government subsidy receivable (refer note 2.56)	217.28	-
c. Balances held as margin money (deposit accounts)*	12.46	80.82
d. Deposit accounts with remaining maturity of more than 12 months	1.00	4,781.00
Total unsecured, considered good	994.54	5,504.56
Unsecured, doubtful (at amortised cost)		
a. Government subsidy receivable	-	577.07
Less: provision for doubtful recoverability	-	(577.07)
	-	-
	994.54	5,504.56
Current		
Unsecured, consider good		
a. Security deposits	-	53.53
b. Interest accrued but not due	127.75	121.58
c. Government subsidy receivables (refer note 2.56)	317.75	-
d. Insurance claim	-	1.84
e. Balances held as margin money*	409.18	0.08
f. Derivative assets	0.96	9.65
g. Other receivables	306.67	169.81
	1,162.31	356.49

* Margin money deposit pertains to deposit given to banks for bank guarantees and letter of credits

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

2.07 OTHER ASSETS

	(₹ in lakhs)	
	As at March 31, 2022	As at March 31, 2021
Non Current		
Unsecured, consider good		
a. Prepaid lease rental	-	2.71
b. Capital advances	43.00	145.19
c. Prepaid expenses	-	39.90
	43.00	187.80
Current		
Unsecured, consider good		
a. Prepaid lease rental	4.20	6.49
b. Advances to employees	106.13	64.91
c. Prepaid expenses	609.16	550.24
d. Prepaid gratuity	265.67	428.32
e. Advance to supplier	1,106.35	849.38
f. Input credit receivables	2,057.56	1,798.88
g. Contract Asset	640.41	-
	4,789.48	3,698.22
Unsecured, doubtful		
a. Advance to supplier	-	341.00
Less: provision for doubtful recoverability	-	(341.00)
	4,789.48	3,698.22

2.08 INCOME TAX ASSETS (NET)

	(₹ in lakhs)	
Particulars	As at March 31, 2022	As at March 31, 2021
Advance income tax (net of provision)	1,924.60	1,838.77
Total	1,924.60	1,838.77

[Net of provision for current tax - ₹ 6,167.98 lakhs (previous year ₹ 5,269.31 lakhs)]. Also refer Note 2.59

2.09 INVENTORIES

	(₹ in lakhs)	
	As at March 31, 2022	As at March 31, 2021
a. Raw materials (At cost)		
i. On hand	16,044.12	12,521.58
ii. In transit	989.33	769.27
	17,033.45	13,290.85
b. Work-in-progress	5,062.37	3,636.41
c. Finished goods	9,099.66	6,922.83
d. Stock-in-trade	307.38	321.94
e. Stores and spares	1,670.03	1,287.87
f. Packing materials	103.52	68.34
	33,276.41	25,528.24

Note :

- (a) The mode of valuation of inventories has been stated in note 1.3 (x)
- (b) The above inventories has been hypothecated as security for fund based and non fund based credit facility from the banks.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

2.10 TRADE RECEIVABLES

		(₹ in lakhs)	
		As at March 31, 2022	As at March 31, 2021
a.	Trade receivables		
	i. Secured, considered good *	3,627.61	3,610.29
	ii. Unsecured, considered good	1,960.85	2,205.63
	iii. Credit impaired	2,995.29	3,815.64
		8,583.75	9,631.56
	Less: Impairment allowance	2,995.29	3,815.64
		5,588.46	5,815.92

* Includes dues from subsidiaries (refer note 2.37 (c) (iii))

Note :

- The Company has used a practical expedient by computing the expected loss allowance for trade receivables based on historical credit loss experience and adjustments for forward looking information. (refer note 2.58)
- The above trade receivables has been hypothecated as security for fund based and non fund based credit facility from the banks.
- The secured trade receivable including security against Bank Guarantee, Letter of Credit and channel financing of ₹ 608.06 lakhs (Previous year ₹ 1,526.83 lakhs)

AGING OF TRADE RECEIVABLE

As at March 31, 2022 (₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	775.62	4,018.04	444.14	19.69	281.29	49.68	5,588.46
(ii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-	-
(iii) Disputed Trade receivables - considered good	-	-	-	-	-	-	-
(iv) Disputed Trade receivables - credit impaired	-	100.18	269.04	477.73	1,372.19	776.15	2,995.29
Total	775.62	4,118.22	713.18	497.42	1,653.48	825.83	8,583.75

As at March 31, 2021

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	255.98	4,434.37	621.58	333.83	69.76	100.40	5,815.92
(ii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-	-
(iii) Disputed Trade receivables - considered good	-	-	-	-	-	-	-
(iv) Disputed Trade receivables - credit impaired	-	255.29	123.19	1,483.21	206.22	1,747.73	3,815.64
Total	255.98	4,689.66	744.77	1,817.04	275.98	1,848.13	9,631.56

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

2.11 CASH AND CASH EQUIVALENT

		(₹ in lakhs)	
		As at March 31, 2022	As at March 31, 2021
a.	Cash on hand	3.18	2.94
b.	Balances with banks		
	i. Current accounts	2,509.24	1,172.92
	ii. Balance in fixed deposits having original maturity of less than 3 months	7,130.01	3,598.00
		9,642.43	4,773.86

2.12 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENT

		(₹ in lakhs)	
		As at March 31, 2022	As at March 31, 2021
	i. Unpaid dividend (earmarked account)	41.69	35.11
	ii. Deposit with banks having original maturity of more than 3 months	6,699.40	8,457.00
		6,741.09	8,492.11

2.13 EQUITY SHARE CAPITAL

		(₹ in lakhs)	
		As at March 31, 2022	As at March 31, 2021
1.	Authorised Share capital 1,70,50,000 equity shares of ₹ 10 each (as at March 31, 2021 - 1,70,50,000 equity shares of ₹ 10 each)	1,705.00	1,705.00
2.	Issued Share capital 1,56,78,077 equity shares of ₹ 10 each (as at March 31, 2021 - 1,56,36,340 equity shares of ₹ 10 each)	1,567.81	1,563.63
3.	Subscribed and fully paid up 1,56,78,077 equity shares of ₹ 10 each (as at March 31, 2021 - 1,56,36,340 equity shares of ₹ 10 each)	1,567.81	1,563.63
4.	Details of share holders holding more than 5% of shares : Holding Company :	% No of Shares	% No of Shares
	Falak Investment Private Limited	50.60	50.74
5.	Reconciliation of the number of shares outstanding : Number of shares at the beginning of the year Issued during the year Number of shares at the end of the year	1,56,36,340 41,737 1,56,78,077	1,56,36,340 - 1,56,36,340
6.	Disclosure of shareholding of promoters Falak Investment Private Limited Number of shares at the beginning of the year Issued during the year Number of shares at the end of the year % of total shares % change during the year	79,33,409 - 79,33,409 50.60 -	79,33,409 - 79,33,409 50.74 -
7.	Rights, preferences and restrictions attached to equity shares		

The Company has one class of equity shares having a par value of ₹10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

2.14 OTHER EQUITY

	(₹ in lakhs)	
	As at March 31, 2022	As at March 31, 2021
Security premium	2,015.21	1,617.73
General reserve	9,848.91	9,848.91
Share based payment reserve	266.68	476.69
Retained earning	40,691.78	37,495.88
	52,822.58	49,439.21
1. Securities premium	1,617.73	1,373.17
Add: Premium on shares issued during the year (Including transfer from Share based payment reserve)	397.48	244.56
Closing balance	2,015.21	1,617.73
2. General reserve		
Opening balance	9,848.91	9,848.91
Add: Transferred from surplus in Statement of Profit and Loss	-	-
Closing balance	9,848.91	9,848.91
3. Share based payment reserve		
Opening balance	476.69	718.17
Add: Share based payment expense to employees	19.10	3.08
Less: Transferred from share based payment reserve on exercise and lapse of options	(229.11)	(244.56)
Closing balance	266.68	476.69
4. Retained earning		
Opening balance	37,495.88	31,796.18
Add: Profit for the year	4,412.31	5,759.18
Gain/(loss) on remeasurement of defined benefit plan	(43.18)	96.88
Less: Dividend paid during year 2020-21 @ ₹ 7.50 per share (Previous year final dividend year 2019-20 @ ₹1.00 per share)	(1,173.23)	(156.36)
Closing balance	40,691.78	37,495.88
	52,822.58	49,439.21

In respect of the year ended March 31, 2022, the directors propose that a final dividend of ₹ 6.00 per share be paid on fully paid equity shares. This equity dividend is subject to approval by shareholders at the Annual General Meeting and has not been included as liability in these financial statements. The proposed equity dividend is payable to all holders of fully paid equity shares. The total estimated equity dividend to be paid is ₹ 940.68 Lakhs. (refer note 2.47)

2.15 LEASE LIABILITIES

	(₹ in lakhs)	
	As at March 31, 2022	As at March 31, 2021
a. Non-current	4,837.64	426.72
b. Current	659.59	403.75
	5,497.23	830.47

The maturity analysis of lease liability is disclosed in note 2.04

2.16 TRADE PAYABLES

	(₹ in lakhs)	
	As at March 31, 2022	As at March 31, 2021
a. total outstanding dues of micro enterprises and small enterprises (refer note 2.44)	1,418.77	787.14
b. total outstanding dues of creditors other than micro enterprises and small enterprises	15,506.45	15,623.43
	16,925.22	16,410.57

* Includes dues from subsidiaries (refer note 2.37 (c) (iv))

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

AGEING OF TRADE PAYABLES

	(₹ in lakhs)					
As at March 31, 2022						
Category	Not due	0 - 1 year	1-2 Years	2-3 Years	More than 3 Years	Grand Total
i) MSME		1,355.28	40.27	13.85	9.37	1,418.77
ii) Others	8,859.25	5,993.94	200.38	12.73	440.15	15,506.45
iii) Disputed dues -MSME	-	-	-	-	-	-
iv) Disputed dues -Others	-	-	-	-	-	-
Grand Total	8,859.25	7,349.22	240.65	26.58	449.52	16,925.22

As at March 31, 2021

Category	Not due	0 - 1 year	1-2 Years	2-3 Years	More than 3 Years	Grand Total
i) MSME	-	770.03	17.11	-	-	787.14
ii) Others	9,304.57	5,694.95	37.30	443.82	142.79	15,623.43
iii) Disputed dues -MSME	-	-	-	-	-	-
iv) Disputed dues -Others	-	-	-	-	-	-
Grand Total	9,304.57	6,464.98	54.41	443.82	142.79	16,410.57

2.17 DEPOSITS FROM DEALERS

	(₹ in lakhs)	
	As at March 31, 2022	As at March 31, 2021
a. Stockists and other deposits	1,892.17	3,043.65
	1,892.17	3,043.65

2.18 OTHER FINANCIAL LIABILITIES

	(₹ in lakhs)	
	As at March 31, 2022	As at March 31, 2021
a. Interest accrued but not due	59.02	59.02
b. Unpaid dividends	41.69	35.11
c. Payables for purchase of property, plant and equipment	57.56	24.38
d. Retention monies	533.86	409.37
e. Other payables	1,721.67	1,175.50
	2,413.80	1,703.38

2.19 PROVISIONS FOR RETIREMENT BENEFITS

	(₹ in lakhs)	
	As at March 31, 2022	As at March 31, 2021
a. Provision for employee benefits:		
b. i. Provision for compensated absences	426.67	484.61
	426.67	484.61

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

2.20 OTHER CURRENT LIABILITIES

	(₹ in lakhs)	
	As at March 31, 2022	As at March 31, 2021
a. Advances from customers	9,434.48	5,791.72
b. Payables in respect of statutory dues*	935.54	1,097.78
c. Contract Liability	1,078.73	-
	11,448.75	6,889.50

* It includes payable towards GST, TDS and employee related statutory obligations.

2.21 INCOME TAX LIABILITIES (NET)

	(₹ in lakhs)	
	As at March 31, 2022	As at March 31, 2021
Income tax liabilities (net of advance) (Also refer note 2.54)	10,221.28	10,012.32
	10,221.28	10,012.32

[Net of advance tax - ₹ 7,034.73 lakhs (previous year ₹ 5,918.87 lakhs)]

2.22 REVENUE FROM OPERATION

	(₹ in lakhs)	
Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
a. Revenue from sale of products		
i. Revenue from building products	1,02,937.42	95,096.19
ii. Revenue from traded products	371.60	482.25
b. Revenue from steel building contracts	30,815.50	24,931.84
Sub total *	1,34,124.52	1,20,510.28
c. Other operating revenues		
i. Sale of scrap	1,298.82	773.10
ii. Export incentives	70.19	40.72
iii. Others (including other incentives)#	625.03	-
	1,994.04	813.82
	1,36,118.56	1,21,324.10

*As per Ind AS 115, the revenue is reported net of GST.

It included subsidy in the form of reimbursement of SGST

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

2.23 OTHER INCOME

	(₹ in lakhs)	
Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
a. Interest income on financial assets carried at amortised cost		
i. Interest from banks on deposits	303.98	564.74
ii. Other interest	78.01	37.40
	381.99	602.14
b. Other non-operating income		
i. Net loss on foreign currency transactions and translation	36.41	18.91
ii. Interest Income on Deposit	22.35	1.48
iii. Liabilities / provisions no longer required written back	2,358.14	74.56
iv. Miscellaneous income	117.09	191.92
	2,533.99	286.87
	2,915.98	889.01

2.24 COST OF RAW MATERIAL CONSUMED (REFER NOTE 2.42)

	(₹ in lakhs)	
	As at March 31, 2022	As at March 31, 2021
Cost of material consumed*	77,598.53	61,223.62
	77,598.53	61,223.62

* excludes research and development expenses of ₹ 3.51 lakhs (previous year ₹ 3.52 lakhs).

2.25 PURCHASE OF TRADED GOODS

	(₹ in lakhs)	
	As at March 31, 2022	As at March 31, 2021
Roofing accessories	-	90.72
Other items	299.26	275.20
	299.26	365.92

2.26 (INCREASE) /DECREASE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

	(₹ in lakhs)	
Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Inventories at the end of the year:		
i. Finished goods	9,099.66	6,922.83
ii. Work-in-progress	5,062.37	3,636.41
iii. Stock-in-trade	307.38	321.94
	14,469.41	10,881.18
Inventories at the beginning of the year:		
i. Finished goods	6,922.83	10,694.82
ii. Work-in-progress	3,636.41	3,311.73
iii. Stock-in-trade	321.94	534.59
	10,881.18	14,541.14
	(3,588.23)	3,659.96

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

2.27 EMPLOYEE BENEFITS EXPENSE

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
a. Salaries and wages	11,406.85	9,740.71
b. Contributions to provident and other funds (Refer Note 2.36)*	703.26	670.44
c. Share based payment to employees (Refer note 2.48)*	19.10	3.08
d. Staff welfare expenses	788.33	470.20
	12,917.54	10,884.43

*Note: excludes research and development expenses of ₹ 151.19 lakhs (previous year ₹ 13.09 lakhs).

2.28 FINANCE COSTS

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
a. Interest on borrowings	19.11	147.83
b. Interest on Lease liabilities	222.55	74.30
c. Interest on deposit from dealers	73.17	108.87
d. Interest on income tax payable	-	59.02
	314.83	390.02

2.29 DEPRECIATION AND AMORTISATION EXPENSES

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
a. Depreciation on property, plant and equipment (refer note 2.01)*	2,151.74	2,173.31
b. Depreciation on right to use asset (refer note 2.04)	569.30	301.00
c. Amortisation on intangible assets (refer note 2.03)	142.49	57.16
	2,863.53	2,531.47

* includes research and development expenses of ₹ 3.20 lakhs (previous year ₹ 4.56 lakhs).

2.30 OTHER EXPENSES

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
a. Consumption of stores and spare parts	4,582.97	3,761.95
b. Consumption of packing materials	1,355.77	1,038.88
c. Power and fuel	4,339.73	3,604.76
d. Repairs and maintenance		
- Building	320.91	246.25
- Machinery	565.20	526.45
- Others	868.95	638.44
e. Rent (refer note 2.40)	205.35	242.34
f. Rates and taxes	236.42	170.41
g. Insurance	519.18	401.23
h. Travelling	1,045.71	734.50
i. Advertisement and sales promotion expenses	1,664.05	659.87
j. Cost for erection of steel buildings	3,063.82	2,257.84

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
k. Loss on sale of property, plant and equipment (net)	359.29	57.51
l. Outward freight charges on finished goods	14,275.83	10,951.20
m. Professional and consultancy expenses (refer note 2.33)	1,623.48	1,581.94
n. Contract labour	4,188.23	3,240.43
o. Research and development expenses (refer note 2.45)	244.06	31.28
p. Provision for impairment in property, plant and equipment including capital work in progress (refer note 2.55)	176.29	360.20
q. Provision for government subsidy	-	577.07
r. Impairment of trade receivables	306.43	875.23
s. Expenditure on corporate social responsibility (refer note 2.46)	169.47	139.20
t. Miscellaneous expenses	1,862.04	1,776.72
	41,973.18	33,873.70

2.31 INCOME TAX EXPENSES

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
a. Tax expenses recognized in profit or loss		
Current tax	2,239.82	4,100.32
Deferred tax	3.77	(575.51)
Total tax expenses	2,243.59	3,524.81
b. Tax on other comprehensive income		
Remeasurement of defined benefit plans	(23.20)	52.04
The income tax expenses for the year can be reconciled to the accounting profit as follows:		
Profit before income tax expense	6,655.90	9,283.99
Enacted statutory income tax rate in India applicable to the Company	34.944%	34.944%
Computed expected income tax expense	2,325.84	3,244.20
Adjustments:		
Impact on provision for impairment of CWIP (being disallowed in income tax computation)	(181.78)	125.87
Effect of deduction under Section 80G of Income Tax Act, 1961	29.32	34.82
Others	70.21	119.92
Current tax expenses recognised in statement of Profit and Loss	2,243.59	3,524.81

2.32 CONTINGENT LIABILITIES AND COMMITMENTS

Particulars	As at March 31, 2022	As at March 31, 2021
a. Contingent liabilities		
Claims against the Company not acknowledged as liabilities in respect of:		
Sales tax matters	11,073.85	10,492.18
Excise and service tax matters	890.40	890.40
Income tax matters	2,943.33	2,189.83
Total	14,907.58	13,572.41
Advance paid/adjusted by authorities against above	1,934.83	1,856.74

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

b. Commitments

- Estimated amount of contracts to be executed on capital account – ₹ 523.28 lakhs (net of advances – ₹ 430.95 lakhs), [previous year – ₹ 150.95 lakhs (net of advances ₹ 10.32 lakhs).
- The Company has other commitments, for purchases/sales orders which are issued after considering requirements per operating cycle for purchase/sale of goods and services, in normal course of business.
- The Company did not have any long term commitments/contracts including derivative contracts for which there will be any material foreseeable losses.

2.33 PROFESSIONAL AND CONSULTANCY EXPENSES INCLUDE AUDITORS REMUNERATION (EXCLUDING TAXES) AS FOLLOWS: (₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
To statutory auditors		
i. Audit fee	39.00	39.00
ii. Limited Review	21.00	24.00
iii. Reimbursement of expenses	1.05	1.65
	61.05	64.65

2.34 DISCLOSURE IN RESPECT OF REVENUE FROM CONTRACTS WITH CUSTOMERS

- Disaggregation of revenue from contracts with customers
The Company derives revenue from the transfer of goods and services over time and at a point in time in the following major product lines and geographical regions:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue by Geography		
Domestic	1,28,900.69	1,17,004.07
Overseas	5,223.83	3,506.21
Total revenue from contract with customers	1,34,124.52	1,20,510.28
Timing of revenue recognition		
At a point in time	1,03,309.02	95,578.44
Over time	30,815.50	24,931.84
Total revenue from contract with customers	1,34,124.52	1,20,510.28

b. Contract Balances

The following table provides information about receivables, contracts assets, and contract liabilities from contracts with customers. (₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Receivables	3,136.08	2,642.24
Contract assets	640.41	-
Contract liabilities	1,078.73	-

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

- Disclosure of 'revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period' and 'revenue recognised in the reporting period from performance obligations satisfied (or partially satisfied) in previous periods.

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue from steel building contracts	30,815.50	24,931.84
Amounts included in contract liabilities at the beginning of the year	-	-
Performance obligations satisfied in previous years	-	-

- The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at March 31, are as follows:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Within one year	20,841.81	20,062.22
More than one year	-	-

Note :

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at March 31, 2022 is of 20,841.81 lakhs. Management expects that around 90% to 95% of the transaction price allocated to unsatisfied contracts as of March 31, 2022 will be recognised as revenue during next reporting period depending upon the progress on each contracts.

2.35 OUTSTANDING FORWARD EXCHANGE CONTRACTS AS ON 31 MARCH, 2022: (₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Payables USD	15.47	32.84
INR	1,173.25	2,398.40

Foreign currency exposures that are not hedged by derivative instruments or otherwise are as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Receivables		
USD	20.48	13.42
INR	1,552.43	986.57
Payables		
AED	-	3.37
INR	-	67.49
Payables		
USD	2.13	-
INR	161.73	-

refer note 2.53 for sensitivity analysis

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

2.36 Employee benefit

a. Defined contribution plan

The Company makes superannuation fund contribution to defined contribution retirement plans for covered employees. The Company's contribution towards superannuation fund is deposited in trust. The Company recognised ₹ 46.87 lakhs (previous year ₹ 64.87 lakhs) for superannuation fund contributions in the Statement of Profit and Loss.

b. Defined benefit plan

i. Gratuity fund

The Company's contribution towards its gratuity liability is a defined benefit retirement plan. The Company makes contributions to the trust from time to time which in turn makes contributions to the Employee's Group Gratuity-cum-Life Assurance scheme of the Life Insurance Corporation of India. The scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to fifteen days salary payable for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service.

The following tables set out the funded status of the gratuity plan and amounts recognised in the Company's financial statements as at March 31, 2022:

(i) Reconciliation of fair value of plan assets and defined benefit obligation:

Particulars	(₹ in lakhs)	
	As at March 31, 2022	As at March 31, 2021
Defined Benefit Obligation	1,893.32	1,886.33
Fair Value of Plan Assets	2,158.99	2,314.65
Funded Status Surplus/(Deficit)	265.67	428.32

(ii) Amount recognised in Statement of Profit and Loss:

Particulars	(₹ in lakhs)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Current service cost	145.77	154.94
Past service cost - plan amendments	-	16.80
Net Interest expenses	(25.11)	(20.06)
Amount recognised in Statement of Profit and Loss	120.66	151.68

(iii) Amount recognised in Other Comprehensive Income:

Particulars	(₹ in lakhs)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Actuarial (gain)/loss due to DBO experience	146.25	(126.29)
Actuarial (gain)/loss due to DBO assumption changes	(33.07)	4.01
Return on plan assets (greater)/less than discount rate	(46.80)	(26.64)
Actuarial (gains)/ losses recognized in OCI	66.38	(148.92)

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(iv) Changes in the present value of the defined benefit obligation are as follows:

Particulars	(₹ in lakhs)	
	As at March 31, 2022	As at March 31, 2021
Present value of defined benefit obligations at beginning of the year	1,886.33	2,020.48
Current service cost	145.77	154.94
Interest cost	97.56	108.71
Benefits paid	(349.52)	(292.32)
Past service cost - plan amendments	-	16.80
Actuarial (gain)/loss on obligations	113.18	(122.28)
Present value of defined benefit obligations at the end of the year	1,893.32	1,886.33

(v) Changes in the fair value of plan assets are as follows:

Particulars	(₹ in lakhs)	
	As at March 31, 2022	As at March 31, 2021
Fair value of plan assets at the beginning of the year	2,314.65	2,280.94
Interest Income on plan assets	122.67	128.77
Employer contribution	-	28.23
Return on plan assets greater/(lesser) than discount rate	46.80	26.64
Benefits paid	(325.13)	(149.93)
Fair value of plan assets at the end of the year	2,158.99	2,314.65

(vi) The major categories of plan assets of the fair value of the total plan assets are as follows:

Particulars	(₹ in lakhs)	
	As at March 31, 2021	As at March 31, 2020
Investment details	Funded	Funded
With Government of India securities	81.28%	78.56%
With Debt instruments	11.21%	15.39%
With Equity shares	5.12%	5.90%
Other deposits	2.39%	0.15%
	100.00%	100.00%

The planned assets of the Company are managed by the Life Insurance Corporation of India in terms of an insurance policy taken to fund obligations of the Company with respect to its gratuity plan. Information on categories of plan assets as at March 31, 2022 has not been provided by the Life Insurance Corporation of India.

(vii) Principal actuarial assumptions used in determining gratuity obligations:

Assumptions	(₹ in lakhs)	
	As at March 31, 2022	As at March 31, 2021
Discount rate	6.10%	5.70%
Salary escalation	8.00%	8.00%
Mortality rate	Indian Assured Lives Mortality (2006 -08) (Ult)	
Withdrawal rate	15.00%	15.00%

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(viii) A quantitative sensitivity analysis for significant assumption as at March 31, 2022 is as shown below:

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Discount Rate		
Effect on DBO due to 0.5% increase in Discount Rate	(39.70)	(35.25)
Effect on DBO due to 0.5% decrease in Discount Rate	36.45	36.45
Salary Escalation Rate		
Effect on DBO due to 0.5% increase in Salary Escalation Rate	35.54	35.54
Effect on DBO due to 0.5% decrease in Salary Escalation Rate	(39.31)	(34.72)

(ix) The following payments are expected contributions to the defined benefit plan in future years:

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
31-Mar-22	-	309.09
31-Mar-23	331.14	335.24
31-Mar-24	350.57	390.39
31-Mar-25	314.39	281.38
31-Mar-26	288.63	264.24
March 31, 2027 to March 31, 2032	1,630.69	1,157.10

II. Provident fund

The Company's contribution towards provident fund is a defined benefit retirement plan. The Company makes contributions to the trust from time to time which in turn makes contributions in approved securities. The Company is liable for contribution paid/payable under provident fund scheme and any deficiency in interest cost compared to interest computed based on the interest declared by the Central Government under Employee Provident Fund Scheme, 1952 is recognised as defined benefit obligation.

The following tables set out the funded status of provident fund in the Company's financial statements as at March 31, 2022:

(i) Reconciliation of fair value of plan assets and defined benefit obligation:

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Defined Benefit Obligation	8,131.96	8,427.50
Fair Value of Plan Assets	8,253.67	8,999.78
Funded Status Surplus/(Deficit)	121.71	572.28

(i) Reconciliation of fair value of plan assets and defined benefit obligation:

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Defined Benefit Obligation	8,131.96	8,427.50
Fair Value of Plan Assets	8,253.67	8,999.78
Funded Status Surplus/(Deficit)	121.71	572.28

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(ii) Amount recognised in Statement of Profit and Loss:

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Current service cost	167.33	186.84
Net Interest expenses	-	-
Immediate recognition of (gain)/losses- other long term employee benefit plan	-	-
Other adjustments	-	-
Amount recognised in Statement of Profit and Loss*	167.33	186.84

* An employer expense of ₹ NIL has been shown as there is no net liability on account of the interest guarantee. Therefore no expense needs to be recognised.

(iii) Amount recognised in Other Comprehensive Income

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Actuarial (gain)/loss due to DBO experience	169.09	338.27
Actuarial (gain)/loss due to DBO assumption changes	(162.32)	326.68
Actuarial (gain)/loss arising during period	(495.83)	(314.56)
Return on plan assets (greater)/less than discount rate	489.06	(350.39)
Actuarial (gains)/ losses recognized in OCI*	-	-

* An employer expense of ₹ NIL has been shown as there is no net liability on account of the interest guarantee. Therefore no expense needs to be recognised.

(iv) Changes in the present value of the defined benefit obligation are as follows

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Present value of defined benefit obligations at beginning of the year	8,427.50	8,857.02
Current service cost	167.33	186.84
Interest cost	446.39	464.46
Employee contribution	364.43	494.66
Acquisition (credit)/ cost	(242.16)	(1,174.94)
Other adjustments		
Benefits paid	(1,038.30)	(1,065.49)
Actuarial (gain)/loss on obligations	6.77	664.95
Present value of defined benefit obligations at the end of the year	8,131.96	8,427.50

(v) Changes in the fair value of plan assets are as follows:

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Fair value of plan assets at the beginning of the year	8,999.78	9,743.86
Interest Income on plan assets	491.65	464.46
Employer contribution	531.76	681.50
Acquisition adjustment	(242.16)	(1,174.94)
Return on plan assets greater/(lesser) than discount rate	(489.06)	350.39
Benefits paid	(1,038.30)	(1,065.49)
Fair value of plan assets at the end of the year	8,253.67	8,999.78

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(vi) The major categories of plan assets of the fair value of the total plan assets are as follows:

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Investment details	Funded	Funded
Government of India securities	40.72%	41.64%
PSU	43.33%	41.86%
Private sector bond	0.00%	0.00%
Special deposit scheme	15.57%	16.31%
Mutual Fund	0.38%	0.19%
	100.00%	100.00%

(vii) Principal actuarial assumptions used in determining provident fund obligations:

(₹ in lakhs)

Assumptions	As at March 31, 2022	As at March 31, 2021
Discount rate	6.10%	5.70%
Rate of return on EPFO	8.10%	8.50%
Mortality rate	Indian Assured Lives Mortality (2006 -08) (modified)	
Withdrawal rate	15.00%	15.00%

2.37 Related party disclosures

a. List of related parties

i. Holding company

Falak Investment Private Limited

ii. Subsidiary companies

Everest Building Products, Mauritius
Everestind FZE, United Arab Emirates(UAE) – subsidiary of Everest Building Products, Mauritius

iii. Key management personnel/Whole time director

Mr. Rajesh Joshi, Managing Director & CEO (from September 01, 2020)
Mr. Manish Sanghi, Managing Director (till August 31, 2020)
Mr. Y. Srinivasa Rao, Executive Director (till April 09, 2021)
Mr. Neeraj Kohli, Company Secretary
Mr. Nikhil Dujari, Chief Financial Officer (till May 10, 2021)
Mr. Pramod Nair, Chief Financial Officer (from May 11, 2021)

iv. Non executive directors

Mr. Anant Talaulicar, Non Executive Chairman
Ms. Padmini Sekhsaria, Vice Chairperson
Mr. Narotam Sekhsaria, Director
Mr. Alok Nanda, Director
Mr. B. L. Taparia, Director
Ms. Bhavana Doshi, Director
Mr. M. L. Gupta, Director
Mr. Rajendra Chitale, Director

v. Entities on which key management personnel have control/significant influence

Everest Foundation (with effect from September 24, 2021)

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

b. Transactions with related parties during the year:

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
i. Dividend paid		
Falak Investment Private Limited	595.01	79.33
ii. Remuneration to key management personnel/ whole time director *		
Mr. Rajesh Joshi	318.56	204.17
Mr. Manish Sanghi	-	304.50
Mr. Y. Srinivasa Rao	191.56	187.08
Mr. Neeraj Kohli	36.82	29.07
Mr. Nikhil Dujari	15.98	101.57
Mr. Pramod Nair	95.09	-
iii. Commission and Sitting fees paid to Non executive directors		
Mr. Anant Talaulicar	204.50	205.00
Ms. Padmini Sekhsaria	4.50	5.00
Mr. Narotam Sekhsaria	2.80	3.20
Mr. Alok Nanda	9.80	10.20
Mr. B. L. Taparia	12.60	13.00
Ms. Bhavana Doshi	10.70	11.60
Mr. M. L. Gupta	11.40	12.20
Mr. Rajendra Chitale	14.10	14.40
iv. Dividend paid to key management personnel		
Mr. Manish Sanghi	-	0.80
Mr. Y. Srinivasa Rao	-	0.32
Mr. Neeraj Kohli	0.09	-
v. Revenue from sale of products to		
Everestind FZE	3,870.83	2,295.34
vi. Purchase of traded goods		
Everestind FZE	-	56.54
vii. Contribution paid for CSR		
Everest Foundation	106.13	-

c. Balances outstanding with related parties at the year end:

Particulars	As at March 31, 2022	As at March 31, 2021
i. Share capital from		
Falak Investment Private Limited	793.34	793.34
ii. Performance incentive due to key management personnel		
Mr. Rajesh Joshi	76.58	-
iii. Trade receivables		
Everestind FZE	1,250.83	613.73
iv. Trade payable		
Everestind FZE	-	52.36

* As the future liabilities for gratuity and leave encashment are provided on actuarial valuation basis for the Company as whole, the amount pertaining to individual is not ascertainable and therefore not included above.

Terms and conditions

- All the outstanding balances are unsecured and are repayable as per terms of credit and settlement occurs in cash.
- All related party transactions entered during the year were in ordinary course of business and on arm length basis.
- The Company has not recorded any impairment of receivables related to amount owed by related party.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

2.38 Segment information

a. Business segments:

The Company has determined following reporting segments based on the information reviewed by the Chief Operating Decision Maker (CODM). Building products includes manufacturing and trading of roofing products, boards and panels, other building products and accessories. Steel buildings consist of manufacture and erection of pre-engineered and smart steel buildings and its accessories.

b. Geographical segments:

Since the Company's activities/operations are primarily within the country and as such there is only one geographical segment.

c. Segment accounting policies:

In addition to the significant accounting policies applicable to the business segments as set out in note a above, the accounting policies in relation to segment accounting are as under:

i. Segment revenue and expenses:

Segment revenue and expenses include the respective amounts identifiable to each of the segments. Unallocable items in segment results include income from bank deposits and corporate expenses.

ii. Segment assets and liabilities:

Segment assets include all operating assets used by a segment and consist principally of operating cash, trade receivables, inventories and fixed assets, net of allowances and provisions, which are reported as direct offsets in the balance sheet. Segment liabilities include all operating liabilities and consist principally of creditors and accrued liabilities. Segment assets and liabilities do not include fixed deposits, advance income tax, borrowings and deferred income tax etc.

The measurement of each segment's revenues, expenses and assets is consistent with the accounting policies that are used in preparation of the Company's financial statements.

Information about business segments:

	Building products		Steel buildings		Total	
	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021
1 Segment Revenue						
External revenue	1,03,309.02	95,578.44	30,815.50	24,931.84	1,34,124.52	1,20,510.28
Other operating income	859.61	270.11	1,134.43	543.71	1,994.04	813.82
Total Revenue	1,04,168.63	95,848.55	31,949.93	25,475.55	1,36,118.56	1,21,324.10
2 Segment Results						
Unallocated expenses (net of income)					3,353.72	3,893.36
Operating Profit	11,492.58	15,433.45	(1,168.13)	(1,866.08)	6,970.73	9,674.01
Finance costs					314.83	390.02
Profit before tax					6,655.90	9,283.99
Tax expense					2,243.59	3,524.81
Net Profit					4,412.31	5,759.18

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Particulars	Building products		Steel buildings		Total	
	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021
3 Other Information						
a. Assets						
Segment assets	49,696.54	47,909.59	25,695.96	20,023.46	75,392.50	67,933.05
Unallocated assets					30,483.31	25,124.02
Total assets	49,696.54	47,909.59	25,695.96	20,023.46	1,05,875.81	93,057.07
b. Liabilities						
Segment liabilities	18,148.43	16,342.02	11,306.97	9,960.33	29,455.40	26,302.35
Unallocated liabilities					22,030.02	15,751.88
Total liabilities	18,148.43	16,342.02	11,306.97	9,960.33	51,485.42	42,054.23
c. Others*						
	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021
Capital expenditure	1,652.87	1,164.60	367.98	41.13	2,020.85	1,205.73
Depreciation	1,677.95	1,617.90	543.68	490.79	2,221.63	2,108.69
Non-cash expenses other than depreciation (includes impairment of trade receivables and other receivables)	176.00	937.27	306.43	875.23	482.43	1,812.50

* Excluding unallocated items

2.39 DEFERRED TAXATION

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
a. Deferred tax assets		
Tax impact of:		
i. Expenditure covered by Section 43B of the Income-tax Act, 1961	201.72	211.96
ii. Impairment of trade receivables	942.78	1,240.28
iii. Right to use assets	70.98	27.70
iv. Interest on income tax refunds	823.87	710.63
v. Others	211.53	2.45
Total deferred tax assets	2,250.88	2,193.02
b. Deferred tax liabilities		
Tax impact of:		
i. Excess of depreciation allowable under the Income-tax Act, 1961 over depreciation provided in financial statements	4,900.89	4,863.66
ii. Others	10.29	9.09
Total deferred tax liability	4,911.18	4,872.75
Net deferred tax liability	2,660.30	2,679.73

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

2.40 LEASE COMMITMENTS

Operating lease as lessee

The Company has taken properties on cancellable operating leases and has recognised rent of ₹ 205.35 lakhs (previous year ₹ 242.34 lakhs). There are no non-cancellable lease arrangements as at the end of the year.

2.41 EARNINGS PER SHARE

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
a. Number of equity shares of ₹10 each fully paid up at the beginning of the year	1,56,36,340	1,56,36,340
b. Number of equity shares of ₹ 10 each fully paid up at the year end	1,56,78,077	1,56,36,340
c. Weighted average number of equity shares used in computing earnings per share	1,56,44,777	1,56,36,340
d. Weighted average number of options granted	1,05,048	2,19,185
e. Weighted average number of options post adjustment for number of options granted	1,05,048	2,19,185
f. Net profit for the year - (₹ / lakhs)	4,412.31	5,759.18
g. Basic earnings per share (Rupees)	28.20	36.83
h. Diluted earnings per share (Rupees)	28.20	36.83
i. Nominal value of equity shares (Rupees)	10.00	10.00

2.42 COST OF RAW MATERIAL CONSUMED

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening stock	13,290.85	14,965.02
Add: Purchases	81,341.13	59,549.45
	94,631.98	74,514.47
Less: Closing stock	17,033.45	13,290.85
Cost of materials consumed*	77,598.53	61,223.62
Materials consumed comprises:*		
i. Raw fibre	26,633.55	21,051.28
ii. Cement	17,285.62	12,952.97
iii. Steel	17,031.30	14,722.05
iv. Other items	16,648.06	12,497.32
	77,598.53	61,223.62

* Excludes research and development expenses of ₹ 3.51 lakhs (previous year ₹ 3.52 lakhs)

2.43 DETAILS OF CLOSING FINISHED GOODS, WORK IN PROGRESS AND STOCK-IN-TRADE

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
a. Finished goods		
i. Building products	7,672.86	5,648.73
ii. Steel buildings	1,426.80	1,274.10
	9,099.66	6,922.83
b. Work in progress		
i. Building products	4,891.89	3,293.12
ii. Steel buildings	170.48	343.29
	5,062.37	3,636.41

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
c. Stock-in-Trade		
i. Roofing accessories	79.19	121.13
ii. Other items	228.19	200.81
	307.38	321.94

2.44 DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER THE MSMED ACT, 2006

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Principal amount due to micro and small enterprises	1,418.77	787.14
Interest due on above	-	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-

According to the records available with the Company, dues payable to entities that are classified as Micro and Small Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 during the year is ₹ 1,418.77 lakhs (previous year ₹ 787.14). Further no interest has been paid or was payable to such parties under the said Act during the year.

2.45 EXPENDITURE ON RESEARCH AND DEVELOPMENT

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
a. Capital nature*		
Gross block	117.59	117.59
Accumulated depreciation	97.63	94.43
Net block	19.96	23.16
b. Revenue nature		
i. Cost of materials consumed	3.51	3.52
ii. Consumption of stores and spare parts	21.48	2.34
iii. Employee benefits expense		
-Salaries and wages	140.65	12.44
-Contributions to provident and other funds	10.54	0.65
iv. Miscellaneous expenses	67.88	12.33
	244.06	31.28
v. Depreciation	3.20	4.56
Total	247.26	35.84

* fixed assets utilised for research and development.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

2.46 THE DETAILS RELATING TO CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENDITURE ARE AS FOLLOWS :

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Gross amount required to be spent by the Company during the year	166.96	139.20
Amount spent during the year (See Note below)	106.13	82.41
Shortfall at the end of the year *	63.34	56.79
Previous year shortfall	-	-
Reason for shortfall	pertains to ongoing projects	pertains to ongoing projects
Nature of CSR activities	Livelihood enhancement-training and skill development, Preventive healthcare and sanitation, Promotion of education & sport and Environment sustainability etc.	
Details of related party transactions		
Everest Foundation	106.13	-

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
i. Construction/ acquisition of assets	-	-
ii. On purposes other than (i) above	169.47	139.20

* The amount unspent during the year is deposited in escrow account on April 28, 2022

It excludes administrative charges

2.47 DISTRIBUTION MADE AND PROPOSED:

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Cash dividend on Equity shares declared and paid:		
Final dividend for the year ended on March 31, 2021 ₹ 7.50 Per share (March 31, 2020: ₹ 1.00 Per share)	1,173.23	156.36
Proposed dividends on Equity shares not recognised as liability:		
Final cash dividend for the year ended on March 31, 2022 ₹ 6.00 per share (March 31, 2021: ₹ 7.50 per share)	940.68	1,172.73

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

2.48 EMPLOYEE STOCK OPTION SCHEME

The Company has granted 1,31,992 stock options (previous year Nil stock options) to the employees during the year ended March 31, 2022. The exercise price per option shall be the average of the two weeks high and low price of the share preceding the date of grant of options on BSE/NSE or closing price of the Company's share on that stock exchange on the date prior to the date of grant of options, whichever is less. Options granted shall vest with the grantee after a period of one year from the date of grant. The exercise period of the options is a period of four years after the vesting of the options.

Particulars	ESOS 2015	ESOS 2017	ESOS 2018	ESOS 2019	ESOS 2021
Year in which scheme was established	2015-16	2017-18	2018-19	2019-20	2020-21
Number of options authorised and granted	1,70,000	1,60,000	1,70,000	16,450	1,31,992
Exercise price	₹ 262	₹571	₹477	₹127	₹635
Fair value	₹ 100.11	₹288.37	₹182.63	₹37.67	
Vesting date	After one year from the date of grant of option				
Vesting requirement	One year service from the date of grant of option				
Exercise period	During four year after vesting date				

Option activity during the year under the plans is set out below:

Particulars	ESOS 2015	ESOS 2017	ESOS 2018	ESOS 2019	ESOS 2021
i. Opening balance	-	92,590	1,12,245	14,350	-
	51,225	1,29,500	1,59,395	16,300	-
ii. Granted during the year	-	-	-	-	1,31,992
iii. Vested during the year	-	-	-	-	-
iv. Exercised during the year	-	(5,240)	(27,505)	(8,992)	-
v. Forfeited during the year	-	(29,575)	(40,675)	(2,150)	-
	(51,225)	(36,910)	(47,150)	(1,950)	-
vi. Expired during the year	-	-	-	-	-
vii. Outstanding at the year end	-	57,775	44,065	3,208	1,31,992
viii. Options exercisable at the year end	-	92,590	1,12,245	14,350	-
	-	92,590	1,12,245	14,350	-
ix. Remaining contractual life (years) at the year end	-	0.82	1.82	2.98	3.90
	-	1.82	2.82	3.98	

Previous year figures are in italics & brackets.

The fair value of stock based awards to employees is calculated through the use of option pricing models, requiring subjective assumptions which greatly affect the calculated values. The said fair value of the options have been calculated using Black-Scholes option pricing model, considering the expected term of the options to be 5 years, expected dividend yield on the underlying equity shares and volatility in the share price and a risk free rate of interest. The Company's calculations are based on a single option valuation approach, and forfeitures are recognised as they occur. The expected volatility is based on historical volatility of the share price during the year after eliminating the abnormal price fluctuations.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

2.49 THE COMPANY HAS TRANSACTIONS WITH COMPANIES STRUCK OFF UNDER SECTION 248 OF THE COMPANIES ACT, 2013

(₹ in lakhs)

Name of Struck off Company	Nature	Relationship	FY 2021-22		FY 2020-21	
			Transactions during the year 31 March, 2022	Balance outstanding as at 31 March, 2022	Transactions during the year 31 March, 2022	Balance outstanding as at 31 March, 2022
Sushil Machine Private Limited	Payable	Vendor	(10.65)	(2.16)	(5.30)	(0.68)
Super Transports Private Limited	Payable	Vendor			(4.03)	(0.74)
Lanxess India Private Limited	Payable	Vendor	(73.99)	(14.63)	-	
La Casa Engineering Private Limited	Payable	Vendor	-	(0.48)	-	(0.48)
Vasudar Engineerings Private Limited	Payable	Vendor			(0.15)	-
Igus (India) Private Limited	Payable	Vendor	-	-	(0.97)	-
Microland Limited	Receivables	Vendor	-	0.10		
Sew Eurodrive India Pvt.Ltd.	Payable	Vendor	(8.94)	-	(13.77)	-
Jai Hind Trading Company Limited	Payable	Customer	57.60	(1.07)	-	(2.67)
Quality Buildicon Private Limited	Receivables	Customer	483.10	48.52	115.69	12.26
Vinod Enterprises Private Limited	Receivables	Customer	3.92	-	-	-
Cyrex Infra Projects Private Limited	Payable	Customer	0.45	(0.02)	-	-
Rammangal Heart Foundation Private Limited	Payable	Customer	4.27	(2.76)	-	-
Radiant Enterprises Private Limited	Receivables	Customer	-	9.40	-	9.40

2.50 FINANCIAL INSTRUMENTS - FAIR VALUES

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments:

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Financial assets		
Measured at fair value		
- Derivative assets	0.96	9.65
Financial assets Measured at amortised cost		
- Security Deposits	763.80	696.26
- Government subsidy receivables	535.03	-
- Balances held as margin money (deposit accounts)	422.64	4,861.90
- Interest accrued on deposits	127.75	121.58
- Insurance claim receivable	-	1.84
- Other recoverable	306.67	169.81
Trade receivable*	5,588.46	5,815.92
Cash & cash equivalents*	9,642.43	4,773.86
Other bank balances*	6,741.09	8,492.11
	24,128.83	24,942.93
Financial liabilities		
Measured at amortised cost		
Borrowings		
Lease liabilities		
Trade payable*	5,497.23	830.47
Other financial liabilities*	16,925.22	16,410.57

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Particulars	As at March 31, 2022	As at March 31, 2021
- Interest accrued but not due		
- Unpaid dividend	59.02	59.02
- Payable for capital goods	41.69	35.11
- Retention monies	57.56	24.38
- Other payables	533.86	409.37
- Stockists' and other deposits	1,721.67	1,175.50
	1,892.17	3,043.65
	26,728.42	21,988.07

* The management assessed that carrying values approximates their fair value largely due to the short-term maturities of these instruments.

2.51 FINANCIAL INSTRUMENTS - FAIR VALUE HIERARCHY

The fair value of financial instruments have been classified into three categories depending upon the input used in the valuation technique.

The categories used are as follows :

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices 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).

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

The following table presents the fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2022:

Particulars	Level 1	Level 2	Level 3
Derivative assets	-	(0.96)	-

The following table presents the fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2021:

Particulars	Level 1	Level 2	Level 3
Derivative assets	-	(9.65)	-

2.52 CAPITAL MANAGEMENT

For the purposes of the Company's capital management, capital includes issued capital and all other equity reserves. The primary objective of the Company's capital management is to maximise shareholder value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants. The Company take appropriate steps in order to maintain its capital structure. The Management monitors the return on capital, as well as the level of dividends to equity share holders. The Company is not subject to any externally imposed capital requirement.

2.53 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial liabilities, other than derivatives comprises trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include advances, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises risk of: currency risk and interest rate risk.

The Company is exposed to market risk primarily related to foreign exchange rate risk. Thus, the Company's exposure to market risk is a function of revenue generating and operating activities in foreign currencies.

Foreign exchange risk

The Company regularly evaluates exchange rate exposure arising from the foreign currency transaction.

The Company uses forward contracts and derivative instruments to mitigate foreign exchange related risk exposures. When a forward contract is entered into for the purpose of being a hedge, the Company negotiates the terms of those contracts to match the terms of the hedged exposure. The Company's exposure to unhedged foreign currency risk as at March 31, 2022 and March 31, 2021 has been disclosed in note 2.35.

For the year ended March 31, 2022, every 5 percentage point depreciation/appreciation in the exchange rate between the Indian rupee and U.S. dollar, would have affected the Company's profit before tax by ₹ 85.71 Lakhs/ ₹ (85.71) Lakhs respectively.

For the year ended March 31, 2021, every 5 percentage point depreciation/appreciation in the exchange rate between the Indian rupee and U.S. dollar, would have affected the Company's profit before tax by ₹ 52.70 Lakhs/ ₹ (52.70) Lakhs respectively.

The Company's investments in term deposits with banks are for short durations, and therefore do not expose the Company to significant interest rates risk. To optimise the interest cost the Company balances the borrowings from commercial paper, working capital loan and non-fund facilities from banks.

Credit risk

Credit risk arises from the possibility that customers may not be able to settle their obligations as agreed. The Company is exposed to credit risk from its operating activities (primarily trade receivables and deposits) and from foreign exchange transactions.

Commodity risk

The Company is exposed to movement in metal commodity price of steel. Our sales contracts are on fixed price basis. Profitability in case of firm price orders is affected by movement in the prices of steel. To minimize the price volatility, company buy steel on spot price basis. For Roofing Business Company has long term contract for its main RM. However due to global scarcity of containers sea freight is abnormally increased which affected our input cost.

Trade receivables

To manage the credit risk the Company periodically assesses the financial reliability of customers taking into account the financial condition and ageing of accounts receivable.

An impairment analysis is performed for all major customers at each reporting date on an individual basis. The calculation is based on historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in note.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Reconciliation of the allowances for credit losses :

The details of changes in allowances for credit losses for the year ended March 31, 2022 and March 31, 2021 are as follows:

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance as at beginning of the year	389.00	624.00
Provision/ (reversal) made during the year	(89.00)	(235.00)
Closing provision at the end of the year	300.00	389.00

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

As at March 31, 2022 and March 31, 2021, the Company had unutilised fund based and non fund based limits from banks of ₹ 25,470.00 lakhs and ₹ 24,807.00 lakhs respectively, the returns statement filed by the Company with the Banks are agreement with the books of the accounts of the Company.

- 2.54** The Company has many tax matters which are in various stages of litigation. In this regard the Company had in the earlier years received certain appeal orders in its favour in respect of which the department has gone in appeal to the next appellate authority. The refunds consequent to such orders have been received during the current year and have accordingly, been disclosed as a liability in these financial statements since the department has gone in further appeal. The management believes that no additional liabilities are likely to devolve on the Company.
- 2.55** Capital work in progress includes imported machinery in building products amounting to ₹ 1560 lakhs. Due to delay in land allocation by the State Govt. and by virtue of COVID 19 impact, the Company has deferred its plan to install the machinery in near future. Consequently, the Company has determined the net realizable value of the machinery by an independent certified valuer using cost approach and has made a provision of impairment of ₹ 541.20 lakhs(previous year ₹ 520.20 lakhs) against the said machinery
- 2.56** The Company received approvals from the Director of Industries, Odisha in respect of the subsidy in the form of reimbursement of 75% of net SGST, for the period from 1 July, 2017 to 31 March, 2020. Consequently, in the quarter ended 30 September, 2021, the Company had written back provisions in this regard, which were created in an earlier year, aggregating ₹ 577 lakhs, included under the head 'Other Income'. Further, with the clarity resulting from the State Government notification for procedures to claim incentives in the post-GST period, for the year ended 31 March, 2022 the Company accrued ₹ 625 lakhs of subsidy (including ₹ 217 lakhs for FY 2021-22, ₹ 318 lakhs for the period ended March 31, 2021 and ₹ 90 lakhs prior to April 01, 2020 which are already received), which is included under the head 'Revenue from Operations'.
- 2.57** The Company has considered the possible effects that may result from the global health pandemic relating to COVID-19 on its operations. Management believes that it has taken external and internal risks into account for assessing the possible impact of COVID-19 on various elements of its financial results, including its liquidity position and the recoverability of assets. However, the impact assessment of COVID-19 is a continuing process, given the uncertainties associated with its nature and duration. The Company will continue to monitor any material changes to future economic conditions and the consequent impact on its business, if any.
- 2.58** Other Statutory Information
- (i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
 - (ii) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year
 - (iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period,
 - (iv) The Company has not advanced or loaned or invested funds to any other person(s) or entity, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (v) The Company has not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- (vi) The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

2.59 RATIO ANALYSIS AND ITS ELEMENTS

Particulars	Numerator	Denominator	As at 31 March, 2022	As at 31 March, 2021	Change %	Reason for Variance
Current ratio	Current Asset	Current Liabilities	1.39	1.25	(11.4%)	
Debt service coverage ratio	Earning Available for Debt Service	Debt Service	1.09	2.47	55.7%	Change is due to reduction in profits on account of reduced margins and increase in Lease liability
Return on equity ratio	Profit After Tax	Average Shareholder's Equity	8.4%	12.0%	30.2%	Change is due to reduction in profits on account of reduced margins
Inventory turnover ratio	Cost of Good Sold	Average Inventory	2.53	2.31	(9.6%)	
Trade receivables turnover ratio	Net Sales	Average Account Receivable	23.52	19.12	(23.0%)	
Trade payables turnover ratio	Net Purchases	Average Account Payable	4.90	3.87	(26.6%)	Increase in input cost and high volume purchases
Net capital turnover ratio	Net Sales	Working Capital	9.96	11.78	15.4%	Increase is due to higher inventory
Net profit ratio	Net Profit	Net Sales	3.3%	4.8%	31.3%	Change is due to reduction in profits on account of reduced margins
Return on capital employed	Earning Before Interest and Tax	Capital Employed	12.2%	18.1%	32.6%	Change is due to reduction in profits on account of reduced margins

2.60 The previous Year figures have been regrouped/ reclassified wherever necessary to correspond with the current year's classification/ disclosures.

See accompanying notes forming part of the standalone financial statements

As per our report of even date

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration No : 324982E/E300003

For and on behalf of the Board of Directors

per Vinayak Pujare
Partner
Membership No : 101143

Anant Talaulicar
Chairman
DIN No. 00031051

Rajesh Joshi
Managing Director & CEO
DIN No. 08855031

Pramod Nair
Chief Financial Officer

Neeraj Kohli
Company Secretary

Mumbai
May 27, 2022

Mumbai
May 27, 2022

Mumbai
May 27, 2022

Mumbai
May 27, 2022

New Delhi
May 27, 2022

INDEPENDENT AUDITOR'S REPORT

To the Members of Everest Industries Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Everest Industries Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising the consolidated Balance sheet as at March 31 2022, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at March 31, 2022, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as 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 Consolidated Financial Statements' section of our report. We are independent of the Group, in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

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

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matters	How our audit addressed the key audit matter
<p>(a) Revenue recognition for long term projects and recoverability of receivables (as described in Note 1.4(a) of the consolidated financial statements)</p> <p>The Holding Company's significant portion of business is undertaken through long term engineering, procurement and construction contracts. Revenue from these contracts is recognized over a period of time in accordance with the requirements of Ind AS 115, Revenue from Contracts with Customers. Due to the nature of the contracts, revenue recognition involves usage of input method which is determined based on proportion of contract costs incurred to date compared to estimated total contract costs, which involves significant judgments, identification of contractual obligations and the Holding Company's rights to receive payments for performance completed till date, risk on collectability due to liquidation damages, other penalties imposed by the customers, changes in scope and consequential revised contract price and recognition of the liability for loss making contracts/ onerous obligations. Accuracy of revenues, onerous obligations, profits and net receivables may deviate significantly on account of change in judgements and estimates, therefore, this has been considered as key audit matter in our audit of the consolidated financial statements</p>	<ul style="list-style-type: none"> • Our audit procedures included testing of Holding Company's revenue recognition accounting policies in compliance with Ind AS 115. • We obtained an understanding of the process followed by the Holding Company in determination of the estimates for evaluating contract obligations and contract revenue • We performed test of controls over management process of estimation of contract obligations, recording of project costs incurred, computation of revenue recognized under the input method in Ind AS 115 and review of recoverability of receivables. • We tested sample contracts to evaluate appropriate identification of contract obligations, recording of project costs incurred, reasonability of estimates of costs to complete including change orders, if any, and appropriateness of the timing of recognizing the revenue from the contracts • We also tested the invoices raised and computation for revenue recognized, over a period of time under the input method as per Ind AS 115. • We examined the management assessment of onerous contracts, liquidation damages, and other penalties charged by the customer • We examined contracts where there were significant overdue receivable with marginal or no movement to determine the level of provisioning required in the receivable. • We tested the adequacy of disclosure in the financial statements in compliance with Ind AS 115.
<p>Uncertain tax positions impacting valuation of tax provision (as described in note 1.4(b) of the consolidated financial statements)</p> <p>The Holding Company has ongoing disputes with the Income tax departments on income tax computation for certain assessment years. These disputes are pending with different Appellate authorities and at the Courts. The management has assessed the future outcome of these ongoing proceedings and exposures which directly affects the valuation of tax provisions in the financial statements. As the future outcome of these matters and the accounting effects thereof, are based on assessment of complex matters which may take time to finally resolve, the valuation of tax provision related to uncertain tax position has been considered as key audit matter in our audit of the consolidated financial statements.</p>	<ul style="list-style-type: none"> • We obtained details of completed tax assessment and demands for the assessment years under dispute as of March 31, 2022. • We performed test of control over management process of assessment and estimates with regard to the existing tax disputes and uncertain tax positions. • We inspected written communication between the Holding Company and the tax authorities and involved tax specialist to assess the management's underlying assumptions in estimating the tax provision and the possible outcome of the disputes. • We also considered the effect of any new information in the current financial year 2021-22 in respect of carried forward uncertain tax positions to evaluate if there is a change in the management's position on these uncertainties. • We tested the adequacy of provisioning and disclosure relating to uncertain tax positions in accordance with the requirements of Ind AS 12.

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

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report but does not include the consolidated financial statements and our auditor's report thereon.

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

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

Responsibilities of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group is also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when

it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

- (a) We did not audit the financial statements and other financial information, in respect of two subsidiaries viz., Everest Building Products, Mauritius and Everest Ind FZE, UAE, whose financial statements include total assets of ₹ 1,211.07 lakhs as at March 31, 2022, and total revenues of ₹ 4,222.86 lakhs and net cash inflows of ₹ 154.67 lakhs for the year ended on that date. These financial statements and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's

reports have been furnished to us by the Management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of such other auditors.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

- The Holding Company has subsidiaries incorporated outside India where reporting requirements under the Companies Act, 2013 are not applicable and hence, the provisions of Clause 3(xxii) of the Companies (Auditor's Report) Order, 2020 are not applicable to the Holding Company.
- As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries as noted in the 'Other Matter' paragraph we report, to the extent applicable, that:
 - (a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2022 taken on record by the Board of Directors of the Holding Company none of the directors of Holding Company 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 with reference to consolidated financial statements of the Holding Company which is incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 1" to this report;
- (g) In our opinion, the managerial remuneration for the year ended March 31, 2022 has been paid/ provided by the Holding Company incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V 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 and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, as noted in the 'Other matter' paragraph:
 - i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group in its consolidated financial statements – Refer Note 2.31 to the consolidated financial statements;
 - ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2022;
 - iii. There were no amounts, which were required to be transferred, to the Investor Education and Protection Fund by the Holding Company during the year ended March 31, 2022.
 - iv. a) The management of the Holding Company whose financial statements have been audited under the Act, has represented to us that, to the best of its knowledge and belief, as disclosed in the note 2.59 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or its subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or its subsidiaries ("Ultimate Beneficiaries") or

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

- b) The respective managements of the Holding Company whose financial statements have been audited under the Act have represented to us that, to the best of its knowledge and belief, as disclosed in the note 2.59 to the consolidated financial statements, no funds have been received by the respective Holding Company or its subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its subsidiaries 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; and
- c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.
- v. a) The final dividend paid by the Holding Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.
- b) As stated in note 2.46 to the consolidated financial statements, the Board of Directors of the Holding Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

For S R B C & CO LLP

Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Vinayak Pujare**
Partner
Membership Number: 101143
UDIN: 22101143AJTMQM9396
Place of Signature: Mumbai
Date: May 27, 2022

Annexure '1' to the Independent Auditor's Report Of Even Date On The Consolidated Financial Statements Of Everest Industries Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of Everest Industries Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of 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 With Reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to

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

Opinion

In our opinion, the Holding Company, which is a company incorporated in India within the Group, has maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Holding Company considering

the essential components of internal control stated in the Guidance Note issued by the ICAI.

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per **Vinayak Pujare**

Partner

Membership Number: 101143

UDIN: 22101143AJTMQM9396

Place of Signature: Mumbai

Date: May 27, 2022

CONSOLIDATED BALANCE SHEET

AS AT MARCH 31, 2022

Particulars	Note Reference	₹ in lakhs)	
		As at March 31, 2022	As at March 31, 2021
A ASSETS			
1 Non-current assets			
Property, plant and equipment	2.01	34,139.47	34,520.87
Right-of-use asset	2.04	5,561.06	751.21
Capital work in progress	2.02	1,904.93	1,342.50
Intangible assets	2.03	108.03	246.52
Financial assets			
(i) Other financial assets	2.05	994.54	5,504.56
Other non current assets	2.06	43.00	187.80
Income tax assets (net)	2.07	1,924.60	1,838.77
Total - non-current assets		44,675.63	44,392.23
2 Current assets			
Inventories	2.08	33,276.41	25,534.75
Financial assets			
(i) Trade receivables	2.09	5,364.70	5,693.48
(ii) Cash and cash equivalent	2.10	9,805.77	4,782.52
(iii) Bank balances other than (ii) above	2.11	6,741.09	8,492.11
(iv) Other financial assets	2.05	1,165.85	356.96
Other current assets	2.06	4,806.57	3,751.09
Total - current assets		61,160.39	48,610.91
TOTAL ASSETS		1,05,836.02	93,003.14
B EQUITY AND LIABILITIES			
1 Equity			
Equity share capital	2.12	1,567.81	1,563.63
Other Equity	2.13	52,661.65	49,285.64
Total equity		54,229.46	50,849.27
2 Non-current liabilities			
Financial Liabilities			
(i) Lease liabilities	2.14	4,837.64	426.72
Deferred tax liabilities (net)	2.38	2,660.30	2,679.73
Total - non-current liabilities		7,497.94	3,106.45
3 Current liabilities			
Financial liabilities			
(i) Lease liabilities	2.14	659.59	403.75
(ii) Trade payables	2.15		
(a) total outstanding dues of micro enterprises and small enterprises		1,418.77	787.14
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		15,538.59	15,664.69
(iii) Deposits from dealers	2.16	1,892.17	3,043.65
(iv) Other financial liabilities	2.17	2,413.80	1,703.38
Provisions for retirement benefits	2.18	426.67	484.61
Other current liabilities	2.19	11,537.75	6,947.88
Income tax liabilities (net)	2.20	10,221.28	10,012.32
Total - current liabilities		44,108.62	39,047.42
TOTAL EQUITY AND LIABILITIES		1,05,836.02	93,003.14

See accompanying notes forming part of the consolidated financial statements

As per our report of even date

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration No : 324982E/E300003

For and on behalf of the Board of Directors

per Vinayak Pujare
Partner
Membership No : 101143

Anant Talaulicar
Chairman
DIN No. 00031051

Rajesh Joshi
Managing Director & CEO
DIN No. 08855031

Pramod Nair
Chief Financial Officer

Neeraj Kohli
Company Secretary

Mumbai
May 27, 2022

Mumbai
May 27, 2022

Mumbai
May 27, 2022

Mumbai
May 27, 2022

New Delhi
May 27, 2022

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2022

Particulars	Note Reference	₹ in lakhs)	
		For the year ended March 31, 2022	For the year ended March 31, 2021
A Income			
Revenue from operations	2.21	1,36,470.59	1,21,791.88
Other income	2.22	2,935.40	888.48
Total income		1,39,405.99	1,22,680.36
B Expenses			
(a) Cost of raw material consumed	2.23	77,598.53	61,223.62
(b) Purchase of traded goods	2.24	464.92	621.60
(c) (Increase)/ decrease in inventories of finished goods, work-in progress and traded goods	2.25	(3,584.75)	3,656.48
(d) Employee benefits expense	2.26	13,006.40	10,961.03
(e) Finance costs	2.27	314.83	390.02
(f) Depreciation and amortization expense	2.28	2,863.53	2,531.47
(g) Other expenses	2.29	42,090.42	34,132.20
Total expenses		1,32,753.88	1,13,516.42
C Profit before tax		6,652.11	9,163.94
Tax expenses			
(a) Current tax	2.30	2,239.82	4,100.32
(b) Deferred tax/(benefits)	2.30 & 2.38	3.77	(575.51)
Total tax expenses		2,243.59	3,524.81
D Profit for the year		4,408.52	5,639.13
E Other comprehensive income			
(i) Items that will not be reclassified subsequently to the statement profit or loss			
(a) Re-measurement gains/(losses) on defined benefit plans		(66.38)	148.92
(b) Income tax effect		23.20	(52.04)
(c) Foreign currency translation reserve		(2.57)	3.70
Other comprehensive income/(loss) for the year, net of tax		(45.75)	100.58
F Total comprehensive income for the year, net of tax		4,362.77	5,739.71
Earnings per equity share (refer note 2.40)			
[Face value - ₹ 10 per share]			
Basic earnings per share (Rupees)		28.18	36.06
Diluted earnings per share (Rupees)		28.18	36.06

See accompanying notes forming part of the consolidated financial statements

As per our report of even date

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration No : 324982E/E300003

For and on behalf of the Board of Directors

per Vinayak Pujare
Partner
Membership No : 101143

Anant Talaulicar
Chairman
DIN No. 00031051

Rajesh Joshi
Managing Director & CEO
DIN No. 08855031

Pramod Nair
Chief Financial Officer

Neeraj Kohli
Company Secretary

Mumbai
May 27, 2022

Mumbai
May 27, 2022

Mumbai
May 27, 2022

Mumbai
May 27, 2022

New Delhi
May 27, 2022

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2022

Particulars	(₹ in lakhs)	
	Year ended March 31, 2022	Year ended March 31, 2021
A. Cash flow from operating activities		
Profit before tax	6,652.11	9,163.94
Adjustments for:		
Depreciation and amortisation expenses	2,863.53	2,531.47
Finance costs	314.83	390.02
Interest income	(404.35)	(603.63)
Loss on sale of property, plant and equipment assets (net)	359.29	57.51
Liabilities / provisions no longer required written back	(2,377.55)	(74.56)
Provision for impairment of CWIP	176.29	360.20
Share based payment to Employees	19.10	3.08
Provision for government subsidy	0.00	577.07
Impairment of doubtful trade receivables	306.43	1,051.54
Impact of fair valuation of financial instruments	8.69	(2.59)
Net unrealised (gain)/loss on exchange rate fluctuation	(-3.57)	3.70
Operating profit before working capital changes	7,914.80	13,457.75
Working capital adjustments:		
decrease in inventories	(7,741.66)	5,531.70
(Increase)/decrease in trade receivables	22.35	(16.05)
(Increase)/decrease in other non current financial assets	(315.96)	(55.20)
(Increase)/decrease in other non current assets	42.61	31.28
(Increase)/decrease in other current financial assets	(402.31)	66.32
(Increase)/decrease other current Asset	(1,121.86)	(46.30)
Increase/(decrease) in trade payables	2,883.09	1,940.12
Increase/(decrease) in deposits from dealers	(1,151.48)	(171.02)
Increase/(decrease) in other financial liabilities	670.66	431.15
Increase/(decrease) in other current/ non current liabilities	4,589.87	1,560.50
Increase/(decrease) in provisions	(57.94)	(51.73)
Cash generated from operations	5,332.17	22,678.52
Income tax paid	(2,116.69)	3,713.49
Net cash flows from operating activities	3,215.48	26,392.01
B Cash flow from investing activities		
Capital expenditure on fixed assets, including capital advances	(3,380.14)	(1,664.44)
Proceeds from sale of fixed assets	376.18	44.56
Investment in fixed deposits not considered as cash & cash equivalents	6,190.28	(12,892.81)
Interest received	375.82	538.81
Net cash flow from/(used in) investing activities	3,562.14	(13,973.88)
C Cash flow from financing activities		
Proceeds from issue of equity shares	4.18	-
Securities premium received	168.37	-
(Repayment) of long-term borrowings	-	(5,042.38)
Payment of financial Lease liabilities	(667.99)	(328.60)
Proceeds/(repayment) of short-term borrowings	-	(2,118.93)
Interest paid	(92.28)	(283.97)
Dividend paid during the year	(1,166.65)	(163.38)
Net cash flows used in financing activities	(1,754.37)	(7,937.26)
Net change in cash and cash equivalents (A)+(B)+(C)	5,023.25	4,480.87
Cash and cash equivalents at the beginning of the year	4,782.52	301.65
Cash and cash equivalents at year end	9,805.77	4,782.52

Note : (i) Figures in brackets are outflows/deductions

(ii) The above cashflow statement is prepared under the "Indirect method" as set out in the Indian Accounting Standards (Ind AS 7) Statement of Cash Flow

See accompanying notes forming part of the consolidated financial statements

As per our report of even date

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration No : 324982E/E300003

For and on behalf of the Board of Directors

per Vinayak Pujare
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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2022

A. Equity share capital

(₹ in lakhs)

Particulars	Numbers of share	Amount
Balance as at March 31, 2020	1,56,36,340	1,563.63
Changes in equity share capital during the year	-	-
Balance as at March 31, 2021	1,56,36,340	1,563.63
Changes in equity share capital during the year	41,737	4.18
Balance as at March 31, 2022	1,56,78,077	1,567.81

B. Other equity

Particulars	Attributable to equity shareholders of the Company				Foreign currency translation Reserve	Total other equity
	Securities premium	General reserve	Share based payment reserve	Retained earnings		
As at March 31, 2020	1,373.17	9,848.91	718.17	31,842.79	(83.83)	43,699.21
Profit for the year	-	-	-	5,639.13	-	5,639.13
Other comprehensive income	-	-	-	96.88	3.70	100.58
Total comprehensive income for the year	1,373.17	9,848.91	718.17	37,578.80	(80.13)	49,438.92
Dividend paid during the year	-	-	-	(156.36)	-	(156.36)
Compensation options granted during the year/Changes during the year	-	-	3.08	-	-	3.08
Transferred from share based payment reserve on exercise and lapse of options	244.56	-	(244.56)	-	-	-
Balance as at March 31, 2021	1,617.73	9,848.91	476.69	37,422.44	(80.13)	49,285.64
Balance as at March 31, 2021	1,617.73	9,848.91	476.69	37,422.44	(80.13)	49,285.64
Profit for the year	-	-	-	4,408.52	-	4,408.52
Other comprehensive income	-	-	-	(43.18)	(3.57)	(46.75)
Total comprehensive income for the year	1,617.73	9,848.91	476.69	41,786.78	(83.70)	53,647.41
Dividend paid during the year	-	-	-	(1,173.23)	-	(1,173.23)
Compensation options granted during the year/Changes during the year	-	-	19.10	-	-	19.10
Securities premium on shares issued during the year	168.37	-	-	-	-	168.37
Transferred from share based payment reserve on exercise and lapse of options	229.11	-	(229.11)	-	-	-
Balance as at March 31, 2022	2,015.21	9,848.91	266.68	40,614.55	(83.70)	52,661.65

See accompanying notes forming part of the consolidated financial statements

As per our report of even date

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration No : 324982E/E300003

For and on behalf of the Board of Directors

per Vinayak Pujare
Partner
Membership No : 101143

Anant Talaulicar
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NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

NOTE 1.1 CORPORATE INFORMATION

The consolidated financial statements comprise financial statements of Everest Industries Limited (the company) and its subsidiaries (collectively, "the Group") for the year ended 31 March 2022. Group is primarily engaged in manufacturing and trading of building products like roofing products, boards and panels, other building products and accessories and manufacturing of components of pre-engineered steel buildings and related accessories.

The financial statements for the year ended March 31, 2022 were approved by the Board of Directors and authorised for issue on May 27, 2022.

NOTE 1.2 BASIS OF PREPARATION

Basis of preparation of consolidated financial statements

The consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

These consolidated financial statements have been prepared on the historical cost or at amortised cost, except for the following assets and liabilities:

- derivative financial instruments are measured at fair value;
- employee defined benefit assets/(liability) are recognised as the net total of the fair value of plan assets, plus actuarial losses, less actuarial gains and the present value of the defined benefit obligation;

Following subsidiary companies have been considered in the preparation of the consolidated financial statements:

Name of the entity	Relationship	Country of Incorporation	Ownership held by	% of Holding and voting power either directly or indirectly through subsidiary	
				31 March, 2022	31 March, 2021
Everest Building Products (w.e.f., 9 Sept., 2013)	Subsidiary	Mauritius	Company	100	100
Everestind FZE (w.e.f., 18 December, 2013)	Subsidiary	United Arab Emirates (UAE)	Everest Building Products	100	100

Everest Building Products was incorporated on 9 September, 2013 with limited liability as a wholly owned subsidiary of the Company to promote business of the Company in the overseas market and to carry out the business of international trading of building products and accessories thereof.

Everestind FZE was incorporated on 18 December, 2013 as a free zone establishment with limited liability as a wholly owned subsidiary of Everest Building Products to carry out the business of international trading of building products and accessories thereof.

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company i.e. its subsidiaries. Subsidiaries are all entities that are controlled by the Company. Control is achieved when the Company is exposed to, or has rights to the variable returns of the entity and the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in these consolidated financial statements from the date that control commences until the date that control ceases. The results of disposed businesses are included in the consolidated financial statements up to their date of disposal, being the date control ceases.

NOTE 1.3

Summary of significant accounting policies

(i) Basis of consolidation

The consolidated financial statements relate to Everest Industries Limited (the Company), and its subsidiaries. The consolidated financial statements have been prepared on the following basis:

- The financial statements of the entities that are consolidated are drawn upto the same reporting date as that of the Company i.e., 31 March, 2022.
- The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and resulting unrealised profits or losses.
- Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

- Non Controlling Interest's share of profit/loss of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.
- Non Controlling Interest's share of net assets of consolidated subsidiaries is identified and presented in the Consolidated Balance Sheet separate from liabilities and the equity of the Company's shareholders.
- The consolidated financial statements have been prepared using uniform accounting policies in the same manner as the Company's separate financial statements.

(ii) Current Vs Non-Current Classification

The Group presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- Expected to be settled in normal operating cycle
- Held primarily for the purpose of trading
- Due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and

cash equivalent. The Group has identified twelve months as its operating cycle.

(iii) Fair values measurements

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

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

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

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value.

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

- Level 1** - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2** - Other techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3** - Techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(iv) Property, Plant and Equipment

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property plant and equipment recognised as at April 1, 2016, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property plant and equipment.

Property, plant & equipment and capital work in progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met, directly attributable cost of bringing the asset to its working condition for the intended use. Such cost includes the cost of replacing part of the plant and equipment.

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The costs of repairs and maintenance are recognised in the statement of profit and loss as incurred.

The Group identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the Statement of Profit or Loss when the asset is derecognised.

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

(v) Depreciation on Property, plant & equipment

- Lease hold improvements (LHI) & leasehold lands are amortised on straight line basis over the period of lease or useful life whichever is lower.
- Depreciation on other Property, plant & equipment is provided on straight line basis at the rates based on the estimated useful life of the assets. The Group, based on management estimates, depreciates the

assets over estimated useful lives which coincides with the useful life prescribed in Schedule II to the Companies Act, 2013.

The Group, based on technical assessment made by technical expert and management estimate, depreciates certain items of plant and equipment over estimated useful lives of 15 years which are different from the useful life of 8 years, prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used

- Depreciation on Property, plant & equipment added/ disposed off during the year is provided on pro-rata basis with respect to date of acquisition/ disposal.

(vi) Intangible assets

Intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Technical know-how is amortised over the term of the agreement. Computer software is amortised over the estimated useful life of 3 years.

An item of intangible assets is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the Statement of Profit or Loss when the asset is derecognised. The residual values, useful lives and methods of amortisation of intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

(vii) Research and development costs

Research and development costs of revenue nature are charged to the Statement of Profit and Loss when incurred. Fixed assets utilised for research and development are capitalised and depreciated in accordance with the rates set out in Note 1.3(v) above.

(viii) Revenue Recognition

- Revenue from contract with customers**
Revenue from contracts with customers is recognised when control of the goods or services are transferred

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

In respect of pre-engineered building contracts, revenue is recognised over a period of time using the input method (equivalent to percentage-of-completion method; POCM) of accounting with contract costs incurred determining the degree of completion of the performance obligation.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers on behalf of the government.

Effective April 1, 2018, the Group has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018). The Group has adopted Ind AS 115 using the modified retrospective approach. Under the modified retrospective approach, there were no significant adjustments required to the retained earnings at April 1, 2018. Also, the application of Ind AS 115 did not have any significant impact on recognition and measurement of revenue and related items in the financial statements.

• Interest

For all debt instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR).

EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. Interest income is included in finance income in the statement of profit and loss.

(ix) Financial Instruments

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

• Financial assets

Initial recognition and measurement

On initial recognition, a financial asset is recognised at fair value, in case of financial assets which are recognised at fair value through profit and loss (FVTPL), their transaction costs are recognised in the statement of profit and loss. In other cases, the transaction costs are attributed to the acquisition value of the financial asset.

Subsequent measurement

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

Investments in subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognized in the statement of profit and loss.

Derecognition

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Impairment of financial assets

The Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the trade receivable.

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

The impairment losses and reversals are recognised in Statement of Profit and Loss.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the EIR method.

Other financial liabilities (Loans and borrowings)

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

The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Derivative financial instruments and hedge accounting

The Group uses derivative financial instruments such as foreign exchange forward contracts, option contracts and swap contracts to hedge its foreign currency risk.

Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value at the end of each reporting period.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss,

(x) Inventories

Inventories are valued at the lower of cost and the net realisable value after providing for obsolescence and other losses, where considered necessary and includes all applicable costs incurred in bringing goods to their present location and condition. The basis for determining cost for various categories of inventories is as follows:

Stores and spare parts	- Moving Weighted average
Raw materials	- Moving Weighted average
Materials in transit	- At cost
Work in progress and	
Finished goods	- Material cost determined on moving weighted average basis plus appropriate share of labour, manufacturing and other overheads.
Stock in trade	- Weighted average

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

(xi) Retirement and other Employee Benefits

Employee benefits include provident fund, superannuation, performance incentives, gratuity and compensated absences.

Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange of services rendered by employees is recognised during the period when the employee renders the services. These benefits include compensated absences and performance incentives.

Post-employment benefit plans

The Group has various schemes of retirement benefits namely provident fund, superannuation schemes and gratuity, which are administered by trustees of independently constituted trusts recognised by the Income-tax authorities.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

The Group's contributions towards provident fund are deposited in a trust formed by the Group under the Employees Provident Fund and Miscellaneous Provisions Act, 1952. Contributions to superannuation fund are deposited in a separate trust. These trusts are recognised by the Income Tax authorities. The contributions to the trusts are managed by the trustees of the respective trusts.

The Group's superannuation scheme is considered as defined contribution scheme. The Group has no obligation, other than the contribution payable to the super-annuation fund. The Group recognizes contribution payable to the super-annuation fund scheme as an expense, when an employee renders the related service.

The Provident Fund (administered by a Trust) is a defined benefit scheme where by the Group deposits an amount determined as a fixed percentage of basic pay to the fund every month. The benefit vests upon commencement of employment. The interest credited to the accounts of the employees is adjusted on an annual basis to confirm to the interest rate declared by the government for the Employees Provident Fund. The Group has adopted actuary valuation based on project unit credit method to arrive at provident fund liability as at year end. The Provident Fund scheme additionally requires the Group to guarantee payment of interest at rates notified by the Central Government from time to time, for which shortfall as at the Balance Sheet date, if any, is provided for.

The Group operates a defined benefit gratuity plan, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. Remeasurements, comprising of actuarial gains and losses, and the return on plan assets (excluding net interest), are recognised to OCI in the period in which they occur and are not reclassified to profit or loss.

Benefits comprising compensated absences constitute other employee benefits. The liability for compensated absences is provided on the basis of an actuarial valuation done by an independent actuary at the year end. Actuarial gains/losses are immediately taken to the statement of profit and loss for the period in which they occur.

(xii) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily

takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

(xiii) Foreign Exchange Transactions and balances

The functional currency of the Group is India Rupees.

Initial recognition

Transactions in foreign currencies are initially recorded by the Group at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Conversion

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency exchange rate at the reporting date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date and exchange gains and losses arising on settlement and restatement are recognised in the statement of profit and loss. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

(xiv) Taxation

Tax expense represents the sum of current tax and deferred tax.

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the reporting date and includes any adjustment to tax payable in respect of previous years. Subject to exceptions below, deferred tax is provided, using the balance sheet method, on all deductible temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, on carry forward of unused tax credits and unused tax

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

loss; deferred income tax is not recognised on the initial recognition (including MAT) of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and deferred tax assets are recognised only to the extent that it is more likely than not that they will be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Tax relating to items recognized outside profit or loss is recognised outside profit or loss (either in other comprehensive income or equity).

The carrying amount of deferred tax assets (including MAT credit available) is reviewed at each reporting date and is adjusted to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

(xv) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(xvi) Impairment of Non-financial Assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates

the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal or its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses, are recognised in the statement of profit and loss

Intangible assets with indefinite useful lives are tested for impairment annually, as appropriate and when circumstances indicate that the carrying value may be impaired.

(xvii) Provisions and contingencies

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. The expense relating to any provision is presented in the statement of profit or loss, net of any reimbursement.

(xviii) Contingent liability

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

(xix) Share based payment transaction

Selected employees of the Group receive remuneration in the form of equity settled instruments, for rendering services over a defined vesting period. Equity instruments granted are measured by reference to the fair value of the instrument at the date of grant.

The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(xx) Leases

The Group assesses at contract inception whether a contract is, or contains, a lease i.e. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section 1.3(iv) and 1.3(vi) Impairment of tangible and intangible assets.

(ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities

is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

(iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Contingent rents are recognised as revenue in the period in which they are earned

(xxi) Segment reporting

Operating segment are reported in a manner consistent with the internal reporting provided to chief operating decision maker (CODM). The managing director is considered to be the 'Chief Operating Decision Maker' (CODM).

See note no. 2.37 for segment information presented.

(xxii) Government grants and subsidies

Grants and subsidies from the government are recognised when there is reasonable assurance that the Company will comply with the conditions attached to them, and the grant/subsidy will be received.

When the grant or subsidy relates to revenue, it is recognised as income on a systematic basis in profit or loss over the periods necessary to match them with the related costs, which they are intended to compensate.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Where the grant relates to an asset, it is recognised as deferred income and released to income when on a systematic basis when related conditions or obligations are met by the Company.

(xxiii) Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdraft as they are considered an integral part of the Group's cash management.

(xxiv) Rounding of amounts

All amounts disclosed in the consolidated financial statements and notes have been rounded of the nearest two decimal lakhs as per the requirement of schedule III, unless otherwise stated.

NOTE 1.4

Significant accounting judgments, estimates and assumptions

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of asset and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

(a) Uncertainty on the Estimation of the Total Construction Revenue and Total Construction Cost:

The holding company recognises revenue from the construction contracts over the period of contract as per the input method of IND AS 115 "Revenue from contracts with the customers". The contract revenue is determined based on proportion of contract cost incurred to date compared to estimated total contract cost which involves significant judgement, identification of contractual obligations, and the company's right to receive payments for performance completed till date, risk on collectability due to liquidation damages and other penalties imposed by the customers, possible effects from Covid 19 pandemic change in scope and consequential revised contract price and recognition of the liability for loss making contracts/onerous obligations etc. The Group has efficient, coordinated system for calculation and forecasting its revenue and expense reporting. However actual project outcome may deviate positively or negatively from the company's calculation and forecasting which could impact the revenue recognition up to the stage of project completion and is recognised prospectively in the financial statements.

(b) Tax Uncertainties:

The holding company has open tax issues at various levels of authorities. Where management makes a judgement that an outflow of funds is probable and a reliable estimate of the outcome of the dispute can be made, provision is made for the best estimate of the liability. In estimating any such liability, the Group applies a risk-based approach. These estimates take into account the specific circumstances of each dispute and relevant external advice, are inherently judgemental and could change substantially over time as each dispute progresses and new facts emerge.

The holding company continues to believe that it has made adequate provision for the liabilities likely to arise from open assessments. Where open issues exist the ultimate liability for such matters may vary from the amounts provided and is dependent upon the outcome of assessments with the relevant tax authorities or the litigation proceedings.

(c) Useful Lives of Property, Plant and Equipment:

The Group uses its technical expertise along with historical and industry trends for determining the economic life of an asset/component of an asset. The useful lives are reviewed by the management periodically and revised, if appropriate. In case of a revision, the unamortised depreciable amount is charged over the remaining useful life of the assets.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(d) Measurement of Defined Benefit Obligation:

The cost of the defined benefit gratuity plan and other Long term employee benefits (Compensated Absences) and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions.

(e) Share-based Payments:

The Group measures the cost of equity-settled transactions with employees using Black-Scholes model to determine the fair value of the liability incurred on the grant date. Estimating fair value for share-based payment transactions require determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination

of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

(f) Impairment in subsidiaries:

Determining whether the investments in subsidiaries are impaired requires an estimate of the value in use of investments. In considering the value in use, the management anticipates the future commodity prices, capacity utilisation of plant, operating margins, discount rates and other factors of the underlying businesses/operations of the subsidiaries.

(g) Expected Credit Loss:

The Company makes provision of expected credit losses on trade receivables using a provision matrix. The provision matrix is based on its historical observed default rates, adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and Company makes appropriate provision wherever outstanding is for longer period and involves higher risk.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022

Particulars	(₹ in lakhs)										
	Freehold Land	Leasehold Land	Buildings on Freehold Land	Building on Leasehold Land	Lease Hold Improvements	Plant and Equipment	Furniture and fixtures	Vehicles	Office Equipments	Others (Roads)	Total
Cost											
At March 31, 2020	1,408.13	2,611.13	4,173.63	8,258.19	47.83	24,750.15	856.88	200.21	673.34	372.28	43,351.77
Additions	-	-	58.58	42.53	-	1,441.87	8.48	79.39	15.16	-	1,646.01
Disposals	-	-	-	-	-	(287.13)	-	(89.33)	(3.16)	-	(379.62)
At March 31, 2021	1,408.13	2,611.13	4,232.21	8,300.72	47.83	25,904.89	865.36	190.27	685.34	372.28	44,618.16
Additions	-	-	227.18	95.61	663.04	1,002.69	154.50	-	163.48	10.34	2,316.84
Disposals	-	-	-	-	-	(576.27)	(4.97)	(104.35)	(10.56)	-	(696.15)
At March 31, 2022	1,408.13	2,611.13	4,459.39	8,396.33	710.87	26,331.31	1,014.89	85.92	838.26	382.62	46,238.85
Accumulated depreciation											
At March 31, 2020	-	121.62	579.98	873.27	4.47	5,610.33	367.19	29.23	446.81	168.63	8,201.53
Depreciation charge for the year	-	33.57	162.52	217.85	1.21	1,515.50	83.93	27.76	94.32	36.65	2,173.31
Disposals	-	-	-	-	-	(239.48)	-	(35.77)	(2.30)	-	(277.55)
At March 31, 2021	-	155.19	742.50	1,091.12	5.68	6,886.35	451.12	21.22	538.83	205.28	10,097.29
Depreciation charge for the year	-	75.29	167.12	177.37	7.09	1,542.74	82.52	23.23	39.56	36.82	2,151.74
Disposals	-	-	-	-	-	(100.84)	(4.39)	(38.32)	(6.10)	-	(149.65)
At March 31, 2022	-	230.48	909.62	1,268.49	12.77	8,328.25	529.25	6.13	572.29	242.10	12,099.38
Net Book Value											
At March 31, 2021	1,408.13	2,455.94	3,489.71	7,209.60	42.15	19,018.54	414.24	169.05	146.51	167.00	34,520.87
At March 31, 2022	1,408.13	2,380.65	3,549.77	7,127.84	698.10	18,003.06	485.64	79.79	265.97	140.52	34,139.47

Note : (a) Property, plant and equipment with carrying amount of ₹ 17,566.97 lakhs (as at March 31, 2021 ₹ 18,279.49 lakhs) have been mortgaged as security for fund based and non fund based credit facilities from bank

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022

2.02 CAPITAL WORK IN PROGRESS

Particulars	As at March 31, 2022	As at March 31, 2021
Capital work in progress	1,904.93	1,342.50
Total	1,904.93	1,342.50

Note : Net off of provision for impairment of ₹ 591.55 lakhs (previous year ₹ 520.20 lakhs) (refer note 2.54)

Capital work in progress (CWIP) Ageing Schedule
As at 31 March 2022

	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	758.93	-	21.91	1,124.09	1,904.93
Projects temporarily suspended	-	-	-	-	-
Total	758.93	-	21.91	1,124.09	1,904.93

As at 31 March 2021

	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	158.68	-	3.08	1,180.74	1,342.50
Projects temporarily suspended	-	-	-	-	-
Total	158.68	-	3.08	1,180.74	1,342.50

Project Completion is overdue for CWIP → 3 years due to delay in Land allocation and impact of COVID-19, with costs overruns being assessed.

2.03 INTANGIBLE ASSETS

Particulars	Computer Software	Total
Cost		
At March 31, 2020	496.38	496.38
Addition	246.06	246.06
Disposals	-	-
At March 31, 2021	742.44	742.44
Addition	4.00	4.00
Disposals	-	-
At March 31, 2022	746.44	746.44
Accumulated amortisation		
At March 31, 2020	438.76	438.76
Amortisation for the year	57.16	57.16
At March 31, 2021	495.92	495.92
Amortisation for the year	142.49	142.49
At March 31, 2022	638.41	638.41
Net book Value		
At March 31, 2021	246.52	246.52
At March 31, 2022	108.03	108.03

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

2.04. RIGHT-OF-USE ASSETS

Particulars	Category of ROU assets			Total
	Leasehold Land	Building	Computer	
(₹ in lakhs)				
Cost				
At March 31, 2020	925.45	-	-	925.45
Addition	-	358.13	-	358.13
Disposals	-	-	-	-
At March 31, 2021	925.45	358.13	-	1,283.58
Addition	-	5,327.37	240.80	5,568.17
Disposals	-	(358.13)	-	(358.13)
At March 31, 2022	925.45	5,327.37	240.80	6,493.62
Accumulated depreciation				
At March 31, 2020	231.37	-	-	231.37
Depreciation charge for the year	231.36	69.64	-	301.00
At March 31, 2021	462.73	69.64	-	532.37
Depreciation charge for the year	231.36	292.72	45.22	569.30
Disposals	-	(169.11)	-	(169.11)
At March 31, 2022	694.09	193.25	45.22	932.56
Net book Value				
At March 31, 2021	462.72	288.49	-	751.21
At March 31, 2022	231.36	5,134.12	195.58	5,561.06

Set out below are the carrying amount of lease liabilities and the movement during the period :

	(₹ in lakhs)	
	As at March 31, 2022	As at March 31, 2021
Cost		
Opening lease liability	830.47	741.34
Lease liability addition	5,301.21	343.43
Accretion of interest on lease liability	222.55	74.30
Payment of lease rentals	667.99	328.60
Deletion	189.01	-
Lease liability as at March 31, 2022	5,497.23	830.47
Current lease liability (see note 2.14)	659.59	403.75
Non-current lease liability (see note 2.14)	4,837.64	426.72
The maturity analysis of lease liabilities are disclosed		
The effective interest rate for lease liabilities is 9% with maturity between 2022-2032		
The following are the amount recognised in profit or loss:		
Depreciation expense of right of use assets	569.30	301.00
Interest expense on lease liability	222.55	74.30
Total amount recognised in profit or loss	791.85	375.30

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

2.05 OTHER FINANCIAL ASSETS

	(₹ in lakhs)	
	As at March 31, 2022	As at March 31, 2021
Non Current		
Unsecured, consider good (at amortised cost)		
a. Security deposits	763.80	642.74
b. Government subsidy recoverable (refer note 2.55)	217.28	-
c. Balances held as margin money (deposit accounts)*	12.46	80.82
d. Deposit accounts with remaining maturity of more than 12 months	1.00	4,781.00
	994.54	5,504.56
Unsecured, doubtful (at amortised cost)		
a. Government subsidy receivable	-	577.07
Less: provision for doubtful recoverability	-	(577.07)
	994.54	5,504.56
Current		
Unsecured, consider good		
a. Security deposits	3.54	54.00
b. Interest accrued but not due	127.75	121.58
c. Government subsidy recoverable (refer note 2.55)	317.75	-
d. Insurance claim	-	1.84
e. Balances held as margin money*	409.18	0.08
f. Derivative assets	0.96	9.65
g. Other receivables	306.67	169.81
	1,165.85	356.96

* Margin money deposit pertains to deposit given to banks for bank guarantees and letter of credits

2.06 OTHER ASSETS

	(₹ in lakhs)	
	As at March 31, 2022	As at March 31, 2021
Non Current		
Unsecured, consider good		
a. Prepaid lease rental	-	2.71
b. Prepaid Expenses	43.00	145.19
c. Input credit receivables	-	39.90
	43.00	187.80
Current		
Unsecured, consider good		
a. Prepaid lease rental	4.20	6.49
b. Advances to employees	106.13	65.14
c. Prepaid expenses	609.62	551.44
d. Prepaid gratuity	265.67	428.32
e. Advance to supplier	1,110.35	894.76
f. Input credit receivables	2,070.19	1,804.94
g. Contract Asset	640.41	-
	4,806.57	3,751.09
Unsecured, doubtful		
a. Advance to supplier	-	341.00
Less: provision for doubtful recoverability	-	(341.00)
	-	-

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

2.07 INCOME TAX ASSETS (NET)

Particulars	[₹ in lakhs]	
	As at March 31, 2022	As at March 31, 2021
Advance income tax (net of provision)	1,924.60	1,838.77
Total	1,924.60	1,838.77

[Net of provision for current tax - ₹ 6,167.98 lakhs (previous year ₹ 5,269.31 lakhs). Also refer Note 2.53]

2.08 INVENTORIES

Particulars	[₹ in lakhs]	
	As at March 31, 2022	As at March 31, 2021
a. Raw materials (At cost)		
i. On hand	16,044.12	12,521.58
ii. In transit	989.33	772.30
	17,033.45	13,293.88
b. Work-in-progress	5,062.37	3,636.41
c. Finished goods	9,099.66	6,922.83
d. Stock-in-trade	307.38	325.42
e. Stores and spares	1,670.03	1,287.87
f. Packing materials	103.52	68.34
	33,276.41	25,534.75

Note :

- (a) The mode of valuation of inventories has been stated in note 1.3 (x)
 (b) The above inventories has been hypothecated as security for fund based and non fund based credit facility from the banks.

2.09 TRADE RECEIVABLES

Particulars	[₹ in lakhs]	
	As at March 31, 2022	As at March 31, 2021
a. Trade receivables		
i. Secured, considered good	3,403.85	3,487.85
ii. Unsecured, considered good	1,960.85	2,205.63
iii. Doubtful	3,135.05	3,955.40
	8,499.75	9,648.88
Less: Impairment of trade receivables	3,135.05	3,955.40
	5,364.70	5,693.48

Note :

- (a) The Company has used a practical expedient by computing the expected loss allowance for trade receivables based on historical credit loss experience and adjustments for forward looking information. (Refer note 2.52)
 (b) The above trade receivables has been hypothecated as security for fund based and non fund based credit facility from the banks.
 (c) The secured trade receivable including security against Bank Guarantee, Letter of Credit and channel financing of ₹ 608.06 lakhs (Previous year ₹ 1,526.83 lakhs)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

AGEING OF TRADE RECEIVABLE

As at March 31, 2022 [₹ in lakhs]

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	775.62	3,770.30	444.14	43.67	281.29	49.68	5,364.70
(ii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-	-
(iii) Disputed Trade receivables - considered good	-	-	-	-	-	-	-
(iv) Disputed Trade receivables - credit impaired	-	100.18	269.04	617.49	1,372.19	776.15	3,135.05
Total	775.62	3,870.48	713.18	661.16	1,653.48	825.83	8,499.75

As at March 31, 2021

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	255.98	4,311.93	621.58	333.83	69.76	100.40	5,693.48
(ii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-	-
(iii) Disputed Trade receivables - considered good	-	-	-	-	-	-	-
(iv) Disputed Trade receivables - credit impaired	-	255.29	123.19	1,622.97	206.22	1,747.73	3,955.40
Total	255.98	4,567.22	744.77	1,956.80	275.98	1,848.13	9,648.88

2.10 CASH AND CASH EQUIVALENT

Particulars	[₹ in lakhs]	
	As at March 31, 2022	As at March 31, 2021
a. Cash on hand	3.18	2.94
b. Balances with banks		
Current accounts	2,672.58	1,181.58
Balance in fixed deposits having original maturity of less than 3 months	7,130.01	3,598.00
	9,805.77	4,782.52

2.11 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENT

Particulars	[₹ in lakhs]	
	As at March 31, 2022	As at March 31, 2021
i. Unpaid dividend (earmarked account)	41.69	35.11
ii. Deposit with banks having original maturity of more than 3 months	6,699.40	8,457.00
	6,741.09	8,492.11

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

2.12 EQUITY SHARE CAPITAL

	(₹ in lakhs)	
	As at March 31, 2022	As at March 31, 2021
1. Authorised Share capital 1,70,50,000 equity shares of ₹ 10 each (as at March 31, 2021 -1,70,50,000 equity shares of ₹ 10 each)	1,705.00	1,705.00
2. Issued Share capital 1,56,78,077 equity shares of ₹ 10 each (as at March 31, 2021 -1,56,36,340 equity shares of ₹ 10 each)	1,567.81	1,563.63
3. Subscribed and fully paid up (see note 2.48, 2.49 and 2.50) 1,56,78,077 equity shares of ₹ 10 each (as at March 31, 2021 -1,56,36,340 equity shares of ₹ 10 each)	1,567.81	1,563.63
4. Details of share holders holding more than 5% of shares :	% No of Shares	% No of Shares
Holding Company :		
Falak Investment Private Limited	50.60	50.74
5. Reconciliation of the number of shares outstanding :		
Number of shares at the beginning of the year	1,56,36,340	1,56,36,340
Issued during the year	41,737	-
Number of shares at the end of the year	1,56,78,077	1,56,36,340
6. Disclosure of shareholding of promoters		
Falak Investment Private Limited		
Number of shares at the beginning of the year	79,33,409	79,33,409
Issued during the year	-	-
Number of shares at the end of the year	79,33,409	79,33,409
% of total shares	50.60	50.74
% change during the year	-	-
7. Rights, preferences and restrictions attached to equity shares		
The Company has one class of equity shares having a par value of ₹10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.		

2.13 OTHER EQUITY

	(₹ in lakhs)	
	As at March 31, 2022	As at March 31, 2021
Securities premium	2,015.21	1,617.73
General reserve	9,848.91	9,848.91
Share based payment Reserve	266.68	476.69
Retained Earning	40,614.55	37,422.44
Foreign currency translation reserve	[83.70]	[80.13]
	52,661.65	49,285.64
1. Securities premium	1,617.73	1,373.17
Add: Premium on shares issued during the year (including transfer from Share based payment reserve)	397.48	244.56
Closing balance	2,015.21	1,617.73
2. General reserve		
Opening balance	9,848.91	9,848.91
Add: Transferred from surplus in Statement of Profit and Loss	-	-
Closing balance	9,848.91	9,848.91

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

	As at March 31, 2022	As at March 31, 2021
3. Share based payment reserve		
Opening balance	476.69	718.17
Add: Share based payment expense to employees	19.10	3.08
Less: Transferred from share based payment reserve on exercise and lapse of options	[229.11]	[244.56]
Closing balance	266.68	476.69
4. Retained earning		
Opening balance	37,422.44	31,842.79
Add: Profit for the year	4,408.52	5,639.13
Gain/(loss) on remeasurement of defined benefit plan	[43.18]	96.88
Less: Dividend paid during the year for 2020-21 @ ₹ 7.50 per share (Previous year final dividend year 2019-20 @ ₹1.00 per share)	[1,173.23]	[156.23]
Closing balance	40,614.55	37,422.44
5. Foreign currency translation reserve		
Opening balance	[80.13]	[83.83]
Add: Addition during the year	[3.57]	3.70
Closing balance	[83.70]	[80.13]
	52,661.65	49,285.64

In respect of the year ended March 31, 2022, the directors propose that a final dividend of ₹ 6.00 per share be paid on fully paid equity shares. This equity dividend is subject to approval by shareholders at the Annual General Meeting and has not been included as liability in these financial statements. The proposed equity dividend is payable to all holders of fully paid equity shares. The total estimated equity dividend to be paid is ₹ 940.68 Lakhs. (refer note 2.46)

2.14 LEASE LIABILITIES

	(₹ in lakhs)	
	As at March 31, 2022	As at March 31, 2021
a. Non-current	4,837.64	426.72
b. Current	659.59	403.75
	5,497.23	830.47

The maturity analysis of lease liability is disclosed in note 2.04

2.15 TRADE PAYABLES

	(₹ in lakhs)	
	As at March 31, 2022	As at March 31, 2021
a. total outstanding dues of micro enterprises and small enterprises (refer note 2.43)	1,418.77	787.14
b. total outstanding dues of creditors other than micro enterprises and small enterprises	15,538.59	15,664.69
	16,957.36	16,451.83

2.15A AGEING OF TRADE PAYABLE

(₹ in lakhs)						
As at March 31, 2022						
Category	Not due	0 - 1 year	1-2 Years	2-3 Years	More than 3 Years	Grand Total
i) MSME		1,355.28	40.27	13.85	9.37	1,418.77
ii) Others	8,859.26	6,026.07	200.38	12.73	440.15	15,538.59
iii) Disputed dues -MSME	-	-	-	-	-	-
iv) Disputed dues -Others	-	-	-	-	-	-
Grand Total	8,859.26	7,381.35	240.65	26.58	449.52	16,957.36

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022

As at March 31, 2021						
Category	Not due	0 - 1 year	1-2 Years	2-3 Years	More than 3 Years	Grand Total
i) MSME	-	770.03	17.11	-	-	787.14
ii) Others	9,304.57	5,736.21	37.30	443.82	142.79	15,664.69
iii) Disputed dues -MSME	-	-	-	-	-	-
iv) Disputed dues -Others	-	-	-	-	-	-
Grand Total	9,304.57	6,506.24	54.41	443.82	142.79	16,451.83

2.16 DEPOSITS FROM DEALERS

[₹ in lakhs]		
	As at March 31, 2022	As at March 31, 2021
a. Stockists' and other deposits	1,892.17	3,043.65
	1,892.17	3,043.65

2.17 OTHER FINANCIAL LIABILITIES

[₹ in lakhs]		
	As at March 31, 2022	As at March 31, 2021
a. Interest accrued but not due*	59.02	59.02
b. Unpaid dividends	41.69	35.11
c. Payables for purchase of property, plant and equipment	57.56	24.38
d. Retention monies	533.86	409.37
e. Other payables	1,721.67	1,175.50
	2,413.80	1,703.38

* It includes Interest on Income tax payable.

2.18 PROVISIONS FOR RETIREMENT BENEFITS

[₹ in lakhs]		
	As at March 31, 2022	As at March 31, 2021
a. Provision for employee benefits:		
i. Provision for compensated absences	426.67	484.61
	426.67	484.61

2.19 OTHER CURRENT LIABILITIES

[₹ in lakhs]		
	As at March 31, 2022	As at March 31, 2021
a. Advances from customers	9,523.48	5,850.10
b. Payables in respect of statutory dues*	935.54	1,097.78
c. Contract Liability	1,078.73	
	11,537.75	6,947.88

* It includes payable towards GST, TDS and employee related statutory obligations.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022

2.20 INCOME TAX LIABILITIES (NET)

[₹ in lakhs]		
	As at March 31, 2022	As at March 31, 2021
Income tax liabilities net of advance (Also refer note 2.53)	10,221.28	10,012.32
	10,221.28	10,012.32

[Net of advance tax - ₹ 7,034.73 lakhs (previous year ₹ 5,918,87 lakhs)]

2.21 REVENUE FROM OPERATION

[₹ in lakhs]		
Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
a. Revenue from sale of products		
i. Revenue from building products	1,02,937.42	95,096.19
ii. Revenue from traded products	723.63	950.03
b. Revenue from steel building contracts	30,815.50	24,931.84
Sub total *	1,34,476.55	1,20,978.06
c. Other operating revenues		
i. Sale of scrap	1,298.82	773.10
ii. Export incentives	70.19	40.72
iii. Others (including other incentives)#	625.03	-
	1,994.04	813.82
	1,36,470.59	1,21,791.88

*As per Ind AS 115, the revenue is reported net of GST

It included subsidy in the form of reimbursement of SGST

2.22 OTHER INCOME

[₹ in lakhs]		
Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
a. Interest income on financial assets carried at amortised cost		
i. Interest from banks on deposits	303.98	564.74
ii. Other interest	78.02	37.41
	382.00	602.15
b. Other non-operating income		
i. Net loss on foreign currency transactions and translation	36.41	18.91
ii. Interest Income on Deposit	22.35	1.48
iii. Liabilities / provisions no longer required written back	2,377.55	74.56
iv. Miscellaneous income	117.09	191.38
	2,553.40	286.33
	2,935.40	888.48

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

2.23 COST OF RAW MATERIAL CONSUMED (REFER NOTE 2.41)

	(₹ in lakhs)	
	As at March 31, 2022	As at March 31, 2021
Cost of material consumed	77,598.53	61,223.62
	77,598.53	61,223.62

* excludes research and development expenses of ₹ 3.51 lakhs (previous year ₹ 3.52 lakhs).

2.24 PURCHASE OF TRADED GOODS

	(₹ in lakhs)	
	As at March 31, 2022	As at March 31, 2021
Roofing accessories	-	90.72
Other items	464.92	530.88
	464.92	621.60

2.25 (INCREASE) /DECREASE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

			(₹ in lakhs)	
			For the year ended March 31, 2022	For the year ended March 31, 2021
Inventories at the end of the year:				
i.	Finished goods		9,099.66	6,922.83
ii.	Work-in-progress		5,062.37	3,636.41
iii.	Stock-in-trade		307.38	325.42
			14,469.41	10,884.66
Inventories at the beginning of the year:				
i.	Finished goods		6,922.83	10,694.82
ii.	Work-in-progress		3,636.41	3,311.73
iii.	Stock-in-trade		325.42	534.59
			10,884.66	14,541.14
			(3,584.75)	3,656.48

2.26 EMPLOYEE BENEFITS EXPENSE

			(₹ in lakhs)	
			For the year ended March 31, 2022	For the year ended March 31, 2021
a.	Salaries and wages		11,494.69	9,816.32
b.	Contributions to provident and other funds (Refer Note 2.35)		704.28	671.43
c.	Share based payment expense to employees (Refer note 2.49)		19.10	3.08
d.	Staff welfare expenses		788.33	470.20
			13,006.40	10,961.03

* excludes research and development expenses of ₹ 151.19 lakhs (previous year ₹ 13.09 lakhs).

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

2.27 FINANCE COSTS

			(₹ in lakhs)	
			For the year ended March 31, 2022	For the year ended March 31, 2021
a.	Interest on borrowings		19.11	147.83
b.	Interest on Lease liabilities		222.55	74.30
c.	Interest on deposit from dealers		73.17	108.87
d.	Interest on income tax payable		-	59.02
			314.83	390.02

2.28 DEPRECIATION AND AMORTISATION EXPENSES

			(₹ in lakhs)	
			For the year ended March 31, 2022	For the year ended March 31, 2021
a.	Depreciation on property, plant and equipment (refer note 2.01)		2,151.74	2,173.31
b.	Depreciation on right to use asset (refer note 2.04)		569.30	301.00
c.	Amortisation on intangible assets (refer note 2.03)		142.49	57.16
			2,863.53	2,531.47

2.29 OTHER EXPENSES

			(₹ in lakhs)	
			For the year ended March 31, 2022	For the year ended March 31, 2021
a.	Consumption of stores and spare parts		4,582.97	3,761.95
b.	Consumption of packing materials		1,355.77	1,038.88
c.	Power and fuel		4,339.73	3,604.76
d.	Repairs and maintenance			
	- Building		320.91	246.25
	- Machinery		565.20	526.45
	- Others		868.95	638.44
e.	Rent (refer note 2.39)		215.43	251.18
f.	Rates and taxes		237.44	170.41
g.	Insurance		519.18	401.23
h.	Travelling		1,051.88	742.13
i.	Advertisement and sales promotion expenses		1,668.27	660.08
j.	Cost for erection of buildings		3,063.82	2,257.84
k.	Loss on sale of property, plant and equipment (net)		359.29	57.51
l.	Net loss on foreign currency transactions and translation		59.90	10.96
m.	Outward freight charges on finished goods		14,275.83	10,951.20
n.	Professional and consultancy expenses (refer note 2.32)		1,639.45	1,599.80
o.	Contract labour		4,188.23	3,240.43
p.	Research and development expenses (refer note 2.44)		244.06	31.28
q.	Provision for impairment in property, plant and equipment including capital work in progress (refer note 2.54)		176.29	360.20
r.	Provision for government subsidy		-	577.07
s.	Impairment of trade receivables		306.43	1,051.55
t.	Expenditure on corporate social responsibility (refer note 2.45)		169.47	139.20
u.	Miscellaneous expenses		1,881.92	1,813.40
			42,090.42	34,132.20

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022

2.30 INCOME TAX EXPENSES

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
a. Tax expenses recognized in profit or loss		
Current Tax	2,239.82	4,100.32
Deferred Tax	3.77	(575.51)
Total tax expenses	2,243.59	3,524.81
b. Tax on other comprehensive income		
Current Tax		
Remeasurement of defined benefit plans	(23.20)	52.04
The income tax expenses for the year can be reconciled to the accounting profit as follows:		
Profit before Income Tax Expense	6,652.11	9,163.94
Enacted Statutory Income Tax Rate in India applicable to the Company	34.944%	34.944%
Computed Expected Income Tax Expense	2,324.51	3,202.25
Adjustments:		
Impact on provision for impairment of CWIP (being disallowed in income tax computation)	(181.78)	125.87
Effect of deduction under Section 80G of Income Tax Act, 1961	29.32	34.82
Others	71.54	161.87
Current tax expenses recognised in Statement of Profit and Loss	2,243.59	3,524.81

2.31 CONTINGENT LIABILITIES AND COMMITMENTS

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
a. Contingent liabilities		
Claims against the Company not acknowledged as liabilities in respect of:		
Sales tax matters	11,073.85	10,492.18
Excise and service tax matters	890.40	890.40
Income tax matters	2,943.33	2,189.83
Total	14,907.58	13,572.41
Advance paid/adjusted by authorities against above	1,934.83	1,856.74

b. Commitments

- Estimated amount of contracts to be executed on capital account – ₹ 523.28 lakhs (net of advances – ₹ 430.95 lakhs), (previous year – ₹ 150.95 lakhs (net of advances ₹ 10.32 lakhs).
- The Company has other commitments, for purchases/sales orders which are issued after considering requirements per operating cycle for purchase/sale of goods and services, in normal course of business.
- The Company did not have any long term commitments/contracts including derivative contracts for which there will be any material foreseeable losses.

2.32 PROFESSIONAL AND CONSULTANCY EXPENSES INCLUDE AUDITORS REMUNERATION (EXCLUDING TAXES) AS FOLLOWS:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
To statutory auditors		
i. Audit fee	39.00	39.00
ii. Limited Review	21.00	24.00
iii. Reimbursement of expenses	1.05	1.65
	61.05	64.65

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022

2.33 DISCLOSURE IN RESPECT OF REVENUE FROM CONTRACTS WITH CUSTOMERS

a. Disaggregation of revenue from contracts with customers

The Company derives revenue from the transfer of goods and services over time and at a point in time in the following major product lines and geographical regions:

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue by Geography		
Domestic	1,29,252.72	1,17,004.07
Overseas	5,223.83	3,973.99
Total revenue from contract with customers	1,34,476.55	1,20,978.06
Timing of revenue recognition		
At a point in time	1,03,661.05	96,046.22
Over time	30,815.50	24,931.84
Total revenue from contract with customers	1,34,476.55	1,20,978.06

b. Contract Balances

The following table provides information about receivables, contracts assets, and contract liabilities from contracts with customers.

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Receivables	3,136.08	2,642.24
Contract assets	640.41	-
Contract liabilities	1,078.73	-

c. Disclosure of 'revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period' and 'revenue recognised in the reporting period from performance obligations satisfied (or partially satisfied) in previous periods.

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue from steel building contracts	30,815.50	24,931.84
Amounts included in contract liabilities at the beginning of the year	-	-
Performance obligations satisfied in previous years	-	-

d. The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at March 31, are as follows:

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Within one year	20,841.81	20,062.22
More than one year	-	-

Note : The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at March 31, 2022 is of 20,841.81 lakhs. Management expects that around 90% to 95% of the transaction price allocated to unsatisfied contracts as of March 31, 2022 will be recognised as revenue during next reporting period depending upon the progress on each contracts.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

2.34 FOREIGN EXCHANGE DISCLOSURE

Outstanding forward exchange contracts as on March 31, 2022:

(₹ in lakhs)

Particulars		As at March 31, 2022	As at March 31, 2021
Payables	USD	15.47	32.84
	INR	1,173.25	2,398.40

Foreign currency exposures that are not hedged by derivative instruments or otherwise are as follows:

(₹ in lakhs)

Particulars		As at March 31, 2022	As at March 31, 2021
Receivables			
	USD	20.48	13.42
	INR	1,552.43	986.57
Payables			
	AED	-	3.37
	INR	-	67.49
Payables			
	USD	2.13	-
	INR	161.73	-

Refer note 2.52 for sensitivity analysis

2.35 Employee benefit

a. Defined contribution plan

The Company makes superannuation fund contribution to defined contribution retirement plans for covered employees. The Company's contribution towards superannuation fund is deposited in trust. The Company recognised ₹ 46.87 lakhs (previous year ₹ 64.87 lakhs) for superannuation fund contributions in the Statement of Profit and Loss.

b. Defined benefit plan

i. Gratuity fund

The Group's contribution towards its gratuity liability is a defined benefit retirement plan. The Group makes contributions to the trust from time to time which in turn makes contributions to the Employee's Group Gratuity-cum-Life Assurance scheme of the Life Insurance Corporation of India. The scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to fifteen days salary payable for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service.

The following tables set out the funded status of the gratuity plan and amounts recognised in the Group's financial statements as at March 31, 2022:

(i) Reconciliation of fair value of plan assets and defined benefit obligation:

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Defined Benefit Obligation	1,893.32	1,886.33
Fair Value of Plan Assets	2,158.99	2,314.65
Funded Status Surplus/(Deficit)	265.67	428.32

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(ii) Amount recognised in Statement of Profit and Loss:

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Current service cost	145.77	154.94
Past service cost - plan amendments	-	16.80
Net Interest expenses	(25.11)	(20.06)
Amount recognised in Statement of Profit and Loss	120.66	151.68

(iii) Amount recognised in Other Comprehensive Income:

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Actuarial (gain)/loss due to DBO experience	146.25	(126.29)
Actuarial (gain)/loss due to DBO assumption changes	(33.07)	4.01
Return on plan assets (greater)/less than discount rate	(46.80)	(26.64)
Actuarial (gains)/ losses recognized in OCI	66.38	(148.92)

(iv) Changes in the present value of the defined benefit obligation are as follows:

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Present value of defined benefit obligations at beginning of the year	1,886.33	2,020.48
Current service cost	145.77	154.94
Interest cost	97.56	108.71
Benefits paid	(349.52)	(292.32)
Past service cost - plan amendments	-	16.80
Actuarial (gain)/loss on obligations	113.18	(122.28)
Present value of defined benefit obligations at the end of the year	1,893.32	1,886.33

(v) Changes in the fair value of plan assets are as follows:

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Fair value of plan assets at the beginning of the year	2,314.65	2,280.94
Interest Income on plan assets	122.67	128.77
Employer contribution	-	28.23
Return on plan assets greater/(lesser) than discount rate	46.80	26.64
Benefits paid	(325.13)	(149.93)
Fair value of plan assets at the end of the year	2,158.99	2,314.65

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(vi) The major categories of plan assets of the fair value of the total plan assets are as follows: (₹ in lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
	Funded	Funded
With Government of India securities	81.28%	78.56%
With Debt instruments	11.21%	15.39%
With Equity shares	5.12%	5.90%
Other deposits	2.39%	0.15%
	100.00%	100.00%

The planned assets of the Company are managed by the Life Insurance Corporation of India in terms of an insurance policy taken to fund obligations of the Company with respect to its gratuity plan. Information on categories of plan assets as at March 31, 2022 has not been provided by the Life Insurance Corporation of India.

(vii) Principal actuarial assumptions used in determining gratuity obligations: (₹ in lakhs)

Assumptions	As at March 31, 2022	As at March 31, 2021
Discount rate	6.10%	5.70%
Salary escalation	8.00%	8.00%
Mortality rate	Indian Assured Lives Mortality (2006 -08) (Ult)	
Withdrawal rate	15.00%	15.00%

(viii) A quantitative sensitivity analysis for significant assumption as at March 31, 2022 is as shown below: (₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Discount Rate		
Effect on DBO due to 0.5% increase in Discount Rate	(39.70)	(35.25)
Effect on DBO due to 0.5% decrease in Discount Rate	36.45	36.45
Salary Escalation Rate		
Effect on DBO due to 0.5% increase in Salary Escalation Rate	35.54	35.54
Effect on DBO due to 0.5% decrease in Salary Escalation Rate	(39.31)	(34.72)

(ix) The following payments are expected contributions to the defined benefit plan in future years: (₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
31-Mar-22	-	309.09
31-Mar-23	331.14	335.24
31-Mar-24	350.57	390.39
31-Mar-25	314.39	281.38
31-Mar-26	288.63	264.24
March 31, 2027 to March 31, 2032	1,630.69	1,157.10

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

II. Provident fund

The Group's contribution towards provident fund is a defined benefit retirement plan. The Group makes contributions to the trust from time to time which in turn makes contributions in approved securities. The Group is liable for contribution paid/payable under provident fund scheme and any deficiency in interest cost compared to interest computed based on the interest declared by the Central Government under Employee Provident Fund Scheme, 1952 is recognised as defined benefit obligation.

The following tables set out the funded status of provident fund in the Company's financial statements as at March 31, 2022:

(i) Reconciliation of fair value of plan assets and defined benefit obligation: (₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Defined Benefit Obligation	8,131.96	8,427.50
Fair Value of Plan Assets	8,253.67	8,999.78
Funded Status Surplus/(Deficit)	121.71	572.28

(ii) Amount recognised in Statement of Profit and Loss: (₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Current service cost	167.33	186.84
Net Interest expenses	-	-
Immediate recognition of (gain)/losses- other long term employee benefit plan	-	-
Other adjustments	-	-
Amount recognised in Statement of Profit and Loss*	167.33	186.84

* An employer expense of ₹ NIL has been shown as there is no net liability on account of the interest guarantee. Therefore no expense needs to be recognised.

(iii) Amount recognised in Other Comprehensive Income (₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Actuarial (gain)/loss due to DBO experience	169.09	338.27
Actuarial (gain)/loss due to DBO assumption changes	(162.32)	326.68
Actuarial (gain)/loss arising during period	(495.83)	(314.56)
Return on plan assets (greater)/less than discount rate	489.06	(350.39)
Actuarial (gains)/ losses recognized in OCI*	-	-

* An employer expense of ₹ NIL has been shown as there is no net liability on account of the interest guarantee. Therefore no expense needs to be recognised.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022

(iv) **Changes in the present value of the defined benefit obligation are as follows**

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Present value of defined benefit obligations at beginning of the year	8,427.50	8,857.02
Current service cost	167.33	186.84
Interest cost	446.39	464.46
Employee contribution	364.43	494.66
Acquisition (credit)/ cost	(242.16)	(1,174.94)
Other adjustments		
Benefits paid	(1,038.30)	(1,065.49)
Actuarial (gain)/loss on obligations	6.77	664.95
Present value of defined benefit obligations at the end of the year	8,131.96	8,427.50

(v) **Changes in the fair value of plan assets are as follows:**

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Fair value of plan assets at the beginning of the year	8,999.78	9,743.86
Interest Income on plan assets	491.65	464.46
Employer contribution	531.76	681.50
Acquisition adjustment	(242.16)	(1,174.94)
Return on plan assets greater/(lesser) than discount rate	(489.06)	350.39
Benefits paid	(1,038.30)	(1,065.49)
Fair value of plan assets at the end of the year	8,253.67	8,999.78

(vi) **The major categories of plan assets of the fair value of the total plan assets are as follows:**

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Investment details	Funded	Funded
Government of India securities	40.72%	41.64%
PSU	43.33%	41.86%
Private sector bond	0.00%	0.00%
Special deposit scheme	15.57%	16.31%
Mutual Fund	0.38%	0.19%
	100.00%	100.00%

(vii) **Principal actuarial assumptions used in determining provident fund obligations:**

(₹ in lakhs)

Assumptions	As at March 31, 2022	As at March 31, 2021
Discount rate	6.10%	5.70%
Salary escalation	8.10%	8.50%
Mortality rate	Indian Assured Lives Mortality (2006 -08) (modified)	
Withdrawal rate	15.00%	15.00%

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022

2.36 Related party disclosures

a. List of related parties

i. Holding company

Falak Investment Private Limited

ii. Key management personnel/Whole time director

Mr. Rajesh Joshi, Managing Director & CEO (from September 01, 2020)

Mr. Manish Sanghi, Managing Director (till August 31, 2020)

Mr. Y. Srinivasa Rao, Executive Director (till April 09, 2021)

Mr. Neeraj Kohli, Company Secretary

Mr. Nikhil Dujari, Chief Financial Officer (till May 10, 2021)

Mr. Pramod Nair, Chief Financial Officer (from May 11, 2021)

iii. Non executive directors

Mr. Anant Talaulicar, Non Executive Chairman

Ms. Padmini Sekhsaria, Vice Chairperson

Mr. Narotam Sekhsaria, Director

Mr. Alok Nanda, Director

Mr. B. L. Taparia, Director

Ms. Bhavana Doshi, Director

Mr. M. L. Gupta, Director

Mr. Rajendra Chitale, Director

iv. Entities on which key management personnel have control/significant influence

Everest Foundation (with effect from September 24, 2021)

b. Transactions with related parties during the year:

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
i. Dividend paid		
Falak Investment Private Limited	595.01	79.33
ii. Remuneration to key management personnel/ whole time director		
Mr. Rajesh Joshi	318.56	204.17
Mr. Manish Sanghi	-	304.50
Mr. Y. Srinivasa Rao	191.56	187.08
Mr. Neeraj Kohli	36.82	29.07
Mr. Nikhil Dujari	15.98	101.57
Mr. Pramod Nair	95.09	-
iii. Commission and Sitting fees paid to Non executive directors		
Mr. Anant Talaulicar	204.50	205.00
Ms. Padmini Sekhsaria	4.50	5.00
Mr. Narotam Sekhsaria	2.80	3.20
Mr. Alok Nanda	9.80	10.20
Mr. B. L. Taparia	12.60	13.00
Ms. Bhavana Doshi	10.70	11.60
Mr. M. L. Gupta	11.40	12.20
Mr. Rajendra Chitale	14.10	14.40
iv. Dividend paid to key management personnel		
Mr. Manish Sanghi	-	0.80
Mr. Y. Srinivasa Rao	-	0.32
Mr. Neeraj Kohli	0.09	-
v. Contribution paid for CSR		
Everest Foundation	106.13	-

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

c. Balances outstanding with related parties at the year end:

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
i. Share capital from		
Falak Investment Private Limited	793.34	793.34
ii. Performance incentive due to key management personnel		
Mr. Rajesh Joshi	76.58	-

* As the future liabilities for gratuity and leave encashment are provided on actuarial valuation basis for the Company as whole, the amount pertaining to individual is not ascertainable and therefore not included above.

Terms and conditions

- i) All the outstanding balances are unsecured and are repayable as per terms of credit and settlement occurs in cash.
- ii) All related party transactions entered during the year were in ordinary cases of business and on arm length basis.
- iii) The Company has not recorded any impairment of receivables related to amount owed by related party.

2.37 Segment information

a. Business segments:

The Group has determined following reporting segments based on the information reviewed by the Chief Operating Decision Maker (CODM). Building products includes manufacturing and trading of roofing products, boards and panels, other building products and accessories. Steel buildings consist of manufacture and erection of pre-engineered and smart steel buildings and its accessories.

b. Geographical segments:

Since the Group's activities/operations are primarily within the country and as such there is only one geographical segment.

c. Segment accounting policies:

In addition to the significant accounting policies applicable to the business segments as set out in note a above, the accounting policies in relation to segment accounting are as under:

i. Segment revenue and expenses:

Segment revenue and expenses include the respective amounts identifiable to each of the segments. Unallocable items in segment results include income from bank deposits and corporate expenses.

ii. Segment assets and liabilities:

Segment assets include all operating assets used by a segment and consist principally of operating cash, trade receivables, inventories and fixed assets, net of allowances and provisions, which are reported as direct offsets in the balance sheet. Segment liabilities include all operating liabilities and consist principally of creditors and accrued liabilities. Segment assets and liabilities do not include fixed deposits, advance income tax, borrowings and deferred income tax etc.

The measurement of each segment's revenues, expenses and assets is consistent with the accounting policies that are used in preparation of the Group's financial statements.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Information about business segments:

(₹ in lakhs)

Particulars	Building products		Steel buildings		Total	
	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021
1 Segment Revenue						
External revenue	1,03,661.05	96,046.22	30,815.50	24,931.84	1,34,476.55	1,20,978.06
Other operating income	859.61	270.11	1,134.43	543.71	1,994.04	813.82
Total Revenue	1,04,520.66	96,316.33	31,949.93	25,475.55	1,36,470.59	1,21,791.88
2 Segment Results						
Unallocated expenses (net of income)					3,353.72	3,893.35
Operating Profit	11,488.80	15,313.39	(1,168.13)	(1,866.08)	6,966.95	9,553.96
Finance costs					314.83	390.02
Profit before tax					6,652.11	9,163.94
Tax expense					2,243.59	3,524.81
Net Profit					4,408.53	5,639.13
3 Other Information						
a. Assets						
Segment assets	49,656.75	47,855.66	25,695.96	20,023.46	75,352.71	67,879.12
Unallocated assets					30,483.31	25,124.02
Total assets	49,656.75	47,855.66	25,695.96	20,023.46	1,05,836.02	93,003.14
b. Liabilities						
Segment liabilities	18,269.57	16,442.11	11,306.97	9,960.33	29,576.54	26,402.44
Unallocated liabilities					22,030.02	15,751.88
Total liabilities	18,269.57	16,442.11	11,306.97	9,960.33	51,606.56	42,154.32
c. Others*						
Capital expenditure	1,652.87	1,164.60	367.98	41.13	2,020.85	1,205.73
Depreciation	1,677.95	1,617.90	543.68	490.79	2,221.63	2,108.69
Non-cash expenses other than depreciation (includes impairment of trade receivables and other receivables)	176.00	937.27	306.43	875.23	482.43	1,812.50

* Excluding unallocated items

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

2.38 DEFERRED TAXATION

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
a. Deferred tax assets		
Tax impact of:		
i. Expenditure covered by Section 43B of the Income-tax Act, 1961	201.72	211.96
ii. Impairment of trade receivables	942.78	1,240.28
iii. Right to use assets	70.98	27.70
iv. Interest on income tax refunds	823.87	710.63
v. Others	211.53	2.45
Total deferred tax assets	2,250.88	2,193.02
b. Deferred tax liabilities		
Tax impact of:		
i. Excess of depreciation allowable under the Income-tax Act, 1961 over depreciation provided in financial statements	4,900.89	4,863.66
ii. Others	10.29	9.09
Total deferred tax liability	4,911.18	4,872.75
Net deferred tax liability	2,660.30	2,679.73

2.39 LEASE COMMITMENTS

Operating lease as lessee

The Company has taken properties on cancellable operating leases and has recognised rent of ₹ 215.43 lakhs (previous year ₹ 251.18 lakhs). There are no non-cancellable lease arrangements as at the end of the year.

2.40 EARNINGS PER SHARE

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
a. Number of equity shares of ₹10 each fully paid up at the beginning of the year	1,56,36,340	1,56,36,340
b. Number of equity shares of ₹ 10 each fully paid up at the year end	1,56,78,077	1,56,36,340
c. Weighted average number of equity shares used in computing earnings per share	1,56,44,777	1,56,36,340
d. Weighted average number of options granted	1,05,048	2,19,185
e. Weighted average number of options post adjustment for number of options granted	1,05,048	2,19,185
f. Net profit for the year – (₹ / lakhs)	4,408.52	5,639.13
g. Basic earnings per share (Rupees)	28.18	36.06
h. Diluted earnings per share (Rupees)	28.18	36.06
i. Nominal value of equity shares (Rupees)	10.00	10.00

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

2.41 COST OF MATERIALS CONSUMED

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening stock	13,293.88	14,965.02
Add: Purchases	81,338.10	59,552.48
	94,631.98	74,517.50
Less: Closing stock	17,033.45	13,293.88
Cost of materials consumed*	77,598.53	61,223.62
Materials consumed comprises:*		
Raw fibre	26,633.55	21,051.28
Cement	17,285.62	12,952.97
Steel	17,031.30	14,722.05
Other items	16,648.06	12,497.32
	77,598.53	61,223.62

* excludes research and development expenses of ₹3.52 lakhs (previous year ₹ 3.52 lakhs)

2.42 DETAILS OF FINISHED GOODS, WORK IN PROGRESS AND STOCK-IN-TRADE

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
a. Finished goods		
i. Building products	7,672.86	5,648.73
ii. Steel buildings	1,426.80	1,274.10
	9,099.66	6,922.83
b. Work in progress		
i. Building products	4,891.89	3,293.12
ii. Steel buildings	170.48	343.29
	5,062.37	3,636.41
c. Stock-in-Trade		
i. Roofing accessories	79.19	82.08
ii. Other items	228.19	243.34
	307.38	325.42

2.43 DETAILS OF DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES AS DEFINED UNDER THE MSMED ACT, 2006

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Principal amount due to micro, small and medium enterprises	1,418.77	787.14
Interest due on above	-	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-

According to the records available with the Company, dues payable to entities that are classified as Micro and Small Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 during the year is ₹ 1,418.77 lakhs (previous year ₹ 787.14 lakhs). Further no interest has been paid or was payable to such parties under the said Act during the year.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022

2.44 EXPENDITURE ON RESEARCH AND DEVELOPMENT

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
a. Capital nature*		
Gross block	117.59	117.59
Accumulated depreciation	97.63	94.43
Net block	19.96	23.16
b. Revenue nature		
i. Cost of materials consumed	3.51	3.52
ii. Consumption of stores and spare parts	21.48	2.34
iii. Employee benefits expense		
-Salaries and wages	140.65	12.44
-Contributions to provident and other funds	10.54	0.65
iv. Miscellaneous expenses	67.88	12.33
	244.06	31.28
v. Depreciation	3.20	4.56
Total	247.26	35.84

* fixed assets utilised for research and development.

2.45 THE DETAILS RELATING TO CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENDITURE ARE AS FOLLOWS :

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Gross amount required to be spent by the Company during the year	166.96	139.20
Amount spent during the year (See Note below)	106.13	82.41
Shortfall at the end of the year *	63.34	56.79
Previous year shortfall	-	-
Reason for shortfall	pertains to ongoing projects	pertains to ongoing projects
Nature of CSR activities	Livelihood enhancement-training and skill development, Preventive healthcare and sanitation, Promotion of education & sport and Environment sustainability etc.	
Details of related party transactions		
Everest Foundation	106.13	-

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
i. Construction/ acquisition of assets	-	-
ii. On purposes other than (i) above	169.47	139.20

* The amount unspent during the year is deposited in escrow account on April 28, 2022

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022

2.46 DISTRIBUTION MADE AND PROPOSED:

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Cash dividend on Equity shares declared and paid:		
Final dividend for the year ended on March 31, 2021 ₹ 7.50 Per share (March 31, 2020: ₹ 1.00 Per share)	1,173.23	156.36
Dividend distribution tax on final dividend	-	-
Proposed dividends on Equity shares not recognised as liability:		
Final cash dividend for the year ended on March 31, 2022 ₹ 6.00 per share (March 31, 2021: ₹ 7.50 per share)	940.68	1,172.73

2.47 EMPLOYEE STOCK OPTION SCHEME

The Company has granted 1,31,992 stock options (previous year Nil stock options) to the employees during the year ended March 31, 2022. The exercise price per option shall be the average of the two weeks high and low price of the share preceding the date of grant of options on BSE/NSE or closing price of the Company's share on that stock exchange on the date prior to the date of grant of options, whichever is less. Options granted shall vest with the grantee after a period of one year from the date of grant. The exercise period of the options is a period of four years after the vesting of the options.

Particulars	ESOS 2015	ESOS 2017	ESOS 2018	ESOS 2019	ESOS 2021
Year in which scheme was established	2015-16	2017-18	2018-19	2019-20	2020-21
Number of options authorised and granted	1,70,000	1,60,000	1,70,000	16,450	1,31,992
Exercise price	₹ 262	₹571	₹477	₹127	₹635
Fair value	₹ 100.11	₹288.37	₹182.63	₹37.67	
Vesting date	After one year from the date of grant of option				
Vesting requirement	One year service from the date of grant of option				
Exercise period	During four year after vesting date				

Option activity during the year under the plans is set out below:

Particulars	ESOS 2015	ESOS 2017	ESOS 2018	ESOS 2019	ESOS 2021
i. Opening balance	-	92,590	1,12,245	14,350	-
	51,225	1,29,500	1,59,395	16,300	-
ii. Granted during the year	-	-	-	-	1,31,992
iii. Vested during the year	-	-	-	-	-
iv. Exercised during the year	-	(5,240)	(27,505)	(8,992)	-
v. Forfeited during the year	-	(29,575)	(40,675)	(2,150)	-
	(51,225)	(36,910)	(47,150)	(1,950)	-
vi. Expired during the year	-	-	-	-	-
vii. Outstanding at the year end	-	57,775	44,065	3,208	1,31,992
	-	92,590	1,12,245	14,350	-
viii. Options exercisable at the year end	-	57,775	44,065	3,208	-
	-	92,590	1,12,245	14,350	-
ix. Remaining contractual life (years) at the year end	-	0.82	1.82	2.98	3.90
	-	1.82	2.82	3.98	-

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Previous year figures are in italics & brackets.

The fair value of stock based awards to employees is calculated through the use of option pricing models, requiring subjective assumptions which greatly affect the calculated values. The said fair value of the options have been calculated using Black-Scholes option pricing model, considering the expected term of the options to be 5 years, expected dividend yield on the underlying equity shares and volatility in the share price and a risk free rate of interest. The Company's calculations are based on a single option valuation approach, and forfeitures are recognised as they occur. The expected volatility is based on historical volatility of the share price during the year after eliminating the abnormal price fluctuations.

2.48 THE COMPANY HAS TRANSACTIONS WITH COMPANIES STRUCK OFF UNDER SECTION 248 OF THE COMPANIES ACT, 2013

(₹ in lakhs)

Name of Struck off Company	Nature	Relationship	FY 2021-22		FY 2020-21	
			Transactions during the year 31 March, 2022	Balance outstanding as at 31 March, 2022	Transactions during the year 31 March, 2022	Balance outstanding as at 31 March, 2022
Sushil Machine Private Limited	Payable	Vendor	(10.65)	(2.16)	(5.30)	(0.68)
Super Transports Private Limited	Payable	Vendor			(4.03)	(0.74)
Lanxess India Private Limited	Payable	Vendor	(73.99)	(14.63)	-	
La Casa Engineering Private Limited	Payable	Vendor	-	(0.48)	-	(0.48)
Vasudar Engineerings Private Limited	Payable	Vendor			(0.15)	-
Igus (India) Private Limited	Payable	Vendor	-	-	(0.97)	-
Microland Limited	Receivables	Vendor	-	0.10		
Sew Eurodrive India Pvt.Ltd.	Payable	Vendor	(8.94)	-	(13.77)	-
Jai Hind Trading Company Limited	Payable	Customer	57.60	(1.07)	-	(2.67)
Quality Buildicon Private Limited	Receivables	Customer	483.10	48.52	115.69	12.26
Vinod Enterprises Private Limited	Receivables	Customer	3.92	-	-	-
Cyrex Infra Projects Private Limited	Payable	Customer	0.45	(0.02)	-	-
Rammangal Heart Foundation Private Limited	Payable	Customer	4.27	(2.76)	-	-
Radiant Enterprises Private Limited	Receivables	Customer	-	9.40	-	9.40

2.49 FINANCIAL INSTRUMENTS - FAIR VALUES

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments:

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Financial assets		
Measured at fair value		
- Derivative assets	0.96	9.65
Financial assets Measured at amortised cost		
- Security Deposits	767.34	696.73
- Government subsidy receivables	535.03	-
- Balances held as margin money (deposit accounts)	422.64	4,861.90
- Interest accrued on deposits	127.75	121.58
- Insurance claim receivable	-	1.84
- Other recoverable	306.67	169.81
Trade receivable*	5,364.70	5,693.48
Cash & cash equivalents*	9,805.77	4,782.52
Other bank balances*	6,741.09	8,492.11
	24,071.95	24,829.62

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Particulars	As at March 31, 2022	As at March 31, 2021
Financial liabilities		
Measured at amortised cost		
Lease liabilities	5,497.23	830.47
Trade Payable*	16,957.36	16,451.83
Other Financial Liabilities*		
- Interest accrued but not due	59.02	59.02
- Unpaid dividend	41.69	35.11
- Payable for capital goods	57.56	24.38
- Retention monies	533.86	409.37
- Other payables	1,721.67	1,175.50
- Stockists' and other deposits	1,892.17	3,043.65
	26,760.56	22,029.33

* The management assessed that carrying values approximates their fair value largely due to the short-term maturities of these instruments

2.50 FINANCIAL INSTRUMENTS - FAIR VALUE HIERARCHY

The fair value of financial instruments have been classified into three categories depending upon the input used in the valuation technique.

The categories used are as follows :

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices 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).

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

The following table presents the fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2022:

Particulars	Level 1	Level 2	Level 3
Derivative assets	-	(0.96)	-

The following table presents the fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2021:

Particulars	Level 1	Level 2	Level 3
Derivative assets	-	(9.65)	-

2.51 CAPITAL MANAGEMENT

For the purposes of the Company's capital management, capital includes issued capital and all other equity reserves. The primary objective of the Company's capital management is to maximise shareholder value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants. The Company take appropriate steps in order to maintain its capital structure. The Company monitors capital using gearing ratio, which is total debt divided by total capital plus debt.

2.52 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include advances, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

The Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk.

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises risk of: currency risk and interest rate risk.

The Group is exposed to market risk primarily related to foreign exchange rate risk and interest rate risk. Thus, the Group's exposure to market risk is a function of borrowing activities, revenue generating and operating activities in foreign currencies.

Foreign exchange risk

The Company regularly evaluates exchange rate exposure arising from the foreign currency transaction.

The Company uses forward contracts and derivative instruments to mitigate foreign exchange related risk exposures. When a forward contract is entered into for the purpose of being a hedge, the Company negotiates the terms of those contracts to match the terms of the hedged exposure. The Company's exposure to unhedged foreign currency risk as at March 31, 2022 and March 31, 2021 has been disclosed in note 2.34.

For the year ended March 31, 2022, every 5 percentage point depreciation/appreciation in the exchange rate between the Indian rupee and U.S. dollar, would have affected the Company's profit before tax by ₹ 85.71 Lakhs/ ₹ (85.71) Lakhs respectively.

For the year ended March 31, 2021, every 5 percentage point depreciation/appreciation in the exchange rate between the Indian rupee and U.S. dollar, would have affected the Company's profit before tax by ₹ 52.70 Lakhs/ ₹ (52.70) Lakhs respectively.

The Group's investments in term deposits with banks are for short durations, and therefore do not expose the Company to significant interest rates risk. To optimise the interest cost the Company balances the borrowings from commercial paper, working capital loan and non-fund facilities from banks.

Credit risk

Credit risk arises from the possibility that customers may not be able to settle their obligations as agreed. The Group is exposed to credit risk from its operating activities (primarily trade receivables and deposits) and from foreign exchange transactions.

Commodity risk

The Company is exposed to movement in metal commodity price of steel. Our sales contracts are on fixed price basis. Profitability in case of firm price orders is affected by movement in the prices of steel. To minimize the price volatility, company buy steel on spot price basis. For Roofing Business Company has long term contract for its main RM. However due to global scarcity of containers sea freight is abnormally increased which affected our input cost.

Trade receivables

To manage the credit risk the Group periodically assesses the financial reliability of customers taking into account the financial condition and ageing of accounts receivable.

An impairment analysis is performed for all major customers at each reporting date on an individual basis. The calculation is based on historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in note.

Reconciliation of the allowances for credit losses :

The details of changes in allowances for credit losses for the year ended March 31, 2022 and March 31, 2021 are as follows:

Particulars	₹ in lakhs)	
	As at March 31, 2022	As at March 31, 2021
Balance as at beginning of the year	389.00	624.00
Provision/ (reversal) made during the year	(89.00)	(235.00)
Closing provision at the end of the year	300.00	389.00

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. The Group manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

As at March 31, 2022 and March 31, 2021, the Group had unutilised fund based and non fund based limits from banks of ₹ 25,470.00 lakhs and ₹ 24,807.00 lakhs respectively, the returns statement filed by the Group with the Banks are agreement with the books of the accounts of the Group.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

2.53 The Company has many tax matters which are in various stages of litigation. In this regard the Company had in the earlier years received certain appeal orders in its favor in respect of which the department has gone in appeal to the next appellate authority. The refunds consequent to such orders have been received during the current year and have accordingly, been disclosed as a liability in these financial statements since the department has gone in further appeal. The management believes that no additional liabilities are likely to devolve on the Company.

2.54 Capital work in progress includes imported machinery in building products amounting to ₹ 1560 lakhs. Due to delay in land allocation by the State Govt. and by virtue of COVID 19 impact, the Company has deferred its plan to install the machinery in near future. Consequently, the Company has determined the net realizable value of the machinery by an independent certified valuer using cost approach and has made a provision of impairment of ₹ 541.20 lakhs against the (previous year ₹ 520.20 lakhs) against the said machinery

2.55 The Group received approvals from the Director of Industries, Odisha in respect of the subsidy in the form of reimbursement of 75% of net SGST, for the period from 1 July, 2017 to 31 March, 2020. Consequently, in the quarter ended 30 September, 2021, the Group had written back provisions in this regard, which were created in an earlier year, aggregating ₹ 577 lakhs, included under the head 'Other Income'. Further, with the clarity resulting from the State Government notification for procedures to claim incentives in the post-GST period, for the year ended 31 March, 2022 the Group accrued ₹ 625 lakhs of subsidy (including ₹ 217 lakhs for FY 2021-22, ₹ 318 lakhs for the period ended March 31, 2021 and ₹ 90 lakhs prior to April 01, 2020 which has already received), which is included under the head 'Revenue from Operations'.

2.56 The Group has considered the possible effects that may result from the global health pandemic relating to COVID-19 on its operations. Management believes that it has taken into account external and internal information for assessing the possible impact of COVID-19 on various elements of its financial results, including its liquidity position and the recoverability of assets. However, the impact assessment of COVID-19 is a continuing process, given the uncertainties associated with its nature and duration. The Group will continue to monitor any material changes to future economic conditions and the consequent impact on its business, if any.

2.57 On September 24, 2021, the Group incorporated Everest Foundation, a wholly owned Section 8 Company under the Companies Act, 2013, to further the CSR activities of the Group. The objective is not to obtain economic benefits through the activities of Everest Foundation and accordingly it has been excluded for the purpose of preparation of consolidated financial statements.

2.58 OTHER STATUTORY INFORMATION

- (i) The Group do not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- (ii) The Group have not traded or invested in Crypto currency or Virtual Currency during the financial year
- (iii) The Group do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period,
- (iv) The Group has not advanced or loaned or invested funds to any other person(s) or entity, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (v) The Group has not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- (vi) The Group has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

2.59 DISCLOSURES AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT, 2013 WITH RESPECT TO CONSOLIDATED FINANCIAL STATEMENT

As at and for the year ended 31 March, 2022

Name of the entity in the Group	As at 31 March, 2022		For the year ended 31 March, 2022		For the year ended 31 March, 2022		For the year ended 31 March, 2022	
	Net assets		Share in profit & loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	₹ in Lakhs	As % of consolidated profit or loss	₹ in Lakhs	As % of consolidated other comprehensive income	₹ in Lakhs	As % of consolidated total comprehensive income	₹ in Lakhs
Holding Company								
Everest Industries Limited	100.30%	54,390.39	100.11%	4,412.31	94.36%	(43.18)	100.2%	4369.13
Subsidiaries (Group's share)								
Foreign								
Everest Building Products	0.00%	0.54	(0.06%)	(2.53)	(0.11%)	0.05	(0.1%)	(2.48)
Everest FZE	(0.30%)	(161.43)	(0.05%)	(2.25)	13.55%	(6.20)	(0.2%)	(8.45)
Exchange differences on translation of foreign operation	-	-	-	-	(7.80%)	3.57	0.1%	3.57
Total	100.00%	54,229.50	100.0%	4,407.53	100.00%	(45.76)	100.0%	4,361.77

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Name of the entity in the Group	As at 31 March, 2021		For the year ended 31 March, 2021		For the year ended 31 March, 2021		For the year ended 31 March, 2021	
	Net assets		Share in profit & loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	₹ in Lakhs	As % of consolidated profit or loss	₹ in Lakhs	As % of consolidated other comprehensive income	₹ in Lakhs	As % of consolidated total comprehensive income	₹ in Lakhs
Holding Company								
Everest Industries Limited	100.30%	51,002.84	102.13%	5,759.18	96.32%	96.88	102.03%	5,856.06
Subsidiaries (Group's share)								
Foreign								
Everest Building Products	0.01%	3.03	(0.15%)	(8.22)	(0.20%)	(0.20)	(0.15%)	(8.42)
Everest FZE	(0.31%)	(156.60)	(1.98%)	(111.83)	7.56%	7.60	(1.82%)	(104.23)
Exchange differences on translation of foreign operation	-	-	-	-	(3.68%)	(3.70)	(0.06%)	(3.70)
Total	100.00%	50,849.27	100.00%	5,639.13	100.00%	100.58	100.00%	5,739.71

2.60 The previous Year figures have been regrouped/ reclassified wherever necessary to correspond with the current year's classification/ disclosures.

See accompanying notes forming part of the standalone financial statements

As per our report of even date

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration No : 324982E/E300003

For and on behalf of the Board of Directors

per Vinayak Pujare
Partner
Membership No : 101143

Anant Talaulicar
Chairman
DIN No. 00031051

Rajesh Joshi
Managing Director & CEO
DIN No. 08855031

Pramod Nair
Chief Financial Officer

Neeraj Kohli
Company Secretary

Mumbai
May 27, 2022

Mumbai
May 27, 2022

Mumbai
May 27, 2022

Mumbai
May 27, 2022

New Delhi
May 27, 2022

everest

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