

Ref:- CHO/2023-24/BSE

Date: 12th September, 2023

To,

The Manager (Listing),
Corporate Relationship Department,
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai-400 001

Scrip Code: 530545

Scrip ID: COSCO

Sub:Re-Submission of Annual Report of Cosco (India) Limited for the financial year 2022-23.

Dear Sir,

Please refer to the Annual Report for the Financial year 2022-23 of our Company hosted on 06.09.2023 on your website pursuant to Regulation 34 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

The Annual Report for the FY 2022-23 is being hosted again as the Annual Report disseminated on 06.09.2023 file had some printing error in respect of particulars of the Statutory Auditor's details- The Membership No. and the Firm Registration No. of the Statutory Auditor's which got interchanged. at page no. 87,88,89,90 & 126 of the Annual Report.

This is for your information and records.

Thanking You,

Yours faithfully,

FOR COSCO (INDIA) LIMITED
Sudha Singh
Sudha Singh
(Company Secretary & Compliance Officer)



SUDHA SINGH
Digitally signed
by SUDHA SINGH
Date: 2023.09.12
17:39:37 +05'30'

Encl. as above



44th
ANNUAL REPORT
2022-23

COSCO (INDIA) LIMITED

BOARD OF DIRECTORS

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

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

REGISTERED OFFICE

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

BRANCH OFFICES

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

WORKS

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

AUDITORS

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

BANKERS

BANK OF INDIA
KOTAK MAHINDRA BANK LTD.

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COSCO (INDIA) LIMITED (CIN: L25199DL1980PLC010173)
Registered Office: 2/8, Roop Nagar, Delhi-110 007;
Website: www.cosco.in; Email: mail@cosco.in; Tel: 91-11-23843000;
Fax: 91-11-23846000

NOTICE OF ANNUAL GENERAL MEETING
(Pursuant to Section 101 of the Companies Act, 2013)

Notice is hereby given that the Forty-Fourth Annual General Meeting of the Members of Cosco (India) Limited (CIN: L25199DL1980PLC010173) will be held on Saturday, the 30th September, 2023 at 12:00 Noon through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS:

Item 1.

Adoption of Financial Statements

To receive, consider and adopt the Audited Financial Statements for the Financial Year ended on 31st March, 2023 which includes Balance Sheet as at 31st March, 2023, Statement of Profit and Loss, Cash Flow Statement of the Company and Statement of changes in Equity for the year ended 31st March, 2023 along with Notes annexed thereto and the Reports of the Directors' and the Auditors' thereon.

Item 2.

Appointment of Mr Neeraj Jain (DIN:00190592) as a director, liable to retire by rotation

To appoint a Director in place of Mr. Neeraj Jain (DIN:00190592), who retires by rotation and, being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

Item 3.

Re-appointment of Mr. Arun Jain (DIN: 01054316) as Whole Time Director

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

“RESOLVED THAT pursuant to the provisions of Section 196,197,203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 including any statutory modification(s) or re-enactment(s) of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended for the time being in force, and in accordance with the Articles of Association of the Company, approvals and recommendations of the Nomination and Remuneration Committee, and Board of Directors, the approval of the Company, be and is hereby accorded to the reappointment of Mr. Arun Jain (DIN: 01054316) as Whole Time Director of the Company in the whole time employment of the Company for a period of Three (3) years with effect from 1st October 2023 as per the terms, conditions and remuneration set forth herein.

Remuneration

- i. Salary ₹ 350,000 per month w.e.f. 01.04.2023 for the current year ending 31st March 2024 and ₹ 380,000 per month w.e.f. 01.04.2024 and thereafter with an annual increment of ₹ 30,000 per month w.e.f 01.04.2025.
- ii. House Rent Allowance 50% of Salary.

Perquisites

Mr. Arun Jain shall also be eligible to the following perquisites:

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

- | | | |
|------|--|---|
| i. | Contribution to Provident Fund, Superannuation or Annuity Fund | Contribution to Provident Fund, Superannuation or Annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961 including any statutory modification(s) or re-enactment thereof |
| ii. | Gratuity | Gratuity payable at a rate not exceeding half month's salary for each completed year of service. |
| iii. | Leave encashment | As permissible under The Companies Act, 2013 and Schedule V and Rules framed thereunder |

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

- | | | |
|------|----------------------------|--|
| i. | Furniture & Furnishing | The Company will provide furniture and furnishing for the residential accommodation subject to ceiling of ₹1 Lakh per annum. |
| ii. | Medical & Hospitalization | Actual Medical expenses including hospitalization for self and dependent members of family. |
| iii. | Accident Insurance Premium | Annual Premium subject to ceiling of ₹ 10,000 per annum. |
| iv. | Leave Travel Concession | For self and family as permissible in the Income Tax Act, 1961 and Rules made thereunder. |
| v. | Car with Driver | Shall be provided for use for Company's Business.
In case driver is not provided then the Company shall reimburse the actual expenses incurred by the Director for engaging a driver. |
| vi. | Telephone(s) | Telephone(s) shall be provided at the residence for the benefit of Company's business, the cost of which shall be borne/paid by the Company. Mobile Phone (s) to be provided for Company's business use. |
| vii. | Club(s) Fees & Expenses | Fees and expenses for self and family subject to a maximum of ₹ 50,000 per annum. |

The perquisite value of above perquisites if so specified, shall be computed as per provisions of the Companies Act, 2013 read with Rules framed there under. Otherwise the same shall be taken as per Income Tax Act, 1961 and Rules/Company Rules / other applicable Statutory provisions in force from time to time as the case may be.

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

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

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

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

Item 4

Re-appointment of Mr. Manish Jain (DIN: 00191593) as Whole Time Director

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

“**RESOLVED THAT** pursuant to the provisions of Section 196,197,203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 including any statutory modification(s) or re-enactment(s) of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended for the time being in force, and in accordance with the Articles of Association of the Company, approvals and recommendations of the Nomination and Remuneration Committee, and Board of Directors, the approval of the Company, be and is hereby accorded to the reappointment of Mr. Manish Jain (DIN: 00191593) as Whole Time Director of the Company in the whole time employment of the Company for a period of Three (3) years with effect from 1st October 2023 as per the terms, conditions and remuneration set forth herein.

Remuneration

- | | | |
|-----|----------------------|---|
| i. | Salary | ₹ 350,000 per month w.e.f. 01.04.2023 for the current year ending 31 st March 2024 and ₹ 380,000 per month w.e.f. 01.04.2024 and thereafter with an annual increment of ₹ 30,000 per month w.e.f 01.04.2025. |
| ii. | House Rent Allowance | 50% of Salary. |

Perquisites

Mr. Manish Jain shall also be eligible to the following perquisites:

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

- | | | |
|------|--|---|
| i. | Contribution to Provident Fund, Superannuation or Annuity Fund | Contribution to Provident Fund, Superannuation or Annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961 including any statutory modification(s) or re-enactment thereof |
| ii. | Gratuity | Gratuity payable at a rate not exceeding half month's salary for each completed year of service. |
| iii. | Leave encashment | As permissible under The Companies Act, 2013 and Schedule V and Rules framed thereunder |

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

- | | | |
|------|----------------------------|---|
| i. | Furniture & Furnishing | The Company will provide furniture and furnishing for the residential accommodation subject to ceiling of ₹1 Lakh per annum. |
| ii. | Medical & Hospitalization | Actual Medical expenses including hospitalization for self and dependent members of family. |
| iii. | Accident Insurance Premium | Annual Premium subject to ceiling of ₹ 10,000 per annum. |
| iv. | Leave Travel Concession | For self and family as permissible in the Income Tax Act, 1961 and Rules made thereunder. |
| v. | Car with Driver | Shall be provided for use for Company's Business.
In case driver is not provided then the Company shall reimburse the actual expenses incurred by the Director for engaging a driver. |
| vi. | Telephone(s) | Telephone(s) shall be provided at the residence for the benefit of Company's business, the cost of which shall be borne/paid by the Company.
Mobile Phone (s) to be provided for Company's business use. |
| vii. | Club(s) Fees & Expenses | Fees and expenses for self and family subject to a maximum of ₹ 50,000 per annum. |



The prerequisite value of above perquisites if so specified, shall be computed as per provisions of the Companies Act, 2013 read with Rules framed there under. Otherwise the same shall be taken as per Income Tax Act, 1961 and Rules/Company Rules / other applicable Statutory provisions in force from time to time as the case may be.

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

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

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

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

Item 5

Re-appointment of Mr. Pankaj Jain (DIN: 00190414) as Whole Time Director

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

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 including any statutory modification(s) or re-enactment(s) of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended for the time being in force, and in accordance with the Articles of Association of the Company, approvals and recommendations of the Nomination and Remuneration Committee, and Board of Directors, the approval of the Company, be and is hereby accorded to the reappointment of Mr. Pankaj Jain (DIN: 00190414) as Whole Time Director of the Company in the whole time employment of the Company for a period of Three (3) years with effect from 1st October 2023 as per the terms, conditions and remuneration set forth herein.

Remuneration

- i. Salary ₹ 350,000 per month w.e.f. 01.04.2023 for the current year ending 31st March 2024 and ₹ 380,000 per month w.e.f. 01.04.2024 and thereafter with an annual increment of ₹ 30,000 per month w.e.f. 01.04.2025.
- ii. House Rent Allowance 50% of Salary.

Perquisites

Mr. Pankaj Jain shall also be eligible to the following perquisites:

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

- i. Contribution to Provident Fund, Superannuation or Annuity Fund Contribution to Provident Fund, Superannuation or Annuity fund to the Income Tax Act, 1961 including any statutory modification(s) or re-enactment thereof
- ii. Gratuity Gratuity payable at a rate not exceeding half month's salary for each completed year of service.
- iii. Leave encashment As permissible under The Companies Act, 2013 and Schedule V and Rules framed thereunder

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

- | | |
|---------------------------------|---|
| i. Furniture & Furnishing | The Company will provide furniture and furnishing for the residential accommodation subject to ceiling of ₹ 1 Lakh per annum. |
| ii. Medical & Hospitalization | Actual Medical expenses including hospitalization for self and dependent members of family. |
| iii. Accident Insurance Premium | Annual Premium subject to ceiling of ₹10,000 per annum. |
| iv. Leave Travel Concession | For self and family as permissible in the Income Tax Act, 1961 and Rules made thereunder. |
| v. Car with Driver | Shall be provided for use for Company's Business.
In case driver is not provided then the Company shall reimburse the actual expenses incurred by the Director for engaging a driver. |
| vi. Telephone(s) | shall be provided at the residence for the benefit of Company's business, the cost of which shall be borne/paid by the Company. Mobile Phone (s) to be provided for Company's business use. |
| vii Club(s) Fees & Expenses | Fees and expenses for self and family subject to a maximum of ₹ 50,000 per annum |

The perquisite value of above perquisites if so specified, shall be computed as per provisions of the Companies Act, 2013 read with Rules framed there under. Otherwise the same shall be taken as per Income Tax Act, 1961 and Rules/Company Rules / other applicable Statutory provisions in force from time to time as the case may be.

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

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

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

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

Item 6

Re-appointment of Mr. Neeraj Jain (DIN: 00190592) as Whole Time Director

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

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended including any statutory modification(s) or re-enactment(s) of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended for the time being in force, and in accordance with the Articles of Association of the Company, approvals and recommendations of the Nomination and Remuneration Committee, and Board of Directors, the approval of the Company, be and is hereby accorded to the reappointment of Mr. Neeraj Jain (DIN: 00190592) as Whole Time Director of the Company in the whole time employment of the Company for a period of Three (3) years with effect from 1st October 2023 as per the terms, conditions and remuneration set forth herein.

Remuneration

- i. Salary ₹ 350,000 per month w.e.f. 01.04.2023 for the current year ending 31st March 2024 and ₹ 380,000 per month w.e.f. 01.04.2024 and thereafter with an annual increment of ₹ 30,000 per month w.e.f 01.04.2025.
- ii. House Rent Allowance 50% of Salary.

Perquisites

Mr. Neeraj Jain shall also be eligible to the following perquisites:

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

- i. Contribution to Provident Fund, Superannuation or Annuity Fund Contribution to Provident Fund, Superannuation or Annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961 including any statutory modification(s) or re-enactment thereof
- ii. Gratuity Gratuity payable at a rate not exceeding half month's salary for each completed year of service.
- iii. Leave encashment As permissible under The Companies Act, 2013 and Schedule V and Rules framed thereunder

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

- i. Furniture & Furnishing The Company will provide furniture and furnishing for the residential accommodation subject to ceiling of ₹ 1 Lakh per annum.
- ii. Medical & Hospitalization Actual Medical expenses including hospitalization for self and dependent members of family.
- iii. Accident Insurance Premium Annual Premium subject to ceiling of ₹ 10,000 per annum.
- iv. Leave Travel Concession For self and family as permissible in the Income Tax Act, 1961 and Rules made thereunder.
- v. Car with Driver Shall be provided for use for Company's Business.
In case driver is not provided then the Company shall reimburse the actual expenses incurred by the Director for engaging a driver.
- vi. Telephone(s) Telephone(s) shall be provided at the residence for the benefit of Company's business, the cost of which shall be borne/paid by the Company. Mobile Phone (s) to be provided for Company's business use.
- vii. Club(s) Fees & Expenses Fees and expenses for self and family subject to a maximum of ₹ 50,000 per annum.

The perquisite value of above perquisites if so specified, shall be computed as per provisions of the Companies Act, 2013 read with Rules framed there under. Otherwise the same shall be taken as per Income Tax Act, 1961 and Rules/Company Rules / other applicable Statutory provisions in force from time to time as the case may be.

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

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

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

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

NOTES

1. Pursuant to General Circular No. 20/2020 dated 5th May, 2020 issued by the Ministry of Corporate Affairs ("MCA") read together with MCA General Circular Nos. 14 & 17/2020 dated 8th April, 2020 and 13th April, 2020 respectively and MCA General Circular No. 10/2022 dated 28th December, 2022 ("MCA Circulars"), and in compliance with these Circulars, provisions of the Act, Securities and Exchange Board of India ("SEBI") vide its circular no., SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and circular no. SEBI/HO/CFD/CMD2/ CIR/P/2021/11 dated January 15, 2021 and circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 05, 2023 (collectively "SEBI Circulars") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the 44th AGM of the Company is being conducted through VC/ OAVM facility, which does not require physical presence of members at a common venue. The deemed venue for the 44th AGM shall be the registered office of the Company.

The facility to attend the 44th AGM of the Company through Video Conference/Other Audio Visual means by members/shareholders on the date of the AGM will be provided by Company's Registrars and Share Transfer Agents M/s. Skyline Financial Services Private Limited, in compliance with the provisions of MCA Circular as mentioned above.

2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, the Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
3. As per Regulation 40 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), securities of listed companies can be transferred only in dematerialised form with effect from 1st April, 2019, except in case of transmission or transposition of securities. Further, SEBI vide its Circular dated 25th January, 2022, has mandated that securities shall be issued only in dematerialised mode while processing duplicate/ unclaimed suspense/ renewal/ exchange/ endorsement/ sub-division/ consolidation/ transmission/ transposition service requests received from physical securities holders. In view of the above and to eliminate risk associated with physical shares and to avail various benefits of dematerialisation, Members are advised to dematerialise their shares held in physical form. Members are accordingly requested to get in touch with any Depository Participant having registration with SEBI to open a Demat account. Members may also visit website of depositories viz. National Securities Depository Limited at <https://nsdl.co.in/faqs/faq.php> or Central Depository Services (India) Limited at <https://www.cdslindia.com/Investors/open-demat.html> for further understanding the demat procedure. Members can contact the Company or Company's Registrars and Share Transfer Agents, M/s Skyline Financial Services Private Limited for assistance in this regard.
4. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
5. In compliance with the aforesaid MCA and SEBI Circulars, Notice of the AGM along with the Annual Report 2022-23 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2022-23 will also be available on the Company's website www.cosco.in, websites of the Stock Exchange i.e. BSE Limited at www.bseindia.com and on the website of NSDL <https://www.evoting.nsdl.com>.
6. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
7. Pursuant to SEBI Circular no. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023, issued in supersession of earlier circulars issued by SEBI bearing nos. SEBI/HO/ MIRSD/MIRSD_RTAMB /P/CIR/2021/655 and SEBI/HO/MIRSD/ MIRSD_RTAMB/P/CIR/2021/687 dated November 3, 2021 and

December 14, 2021, respectively, SEBI has mandated all listed companies to record PAN, Nomination, Contact details, Bank A/c details and Specimen signature for their corresponding folio numbers of holders of physical securities. The folios wherein any one of the cited documents/details is not available on or after October 1, 2023, shall be frozen by the RTA. The securities in the frozen folios shall be eligible:

- * To lodge any grievance or avail of any service, only after furnishing the complete documents / details as mentioned above;
- * To receive any payment including dividend (which would be only through electronic mode) only after they comply with the above stated requirements.

The forms for updation of PAN, KYC, bank details and Nomination viz., Forms ISR-1, ISR-2, ISR-3, SH-13 and the said SEBI circular are available on our website <https://www.cosco.in/investors/holder-of-physical-securities-shareholders-> In view of the above, we urge Members holding shares in physical form to submit the required forms along with the supporting documents at the earliest. The Company has dispatched a letter to the Members holding shares in physical form in relation to the above referred SEBI Circular. Members who hold shares in dematerialised form and wish to update their PAN, KYC, Bank details and Nomination, are requested to contact their respective DPs. Further, Members holding shares in physical form are requested to ensure that their PAN is linked to Aadhaar to avoid freezing of folios. Such 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, after December 31, 2025.

8. Brief resume of Directors proposed to be appointed/re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and relevant provisions of the Companies Act, 2013 are annexed hereto read with the 'Report on Corporate Governance –Annexure C1 to the Directors' Report'. The Company is in receipt of relevant disclosures/consents from the Directors pertaining to their appointment/reappointment. A Statement pursuant to section 102 of the Act forms a part of this Notice.
9. Members who have not registered their e-mail address so far are requested to register their e-mail address (or change, if any therein) with your Depository Participant (where shares are held in dematerialized form) or by sending an email to the Registrar and Share Transfer Agents, M/s Skyline Financial Services Pvt Ltd. stating clearly their name, folio no. if they are holding shares in physical form / DP Id & Client Id if they are holding shares in dematerialized form for receiving all communications including Annual Report, Notices, etc. from the Company electronically.

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

10. All relevant documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company during normal office hours on all working days except Sundays and Holidays between 10.00 A.M. – 01.00 P.M. up to the date of the Annual General Meeting of the Company.
11. Register of Members and the Transfer Books for Equity Shares of the Company shall remain closed from 24th September, 2023 to 30th September, 2023 (Both days inclusive) for the purpose of ascertaining the names of Members.
12. Please send all correspondence including requests for transfer/transmission/Demat of Shares, change of address etc. to the Registrar and Share Transfer Agents, M/s Skyline Financial Services Pvt. Ltd., D – 153 A, 1st Floor, Okhla Industrial Area, Phase – I, New Delhi – 110020. Ph. 011-40450193 to 197 ,Fax: +91 11 26812682 E-mail ID:admin@skylinerta.com.
13. (i) Members seeking any information with regard to accounts or operations are requested to write to the Company latest by 20th September, 2023 through email on mail@cosco.in and sudha@cosco.in. The same will be replied by the Company suitably.
(ii) Transfer of Unclaimed / Unpaid amounts to the Investor Education and Protection Fund (IEPF): Pursuant to the provisions of Section 124 of the Act, Investor Education and Protection Fund Authority

(Accounting, Audit, Transfer and Refund) Rules, 2016 (“IEPF Rules”) read with the relevant circulars and amendments thereto, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund (“IEPF”), constituted by the Central Government.

During the Financial Year 2015-16 an Interim Dividend was declared on 12th August, 2015 for FY 2015-16. The due date to transfer the unpaid/unclaimed dividend to the IEPF Authority as per the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (“IEPF Rules”) was 17th September, 2022. 44,455 Equity Shares and an amount of ₹ 76,248 being unclaimed/unpaid dividend of the Company was transferred in October, 2022 to IEPF.

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

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

14. Voting Process :

The Company has appointed C.S Mr. Ravi Sharma, (Membership No. 4468) Partner of M/s. R S M & Co, Company Secretaries, 2E/207, 2nd floor, Caxton House Jhandewalan Extension, New Delhi 110055; As scrutinizer to scrutinize the e-voting during the AGM and remote e-voting process in a fair and transparent manner. Members may note that the VC/OAVM facility provided by Skyline Financials Services Private Limited, allows participation of at least 1,000 Members on a first-come-first-served basis. The large shareholders (i.e. shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee Auditors, etc. can attend the AGM without any restriction on account of first-come-first-served principle. Members can join the AGM in the VC/OAVM mode 15 minutes before the scheduled time of the commencement of the meeting by following the procedure as mentioned in the notice.

14.1 E-Voting Facility:

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

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

The remote e-voting period begins on 26th September, 2023 at 09:00 A.M. and ends on 29th September, 2023 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 23rd September, 2023, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 23rd September, 2023.

Cast vote electronically using NSDL e-Voting system

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




Step 1: Access to NSDL e-Voting system

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

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies

Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility. Login method for Individual shareholders holding securities in demat mode is given below:

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

	<p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: center; align-items: center;">  App Store ▶ Google Play </div> <div style="display: flex; justify-content: center; align-items: center; margin-top: 20px;">   </div>
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<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> 1. Users who have opted for CDSL Easi / Easiest facility, can through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e- Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

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

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

Login type	Helpdesk details
<p>Individual Shareholders holding securities in demat mode with NSDL</p>	<p>Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at.: 022-4886 7000 and 022 -24997000</p>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<p>Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no.1800 22 55 33</p>

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

Log-in to NSDL e-Voting website

1. 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.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsd.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

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

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **Process for those shareholders whose email IDs are not registered.**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "[Forgot User Details/Password?](#)" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsd.com.
 - b) Physical User [Reset Password?](#)" (If you are holding shares in physical mode) option available on www.evoting.nsd.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

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

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

General Guidelines for Shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the scrutinizer by e-mail to contact@csrsm.com with a copy marked to evoting@nsdl.co.in and sudha@cosco.in. Institutional shareholders(i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution/Power of Attorney/ Authority Letter etc. by clicking on“upload Board Resolution/Authority Letter” displayed under “e-voting” tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will go through the “Forget User Details/Password? Or “Physical User Reset Password? Option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Question(FAQs) for Shareholders and e-Voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on .: 022-4886 7000 and 022-2499 7000 or send a request at evoting@nsdl.co.in or contact Ms. Pallavi Mhatre Senior Manager National Securities Depository Limited, Trade World, 'A' Wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013, Contact No: 022 - 4886 7000 and 022 - 2499 7000 at the designated e-mail id evoting@nsdl.co.in, who will also address the grievances connected with voting by electronic means. Members may also write to the Company Secretary at the Company's e-mail address mail@cosco.in; sudha@cosco.in.

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to mail@cosco.in; sudha@cosco.in .
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account Statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to mail@cosco.in; sudha@cosco.in . If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are

required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

The Instructions for Members for e-Voting on the day of the Annual General Meeting are as under:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. Members who need assistance before or during the AGM can contact Ms. Pallavi Mhatre Senior Manager National Securities Depository Limited, Trade World, 'A' Wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013, Contact No: 022 - 4886 7000 and 022 - 2499 7000 at the designated e-mail id- evoting@nsdl.co.in

Instructions for Members for attending the AGM Through VC/OAVM are as under:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of “VC/OAVM link” placed under “**Join meeting**” menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
 2. Members are encouraged to join the Meeting through Laptops for better experience.
 3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
 4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
 5. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at sudha@cosco.in till September 28, 2023 (12:00 Noon IST). Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The same will be replied by the company suitably. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
 6. Any person, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date of 23rd September, 2023 may obtain the login ID and password by sending a request to Company's Registrar & Share Transfer Agent at admin@skylinerta.com or NSDL at evoting@nsdl.co.in. However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.
 7. You can also update your mobile number and email ID in the user profile details of the folio which may be used for sending future communication.
- 14.2 The Voting rights of members shall be in proportion to their shares in the paid up equity share capital of the Company as on cut-off date. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting or voting at the AGM through e-voting.
- 14.3 The Scrutinizer shall, immediately after the completion of the scrutiny of the e-voting (votes cast during the AGM and votes cast through remote e-voting), within 2 working days from the conclusion of the AGM, submit a consolidated Scrutinizer's report of the total votes cast in favour and against the resolution(s), invalid votes, if any, and whether the resolution(s) has/have been carried or not, to the Chairman or a person authorized by him in writing.

- 14.4 The Results of voting along with the report of the Scrutinizer shall be placed on the website of the Company www.cosco.in and on the website of NSDL, immediately after the declaration of result by the Chairman of the meeting or a person authorized by him. The results shall also be communicated to the stock exchange BSE Ltd. where the shares of the Company are listed. Subject to the receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting i.e. September 30, 2023.
15. As per the provision of Section 72 of the Companies Act, 2013, the facility for making nomination is available for the Members in respect of the Shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The said form can be downloaded from the Company's website www.cosco.in Members holding shares in physical form may submit the same to Registrar and Share Transfer Agent of the Company, viz. M/s Skyline Financial Services Pvt. Ltd., Add: D – 153 A, 1st Floor, Okhla Industrial Area, Phase – I, New Delhi – 110020. Members holding shares in electronic form may submit the same to their respective depository participants.

Registered Office:
2/8, Roop Nagar,
Delhi -110007

Place: Delhi
Date: 14th August, 2023

By order of the Board of Directors

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

I. Details in terms of Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Item No. 2

In terms of Section 152(6) of the Companies Act, 2013, Mr. Neeraj Jain (DIN: 00190592) shall retire by rotation at the forthcoming AGM and being eligible offers himself for re-appointment. Mr. Neeraj was appointed as a Whole-Time Director of the Company designated as “Executive Director—for a period of three consecutive years with effect from 1st October, 2020. As per the terms of his appointment, his re-appointment at the 44th AGM as a director retiring by rotation would not constitute break in his appointment as a Whole-time Director, designated as “Executive Director”.

Mr. Neeraj Jain aged 51 years, holds qualification of B.E., M.sc. and MBA and has over 29 years of rich and extensive experience in International Trade and vast experience in health and fitness products segment.

He joined Cosco (India) Limited in 1998 and held position of increasing responsibility in the Sourcing of New products.

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

Shri Narinder Kumar Jain – Managing Director, Mr. Neeraj Jain and his relatives (to the extent of their shareholding in the Company, if any) are concerned or interested in the said Resolution(s). None of the other Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 2 of the accompanying Notice of the 44th AGM.

Upon his re-appointment as a director, Mr. Neeraj Jain shall continue to hold office as a Whole-time Director. Accordingly, the Board of Directors recommends his re-appointment to the members for their approval by way of an Ordinary Resolution as set out at Item No. 2 of the accompanying Notice of the 44th AGM.

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

Item No. 3

Mr. Arun Jain, aged 57 years, is B.E., M. Tech. He has vast experience of more than 31 years of Industrial Relation & Business Management, Financial Management and Research & Development of Rubber & Polymer Products. The Board of Directors feel that the experience of Mr. Arun Jain will be of immense help to the Company.

Mr. Arun Jain was re-appointed as Whole Time Director in the Annual General Meeting of the Shareholders held on 30th September, 2020 for a period of 3 years w.e.f. 1st October, 2020.

The Board recommends the reappointment of Mr. Arun Jain as Whole Time Director of the Company for the further period of Three (3) years w.e.f. 1st October 2023 upon the remuneration, terms & conditions as set out in the Resolutions(s) and which Nomination & Remuneration Committee has approved. The Board recommends the Resolution(s) for your approval.

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

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

Further, pursuant to SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the fees or compensation payable to Executive Directors who are promoters or members of the promoter group, shall be subject to the approval of the shareholders by Special Resolution(s) in General Meeting, if the annual

remuneration payable to such Executive Director exceeds ₹ 5 Crore or 2.5% of the net profits of the Company, whichever is higher; or where there is more than one such director, the aggregate annual remuneration to such directors exceeds 5% of the net profits of the Company. The approval of the members to the proposed Special Resolution(s) set out at Item No. 3 of this Notice shall also meet the requirements of SEBI LODR mentioned above.

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

The Board of Directors at their meetings held on August 14th, 2023, have considered this proposal and recommended/ approved the remuneration proposed to be paid to the managerial personnel, subject to approval of the Members by way of Special Resolution(s).

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

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

Item No. 4

Mr. Manish Jain, aged 53 years, is a qualified Engineer and MBA having business experience of about 30 years. He is managing plant operations and is also actively associated with marketing operations and research & development of new products.

Mr. Manish Jain was re-appointed as Whole Time Director in the Annual General Meeting of the Shareholders held on 30th September, 2020 for a period of 3 years w.e.f. 1st October, 2020.

The Board recommends the reappointment of Mr. Manish Jain as Whole Time Director of the Company for the further period of Three (3) years w.e.f. 1st October 2023 upon the remuneration, terms & conditions as set out in the Resolutions(s) and which Nomination & Remuneration Committee has approved. The Board recommends the Resolution(s) for your approval.

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

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

Further, pursuant to SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the fees or compensation payable to Executive Directors who are promoters or members of the promoter group, shall be subject to the approval of the shareholders by Special Resolution(s) in General Meeting, if the annual remuneration payable to such Executive Director exceeds ₹ 5 Crore or 2.5% of the net profits of the Company, whichever is higher; or where there is more than one such director, the aggregate annual remuneration to such directors exceeds 5% of the net profits of the Company. The approval of the members to the proposed Special Resolution(s) set out at Item No. 4 of this Notice shall also meet the requirements of SEBI LODR mentioned above.

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

The Board of Directors at their meetings held on August 14th, 2023, have considered this proposal and

recommended/ approved the remuneration proposed to be paid to the managerial personnel, subject to approval of the Members by way of Special Resolution(s).

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

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

Item No. 5

Mr. Pankaj Jain, aged 52 years, is commerce graduate and holding Master Degree in Business Administration and has 30 years experience to his credit in Marketing, Management and Finance. Mr. Pankaj Jain has traveled abroad extensively for business point and thereby enriched with vast experience in the field of export.

Mr. Pankaj Jain was re-appointed as Whole Time Director in the Annual General Meeting of the Shareholders held on 30th September, 2020 for a period of 3 years w.e.f. 1st October, 2020.

The Board recommends the reappointment of Mr. Pankaj Jain as Whole Time Director of the Company for the further period of Three (3) years w.e.f. 1st October 2023 upon the remuneration, terms & conditions as set out in the Resolutions(s) and which Nomination & Remuneration Committee has approved. The Board recommends the Resolution(s) for your approval.

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

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

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

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

The Board of Directors at their meetings held on August 14th, 2023, have considered this proposal and recommended/ approved the remuneration proposed to be paid to the managerial personnel, subject to approval of the Members by way of Special Resolution.

Except Mr. Pankaj Jain and his relatives (to the extent of their shareholding in the Company, if any) are concerned or interested in the said Resolution(s). None of the Directors/ Key Management Person(s) or their relatives are in any way is concerned or interested in the Resolution(s) set out at Item No. 5.

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

Item No. 6

Mr. Neeraj Jain, aged 51 years, is qualified Engineer and M.B.A. with Master Degree in Polymer Science, Mr. Neeraj Jain is instrumental in introducing and development of product line of Health & Fitness Equipments which contributes significantly to Company's revenue. He has 29 years experience to his credit in looking after imports and procuring of new products.

Mr. Neeraj Jain was re-appointed as Whole Time Director in the Annual General Meeting of the Shareholders held on 30th September, 2020 for a period of 3 years w.e.f. 1st October, 2020.

The Board recommends the reappointment of Mr. Neeraj Jain as Whole Time Director of the Company for the further period of Three (3) years w.e.f. 1st October 2023 upon the remuneration, terms & conditions as set out in the Resolutions(s) and which Nomination & Remuneration Committee has approved. The Board recommends the Resolution(s) for your approval.

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

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

Further, pursuant to SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the fees or compensation payable to Executive Directors who are promoters or members of the promoter group, shall be subject to the approval of the shareholders by Special Resolution(s) in General Meeting, if the annual remuneration payable to such Executive Director exceeds ₹ 5 Crore or 2.5% of the net profits of the Company, whichever is higher; or where there is more than one such director, the aggregate annual remuneration to such directors exceeds 5% of the net profits of the Company. The approval of the members to the proposed Special Resolution(s) set out at Item No. 6 of this Notice shall also meet the requirements of SEBI LODR mentioned above.

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

The Board of Directors at their meetings held on August 14th, 2023, have considered this proposal and recommended/ approved the remuneration proposed to be paid to the managerial personnel, subject to approval of the Members by way of Special Resolution(s).

Shri Narinder Kumar Jain – Managing Director, Mr. Neeraj Jain and his relatives (to the extent of their shareholding in the Company, if any) is concerned or interested in the said Resolution(s). None of the Other Directors/ Key Management Person(s) or their relatives are in any way is concerned or interested in the Resolution(s) set out at Item No. 6.

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

By order of the Board of Directors

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

Registered Office:
2/8, Roop Nagar,
Delhi - 110007

Place: Delhi
Date: 14th August, 2023

Statement forming part of Notice of 44th Annual General Meeting issued to the Shareholders of the Company pursuant to the requirements of Part II Section II of Schedule V to the Companies Act, 2013, Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 for Re-appointment and approval of Managerial Remuneration payable to the Whole Time Directors as per Agenda Items Nos. 3, 4, 5 & 6.

I. General Information:

1	Nature of industry	The Company manufactures Sports Balls and deals in Sports Goods and Fitness Equipments & allied items.																																																																																																																																																														
2	Date or expected date of commencement of commercial production	Existing Company. Already in commercial production.																																																																																																																																																														
3	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable																																																																																																																																																														
4	Financial performance based on given indicators	<table border="1"> <thead> <tr> <th colspan="4">FINANCIAL RESULTS</th> </tr> <tr> <th>Particulars</th> <th>(₹ in Lakhs)</th> <th colspan="2">(₹ in Lakhs)</th> </tr> <tr> <th></th> <th>Current Year ended 31.03.2023</th> <th colspan="2">Previous Year ended 31.03.2022</th> </tr> </thead> <tbody> <tr> <td>Revenue from operations</td> <td>15,251.52</td> <td colspan="2">13,611.82</td> </tr> <tr> <td>Other income</td> <td>66.79</td> <td colspan="2">89.25</td> </tr> <tr> <td>Total revenue</td> <td>15,318.31</td> <td colspan="2">13,701.07</td> </tr> <tr> <td>Expenses :</td> <td></td> <td colspan="2"></td> </tr> <tr> <td>(a) Cost of materials consumed</td> <td>3,251.29</td> <td colspan="2">2,257.24</td> </tr> <tr> <td>(b) Purchase of stock-in-trade</td> <td>6,934.96</td> <td colspan="2">7,748.21</td> </tr> <tr> <td>(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade</td> <td>(688.45)</td> <td colspan="2">(1,156.66)</td> </tr> <tr> <td>(d) Employee benefit expense</td> <td>1,826.29</td> <td colspan="2">1,534.60</td> </tr> <tr> <td>(e) Financial costs</td> <td>514.78</td> <td colspan="2">467.77</td> </tr> <tr> <td>(f) Depreciation and amortisation expenses</td> <td>191.95</td> <td colspan="2">165.54</td> </tr> <tr> <td>(g) Other expenses</td> <td>3,196.99</td> <td colspan="2">2,433.46</td> </tr> <tr> <td>Total expenses</td> <td>15,227.81</td> <td colspan="2">13,450.16</td> </tr> <tr> <td>Profit before tax</td> <td>90.50</td> <td colspan="2">250.91</td> </tr> <tr> <td>Tax expenses:</td> <td></td> <td colspan="2"></td> </tr> <tr> <td>Current tax</td> <td>36.98</td> <td colspan="2">78.35</td> </tr> <tr> <td>Earlier year tax expenses</td> <td>2.40</td> <td colspan="2">0.15</td> </tr> <tr> <td>Deferred tax</td> <td>(16.93)</td> <td colspan="2">(19.60)</td> </tr> <tr> <td>Profit after tax for the period</td> <td>68.05</td> <td colspan="2">192.01</td> </tr> <tr> <td>Other Comprehensive Income net of Income tax</td> <td></td> <td colspan="2"></td> </tr> <tr> <td>i) Items that will not be reclassified to profit or (loss)</td> <td>4.00</td> <td colspan="2">27.12</td> </tr> <tr> <td>ii) Income tax relating to items that will not be reclassified to profit or (loss)</td> <td>(1.01)</td> <td colspan="2">(6.82)</td> </tr> <tr> <td>Other Comprehensive Income for the year net of Tax</td> <td>2.99</td> <td colspan="2">20.30</td> </tr> <tr> <td>Total Comprehensive income for the year</td> <td>71.04</td> <td colspan="2">212.31</td> </tr> <tr> <td>Shareholders funds</td> <td></td> <td colspan="2"></td> </tr> <tr> <td>a) Share capital</td> <td>416.10</td> <td colspan="2">416.10</td> </tr> <tr> <td>b) Other equity</td> <td>4,239.43</td> <td colspan="2">4,168.39</td> </tr> <tr> <td>Total Equity</td> <td>4,655.53</td> <td colspan="2">4,584.49</td> </tr> <tr> <td>Long term borrowings (unsecured)</td> <td>1,450.00</td> <td colspan="2">1,438.00</td> </tr> <tr> <td>Long term borrowings from Bank (secured)</td> <td>93.96</td> <td colspan="2">-</td> </tr> <tr> <td>Short term borrowings from Banks (secured)</td> <td></td> <td colspan="2"></td> </tr> <tr> <td>a) Working capital loans</td> <td>1,780.56</td> <td colspan="2">1,620.51</td> </tr> <tr> <td>b) Others</td> <td></td> <td colspan="2"></td> </tr> <tr> <td>(Current maturity of long term borrowings from Banks)</td> <td>44.79</td> <td colspan="2">-</td> </tr> <tr> <td>Short term borrowings - Unsecured</td> <td>1,874.56</td> <td colspan="2">1,913.06</td> </tr> <tr> <td>Investments-non current</td> <td>0.05</td> <td colspan="2">0.05</td> </tr> <tr> <td></td> <td>Nil</td> <td colspan="2">Nil</td> </tr> </tbody> </table>			FINANCIAL RESULTS				Particulars	(₹ in Lakhs)	(₹ in Lakhs)			Current Year ended 31.03.2023	Previous Year ended 31.03.2022		Revenue from operations	15,251.52	13,611.82		Other income	66.79	89.25		Total revenue	15,318.31	13,701.07		Expenses :				(a) Cost of materials consumed	3,251.29	2,257.24		(b) Purchase of stock-in-trade	6,934.96	7,748.21		(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(688.45)	(1,156.66)		(d) Employee benefit expense	1,826.29	1,534.60		(e) Financial costs	514.78	467.77		(f) Depreciation and amortisation expenses	191.95	165.54		(g) Other expenses	3,196.99	2,433.46		Total expenses	15,227.81	13,450.16		Profit before tax	90.50	250.91		Tax expenses:				Current tax	36.98	78.35		Earlier year tax expenses	2.40	0.15		Deferred tax	(16.93)	(19.60)		Profit after tax for the period	68.05	192.01		Other Comprehensive Income net of Income tax				i) Items that will not be reclassified to profit or (loss)	4.00	27.12		ii) Income tax relating to items that will not be reclassified to profit or (loss)	(1.01)	(6.82)		Other Comprehensive Income for the year net of Tax	2.99	20.30		Total Comprehensive income for the year	71.04	212.31		Shareholders funds				a) Share capital	416.10	416.10		b) Other equity	4,239.43	4,168.39		Total Equity	4,655.53	4,584.49		Long term borrowings (unsecured)	1,450.00	1,438.00		Long term borrowings from Bank (secured)	93.96	-		Short term borrowings from Banks (secured)				a) Working capital loans	1,780.56	1,620.51		b) Others				(Current maturity of long term borrowings from Banks)	44.79	-		Short term borrowings - 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II. Information about the Appointees whose remuneration terms have been revised.

(i) Mr. Arun Jain –Whole Time Director and CFO

1	Background details	1.1	D.O.B	25 th January, 1966,		
		1.2	Age	57 years		
		1.3	Qualification	B.E. & M. Tech		
		1.4	Experience	31 years of experience		
2	Past Remuneration	Remuneration paid during FY 2022–23:				
		Amount in (₹)				
		Salary	HRA	PF (Employer's Contribution)	Medical Exp.	Car Perk (Valued as per Income Tax Rules)
		38,40,000	19,20,000	21,600	1,53,037	39,600
		Other Perks and Allowances (not included above) :				
		i) Gratuity payable at a rate not exceeding half month's salary for each completed year of service				
		ii) Leave encashment;				
		iii) Telephones provided for official use.				
3	Recognition or awards	---				
4	Job profile and his suitability	He has vast experience of Industrial Relation & Management, Financial Management and Research & Development of Rubber & Polymer Products.				
5	Remuneration proposed	As per details given in the main body of the Resolution(s)				
6	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin)	The proposed remuneration is justified in consideration of the responsibilities shouldered by him and it commensurates with the nature and size of the Company. No Industry specific comparative data available				
7	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.	Promoter Director Cum Shareholder of the Company. Related to Shri Devinder Kumar Jain - Managing Director and CEO and Mr. Manish Jain - Whole Time Director of the Company.				
8	Date of First appointment in the Board of the Company	01/05/2007				
9	Details of Other Directorships, Membership/ Chairmanship of Committees of Boards/ other Public Limited Company	Nil				
10	No. of Meetings of the Board Attended During FY 2022-23.	5				
11	Number of Shares held in the Company	84,400 Equity Shares in his Individual capacity and 500 Equity Shares as Karta of Arun Jain H.U.F.				

(ii) Mr. Manish Jain – Whole Time Director

1	Background details	1.1	D.O.B	17 th November, 1970											
		1.2	Age	53 Years											
		1.3	Qualification	Qualified Engineer and MBA											
		1.4	Experience	30 years of experience											
2	Past Remuneration	Remuneration paid during FY 2022–23: <p style="text-align: right;">Amount in (₹)</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 20%;">Salary</th> <th style="width: 20%;">HRA</th> <th style="width: 20%;">PF (Employer's Contribution)</th> <th style="width: 20%;">Medical Exp.</th> <th style="width: 20%;">Car Perk (Valued as per Income Tax Rules)</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">38,40,000</td> <td style="text-align: center;">19,20,000</td> <td style="text-align: center;">21,600</td> <td style="text-align: center;">1,00,322</td> <td style="text-align: center;">32,400</td> </tr> </tbody> </table> <p>Other Perks and Allowances (not included above) :</p> <ul style="list-style-type: none"> i) Gratuity payable at a rate not exceeding half month's salary for each completed year of service ii) Leave encashment; iii) Telephones provided for official use. 				Salary	HRA	PF (Employer's Contribution)	Medical Exp.	Car Perk (Valued as per Income Tax Rules)	38,40,000	19,20,000	21,600	1,00,322	32,400
Salary	HRA	PF (Employer's Contribution)	Medical Exp.	Car Perk (Valued as per Income Tax Rules)											
38,40,000	19,20,000	21,600	1,00,322	32,400											
3	Recognition or awards	---													
4	Job profile and his suitability	He is managing plant operations and is also actively associated with marketing operations and research & development of new products.													
5	Remuneration proposed	As per details given in the main body of the Resolution(s).													
6	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin)	The proposed remuneration is justified in consideration of the responsibilities shouldered by him and it commensurates with the nature and size of the Company. No Industry specific comparative data available.													
7	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.	Promoter Director Cum Shareholder of the Company. Related to Shri Devinder Kumar Jain –Managing Director and CEO, and Mr. Arun Jain-Whole Time Director of the Company.													
8	Date of First appointment in the Board of the Company	01/04/1998													
9	Details of Other Directorships, Membership/ Chairmanship of Committees of Boards / other Public Limited Companies	Nil													
10	Number of Meetings of the Board Attended during FY 2022-23	7													
11	Number of Shares held in the Company	91,400 Equity Shares in his Individual capacity and 12,700 Equity Shares as Karta of Manish Jain H.U.F.													

(iii) Mr. Pankaj Jain – Whole Time Director

1	Background details	1.1	D.O.B	7 th August, 1971,		
		1.2	Age	52 Years		
		1.3	Qualification	B.Com and MBA		
		1.4	Experience	30 years of experience		
2	Past Remuneration	Remuneration paid during FY 2022–23:				
		Amount in (₹)				
		Salary	HRA	PF (Employer's Contribution)	Medical Exp.	Car Perk (Valued as per Income Tax Rules)
		38,40,000	19,20,000	21,600	1,50,415	32,400
		Other Perks and Allowances (not included above) :				
		i) Gratuity payable at a rate not exceeding half month's salary for each completed year of service				
		ii) Leave encashment;				
		iii) Telephones provided for official use.				
3	Recognition or awards	---				
4	Job profile and his suitability	He has 30 years experience to his credit in Marketing, Management and Finance. Mr. Pankaj Jain has traveled abroad extensively and thereby enriched with vast experience in the field of export.				
5	Remuneration proposed	As per details given in the main body of the Resolution(s).				
6	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin)	The proposed remuneration is justified in consideration of the responsibilities shouldered by him and it commensurates with the nature and size of the No Industry specific comparative data available.				
7	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.	Promoter Director Cum Shareholder of the Company. Not related with any other Managerial personnel.				
8	Date of First appointment in the Board of the Company	01/04/1998				
9	Details of Other Directorships, Membership/ Chairmanship of Committees of Boards / other Public Limited Companies	Member of Stakeholder's Relationship Committee and Audit Committee in Cosco (India) Limited				
10	Number of Meetings of the Board Attended during FY 2022-23	7				
11	Number of Shares held in the Company	3,14,140 Equity Shares in his Individual capacity and 17,700 Equity Shares as Karta of Pankaj Jain H.U.F.				

(iv) Mr. Neeraj Jain – Whole Time Director

1	Background details	1.1	D.O.B	3 rd October, 1972		
		1.2	Age	51 Years		
		1.3	Qualification	B.E., M.Sc., and MBA		
		1.4	Experience	29 years of experience		
2	Past Remuneration	Remuneration paid during FY 2022–23:				
		Amount in (₹)				
		Salary	HRA	PF (Employer's Contribution)	Medical Exp.	Car Perk (Valued as per Income Tax Rules)
		38,40,000	19,20,000	21,600	3,04,401	32,400
		Other Perks and Allowances (not included above) :				
		i) Gratuity payable at a rate not exceeding half month's salary for each completed year of service				
		ii) Leave encashment;				
		iii) Telephones provided for official use.				
3	Recognition or awards	---				
4	Job profile and his suitability	He has 29 years experience to his credit in looking after imports and procuring of new products. He is managing health & fitness product segment.				
5	Remuneration proposed	As per details given in the main body of the Resolution(s).				
6	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin)	The proposed remuneration is justified in consideration of the responsibilities shouldered by him and it commensurates with the nature and size of the Company. No Industry specific comparative data available.				
7	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.	Promoter Director Cum Shareholder of the Company. Related to Shri Narinder Kumar Jain-Managing Director of the Company.				
8	Date of First appointment in the Board of the Company	01/04/1998				
9	Details of Other Directorships, Membership/ Chairmanship of Committees of Boards / other Public Limited Companies	Member of Stakeholder's Relationship Committee in Cosco (India) Limited				
10	Number of Meetings of the Board Attended during FY 2022-23	7				
11	Number of Shares held in the Company	98,566 Equity Shares in his individual capacity and 12,500 Equity Shares as Karta of Neeraj Jain H.U.F.				

III. OTHER INFORMATION

1	Reasons of inadequate profits	<ul style="list-style-type: none"> > Competition in Domestic Markets; > Stagnancy in Exports; > Significant Increase in Employee Benefit Expense. > Higher Expenditure for Advertisement, Publicity and Brand building to increase and retain market share > Higher Interest cost
2.	Steps taken or proposed to be taken for improvement.	<ul style="list-style-type: none"> • Marketing expansion and strengthening marketing network to capitalize on 'Cosco' Brand, and expenditure on Brand building to retain and increase the market share with a long term perspective; • Increasing product range by addition of new products. • Cost control & Cost cutting in respect of manufactured products, product re-engineering and sourcing good quality products range at competitive prices. • Remedial measures to check grey market by changing packing and designs. • Planning for Import substitution of some products under Aatma Nirbhar Bharat Abhiyaan. • Research and Development for new designs and scaling up new product lines.
3.	Expected increase in productivity and profit in measurable terms.	Sales Turnover during the current year is projected to grow by 10%. Portal of the Company for online marketing of products has been set in place which will help to increase sales in future. The Company expects to earn about 2.5% to 3% net profit before Tax.

IV. DISCLOSURES:

1	All the elements of remuneration package such as salary, benefits, bonuses, stock Options, pension, etc. of all the directors;	Details of Remuneration packages of Mr. Arun Jain, Mr. Manish Jain, Mr. Pankaj Jain and Mr. Neeraj Jain requiring Shareholders approval by Special Resolution(s) is given in the Resolutions under Agenda items No. 3,4,5 & 6.
2	Details of Fixed Component and performance linked incentives along with the performance criteria;	No performance linked incentives.
3	Service contracts, notice period, severance fees;	Being reappointed for 3 years as given in the Resolutions under Agenda items No. 3,4,5 & 6, No Notice Period; No severance fees;
4.	Stock options details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.	NIL /N.A.

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

Name of Director	Mr. Arun Jain (DIN:01054316)	Mr. Manish Jain (DIN:00191593)
Date of Birth & Age	25 th January, 1966, 57 Years	17 th November, 1970, 53 Years
Date of Appointment	1 st May, 2007	1 st April, 1998
Expertise in specific Functional /Professional areas	Vast experience in industrial relationship & Financial Management and research and development of Rubber and Polymer products.	Managing Plant operations and production and associated with research and developments of new products
Qualifications	B.E and M. Tech.	Qualified Engineer and MBA
Details of Directorships held in other Companies	Cosco Polymer Lanka (Private Limited) Company under Liquidation.	-
Chairman/Member of the Committee of Board other Public Limited Companies	Nil	Nil
Number of Meetings of the Board Attended during FY 22-23	5	7
Number of Shares held in the Company	84,400 Equity Shares in his Individual capacity and 500 Equity Shares as Karta of Arun Jain H.U.F.	91,400 Equity Shares in his Individual capacity and 12,700 Equity Shares as Karta of Manish Jain H.U.F.
Disclosure of relationships between Directors inter-se	Shri Devinder Kumar Jain (Father), Mr. Mr. Manish Jain (Brother)	Shri Devinder Kumar Jain (Father), Mr. Arun Jain (Brother)

Name of Director	Mr. Pankaj Jain (DIN:00190414)	Mr. Neeraj Jain (DIN: 00190592)
Date of Birth & Age	7 th August, 1971, 52 Years	3 rd October, 1972, 51 Years
Date of Appointment	1 st April, 1998	1 st April, 1998
Expertise in specific Functional /Professional areas	Finance, Management and Marketing and development of new products for International market.	International Trade and Sourcing of New products. Vast Experience in health and fitness product segment.
Qualifications	B.Com and MBA	B.E., M.Sc., and MBA
Details of Directorships held in other Companies	The Sports Goods Export Promotion Council	Sportscom Industry Confederation-
Chairman/Member of the Committee of Board other Public Limited Companies	Member of Stakeholder's Relationship Committee and Audit Committee in Cosco (India) Limited	Member of Stakeholder's Relationship Committee in Cosco (India) Limited
Number of Meetings of the Board Attended during FY 22-23	7	7
Number of Shares held in the Company	3,14,140 Equity Shares in his individual capacity and 17,700 Equity Shares as Karta of Pankaj Jain H.U.F.	98,566 Equity Shares in his Individual capacity and 12,500 Equity Shares as Karta of Neeraj Jain H.U.F.
Disclosure of relationships between Directors inter-se	Not related to any Director or KMP	Shri Narinder Kumar Jain (Father)

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 44th Board's Report, along with the Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows, for the financial year ended March 31st, 2023.

FINANCIAL RESULTS

Particulars	Current Year ended 31.03.2023	Previous Year ended 31.03.2022
	(₹ in Lakhs)	(₹ in Lakhs)
Revenue from operations	15,251.52	13,611.82
Other income	66.79	89.25
Total revenue	15,318.31	13,701.07
Total Expenses before Depreciation and amortisation expenses and Finance costs	14,521.08	12,816.85
Profit before Depreciation & Amortisation, Finance costs and Tax expense	797.23	884.22
Less: Depreciation/ Amortisation/ Impairment	191.95	165.54
Profit before Finance costs and Tax expense	605.28	718.68
Less: Finance costs	514.78	467.77
Profit before Tax expense	90.5	250.91
Tax expenses:		
Current tax	36.98	78.35
Tax adjustment related to earlier years	2.40	0.15
Deferred tax	(16.93)	(19.60)
Total Tax:	22.45	58.90
Profit for the period from continuing operations	68.05	192.01
Other Comprehensive Income		
i) Re-measurement gains/(losses) on defined benefit plans	4.00	27.12
ii) Tax impact on re-measurement gain/(losses) on defined benefit plans	(1.01)	(6.82)
Other Comprehensive income/(losses) for the year (net of tax)	2.99	20.30
Total Comprehensive Income for the year	71.04	212.31

COMPANY'S PERFORMANCE AND STATE OF AFFAIRS FOR FINANCIAL YEAR 2022-23

The Revenue from Sale of Products for the current year ended 31.03.2023 was ₹ 15,222.24 Lakhs against previous year's sales of ₹ 13,583.02 Lakhs—registering growth in double digit of about 12.07% over the previous year. The exports were higher at ₹ 376.57 Lakhs (Previous year ₹ 243.10 Lakhs) in F.O.B value terms an increase of about 55%. The Revenue from services for the current year amounted to ₹ 5.64 Lakhs (Previous year ₹ 5.48 Lakhs). Other Operating Income was ₹ 23.64 Lakhs (Previous Year ₹ 23.32 Lakhs) which includes Export Incentives viz. Duty Drawback ₹ 5.26 Lakhs (Previous Year ₹ 3.31 Lakhs).

Global economic growth is expected to decelerate from 3.5% in 2022 to 3% in 2023 and 2024 as per IMF. In general, global economic shocks in the past were severe but spaced out in time. At least three shocks have hit the global economy since 2020. It all started with the pandemic-induced contraction of the global output, followed by the Russian-Ukraine conflict leading to a worldwide surge in inflation. Then, the central banks across economies led by the Federal Reserve responded with synchronised policy rate hikes to curb inflation. With inflation persisting in the advanced economies and the central banks hinting at further rate hikes, downside risks to the global economic outlook appear elevated.



The Indian economy, however, appears to have moved on after its encounter with the pandemic, staging a full recovery in FY22 ahead of many nations and positioning itself to ascend to the pre-pandemic growth path in FY23. Yet in the current year, India has also faced the challenge of reining in inflation that the European strife accentuated. Measures taken by the government and RBI, along with the easing of global commodity prices, have finally managed to bring retail inflation below the RBI upper tolerance target in November 2022. However, the challenge of the depreciating rupee, although better performing than most other currencies, persists with the likelihood of further increases in policy rates by the US Fed. The widening of the CAD may also continue as global commodity prices remain elevated and the growth momentum of the Indian economy remains strong. The loss of export stimulus is further possible as the slowing world growth and trade shrinks the global market size in the second half of the current year.

The Indian economy grew at 6.8% to 7% in FY 2022-23, as compared to 9% registered for the previous fiscal year. However, in a year which saw growth decelerating across the world with recessionary expectations building up, the Indian economy still exhibited resilience, underpinned by robust domestic consumption demand and well supported by the Government's push in various parts of the economy.

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

* Read more on the macroeconomic landscape and business outlook in Management Discussion & Analysis section in this Integrated Annual Report

There is consistent demand of Sports goods and Health & Fitness goods from Individuals and Households. 'COSCO' is a leading brand in the Sports and Fitness segment in the domestic market. The management is optimistic about the better performance of the Company during the current year both in terms of sales and profitability and will be on the growth path in the subsequent years. The Management is continuously taking effective steps to further boost 'COSCO' Brand Value, which will help in driving growth. .

The Company is expanding its product range of quality products and the marketing network in its endeavor to improve top line as well as net margins. The Company manufactures/source internationally at competitive prices quality products and develop/source new products on regular basis. The company has also initiated steps for production of some of substitutes under 'Aatma Nirbhar Bharat Abhiyan'.

The Net Worth of the Company as at 31.03.2023 was ₹ 4,655.53 Lakhs (Previous Year ₹ 4,584.49 Lakhs).

Status of Investments made in the erstwhile Subsidiary Company M/s Cosco Polymer Lanka (Private) Limited (CPLPL): As reported in earlier year(s), M/s Cosco Polymer Lanka (Private) Limited, has been scheduled in the Revival of Underperforming Enterprises or Underutilized Assets Act, No 43 of 2011 (of Sri Lanka). The Shares of the WOS are vested in Secretary to the Treasury of Government of Sri Lanka pursuant to acquisition by the Government under 'Revival of Under Performing Enterprises or Under Utilized Assets Act of Sri Lanka (Act No. 43 of 2011)'. Competent Authority appointed under the Act is controlling, administering and managing such Enterprises/Units/Assets. The Act (of Sri Lanka), provides for payment of compensation to the Shareholders. The Compensation Tribunal vide its letter Ref: Com T/01/27 dated 08.12.2015, has allowed compensation of LKR 480 lakhs (Equivalent INR 119.80* lakhs) and after deducting LKR 16.74 lakhs (due for Board of Investment (BOI) of Sri Lanka as at the date of vesting, the net compensation payable is LKR 463.26 lakhs (Equivalent INR 115.62* lakhs) . The amount is yet to be released and the same shall be credited to Liquidator, since Cosco Polymer Lanka (Private) Ltd. has been ordered to be wound up by the Hon'ble High Court of the Western Province, (Exercising Civil Jurisdiction in Colombo (Sri Lanka)- Case Ref. No. HC (Civil) 40/2013(CO). The management does not expect any net realisable value of its investment in the erstwhile subsidiary. However realisation, if any, shall be accounted for in the year of actual receipt.

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

* Exchange rate as on 31.03.2023: 1 INR =4.0067 LKR

DIVIDEND

Board does not recommend any dividend for Financial Year 2022-23 to consolidate financial position of the Company.

TRANSFERS TO RESERVES

The opening balance of General Reserve is ₹ 1,125.17 Lakhs and same is retained as on 31.03.2023. The Board of Directors of your Company, has decided not to transfer any amount to the Reserves for the year under review. The balance in Retained earnings ₹ 2788.62 Lakhs (Previous year ₹ 2720.58 Lakhs) includes Current year's Net Profit from continuing operations ₹ 68.05 Lakhs (Previous year ₹ 192.01 Lakhs).

DIRECTORS' RESPONSIBILITY STATEMENT

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

- i. in the preparation of the annual accounts for the year ended 31st March, 2023, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- ii. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2023 and of the profit of the Company for the year ended on that date;
- iii. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. the Directors have prepared the annual accounts on a going concern basis;
- v. the Directors have laid down internal financial controls to be followed by the Company and generally such internal financial controls are adequate and operating effectively; and
- vi. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

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

DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of Section 152 and other applicable provisions, if any, of the Act and the Articles of Association of the Company, Mr. Neeraj Jain (DIN: 00190592) Director of the Company retire by rotation at the ensuing Annual General Meeting and, being eligible, offers himself for re-appointment. Board recommends his reappointment.

The term of appointment of Mr. Arun Jain (DIN:01054316), Mr. Manish Jain (DIN: 00191593), Mr. Pankaj Jain (DIN: 00190414) and Mr. Neeraj Jain (DIN: 00190592) as Whole Time Director(s) of the Company expire on 30th September, 2023.

Based on the recommendation of the Nomination and Remuneration Committee of the Company and being satisfied on the performance evaluation, considering the role played by them towards the growth of this Company and to reap the benefits of their rich and varied experience, the Board at its Meeting held on 14th August 2023 has recommended the re-appointment of Mr. Arun Jain (DIN:01054316), Mr. Manish Jain (DIN: 00191593), Mr. Pankaj Jain (DIN: 00190414) and Mr. Neeraj Jain (DIN: 00190592) as Whole Time Directors of the Company for further period of 3 years w.e.f 1st October, 2023 to 30th September, 2026 upon the remuneration,

terms and conditions as set out in the notice of the ensuing Annual General Meeting and same is approved by the Nomination and Remuneration Committee as per the provisions of the Companies Act, 2013 and Schedule V of the Companies Act, 2013 and Rules framed thereunder and and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment(s) of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the time being in force, and in accordance with the Articles of Association of the Company.

The Resolutions seeking approval of the members by way of Special Resolution(s) for the re-appointment of Mr. Arun Jain , Mr. Manish Jain, Mr. Pankaj Jain and Mr. Neeraj Jain have been incorporated in the notice of the forthcoming Annual General Meeting of the Company along with the brief details about them.

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

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

During the Financial Year 2022-23 five Independent Directors of the Company namely Shri Mohan Lal Mangla (DIN:00311895), Shri Mahavir Prasad Gupta(DIN:00190550), Shri Sunil Jain (DIN:00387451), Shri Vijender Kumar Jain (DIN:06423328) and Smt. Nisha Paul (DIN:00325914) retired from the Board after completion of their 2nd term of office as Independent Director(s) of Cosco (India) Limited on 30.09.2022.

All above said Directors joined the Board as an Independent Director under the Companies Act, 2013 in the year 2014 and since then the Company has immensely benefitted from their guidance in the areas of operations, risk management and governance etc. The Board places on record appreciation for their consistent dedication and commitment during their entire tenure.

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

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

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

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

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

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

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

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

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

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

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

None of the Director is disqualified from being appointed as Director in terms of section 164 of the Companies Act, 2013 and they have given their consent in writing to act as Director(s)

MEETINGS OF THE BOARD

During the year 2022-2023, Seven (7) Board Meetings and Five (5) Audit Committee Meetings were held. In accordance with requirement, other committee meetings were held from time to time and one separate meeting of Independent Directors was also held. Relevant details of the meetings are given in the Corporate Governance Report, which form part of this report. The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on meetings of the Board of Directors and General Meetings;

BOARD EVALUATION

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

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

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

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

The Board also assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties. The above evaluations were then discussed in the Board Meeting and performance evaluation of Independent directors was done by the entire Board, excluding the Independent Director being evaluated.

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

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS

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

Selection and procedure for nomination and appointment of Directors

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

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

Qualifications – The Board nomination process encourages diversity of thought, experience, knowledge, age and gender. It also ensures that the Board has an appropriate blend of functional and industry expertise.

Positive Attributes - Apart from the duties of Directors as prescribed in the Act the Directors are expected to demonstrate reasonable standards of ethical behavior, communication skills and independent judgment. The Directors are also expected to abide by the respective Code of Conduct as applicable to them.

Independence - A Director will be considered independent if he / she meets the criteria laid down in Section 149(6) of the Act, the Rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations.

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

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has adequate internal control systems inter alia including system of internal financial controls, commensurate with the size and scale of its business operations. The system of internal financial control strives to ensure that all transactions are evaluated, authorized, recorded and reported accurately and that all assets are safeguarded and protected against losses that may arise from unauthorized use or disposition. Based on the framework of internal financial controls and compliance systems put in place by the Company, and the reviews performed by management and the audit committee, the board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2022-23. The company will further strengthen its Internal Financial Controls in areas observed by the Auditors.

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

AUDITORS

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

INDEPENDENT AUDITORS' REPORT

The Auditors' Report do not contain any qualifications or adverse remarks. The opinion of the Auditors is not qualified in respect of matters reported under Emphasis of the Matter. Auditors have drawn attention to some specific Notes to the Financial Statements viz: Note no. 5.3 regarding recoverable amount of land compensation, Note no. 9.2 regarding trade receivables & Note No. 19.3 regarding trade payables, for confirmation of Trade Receivables/ Payables and provision for expected credit loss. As stated in Note no. 5.3, the amount of land compensation recoverable is on account of enhanced compensation awarded by the Court in respect of acquisition of land of about 325 sq. yards of factory land and construction thereon by PWD (B&R), Gurugram. The company has filed a case of recovery before Addl. Session Judge, Gurugram, which is pending. Regarding Trade Receivables - As stated in Note No. 9.2- The Company has sent letters to Trade payables / Trade receivables for confirmations. However the same are awaited. Adjustment, if any, will be made on the receipt of the confirmations. In the opinion of the management, these balances are good for payment and recovery. Trade receivables more than 1 year amounting to ₹ 45.65 lakhs are considered good by the management. The Company makes provision for Expected Credit loss in respect of the outstanding amounts for more than 3 years instead on the basis prescribed under IndAS 109 as in the opinion of the management, it is not significant. Regarding Trade Payables- As stated in Note No. 19.3, The Company has sent letters to creditors for confirmations. However the same are awaited. Adjustment, if any, will be made on the receipt of the confirmations.

We have taken note of the Auditors' observations w.r.t. the Internal Audit System of the company (Refer Annexure B to the Auditors' Report – Sub clause (xiv) of Companies Auditors Report Order, 2020), which as per the Auditors needs to be substantially strengthened considering the size and the nature of its business in terms of scope, coverage and compliance thereof and that the internal audit reports for the year under audit,

issued to the Company close to the signing of their reports could not be considered in determining the nature, timing and extent of their audit procedures. In this regard, the management is of the view that the Internal Audit System is reasonably effective having regard to the medium scale (MSME) category of the company and since all significant transactions and day to day operations are monitored, controlled, authorized and managed by the top management. The Management will endeavor to further strengthen the internal audit in terms of scope, coverage and compliance thereof. Further the Internal Audit is continuous process and invariably quarterly Internal Audit reports are issued to the Company by the Internal Auditors. The Internal Audit Report for the quarter ended 31.03.2023 was issued on 26.05.2023 by the Internal Auditors close to the signing of the Independent Auditors Report. The Internal Audit Reports for earlier quarters ended till 31.12.2022 were issued well before the date of signing of the statutory audit report. However, the Management shall endeavor to get the Internal Audit completed well in advance.

We have also taken note of the observations of the Auditors reported in their Report on the Internal Financial Controls, for further strengthening of certain areas of Internal Financial Controls viz. Sales Return: Control regarding the accounting of sales return and timely reporting of the sales return by the stores department to the accounts department and maintenance of adequate records by the accounts department in respect of defective goods returned; Purchases: Timely recording of purchase invoices; Inventory: The controls regarding physical verification of work in progress needs to be strengthened and verification should be done by stopping the operations. The inventories should be monitored closely to keep inventories at reasonable levels to improve Inventory Turnover Ratio; Trade Receivables: More proactive actions required to effectuate recovery of Old Receivables –more specifically which are outstanding for more than one year. Also, where there are inordinate delays in payments, such customers should be monitored selectively and effectively through MIS. Invariably some customers avail extended credit - Credit discipline need to be enforced in these cases. Company needs to obtain the confirmations from trade receivables/ payable before approval of the financial statements by the Board of Directors; Fixed Assets Physical verification: needs improvement to see all items of PPE are physically verified in phase of 3 years; Contract Labour Management: Control regarding maintenance of dual records by time office and production department about labour supply through contractor; Volume of Expense through petty cash: needs to be reduced to the extent possible; TDS and TCS :Deductions, payments to Govt. and filling of returns etc. were found in order. Regarding payments to shipping agents - confirmations should be taken from the shipping agents confirming that they are agents of non - residents and they are receiving payments as agents of their non – resident principals to ensure non applicability of TDS provisions. The Company's Management is of the view that most of the Internal Financial Controls are reasonably effective , however, the management will take more effective steps to further strengthen the Internal Financial Controls in respect of all these areas inter-alia Sales return accounting and reporting; Timely recording of purchase invoices-being entered only after approval by ED/ authorized executive which will be expedited; Physical verification of WIP-presently being done at year end; Monitoring of Inventories- being monitored regularly on monthly basis by top Management; Trade Receivables- These are being monitored closely by senior executives and top management, recovery of old receivables is being pursued, credit discipline is being enforced more proactively, And steps have been taken for taking confirmations periodically from trade receivables and well before approval of financial statements; Fixed Assets Physical -most of the items of PPE are physically verified in phase of 3 years; Contract Labour Management: Proper records are being maintained by Time Office and monitored by HR Manager/ authorized executive; Petty expenses, which are being incurred due to business exigencies, shall be minimized; TDS and TCS : Necessary confirmations shall be taken from concerned shipping agents/parties.

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

SECRETARIAL AUDITORS' REPORT

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

INTERNAL AUDITORS

M/s PARM & Associates LLP, Chartered Accountants performs the duties of Internal Auditors of the Company

and their report is reviewed by the audit committee from time to time.

COST AUDITORS

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

AUDIT COMMITTEE

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

NOMINATION AND REMUNERATION COMMITTEE

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

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

CORPORATE SOCIAL RESPONSIBILITY

The provisions of section 135 of the Companies Act, 2013 are not applicable to our company for the year ended 31.03.2023.

RISK MANAGEMENT POLICY

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

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

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

TRANSACTIONS WITH RELATED PARTIES

All contracts/ arrangements/ transactions entered by the Company during the FY 2022-23 with related parties were on an arm's length basis and approved by the Audit Committee. Transactions, which were repetitive in nature, were approved through omnibus route.

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

Therefore the disclosure of the Related Party Transactions as required under Section 134(3)(h) of the Act in AOC-2 is not applicable to the Company for FY 2022-23 and, hence, the same is not required to be provided. The details of RPTs during FY 2022-23, including transaction with person or entity belonging to the promoter/ promoter group which hold(s) 10% or more shareholding in the Company are provided in the accompanying financial statements.

During the FY 2022-23, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company other than sitting fees and reimbursement of expenses, as applicable.

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

https://www.cosco.in/uploads/investors/revised_policy_on_materiality_of_related_party_transaction_1649068668.pdf

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

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year 2022-23 and the date of this Report.

CHANGE IN THE NATURE OF BUSINESS

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

ANNUAL RETURN

Pursuant to Section 92(3) of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return for FY 2022-23 is available on Company's website at;

https://www.cosco.in/uploads/investors/annual_return_31_03_2023_1692957295.pdf

SUBSIDIARY/JOINT VENTURE/ASSOCIATE COMPANIES

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

INDEPENDENT DIRECTORS

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

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

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

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

MANAGERIAL REMUNERATION & PARTICULARS OF EMPLOYEES

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

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

Executive Directors	Ratio to median remuneration
Shri Devinder Kumar Jain	55:1
Shri Narinder Kumar Jain	55:1
Mr. Arun Jain	42:1
Mr. Manish Jain	42:1
Mr. Pankaj Jain	42:1
Mr. Neeraj Jain	42:1

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

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

Directors, Chief Executive Officers, Chief Financial Officer and Company Secretary	% increase in Remuneration in the financial year
Executive Directors :-	
Shri Devinder Kumar Jain	10.67
Shri Narinder Kumar Jain	10.67
Mr. Arun Jain	10.34
Mr. Manish Jain	10.34
Mr. Pankaj Jain	10.34
Mr. Neeraj Jain	10.34
Independent Directors :-	
Ms. Tejal Jain	Not Applicable (Independent Directors are paid only sitting fees and reimbursement of expenses, if any for attending Board Meetings. No other Remuneration has been paid to the Independent Directors). Details of Sitting fees paid/payable incorporated in Corporate Governance report.
Mr. Vineet Bhutani	
Mr. Gautam Macker	
Mr. Vivek Sharma	
Mr. Anurag Gupta	
Mr. Sudhir Kalra	
Ms. Sudha Singh – Company Secretary	16.13

- c. The percentage increase in the median remuneration of employees in the Financial Year : 2.69 %
- d. The number of permanent employees on the rolls of the Company: 455
- e. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the Managerial remuneration:- Average percentile increase made in the employees remuneration other than Managerial Personnel in the last FY 2022-23 was approximately 4.53% to 20.38% compared to the percentile increase of 10.34% to 10.67% in the remuneration of Managerial Personnel.
Remuneration of Managerial Personnel was as per the Remuneration Policy of the Company and within limits as approved by the members in the Annual General Meetings as per statutory requirements.
- f. Affirmation that the remuneration is as per the remuneration policy of the Company: The Company affirms remuneration is as per the remuneration policy of the Company
- g. The statement containing particulars of employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Top Ten Employees in terms of Remuneration Drawn

Employee Name	Designation	Remuneration (₹ in Lakhs)	Nature of employment	Qualification	Experience (in years)	Year of commencement of employment	Age	Last employment	% of Equity Shares	Whether employee is relative of Director or Manager
Shri Devinder Kumar Jain	Managing Director and CEO	78.01	Permanent	Graduate in B. Sc.	62	1980	85	NA	3.53	Relative of Shri. Narinder Kumar Jain-Mg. Director, Mr. Arun Jain - WTD and Mr. Manish Jain - WTD
Shri Narinder Kumar Jain	Managing Director	79.13	Permanent	Graduate and Diploma in International Marketing	57	1989	82	NA	3.69	Relative of Shri. Devinder Kumar Jain - Mg. Director & CEO and Mr. Neeraj Jain-WTD
Mr. Arun Jain	Whole -Time Director and CFO	59.35	Permanent	B.E., M. Tech.	31	2007	57	NA	2.03	Relative of Shri. Devinder Kumar Jain - Mg. Director & CEO and Mr. Manish Jain-WTD
Mr. Manish Jain	Whole -Time Director	58.82	Permanent	Qualified Engineer and MBA	30	1998	53	NA	2.20	Relative of Shri. Devinder Kumar Jain - Mg. Director & CEO and Mr. Arun Jain-WTD
Mr. Pankaj Jain	Whole -Time Director	59.32	Permanent	B. Com and MBA	30	1998	52	NA	7.55	--
Mr. Neeraj Jain	Whole -Time Director	60.86	Permanent	B.E., M.Sc. & MBA	29	1998	51	NA	2.37	Relative of Shri. Narinder Kumar Jain - Mg. Director
Mr. Aakash Jain	Senior Executive	15.25	Permanent	B.Tech	4	2019	27	NA	0.61	Relative of Mr. Arun Jain WTD
Mr. Rajesh Kumar Khurana	Finance Manager & Head of Accounts	13.03	Permanent	B.Com(H) , FCA	41	1996	66	NA	Nil	NA
Mr. Gawesh Narula	Senior Accounts Officer	11.17	Permanent	Graduate	25	2005	53	NA	Nil	NA
Mr. Manojit Chakraborty	Manager (Costing)	10.94	Permanent	Cost Accountant	25	2005	56	NA	Nil	NA

* Gratuity not included.

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



DISCLOSURE REQUIREMENTS

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

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

https://www.cosco.in/uploads/investors/familiarisation_programme_to_independent_directors_fy_2022_23_1682318462.pdf

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

https://www.cosco.in/uploads/investors/revised_policy_on_materiality_of_related_party_transaction_1649068668.pdf

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

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

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

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

Unclaimed Dividends

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

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

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

VIGIL MECHANISM/WHISTLE BLOWER POLICY

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

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

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

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder. Internal Complaints Committee ('ICC') is in place for all works and offices of the Company to redress complaints received regarding sexual harassment. There was no complaint received from any employee during the financial year 2022-23 and hence, no complaint is outstanding as on March 31st, 2023 for redressal.

DEPOSITS FROM PUBLIC

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

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

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

DEMATERIALISATION OF SHARES

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

LISTING

Your Company is listed with Stock Exchanges at Mumbai and Delhi. Annual Listing fee for the Financial Year 2022-23 and 2023 – 2024 paid to BSE Limited. No fees paid to Delhi Stock Exchange Limited since DSE is non functional.

CORPORATE GOVERNANCE

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

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

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

INDUSTRIAL RELATIONS

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

ACKNOWLEDGEMENTS

The Board of Directors wish to convey their appreciation to all the employees for their sincere and dedicated services and unstinting efforts at all levels. The Directors also acknowledge with thanks the continuous support and co-operation received from Bankers, Statutory and Internal Auditors, Customers, Suppliers, Dealers, Government Authorities and Regulators and all other business associates and for their confidence in its management.

The Management also place on record their appreciation for the confidence reposed by the Stakeholders. The Directors appreciate and value the contributions made by every member of the Cosco (India) Limited.

By order of the Board of Directors

Devinder Kumar Jain
Managing Director and CEO

Narinder Kumar Jain
Managing Director

DIN : 00191539

DIN : 00195619

Registered Office:
2/8, Roop Nagar,
Delhi – 110007
Dated: 14th August, 2023

Secretarial Audit Report

[For the Financial Year ended on 31st March 2023]

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

To,

The Members,

Cosco (India) Limited

Registered Office: 2/8, Roop Nagar

New Delh-110007

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

Based on our verification of the books, papers, minute books, forms and returns filed and other records or registers maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31st March 2023**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-Processes and Compliance-Mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- (i) The Companies Act, 2013 (**the Act**) and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; Further, neither there was any transaction of Direct Investment, External Commercial Borrowings nor any transaction of Overseas Direct Investment which were required to be reported during the financial year.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz. ;
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not applicable to the Company during the Audit period);
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (Not applicable to the Company during the Audit period);
 - e. The Securities and Exchange Board of India (Issue and Listing of Non-convertible Securities) Regulations, 2021; (Not applicable to the Company during the Audit period);
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; - Not Applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the financial year under review;

- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (Not applicable to the Company during the Audit period);
 - h. The Securities and Exchange Board of India (Buy back of Securities) Regulations, 2018 (Not applicable to the Company during the Audit period);
 - i. Securities and Exchange Board of India (Depository and Participants) Regulations, 2018;
 - j. The Securities and Exchange Board of India (Listing Obligations and Disclosures requirements) Regulations, 2015 (herein after referred as SEBI LODR);
- (vi) Other labour, environment and specific applicable Acts / Laws to the Company for which Secretarial Audit was conducted as an overview audit and was generally based/ relied upon the documents provided to us & other audit report and certificates given by other professionals, the company has complied with the following Acts / Laws applicable to the Company during the audit period:
- a. The Rubber Act, 1947
 - b. The Petroleum Act, 1934
 - c. The Consumer Protection Act
 - d. The Legal Metrology Act, 2009
 - e. The Delhi Shops and Establishment Act, 1954
 - f. The Water (Prevention & Control of Pollution) Act, 1974
[Read with Water (Prevention & Control of Pollution) Rules, 1975]
 - g. Air (Prevention and Control of Pollution) Act, 1981 and Rules
 - h. The Environment (Protection) Act, 1986 (Read With The Environment (Protection) Rules, 1986)
 - i. Sexual Harassment of Women at Workplace Act, 2013
 - j. MSME Act, 2006
 - k. Labour Laws as applicable
- We have also examined compliance with the applicable clauses of the following:**
- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
 - (ii) The Listing Agreement entered into by the Company with BSE Limited.

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

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

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non Executive Directors, Independent Directors and Women Director. The changes in the composition of the Board of Directors that took place during the financial year under review, were carried out in compliance with the provisions of the Act and the SEBI LODR Regulations.

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

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

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

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

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

-During the Financial Year 2022-23 a fine of ₹ 5900/- levied by BSE Ltd. for Late compliance with Regulation 23(9) disclosure of related party transactions on consolidated basis for half year ended September 2022. Company has filed an application to BSE Ltd. for the waiver of the fine, approval is still awaited.

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

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

For Akhil Rohatgi & Co
Reg. No.: P1995DE072900

Deepak Kumar
Partner
M. No.: F10189
CP No: 11372
Peer Review Cert. No.
UDIN:F010189E000798451

Date: 14th August, 2023
Place: Delhi

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

“Annexure-A”

To,

**The Members,
Cosco (India) Limited,
2/8, Roop Nagar,
Delhi-110007**

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

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

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

Date: 14th August, 2023
Place: Delhi

Akhil Rohatgi
Partner FCS No.: 1600
CP No: 2317
UDIN:F010189E000798451

Annexure-'B'

(Forming Part of the Directors' Report)

Statement containing particulars pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, for the year ended March 31, 2023.

A. CONSERVATION OF ENERGY

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

Energy conservation continues to be an area of emphasis and is regularly monitored. The Company's plant has been designed in such a manner so as to achieve a high efficiency in the utilization of energy. These include reduction in power consumption, optimal water consumption and eliminating excess use of paper etc.

The Company has taken the following initiatives in this regard:

- (i) LED lights provided in Plant & offices to save the electrical energy
- (ii) Energy efficient motors used in order to optimize use of power.

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

- During the year under review no alternative source of energy was used.

(iii) Capital Investment on energy conservation equipment

- Nil

B. TECHNOLOGY ABSORPTION

(i) Efforts made towards technology absorption

- (a) Efforts have been made to use only electrical system which will increase the productivity and reduce the cost.
- (b) Efforts were made for creating products of premium range.
- (c) Continuous bench marking of products against competition in national and International markets.

(ii) Benefits derived

- (a) Improvements in existing products and formulations helped to increase product Sales.
- (b) As a result of these efforts, the Company has been able to achieve higher production, and introduce products of premium range

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

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

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

	2022-23	2021-22
Capital	Nil	Nil
Recurring	1.33	0.61
Total	1.33	0.61
Total R&D expenditure as a % of Total Turnover	0.009	0.004

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

	2022-23	2021-22
Foreign Exchange earning	374.55	187.67
Foreign Exchange Outgo	4,075.91	5,179.57

CORPORATE GOVERNANCE REPORT

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

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

COSCO’s corporate governance system ensures us to make timely disclosures and share accurate information regarding our financials and other performance, as well as make disclosures related to the leadership and governance of the Company. Our well-established and effective corporate governance practice has been an integral part of the organization in creating value since inception. In this report, we have provided details on how the corporate governance system and principles are put into practice within Cosco (India) Limited.

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

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

A report on compliance with the Principles of Corporate Governance as prescribed by SEBI in Chapter IV read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) given below are the Corporate Governance policies and practices of Cosco (India) Limited for the FY 2022-23.

COMPANY’S PHILOSOPHY ON CODE OF GOVERNANCE.

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

- sound & ethical business practices
- ensure integrity, transparency and professionalism in all decisions and transactions of the Company,
- build brand value of its products
- good Corporate Governance by conforming to prevalent mandatory guidelines on Corporate Governance,
- gain and retain the trust of the stakeholders at all times.
- Corporate governance standards should go beyond the law and satisfy the spirit of the law, not just the letter of the law.

BOARD OF DIRECTORS⁶

- i. The Composition of the Board of Directors during FY 2022-23 is given herein. As on March 31st, 2023, the Company has twelve directors. Of the Twelve Directors, Six (i.e. 50%) are Non-Executive Independent Directors including One Woman Director and six (i.e. 50%) are Executive Directors. The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Companies Act, 2013. All the Directors have made necessary disclosures regarding their Directorships as required under Section 184 of the Companies Act, 2013.
- ii. None of the directors on the board hold directorships in more than ten public companies. Further, none of them is a member of more than ten committees or chairman of more than five committees across all the

public companies in which he/she is a director. Necessary disclosures regarding committee positions in other public companies as on March 31st, 2023 have been made by the directors. None of the NEDs serve as IDs in more than seven listed companies and none of the IDs are Whole-time Directors/Managing Directors in any listed entity and none of the Executive or Whole-Time Directors serve as IDs on any listed company.

- iii. Independent directors are Non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties with an objective, independent, judgment and without any external influence. The Company has received confirmation from all the existing IDs of their registration on the Independent Directors Database maintained by the Institute of Corporate Affairs pursuant to Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management. All directors, other than Independent directors and Managing Director, are liable to retire by rotation.
- iv. The names and categories of the directors on the board, their attendance at Board meetings held during the year and the number of directorships and committee chairmanships/memberships held by them in other public companies as on March 31st, 2023 are given herein below.

I. Composition : Boards Consisted of the following Directors as on March 31st, 2023. Categorized as Indicated.

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

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

* Appointed/Re-appointed as Independent Director w.e.f. 01.10.2022

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

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

Note: During the Financial Year 2022-23 five Independent Directors of the Company namely Shri Mohan Lal Mangla (DIN:00311895), Shri Mahavir Prasad Gupta (DIN:00190550), Shri Sunil Jain (DIN:00387451), Shri Vijender Kumar Jain (DIN:06423328) and Smt. Nisha Paul (DIN:00325914) retired from the Board after the completion of their 2nd term of office as Independent Director of Cosco (India) Limited on 30.09.2022

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

(A) Details of Board Meetings held during the year 2022-23

Date of Meetings	Board Strength	No. of Directors Present
April 04, 2022	12	09
May 30, 2022	12	10
August 13, 2022	12	10
August 26, 2022	12	08
November 3, 2022	12	12
November 14, 2022	12	11
February 14, 2023	12	10

- v. Seven Board meetings were held during the year. The quorum for the meeting of the Board of Directors is one-third of the Board of Directors or four Directors, whichever is higher, including at least one ID and during the year, the requisite quorum was present for all Board meetings. All meetings in FY 2022-23 were held within the prescribed time gap.
- vi. During the year 2022-23, information as mentioned in Schedule II Part A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, has been placed before the Board for its consideration.
- vii. The terms and conditions of appointment of the Independent directors are disclosed on the website of the Company.
https://www.cosco.in/uploads/investors/terms_and_conditions_of_appointment_of_independent_director_1675941134.pdf
- viii. During the year a separate meeting of the Independent directors was held inter-alia to review the performance of non- Independent directors and the Board as a whole.
- ix. The Board periodically reviews compliance reports of all laws applicable to the Company, prepared by the Company.
- x. The details of the familiarization programme of the Independent Directors are available on the website of the Company.
https://www.cosco.in/uploads/investors/familiarisation_programme_to_independent_directors_fy_2022_2_1682318462.pdf

(B) Directors' Attendance Record and Directorships held:

Name of the Director	No. of Board Meeting Attended	Whether attended last AGM held on 30 th September, 2022	No. of Directorship held in other Companies	No. of Committee position held in other Companies as a Chairman	No. of Committee position held in other Companies as a Member
Shri Devinder Kumar Jain	6	Yes	4	Nil	Nil
Shri Narinder Kumar Jain	7	Yes	4	Nil	Nil
Mr. Arun Jain	5	Yes	Nil	Nil	Nil
Mr. Manish Jain	7	Yes	Nil	Nil	Nil
Mr. Pankaj Jain	7	Yes	1	Nil	Nil
Mr. Neeraj Jain	7	Yes	1	Nil	Nil
*Shri Mohan Lal Mangla	2	No	Nil	Nil	Nil
*Shri Mahavir Prasad Gupta	2	No	Nil	Nil	Nil
*Shri Sunil Jain	2	No	3	Nil	Nil
*Shri Vijender Kumar Jain	3	Yes	Nil	Nil	Nil
*Ms. Nisha Paul	2	No	1	Nil	Nil
**Ms. Tejal Jain	5	Yes	Nil	Nil	Nil
**Mr. Vineet Bhutani	3	NA	2	1	Nil
**Mr. Gautam Macker	3	NA	4	Nil	Nil
**Mr. Vivek Sharma	3	NA	Nil	Nil	Nil
**Mr. Anurag Gupta	3	NA	1	Nil	Nil
**Mr. Sudhir Kalra	3	NA	Nil	Nil	Nil

- * During the Financial Year 2022-23 five Independent Directors of the Company namely Shri Mohan Lal Mangla, Shri Mahavir Prasad Gupta, Shri Sunil Jain, Shri Vijender Kumar Jain and Smt. Nisha Paul retired from the Board after completion of their 2nd term of office as Independent Director of Cosco (India) Limited on 30.09.2022
- ** Appointed/Re-appointed as Independent Director w.e.f. 01.10.2022

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

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

Sl. No.	Name of Director	Brief Resume	Expertise in Specific functional areas	Directorship in other Companies
1.	Mr. Arun Jain	Aged about 57 years. B.E. and M. Tech. About 31 Years of Experience	Vast experience in industrial relationship & Financial Management and research and development of Rubber and Polymer products.	Nil
2.	Mr. Manish Jain	Aged about 53 years. Qualified Engineer and MBA. About 30 Years of Experience	Managing Plant Operations, Production and actively associated with marketing operations and research & development of new products.	Nil
3.	Mr. Pankaj Jain	Aged about 52 years, B.Com, and MBA. About 30 years of experience.	Finance, Marketing , Management and Developing of new products for International market.	The Sports Goods Export Promotion Council
4.	Mr. Neeraj Jain	Aged about 51 Years. B.E., M.Sc., and MBA. About 29 years of experience.	Experience in International Trade and Sourcing of New products. Vast Experience in health and fitness product segment.	Sportscom Industry Confederation-

(Refer also statement forming part of Notice of 44th Annual General Meeting issued to the Shareholders of the Company)

Code of Conduct

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

Declaration by Independent Directors

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

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

Key Board Skills, Expertise and Competencies: As on March 31, 2023 the Board comprises qualified members who bring in the required skills, competence and expertise to enable them to effectively contribute in deliberations at Board and Committee meetings. The below matrix summarizes a mix of skills, expertise and competencies expected to be possessed by our individual directors, which are key to corporate governance and Board effectiveness:

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

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

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

Sl. No.	Name	Brief Resume	Expertise in Specific functional areas
1	Shri Devinder Kumar Jain	B. Sc. Graduate, about 62 years' of experience	Operational Management, Production Process, Business Planning, Development & Sourcing of the new products, Managing the affairs of the Company effectively for the last many years.
2	Shri Narinder Kumar Jain	Graduate & Diploma in International Marketing about 57 years' of experience.	Marketing and Financial, Planning and Management, Formulating Business Strategies, Public Relations, Well experienced in Management, Marketing and Finance.
3	Mr. Arun Jain	Qualified B.E. & M.Tech. with about 31 years' of experience	He has vast experience in Industrial Relations and Financial Management and Research and Development of Rubber & Polymer products.
4	Mr. Manish Jain	Qualified Engineer and MBA with about 30 years' of experience	Managing Plant Operations & Production and actively associated with Marketing operations and Research & Development of new Products for Domestic and International Markets.
5	Mr. Pankaj Jain	B. Com and MBA with about 30 years' of experience.	Finance, Management and Marketing and developing of new products for International Market.
6	Mr. Neeraj Jain	B.E., M.Sc.(Polymer Science) & MBA with about 29 years' of experience.	International Trade and Sourcing of new products. Management of health and fitness segment.
7	*Ms. Tejal Jain	Member of The Institute of Chartered Accountants of India	11 Years' post qualification experience and Diversified knowledge of finance, taxation and corporate laws and has specialised experience for providing financial, taxation and legal consultancy. expertise in conducting Statutory Audit.
8	*Mr. Vineet Bhutani	Bachelor in ELECTRIC ENGG. from M.S.R.I.T Bengaluru also known as RAMAIAH Institute of Technology.	Experience in the area of Sales and Marketing.

9	*Mr. Gautam Macker	Master in Business Administration (MBA) from FORE School of Management.	Experience in the area of Business administration and Human Resources Management.
10	*Mr. Vivek Sharma	DNB Radiodiagnosis from National Board of Examination New Delhi.	Experience in the area of Administration and Health & Fitness
11	*Mr. Anurag Gupta	Graduate from Delhi University.	Experience in Imports- Exports and Marketing of products
12	*Mr. Vineet Bhutani	Graduate in B.A Economics Honours from Sri Ram Collage of Commerce New Delhi.	Experience in the field of Export, Marketing and Finance.

* Appointed/Re-appointed as Independent Director w.e.f. 01.10.2022

Note: During the Financial Year 2022-23 five Independent Directors of the Company namely Shri Mohan Lal Mangla, Shri Mahavir Prasad Gupta, Shri Sunil Jain , Shri Vijender Kumar Jain and Smt. Nisha Paul retired from the Board after completion of their 2nd term of office as Independent Director of Cosco (India) Limited on 30.09.2022

BOARD COMMITTEES

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

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

1. AUDIT COMMITTEE

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

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

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

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

(A) Details of Meetings of Audit Committees held and its attendance during the year 2022-23.

The Committee met 5 times during the FY 2022-23 on 04.04.2022, 30.05.2022, 13.08.2022, 14.11.2022 and 14.02.2023.

Name of the Member	No. of Meetings held	No. of Meetings attended
*Shri Vijender Kumar Jain	3	3
*Shri Mahavir Prasad Gupta	3	3
*Shri Sunil Jain	3	3
**Ms. Tejal Jain	2	2
**Mr. Sudhir Kalra	2	2
**Mr. Pankaj Jain	2	2

- * During the Financial Year 2022-23 Shri Mahavir Prasad Gupta, Shri Sunil Jain and Shri Vijender Kumar Jain retired from the Board after completion of their 2nd term of office as Independent Director of Cosco (India) Limited on 30.09.2022.
- ** Composition of Audit Committee re-constituted as on 03.11.2022 with Ms. Tejal Jain, Mr. Sudhir Kalra and Mr. Pankaj Jain.

The meetings of the Audit Committee are/ were also attended by the Managing Director(s), Executive Director(s), Chief Financial Officer, and Internal Auditors as Special Invitees as and when required. Shri Vijender Kumar Jain, Chairman of the Audit Committee, was present at the Annual General Meeting of the Company held on 30th September 2022, to answer shareholders' queries. The Company Secretary acts as the Secretary of the Committee. The necessary quorum was present at all the meetings.

2. NOMINATION AND REMUNERATION COMMITTEE

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

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

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

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

(B) Details of Meetings of Nomination and Remuneration Committees held and its attendance during the FY 2022-23.

The Committee met 2 times during the Year 2022-23 on 04.04.2022 & 26.08.2022

Name of the Member	No. of Meetings held	No. of Meetings attended
*Shri Mohan Lal Mangla	2	2
*Shri Vijender Kumar Jain	2	2
*Shri Sunil Jain	2	2
**Mr. Anurag Gupta	-	-
**Mr. Gautam Macker	-	-
**Mr. Vineet Bhutani	-	-

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

* During the Financial Year 2022-23 Shri Mohan Lal Mangla, Shri Sunil Jain and Shri Vijender Kumar Jain retired from the Board after completion of their 2nd term of office as Independent Director of Cosco (India) Limited on 30.09.2022.

* Composition of Nomination and Remuneration Committee re-constituted as on 03.11.2022 with Mr. Anurag Gupta, Mr. Gautam Macker and Mr. Vineet Bhutani.

Remuneration paid to the Executive Directors during the financial year ended 31.03.2023 is given below:
(Amount in ₹)

Name	Designation	Salary	HRA	PF	Medical Exp.	Car Perk **	Other perks	Contract Period (No. of Yrs.)
Shri Devinder Kumar Jain	Mg. Director and CEO	49,80,000	24,90,000	21,600	3,09,668	39,600	Refer note	3
Shri Narinder Kumar Jain	Managing Director	49,80,000	24,90,000	21,600	4,21,483	39,600	Refer Note	3
Mr. Arun Jain	Whole Time Director	38,40,000	19,20,000	21,600	1,53,037	39,600	Refer Note	3
Mr. Manish Jain	Whole Time Director	38,40,000	19,20,000	21,600	1,00,322	32,400	Refer Note	3
Mr. Pankaj Jain	Whole Time Director	38,40,000	19,20,000	21,600	1,50,415	32,400	Refer Note	3
Mr. Neeraj Jain	Whole Time Director	38,40,000	19,20,000	21,600	3,04,401	32,400	Refer Note	3

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

Note: - Other Perks and Allowances

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

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

The sitting fees paid/payable to the Non Executive (Independent) Directors for the year ended on 31st March 2023 are as follows:

Shri Mohan Lal Mangla	:	₹ 9,000		Shri Sunil Jain	:	₹ 9,000
Shri Mahavir Prasad Gupta	:	₹ 9,000		Shri Vijender Kumar Jain	:	₹ 13,500
Ms. Tejal Jain	:	₹ 22,500		Ms. Nisha Paul	:	₹ 9,000
Mr. Vineet Bhutani	:	₹ 13,500		Mr. Gautam Macker	:	₹ 13,500
Mr. Vivek Sharma	:	₹ 13,500		Mr. Anurag Gupta	:	₹ 13,500
Mr. Sudhir Kalra	:	₹ 13,500				

Detail of Shareholding of Non-Executive (Independent) Directors

Name	No. of Equity Shares held	Name	No. of Equity Shares held
*Shri Mohan Lal Mangla	-	*Shri Sunil Jain	-
*Shri Mahavir Prasad Gupta	-	*Shri Vijender Kumar Jain	-
*Ms. Nisha Paul	200	**Ms. Tejal Jain	-
**Mr. Vineet Bhutani	-	**Mr. Gautam Macker	-
**Mr. Anurag Gupta	-	**Mr. Vivek Sharma	100
**Mr. Sudhir Kalra	-		

- * During the Financial Year 2022-23 five Independent Directors of the Company namely Shri Mohan Lal Mangla, Shri Mahavir Prasad Gupta, Shri Sunil Jain , Shri Vijender Kumar Jain and Smt. Nisha Paul retired from the Board after completion of their 2nd term of office as Independent Director of Cosco (India) Limited on 30.09.2022
- ** Appointed/Re-appointed as Independent Director w.e.f. 01.10.2022

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

Nomination & Remuneration Policy

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

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

The Company pays remuneration by way of salary, benefits, perquisites and allowances to its Managing directors and the Executive directors. Annual increments were approved by the Nomination and Remuneration Committee (NRC) within the limit, as approved by the members of the Company and are effective from April 1st each year. During the year 2022-23, the Company paid sitting fees of Rs. 4,500 per meeting to its non-executive directors for attending Board meetings.

The remuneration paid to the CEO & MD and the Executive Directors ('ED') is commensurate with Industry standards and Board level positions held in similar sized companies, taking into consideration the individual responsibilities shouldered by them and is in accordance with the terms of appointment/re-appointment by the Members, at the time of their appointment/re-appointment.

Succession Planning

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

Performance Evaluation Criteria for Independent Directors:

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

3. STAKEHOLDER'S RELATIONSHIP COMMITTEE

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

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

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

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

Ms. Tejal Jain has been appointed as Chairperson of Stakeholder's Relationship Committee w.e.f. 13th August, 2022

(B) Details of Meetings of Stakeholders Relationship Committees held and its attendance during the FY- 2022-23

The Meetings of the Committee were normally held quarterly during the year 2022–23. The Committee met 4 times during the Year 2022-23 on 30.05.2022, 13.08.2022, 14.11.2022 and 14.02.2023.

Name of the Member	No. of Meetings held	No. of Meetings attended
*Ms. Tejal Jain	2	2
*Shri Sunil Jain	2	2
Mr. Pankaj Jain	4	4
Mr. Neeraj Jain	4	4

*During the FY 2022-23 Shri Sunil Jain retired from the Chairperson of Stakeholders Relationship Committee of the Company and Ms. Tejal Jain has been appointed as Chairperson of Stakeholders Relationship Committee w.e.f 13th August, 2022.

Total No. of Complaints received during the year : Nil
 No. of unsolved complaints to the satisfaction of Shareholders : Nil
 No. of transfers pending for registration for more than 15 days : Nil

The Chairperson of the SRC also attended the last Annual General Meeting held on 30th September, 2022 of the Company. The requisite quorum was present for all the meetings.

4. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

During the FY 2022-23 Company Board had dissolved the Corporate Social Responsibility Committee w.e.f. 13th August, 2022. Further for FY 2022-23 Company has no obligation under Section 135 of the Companies Act, 2013.

The CSR Policy is uploaded on the Company's website at

https://www.cosco.in/uploads/investors/corporate_social_responsibility_policy_1499423528.pdf

Name, Designation and Address of Compliance officer

Ms. Sudha Singh
 Company Secretary & Compliance Officer
 2/8, Roop Nagar, Delhi- 110007
 Ph. 011- 23843000

GENERAL BODY MEETINGS

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

Year	Location	Date & Time
41 st AGM – 2020	Due to COVID -19 Virus Pandemic held through video conferencing ('VC') /other audio visual means ('OAVM')	30 th September, 2020 – 02.30 P.M.
42 nd AGM – 2021	Due to COVID -19 Virus Pandemic held through video conferencing ('VC') /other audio visual means ('OAVM')	30 th September, 2021 – 12:00 Noon.
43 rd AGM - 2022	Due to COVID-19 Virus Pandemic held through video conferencing ('VC') /other audio visual means ('OAVM')	30 th September, 2022 – 12.00 Noon

- (a) No other Shareholders' Meeting was held in the last three years.
- (b) Postal Ballot :-During the year FY- 2019-20 the Company approached the Shareholders once through Postal Ballots, through notice dt: 14 February 2019. A Snapshot of Voting results of the above mentioned postal ballot is as follows:

The Members of the Company have passed following Special Resolutions by way of Postal Ballot on 07th April, 2019 which was the last date of receipt of Postal Ballot forms and E-Voting.

Name of Resolution	Type of Resolution	No. of Votes Polled	No. of Votes cast in Favour	No. of Votes cast against
To alter/amend the Object Clause, of the Memorandum of Association of the Company	Special Resolution	3131014	3131014	0
To adopt new set of Articles of Association of the Company in conformity with the Companies Act, 2013.	Special Resolution	3131014	3131014	0

The Notice dated 14th February, 2019 was sent to the Members and the last date for receipt of postal ballot forms was 07th April, 2019. CS Mr. Ravi. Sharma, a Practising Company Secretary (FCS 4468) Partner of M/s. R S M & Co, Practising Company Secretaries, 2E/207, 2nd Floor, Caxton House, Jhandewalan extension, New Delhi-110055 was appointed as scrutinizer for conducting this Postal Ballot Voting Process in a fair and transparent manner. According to the Scrutinizer's report, the Resolutions were passed by the requisite majority. The result of the postal ballot was declared on 8th April, 2019 on the website of the Company and informed to the BSE Limited, where the shares of the Company are listed for the information of the members.

- (c) In the AGM held on 30th September, 2020 Three Special Resolutions were passed in respect of ratification and approval of continuation of directorship of Shri Mahavir Prasad Gupta, Shri Mohan Lal Mangla and Shri Vijay Kumar Sood as an Independent Director's of the Company for the existing term of their office of 5 years from 1st October, 2017 to 30th September, 2022 as per the provisions of SEBI(LODR) Regulations 2015.
- (d) In the AGM held on 30th September, 2021 total 6 Special Resolution(s) were passed Two Special Resolutions were passed in respect of re-appointment of Shri Devinder Kumar Jain as Managing Director & CEO, and Shri Narinder Kumar Jain as Managing Director for a period of three years w.e.f. 16.03.2022 till 15.03.2025 and fixation of their remuneration and also restructuring their remuneration w.e.f. 01.04.2022 and Four Special Resolution(s) were passed To Approve and Ratify the Remuneration paid/payable to Mr. Arun Jain, Mr. Manish Jain, Mr. Pankaj Jain & Mr. Neeraj Jain Whole Time Directors of the Company as per the provisions of the Companies Act, 2013 and SEBI(LODR) Regulations 2015.
- (e) In the AGM held on 30th September, 2022 total 6 Special Resolution(s) were passed Pursuant to the provisions of Section 149 of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 for the appointment/re-appointment of Independent Directors of the Company namely Ms. Tejal Jain Mr. Vineet Bhutani (DIN:02033791), Mr. Gautam Macker (DIN:00542563), Mr. Vivek Sharma (DIN:00278406), Mr. Anurag Gupta (DIN:00701005) and Mr. Sudhir Kalra (DIN:09704840)

There were no special resolutions passed through Postal Ballot during FY 2022-23. Further, no special resolution is proposed to be passed through Postal Ballot as on the date of this report. All resolutions moved at the last years' Annual General Meeting, were passed by means of electronic voting, by the requisite majority of members.

Remote e-voting and e-voting at the AGM

To allow the shareholders to vote on the Resolutions proposed at the AGM, the Company arranged for a remote e-voting facility. The Company engaged NSDL to provide e-voting facility to all the members. Members whose names appeared on the register of members as on 23rd September, 2022 were eligible to participate in the e-voting. The facility for voting through e-voting was also made available at the AGM and the members who did not cast their vote by remote e-voting were allowed to exercise their vote at the AGM through e-voting.

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

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

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

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

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

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

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

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

Ms. Sudha Singh, Company Secretary, is the Nodal Officer. Her contact details are – Cosco (India) Limited, 2/8, Roop Nagar, New Delhi-110007, Tel: 91 11 2384 3000 Email: sudha@cosco.in

Disclosures

i) Related Party Disclosures:

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

All transactions entered into with related parties as defined under the Act and Regulation 23 of the of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year were on an arm's length basis. These have been approved by the audit committee. Further, there were no materially significant related party transactions that were entered during the year that have a potential conflict with the interests of your Company at large. A confirmation as to the compliance of Related party transactions as per LODR Regulations is sent to Stock exchange along with quarterly compliance report of Corporate Governance. The board has approved a policy for related party transactions which has been uploaded on the Company's website at the following link-

https://www.cosco.in/uploads/investors/revised_policy_on_materiality_of_related_party_transaction_164906_8668.pdf

- ii. Details of non-compliance by the Company, penalties, strictures imposed on the Company by the stock exchanges or the Securities and Exchange Board of India or any Statutory Authority, on any matter related to capital markets, during the last three years 2020-21, 2021-22 and 2022-23 respectively: For FY 2020-21 & 2021-22 NIL, -During the Financial Year 2022-23 a fine of ₹ 5,900/- levied by BSE Ltd. for late compliance with Regulation 23(9) disclosure of related party transactions on consolidated basis for half year ended September 2022. Company has filed an application to BSE Ltd. for the waiver of the fine, approval is still awaited.
- iii. In accordance with the provisions of the Act and Regulation 22 of the SEBI Listing Regulations the Company has in place a Vigil Mechanism and a Whistle-Blower Policy duly approved by the Audit Committee which provides a formal mechanism for all Directors and employees of the Company to

approach the Management of the Company (Audit Committee in case where the concern involves the Senior Management) and make protective disclosures to the Management about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics policy. The disclosures reported are addressed in the manner and within the time frames prescribed in the Policy. The Company affirms that no director or employee of the Company has been denied access to the Audit Committee.

The said policy has been also put up on the website of the Company at the following link-

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

iv. The Company has also adopted Policy on Determination of Materiality for Disclosures :-

https://www.cosco.in/uploads/investors/policy_for_determination_of_materiality_of_events_or_information_1566038152.pdf

v. Policy on Archival of Documents and Policy for Preservation of Documents.

https://www.cosco.in/uploads/investors/archival_policy_57137519215.pdf

vi. Prevention of Insider Trading Code: As per SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted Code of Conduct for Prevention of Insider Trading & Code of Corporate Disclosure Practices. All the Directors, Employees and third Parties such as Auditors, Consultants etc. who could have access to the Unpublished Price Sensitive Information of the Company are governed by this code. The trading window is closed during the time of declaration of results and occurrence of any material events as per the Code.

https://www.cosco.in/uploads/investors/code_of_conduct_for_trading_by_insider_1566285109.pdf

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

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

ix. SEBI Complaints Redress System (SCORES) The Investors can also raise complaints in a centralized web based complaints redress system called "SCORES". The Company uploads the action taken report on the complaints raised by the Shareholders on "SCORES", which can be viewed by the Shareholder. The complaints are closed to the satisfaction of the shareholders and SEBI. During the financial year 2022-2023, no shareholder's complaint was received on SCORES by the Company.

x. Commodity Price Risk/ Foreign Exchange Risk and Hedging

The Company has foreign exchange risks. The Company imports health equipments and sports goods and also exports sports goods. Adverse changes in rupee exchange rates due to imports are partially offset by exports and by increase of sale price of the products as disclosed in note no. 36 of notes to the financial statements for the year ended March 31, 2023. The Company doesn't indulge in commodity hedging activities.

xi. Report on Corporate Governance

A report on Corporate Governance forms part of the Annual Report of the Company and is sent to the shareholders accordingly. The Company also submits a quarterly compliance report on Corporate Governance to the Stock Exchanges within the time stipulated under SEBI(LODR) 2015. Disclosures of Compliance with Corporate Governance Requirements.

The Company has complied with Corporate Governance Requirements as specified in Regulation 17 to

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

xii. Disclosure of Accounting Treatment

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

xiii. Disclosure Pursuant to Clause (2a) Of Schedule V (Annual Report) Of SEBI (LODR) (Amendment) Regulations, 2018 of transactions of the Company with any person or entity belonging to the Promoter/Promoter group which hold(s) 10% or more shareholding in the listed entity: Details of the transactions with the person(s)/entities belonging to the Promoter/Promoter group more than 10% or more shareholding, entered during the financial year 2022-23 are given at Note No. 34 in relation to Notes on Accounts to Financial Statements of the Company. The transactions were not in conflict with the interests of the Company at large.

CREDIT RATINGS

CRISIL has assigned its short term and long term credit rating of BBB/ stable (Reaffirmed).

Details of total fees paid to statutory auditors

The Company have paid ₹ 7.95 Lakhs to the Statutory Auditors. For details please refer to the Note No. 30 Other Expenses in the Financial Statements.

Reconciliation of Share Capital Audit:

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

Code of Conduct

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

All the members of the Board and Senior Management Personnel have affirmed the compliance with the Code applicable to them during the year ended March 31st, 2023. The Annual Report of the Company contains a Certificate by the CEO and Managing Director in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 based on the compliance declarations received from Independent Directors, Non-Executive Directors and Senior Management.

CEO/CFO Certification

A Certificate from Managing Director & CEO and Whole Time Director & CFO as per requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, was placed before the Board regarding the Financial Statements of the Company, Specified Transactions, Internal Controls, Significant Changes, if any, in Accounting Policies, for the year ended 31st March, 2023. The same has been provided in this Annual Report.

Means of Communication

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

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

Management Discussion & Analysis

Management Discussion & Analysis forms part of the Annual Report.

Senior Management

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

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

GENERAL SHAREHOLDER INFORMATION

a) 44th Annual General Meeting

Date and Time : 30th September, 2023 at 12.00 Noon through Video Conferencing ("VC"/Other Audio Visual means) ("OAVM")

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Particulars of Directors seeking appointment/re-appointment at the forthcoming AGM are given in the Annexure to the notice of the AGM to be held on September 30th, 2023.

b) Financial Calendar

Financial Year : 1st April to 31st March

For the year ended 31st March 2023 the quarterly results were announced as under:-

1 st Quarter ended 30 th June 2022	: 13 th August, 2022
2 nd Quarter ended 30 th September 2022	: 14 th November, 2022
3 rd Quarter ended 31 st December 2022	: 14 th February, 2023
4 th Quarter ended 31 st March 2023	: 30 th May, 2023

For the year ending 31st March 2024, the Schedule of announcement of results is as under:-

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

- c) **Book Closure Date**
From 24th September 2023 to 30th September 2023 (both days inclusive)
- d) **Dividend Payment Date** : No Dividend declared during the FY 2022-23.
- e) **Listing of Equity Share**
: BSE Ltd.
: Delhi Stock Exchange Ltd. (Non Functional)

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

- f) (i) **Stock Code/Security Code** : BSE Limited(BSE): 530545
(ii) **Demat ISIN Numbers in NSDL & CDSL** : Equity Shares - INE949B01018

Stock Market Price Data: High low quotations on the Bombay Stock Exchanges during each month for the year 2022 - 2023 & performance in comparison to BSE Index:

Months	Market Price (in R)		BSE Index**	
	High (R)	Low (R)	High	Low
April, 2022	244.75	213.2	60845.1	56009.07
May, 2022	242.5	162.2	57184.21	52632.48
June, 2022	208.1	160.1	56432.65	50921.22
July, 2022	200	164.55	57619.27	52094.25
August, 2022	234.9	166	60411.2	57367.47
September, 2022	228.7	184.7	60676.12	56147.23
October, 2022	210	181.2	60786.7	56683.4
November, 2022	199.7	175	63303.01	60425.47
December, 2022	198.5	165.3	63583.07	59745.1
January, 2023	198	160.5	61343.96	58699.2
February, 2023	194.95	163.35	61682.25	58795.97
March, 2023	186.9	145	60498.48	57084.91

Shareholding Pattern as on 31st March, 2023.

Category of Shareholders	No. of Shares held at the end of the year (March 31 st , 2023)	
	Total No. of Shares	% of Total Shares
A. Promoters		
(1) Indian		
a) Individual/ HUF	1,464,800	35.20
b) Central Govt	-	-
c) State Govt(s)	-	-
d) Bodies Corp.	1,655,000	39.77
e) Banks / FI	-	-
f) Any other	-	-
Total shareholding of Promoter (A)	3,119,800	74.98
B. Public Shareholding		
1. Institutions	-	-
a) Mutual Funds	-	-
b) Banks / FI	-	-
c) Central Govt	-	-
d) State Govt(s)	-	-
e) Venture Capital Funds	-	-
f) Insurance Companies	-	-
g) FII's	-	-
h) Foreign Venture Capital Funds	-	-
i) Others (specify)	-	-
Sub-total (B)(1):-	-	-
2. Non Institutions		

a) Investor Education and Protection Fund Authority (IEPF)	444,55	1.07
b) Bodies Corp.		
i) Indian	1,88,894	4.54
ii) Overseas	-	-
c) Individuals	-	-
i) Individual shareholders holding nominal share capital up to ₹ 2 lakh	4,57,585	11.00
ii) Individual shareholders holding nominal share capital in excess of ₹ 2 lakh	3,26,975	7.86
d) Others (specify)		
Non Resident Indians	7,551	0.18
Overseas Corporate Bodies	-	-
Hindu Undivided family	13,818	0.33
Foreign Nationals	-	-
Clearing Members	353	0.01
Trusts	50	0.00
Others	1,519	0.04
Foreign Bodies - D R	-	-
Sub-total (B)(2):-	1,041,200	25.02
Total Public Shareholding (B)=(B)(1)+ (B)(2)	1,041,200	25.02
C. Shares held by Custodian for GDRs & ADRs	0	0
Grand Total (A+B+C)	4,161,000	100

Distribution of Shareholding as on 31st March, 2023.

Share holding Nominal Value (₹)	Number of Shareholders	% to Total Numbers	Share holding Amount (₹)	% to Total Amount
1	2	3	4	5
Up To 5,000	2781	93.70	20,95,570.00	5.04
5001 To 10,000	91	3.07	6,98,930.00	1.68
10001 To 20,000	33	1.11	4,73,120.00	1.14
20001 To 30,000	11	0.37	2,74,150.00	0.66
30001 To 40,000	6	0.20	2,17,380.00	0.52
40001 To 50,000	6	0.20	2,77,780.00	0.67
50001 To 1,00,000	6	0.20	46,30,150.00	1.11
1,00,000 and Above	34	1.15	3,71,09,920.00	89.19
Total	2,968	100.00	41,610,000.00	100.00

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

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

Dematerialization of Shares and liquidity

Electronic holding of members comprises 99.47% of the paid up Equity Shares of the Company as at 31st March, 2023. The Shares of the Company are available for trading with both the Depositories, namely; National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL). As stipulated by Securities and Exchange Board of India (SEBI), a qualified practicing Company Secretary carries out the Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and



Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to stock exchange, and is also placed before the Board of Directors. No discrepancies were noticed during these audits

REGISTRAR AND SHARE TRANSFER AGENTS

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

Address for Correspondence:

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

M/s Skyline Financial Services Pvt. Ltd.,

D-153/A, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi-110020.
Ph. 011- 40450193 to 197 & 26812682-83, Tele-Fax: 91-11-26812682
E-mail ID:admin@skylinerta.com.

Places for acceptance of documents :

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

Share Transfer System

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

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

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

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

Suspense Escrow Demat Account

SEBI has vide Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 directed listed entities to issue securities in dematerialized form only while processing various investor service requests. Pursuant to the said Circular, SEBI had issued "Guidelines with respect to Procedural Aspects of Suspense Escrow Demat Account" vide its Letter No. SEBI/ HO/MIRSD/PoD-1/OW/P/2022/64923 dated December 30, 2022, to move securities, pertaining to Letter of Confirmation cases, to newly opened Suspense Escrow Demat Account latest by January 31, 2023. The Company has complied with the said requirements.

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

The Company has not issued any GDRs / ADRs / Warrants or any Convertible Instruments in the past and hence as on March 31st, 2023, the Company does not have any outstanding GDRs/ADRs / Warrants or any convertible instruments.

Plant Location:

The Factory is situated at : 1688-2/31, Railway Road, Near Railway Station,
Gurugram- 122001 (Haryana)
Phones: 91-124-2251781, 2251782, 2251783
Email: gurgaon@cosco.in

Status of compliances of Non mandatory requirements

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

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

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

TO

**THE MEMBERS OF
COSCO (INDIA) LIMITED**

Registered Office: 2/8, Roop Nagar, Delhi-110007

1. We have examined the compliance of conditions of corporate governance by Cosco (India) Limited (CIN L25199DL1980PLC010173) for the year ended on 31.3.2023, as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in Regulation 15(2) of the Listing Regulations read with schedule V for the period to 31st March, 2023.
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an Audit nor an expression of opinion on the Financial Statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management, we certify that Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned in Listing Regulations as applicable.
4. We further report that During the Financial Year 2022-23 a fine of ₹ 5900/- levied by BSE Ltd. for Late compliance with Regulation 23(9) disclosure of related party transactions on consolidated basis for half year ended September 2022. Company has filed an application to BSE Ltd. for the waiver of the fine, approval is still awaited.
5. We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

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

Deepak Kumar
Partner
M. No.: F10189
CP No: 11372
UDIN: F010189E000798449

Date: 14th August, 2023
Place: Delhi

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS
(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
Cosco (India) Limited,
Registered Office: 2/8, Roop Nagar, Delhi-110007

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Cosco (India) Limited** having **(CIN L25199DL1980PLC010173)** and having registered office at 2/8, Roop Nagar, Delhi-110007 (hereinafter referred to as 'the Company') and produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule-V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Sl. No.	Full Name	DIN	Date of Appointment
1	Shri Devinder Kumar Jain	00191539	25/01/1980
2	Shri Narinder Kumar Jain	00195619	29/09/1989
3	Mr. Arun Jain	01054316	01/05/2007
4	Mr. Manish Jain	00191593	01/04/1998
5	Mr. Pankaj Jain	00190414	01/04/1998
6	Mr. Neeraj Jain	00190592	01/04/1998
7	Shri Mahavir Prasad Gupta*	00190550	30/03/2003
8	Shri Mohan Lal Mangla*	00311895	07/10/1997
9	Shri Sunil Jain*	00387451	30/03/2003
10	Shri Vijender Kumar Jain*	06423328	31/10/2012
11	Smt. Nisha Paul*	00325914	01/10/2014
12	Ms. Tejal Jain**	09219682	30/06/2021
13	Mr. Vineet Bhutani***	02033791	01/10/2022
14	Mr. Gautam Macker***	00542563	01/10/2022
15	Mr. Vivek Sharma***	00278406	01/10/2022
16	Mr. Anurag Gupta***	00701005	01/10/2022
17	Mr. Sudhir Kalra***	09704840	01/10/2022

- * During the FY 2022-2023 five Independent Director(s) of the Company retired from the Board w.e.f 01.10.2022 after completion of their 2nd term of appointment on 30.09.2022.
- ** Ms. Tejal Jain Re-appointed as Independent Director for second term of five consecutive years w.e.f 01.10.2022.
- *** During the FY 2022-2023 five Independent Director(s) of the Company appointed w.e.f 01.10.2022 for a term of 5 consecutive years.
Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

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

Deepak Kumar
Partner
M. No.: F10189
CP No: 11372
UDIN:F010189E000798427

Date: 14th August, 2023
Place: Delhi

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

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

I confirm that the Company has in respect of the year ended March 31st, 2023, received from the Senior Management Team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management Team means the Executive Directors, Chief Financial Officer, Company Secretary and employees in the Executive cadre as on March 31st, 2023.

Delhi

14th August, 2023

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

**CEO and CFO Certification
COMPLIANCE CERTIFICATE**

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

To,

The Board of Directors
Cosco (India) Limited
2/8, Roop Nagar, Delhi-110007

Dear Members of the Board,

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

1. We have reviewed the Balance Sheet, Statement of Profit and Loss, Cash Flow Statement and Statement of change in Equity of the Company for the year ended March 31st, 2023 and that to the best of our knowledge and belief :
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year are fraudulent, illegal or violate the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
4. We accept responsibility for establishing and maintaining internal controls for Financial Reporting and we have evaluated the effectiveness of these internal control systems of the Company pertaining to financial reporting. Deficiencies noted, if any, are discussed with the Auditors and Audit Committee, as appropriate, and suitable actions are taken to rectify the same.
5. We have indicated to the Auditors and the Audit committee:
 - (i) that there have been no changes in internal control over financial reporting during the year;
 - (ii) that there have been no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) We are not aware of any instances of significant fraud with involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Devinder Kumar Jain
Managing Director and CEO
DIN : 00191539

Arun Jain
Whole Time Director and CFO
DIN: 01054316

MANAGEMENT DISCUSSION AND ANALYSIS (MD & A)

This may be read in conjunction with the Directors' Report

Global Economy

The year 2022 proved to be a tumultuous period for the global economy. Since the beginning of the year, there were a lot of growing voices about the deteriorating situation in Ukraine, but the beginning of the conflict took all by surprise. While the loss of human life and the sufferings it induced is undeniably unfathomable, its impact on the overall global economy was also profound.

The surge in inflation witnessed across commodities in the aftermath of the conflict, added to the already elevated inflationary concerns across economies grappling with the fractured supply chain networks resulting from the COVID fallout. This led to unprecedented, synchronized increases in policy rates across all major economies which not just resulted in monetary policy tightening across the emerging economies but also led to significant forex reserve challenges in many economies, ultimately impacting the business conditions across many markets.

As per RBI's recent Monetary Policy Statement in August 2023, the global economy is slowing and growth trajectories are diverging across regions amidst moderating but above target inflation, tight financial conditions, simmering geopolitical conflicts, and geoeconomic fragmentation. Sovereign bond yields have hardened. The US dollar fell to a 15-month low in mid-July on expectations of an early end to the monetary tightening cycle, although it recouped some of the losses subsequently. Equity markets have gained on expectations of a soft landing for the global economy. For several emerging market economies, weak external demand, elevated debt levels and tight external funding conditions pose risks to their growth prospects.

The International Monetary Fund in its World Economic Outlook published in July 2023 has projected Global growth to fall from an estimated 3.5 percent in 2022 to 3.0 percent in both 2023 and 2024. The rise in central bank policy rates to fight inflation continues to weigh on economic activity. Global headline inflation is expected to fall from 8.7 percent in 2022 to 6.8 percent in 2023 and 5.2 percent in 2024. Underlying (core) inflation is projected to decline more gradually.

In most economies, the priority remains achieving sustained disinflation while ensuring financial stability. Improvements to the supply side of the economy would facilitate fiscal consolidation and a smoother decline of inflation toward target levels. Globally from a growth perspective, developed economies will continue to be on a tightrope walk, balancing inflationary pressures on one hand and economic recovery on the other.

Indian Economy

The Indian economy, too, encountered headwinds during the year. Following the sharp rebound in domestic economic activity during the second half of the previous financial year, FY 2022-23 was a year of normalisation with demand in many sectors gradually moderated, yet remaining robust. Global risk aversion on the back of the rapid rate increases by the developed economy meant persistent pressure on the exchange rate, adversely impacting import-dependent businesses such as ours. Simultaneously, the Reserve Bank of India tightened the monetary policy to counteract the sticky inflation in the economy. Consequently, the Indian economic growth was expected to be lower - at about 6.8% to 7% mark for FY 2022-23, as compared to 9% registered for the previous fiscal year. However, in a year which saw growth decelerating across the world with recessionary expectations building up, the Indian economy still exhibited resilience, underpinned by robust domestic consumption demand and well supported by the Government's push in various parts of the economy.

The Indian economy, however, appears to have moved on after its encounter with the pandemic, staging a full recovery in FY22 ahead of many nations and positioning itself to ascend to the pre-pandemic growth path in FY23. Yet in the current year, India has also faced the challenge of reining in inflation that the European strife accentuated. Measures taken by the government and RBI, along with the easing of global commodity prices, have finally managed to bring retail inflation below the RBI upper tolerance target in November 2022. However, the challenge of the depreciating rupee, although better performing than most other currencies, persists with the

likelihood of further increases in policy rates by the US Fed. The widening of the CAD may also continue as global commodity prices remain elevated. The loss of export stimulus is further possible as the slowing world growth and trade shrinks the global market size in the second half of the current year.

Despite these, the macroeconomic outlook for India remains broadly positive and the growth momentum of the Indian economy remains strong. Most global and domestic forecasters predict growth in the range of 6% to 6.5% in continuity of the healthy GDP for FY 2022-23. These optimistic growth forecasts stem in part from the resilience of the Indian economy seen in the rebound of private consumption seamlessly replacing the export stimuli as the leading driver of growth. The positive sentiments are supported by strong fundamentals, which inter-alia are robust tax collections, moderation in inflation, narrowing current account and fiscal deficit, increasing foreign exchange reserves, steady manufacturing PMI, better capacity utilization, sustained capex in both the public and the private sector, growing employment levels in the urban as well as the rural areas, and targeted social security measures, stable interest rates, lower NPAs and improvement in credit culture. The Government's emphasis on infrastructure development, digital transformation, and reforms in various sectors will sustain the growth momentum of the Indian Economy. India is the third-largest economy in the world in PPP terms and the fifth largest in market exchange rates.

Industry Structure and Developments

India's Export of Indian Sports Goods and Toys remained stable during FY 2022-23. As per data based on the export returns submitted by its members, compiled by The Sports Goods Export Promotion Council, the export of sports goods & toys for the year 2022-23 has been recorded as ₹ 1,778 Crore as compared to ₹1,814 Crore during 2021-22, with a marginal decline in Rupee terms.

India exports a variety of sporting goods including inflatable balls, tennis balls, table tennis, tennis, and badminton rackets, general exercise equipment, gymnastics articles, cricket gear, sportswear, toys, recreational games, puzzles, video games, parlour and billiard games, casino articles, festive, carnival and entertainment articles, swimming and outdoor games equipment, fishing and hunting equipment, swings, circus, shooting gallery and fairground amusement article. The export destinations for export of sports goods mainly are US, UK, Australia, Germany, UAE, Netherlands, France, South Africa, Sweden, and Canada. Major international brands such as Mitre, Umbro, and Wilson source their inflatable balls and other sports goods from India. As per earlier India Exim Bank analysis, the UK is the largest importer of India's export of Tennis balls, inflatable balls, and other balls (excl. golf balls, and table tennis balls), followed by Australia and UAE in the same order of exports. For festive article exports, the USA is the major importer with a significant share in the overall exports. UAE is one of the key importers of articles and equipment for table tennis, tennis, badminton, and similar rackets commanding a major share of the total exports. India's exports of Water Sports Equipment have significant demand from countries like Spain and Sri Lanka. India's exporters actively tap developing countries like Brazil, Mexico, South Africa, Chile, Columbia, Argentina, Nigeria, Peru, and Ecuador, which have significant demand for sports equipment and supplies. Most of the production of sports goods is outsourced to the Asia-Pacific region, making it one of the world's largest sports goods manufacturing regions. During 2019-20, India was the 24th largest exporter of sports goods in the world, accounting for 0.56% of the global exports of sports goods, indicating significant headroom for growth in the future.

The sports goods industry is highly competitive globally due to the presence of numerous established multinational companies. India has made significant progress in boosting its soft power and has become a major player in the sporting goods sector, ranking as the third largest manufacturer in Asia. The sports goods industry of India is nearly a century old and holds a prominent position in the global market. The industry has flourished, driven by a skilled workforce hence known for its role in creating employment and contributing to the country's economy. The industry employs more than 500,000 people. India currently manufactures more than 300 sports-related goods such as toys, video game consoles and articles, festive and carnival articles, gymnastics and sportswear goods, fishing articles, outdoor games, toys, etc. Uttar Pradesh, Punjab, Maharashtra, Delhi, Tamil Nadu, Jammu, and West Bengal are among India's top sports goods-producing states. Among these, Jalandhar City in Punjab and Meerut City in Uttar Pradesh account for about 75-80% of the total production in the country. Foreign Brands and overseas manufacturers/suppliers from China and other countries are having edge over Indian manufacturers. Sports Industry in India needs continuous Technological Upgradation, Setting up of

composite sports clusters equipped with technical and logistics support of international standards and JVs with global Industry leaders. The Industry needs to diversify its product range and should go in for the production of Hi-tech sports items and physical equipment(s). The Indian Sports Goods Industry is gradually moving towards mechanization on a reasonable scale for increasing productivity and competitiveness of Indian Sports Goods Sector. The Industry is gradually adapting new technology to keep up with the changing global trends.

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

Initiatives by Government and Authorities for Sports Promotion

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

Government of India under Union Budget 2023 has announced 27% hike leading to highest-ever sports budget and 67% increase in Khelo India Scheme.

The Sports Authority of India (SAI) that works supporting the Ministry of Youth Affairs and Sports is credited for the advancement of Sports and Games in the country. Authority formulates and executes a progression of changes and schemes to help Sports department. The various initiatives taken by the Government in the recent past to boost the sports is yielding results and will have positive impact on the sports industry in future. The Key Schemes of the Government namely '**Khelo India Scheme**', '**Target Olympic Podium Scheme**', '**Fit India Movement**' and other initiatives have transformed the Sports in India.

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

Fit India Movement was launched on the occasion of National Sports Day on 29 August, 2019 by Hon'ble Prime Minister, to make fitness a way of life for every citizen. Citizens across India, from school students to youngsters to seniors, are participating in various fitness activities such as marathons, cyclothons, runs and more, throughout the year, making it a People's movement. Sports Talent Search Portal was launched to recognize the best talent among the youth of India. The portal allows youngsters to upload their achievements. Significant level committee constituted in 2017 on the occasion of International Women Day in 2017, to address complaints and issues of women sportspersons. The Empowered Steering Committee (ESC) was comprised in

January 2017 on the recommendations of the Olympic Task Force for preparing a far-reaching action plan for the powerful participation of Indian players in the Olympic Games of 2021 (Tokyo), 2024 (Paris), and 2028 (Los Angeles). National Sports Awards Scheme acknowledges and respects sports personalities with the Arjuna Awards, Rajiv Gandhi Khel Ratna, Dhyanchand Awards, and Dronacharya Awards for their achievements and commitments as sportspersons and coaches in the field of sports. Sports and Games for Persons with Disabilities Scheme - Under this plan, the differently-abled sportspersons are trained in their field for conducting sports competitions and assisting schools and institutes having differently-abled sportspersons.

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

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

Market Development Assistance (MDA) Scheme

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

Market Access Initiative (MAI)

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

Opportunities & Threats, Risks and Concerns:

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

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

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

Our company manufactures mainly Sports Balls and deals in wide range of Sports Goods and Fitness Equipments. It has tie ups and arrangements with reputed International and Domestic manufacturers /suppliers. The Company has network of branches, distributors and more than 760 authorized dealers in India and is one of the leading and most organized Indian Company in Sports Industry. The Company on continuous basis



upgrades the quality of its products with in-house R & D. The products manufactured/traded by the company conform to International Standards. The Company's 'Cosco Brand' is well recognized in the Domestic Market. The company has immense potential to leverage upon its brand, accreditation and quality to increase sales and profitability.

Segment-wise product-wise performance

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

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

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

Outlook

The Indian sports –goods market is expected to grow to USD 6.6 billion by 2027 from USD 3.9 billion in 2020-21. Sports in India have come a long way in the last few years. 'Khelo India School Games' initiative has encouraged a shift in the way people thought about sports, especially at the grass-root level. Greater sports participation is critical to the future health and productivity of India's large population. The initiatives of the Government ' Khelo India Scheme' , 'Target Olympic Podium Scheme' , 'Fit India Movement' And of the Sports bodies for organizing regular sports events such as Indian Premier League (Cricket), Hockey India League, Indian Badminton League, Prokabbadi, Indian Super League (Football) and professionalization of Heritage sports events such as Goti, Gilli Danda, Lagori, Kilithatt, Gatta Gusthi are changing the old face of Indian sports. This is driving demand for better sports systems, facilities and inputs . Over the last few years, the activity around the business of sports has been tremendous in these domestic leagues. These initiatives have shown Indians, a world of sports beyond cricket. Indian Sportspersons have been making mark in various sporting disciplines in international competitions.

India is now being seen as a power to reckon with. Several elite international sports bodies have chosen India as host country in recent years. The 44th FIDE Chess Olympiad, The U-17 FIFA World Cup held in 2022, AIBA World Boxing Championship and the ISSF Shooting World Cup held in 2023 across various cities have boosted India's stature in Sports . Govt. of India and State Governments are gradually increasing budgetary allocations for Sports and taking progressive policy initiatives to promote Sports and Sports Industry.

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

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

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

Threats

1. Competition from Global Brands and their popularity amongst Indian consumers;
2. The challenges of supply chains;
3. Skilled Manpower constraints & rising manpower costs;
4. Infringement of Company's Brand and Trade mark by grey market operators;
5. High taxes levied on Sports and Fitness equipments and lack of financing for consumers ;
6. Infrastructure constraints for development of Sports;

Internal control systems and their adequacy.

The internal control systems of the Company provide for policies, guidelines, authorizations and approval procedures. Your Company has in place adequate internal control systems and procedures commensurate with size and nature of its business. All the transactions are properly authorized, recorded and reported to the Management. The Company has appointed Internal Auditors who conduct Internal Audit periodically. Audit Committee reviews Internal Audit Reports and adequacy of internal controls for ensuring checks and balances and that internal control systems are properly followed. The system of internal financial control ensures that all transactions are evaluated, authorized, recorded and reported accurately and that all assets are safeguarded and protected against losses that may arise from unauthorized use or disposition. Board has taken note of the observations of the Auditors for improvement in some areas of Internal Financial Controls and Scope of Internal Audit, which have been dealt in the main Directors Report under the head Independent Auditors' Report. Board is of the opinion that the Company's internal financial controls were reasonably adequate and effective during the financial year 2022-23. The company will further strengthen its Internal Financial Controls in areas observed by the Auditors.

The company is following the applicable Accounting Standards and has prepared financial statements for the year ended 31.03.2023 in accordance with Ind AS. The Company prepared its financial statements in accordance with Generally Accepted Accounting Principles (GAAP) in India and complied with the Accounting Standards.

Discussion on financial performance with respect to operational performance.

The relevant information is given in the Directors' Report under headings Financial Results, Company's Performance and State of Affairs for Financial Year 2022-23 read with the Financial Statements.

Material developments in Human Resources/Industrial Relations

The thrust of the Company is to create responsive and market driven organization. The management believes that Human Resources is the driving force towards progress of the Company and regards it as its most valuable asset. The Management believes in trust, transparency and teamwork. The Company seeks to motivate and provide opportunities to its personnel to grow with the organization. Your company has a total strength of about 455 employees as on 31.03.2023. Your Directors are thankful for the confidence reposed by all associated with the Company and their continued support. The relations with employees remained cordial and satisfactory during the year under review.

Key Financial Ratios

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

Following are the key financial ratios:

Particulars	2022-23	2021-22
Debtors Turnover Ratio	7.00	6.04
Inventory Turnover Ratio	2.10	2.17
Interest Coverage Ratio	1.23	1.63
Current Ratio	2.00	2.09
Debt Equity Ratio	1.13	1.08
Operating Profit Margin (%)	3.97	5.28
Net Profit Margin (%)	0.45	1.41
Return on Net Worth (%)	1.46	4.19

Reason for significant change:

- Decline in Operating Profit Margin and Net Profit Margin due to increase in Employee benefit expense, increase in Financial cost and increase in Depreciation & Amortization expenses ; lower operating margins in some products pursuant to market competition, Impact on sales revenue due to disruptions in the supply chain;
- Decline in Interest coverage Ratio due to lower Net Comprehensive Income pursuant to lower Net Profit Margin and higher interest Costs
- Decline in Return on Net Worth due to lower Net Comprehensive Income pursuant to lower Net Profit Margin;

CAUTIONARY STATEMENT

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

INDEPENDENT AUDITOR'S REPORT
To the members of Cosco (India) Limited
Report on the audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Cosco India Ltd** ("the Company"), which comprise the standalone Balance Sheet as at March 31, 2023, the standalone Statement of Profit and Loss (including Other Comprehensive Income), the standalone Statement of Changes in Equity and the standalone Statement of Cash Flows for the year ended on that date, notes to the standalone financial statements and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of matter:

Note no. 5.3 regarding recoverable amount of land compensation, Note No. 9.2 regarding trade receivables, Note no. 19.3 regarding trade payable.

Our opinion is not qualified in respect of these matters.

Key Audit Matters

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

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

The Key Audit Matter	How the matter was addressed in our audit
<p>Trade Receivables/ Trade payables note no 9.2 and 19.3</p> <p>Trade receivables, trade payables and advances against import constitute significant amount and includes both indigenous and foreign vendors. Company has sent letters for confirmations which are awaited. The foreign trade receivables are subject to exchange fluctuation exposure.</p>	<p>Principal audit procedures performed</p> <p>We have applied the following relevant audit procedures:</p> <p>Checking the subsequent realisations/ payments to ensure veracity of these accounts.</p> <p>Checking the recording, realisations, payments of monetary assets/ liabilities at transaction/ realisation and payment date and Reinstatement thereof at reporting date as per the relevant Ind AS and recording of the exchange differences in the statement of profit and loss.</p>

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

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

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

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

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

Management's Responsibility for the Standalone Financial Statements

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

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

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

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

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

- 1 As required by Section 143(3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purpose our audit have been received from branches not visited by us.
 - (c) The standalone balance sheet, the standalone statement of profit and loss including other comprehensive income, standalone statement of changes in equity and the standalone statement of cash flow dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with Ind As specified under Section 133 of the Act.
 - (e) on the basis of the written representations received from the directors as on 31-3-2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31-March-2023 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) with respect to the adequacy of the internal financial controls of the Company and the operating effectiveness of such controls, refer to our separate report in “**Annexure A**”; and
 - (g) With respect to the matters to be included in the Auditor's Report under section 197(16) of the Act, in our opinion and to information and explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act read with schedule V of the Act, The Ministry of Corporate Affairs has not prescribed other details under section 197(16) of the Act which are required to be commented upon by us.
 - (h) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company has disclosed the impact of pending litigations on its financial position in its financial statements (Refer Note 35);
 - ii. the Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. During the financial year 2022-23 company has deposited ₹ 76,248 in the Investor Education and Protection Fund (IEPF) pertaining to the unclaimed/unpaid dividend declared on 12.08.2015. Apart from this, there is no balance amount which is required to be transferred to the IEPF by the company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in any other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement
- v. The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year and therefore the requirement of compliance of Sec 123 of the Act are not applicable.
- 2 As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure B**" a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.

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

M.K Madan
Proprietor
Membership number: 082214

Place: New Delhi
Date: 30.05.2023
UDIN: 23082214BGWURJ3377

Annexure - A to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of **Cosco India Ltd** ("the Company") as of 31 March 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may

become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company generally has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note"), however in the following areas the internal control needs to be further strengthened :

- SALES RETURN: Control regarding the accounting of sales return and timely reporting of the sales return by the stores department to the accounts department and maintenance of adequate records by the accounts department in respect of defective goods returned.
- PURCHASES: Timely recording of purchase invoices.
- Inventory: The controls regarding physical verification of work in progress needs to be strengthened and verification should be done by stopping the operations. The inventories should be monitored closely to keep inventories at reasonable levels to improve Inventory Turnover Ratio.
- Trade Receivables: More proactive actions required to effectuate recovery of Old Receivables – more specifically which are outstanding for more than one year. Also, where there are inordinate delays in payments, such customers should be monitored selectively and effectively through MIS. Invariably some customers avail extended credit - Credit discipline need to be enforced in these cases. Company needs to obtain the confirmations from trade receivables/ payable before approval of the financial statements by the Board of Directors.
- Fixed Assets Physical verification: needs improvement to see all items of PPE are physically verified in phase of 3 years.
- Contract Labour Management: Control regarding maintenance of dual records by time office and production department about labour supply through contractor.
- Volume of Expense through petty cash: needs to be reduced to the extent possible.
- TDS and TCS : Deductions, payments to Govt. and filing of returns etc. were found in order. Regarding payments to shipping agents - confirmations should be taken from the shipping agents confirming that they are agents of non - residents and they are receiving payments as agents of their non – resident principals to ensure non applicability of TDS provisions.

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

M.K Madan
Proprietor
Membership number: 082214

Place: New Delhi
Date: 30.05.2023
UDIN: 23082214BGWURJ3377

Annexure - B to the Auditors' Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report)

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

- (i) In respect of Company's Property, Plant and Equipment:
 - (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment. The intangible assets of the company comprise of computer software for which company is maintaining proper records showing full particulars.
 - (b) The Company has a programme of verification of fixed assets to cover all the items in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the company and the nature of its activities. Pursuant to the said programme, certain property, plant and equipment's were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties in the name of erstwhile firm taken over by the company at the time of incorporation (other than those that have been taken on lease and the lease agreements are duly executed in favour of the Company) disclosed in the standalone financial statements are held in the name of the Company. Original copy of title deeds have not been produced as the same are deposited as security with banks under loan agreement as confirmed by the management and certified by the Bank.
 - (d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
 - (e) On the basis of the information and explanations given to us duly certified by the management and examination of records, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Property Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii)
 - (a) The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventory were noticed on such physical verification of inventories between the physical stocks and book records.
 - (b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns and statements comprising (stock statements, book debt statements, and statements on ageing analysis of the debtors) filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company, of the respective quarters, except for the following:

For the quarter	Sanctioned amount to which the discrepancy relates * (Amount in ₹ lakhs)	Nature of Current asset	Nature of Discrepancy	Amount as per Quarterly return and statements (Amount in ₹ lacs)	As per Unaudited books of accounts (Amount in ₹ lacs)	Difference (Amount in ₹ lacs)	Remarks (Including subsequent rectification if any)
JUNE 2022	2800	Inventory - Stores & Spares	Clerical mistakes	157.77	157.78	(0.01)	Clerical mistakes and no subsequent rectification was filed with bank.
December 2022	2800	Trade Receivable	Non - Current debtors are not considered	2,345.05	2,396.35	(50.81)	Debtors having significant credit risk are not considered and no subsequent rectification was required to be filed with the bank.
March 2023	2800	Trade Receivable	Non - Current debtors are not considered	2143.58	2179.47	35.89	Debtors having significant credit risk are not considered and no subsequent rectification was filed with the bank.

(iii) (a) The Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to Companies, firms, Limited liability partnership or any other parties during the year except loan given to the employees in the ordinary course of business. The Balance outstanding as at the end of the year are ₹ 25.31 Lakhs. Further company has not given any advance in the nature of loan to any party during the year.

(b) Loan to employees granted during the year are in the ordinary course of the business as per policy of the company and hence prima facie not prejudicial to the interest of the company.

(c) Stipulations in respect of loans granted to the employees have been laid out and the repayments are regular.

(d) The outstanding amount of loan to employee of ₹ 25.31 Lakhs is not overdue because payment in respect of the same is being recovered from the employees as per stipulations.

(e) No loan granted by the Company during the year which has fallen due has been renewed or extended or fresh loans granted to settle the over dues of existing loans given to the same parties.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loan either payable on demand or without specifying the terms or period of payments.

(iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, it has not provided any guarantee or security as specified under section 185 or 186 of the Act.. Company has not granted any loan/ made any investment during the year.

(v) During the year the Company has not accepted any deposits (other than the deposits from the Directors, which are exempt under sub clause (viii) of clause (c) of rule 2 of The Companies (Acceptance of Deposits) Rules, 2014). There are no amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

(vi) It is certified by the management, that company is not required to maintain the cost records prescribed under section 148 (1) of the Companies Act 2013, since the same has not been specified by the Central Government. We have relied upon the assertions of the management.

(vii) In respect of statutory dues:

(a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has generally been regular in depositing undisputed statutory dues, including Goods and Service Tax, provident Fund, Employees State insurance, income tax, cess and other material statutory dues applicable to it with the appropriate authorities. The Company does not have a liability during the year in respect of sales tax, service tax, duty of customs, duty of excise, value added tax, since they have been subsumed in GST with effect from 1st July 2017. There were no undisputed amounts payable in respect of the aforesaid statutory dues in arrears as at 31.03.2023 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no statutory dues referred to in sub clause (a) which have not been deposited as at 31.03.2023 on account of any dispute except following:

Name of statute	Nature of dues	Amount (₹ in lakhs)	Period	Forum where dispute is pending
The Income Tax Act 1961	Income tax	30.64	Assessment Year 2018-19 & 2021-22	Commissioner of Income Tax (Appeals)
Uttar Pradesh Value Added Tax Act, 2008	State tax (VAT)	18.07	Financial year 2008-09	Supreme Court
Central Sales Tax Act / Uttar Pradesh Value Added Tax Act, 2008	Central tax	16.63	Financial year 2008-09	Supreme Court

(viii) According to the information and explanations given to us and on the basis of our examination of the records, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

- (ix) (a) As certified by the Bank, the Company has not defaulted in the repayment of the Loans and interest thereon during the year in respect of credit facilities. The company has not taken any loan from any other lender other than the Directors/ group company.
- (b) As certified by the Bank the Company has not been declared wilful defaulter.
- (c) According to the information and explanations given to us, Company has applied the term loans (Including working capital term loans) for the purposes for which the same have been obtained.
- (d) The Long term sources of funds comprising share capital, reserves and surplus and long term loans (including security deposits payable after one year) are higher than the Long term application of funds comprising of PPE, CWIP and Intangible assets and the current ratio is 2 times. Therefore, in our opinion on overall examination of balance sheet of the company, no funds raised on short term basis have been utilised for long term purposes.
- (e) According to the information and explanations given to us and on overall examination of standalone financial statements, The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary, Joint venture or associates as defined under the Act.
- (f) The Company doesn't have any subsidiaries and hence reporting under clause 3(ix)(f) of the order regarding raising of loans by pledging the securities held in subsidiaries is not applicable.
- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order regarding utilisation of the funds so raised is not applicable.
- (b) According to the information and explanations given to us and on examination of records, during the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partly or optionally convertible) and hence reporting under clause (x)(b) of the Order regarding compliances under section 42 and section 62 of the Companies Act, 2013 are not applicable to the Company
- (xi) (a) According to the information and explanations given to us and on examination of records, considering the principle of materiality outlined in the Standards of Auditing, to the best of our knowledge no fraud by or on the Company has been noticed or reported during the year.
- (b) To the best of our knowledge and as certified by the Secretarial auditor, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) As represented by the Management, there was no whistle blower complaints received by the Company during the year (and upto the date of this audit report).
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order regarding maintenance of required Net owned fund to Deposit ratio and other requirements are not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) a) In our opinion the Company has internal audit system which needs to be substantially strengthened considering the size and the nature of its business in terms of scope coverage, timely submission of reports and compliance thereof.

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

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

M.K Madan
Proprietor
Membership number: 082214

Place: New Delhi
Date: 30.05.2023
UDIN: 23082214BGWURJ3377

STANDALONE BALANCE SHEET AS AT MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

	<u>NOTES</u>	As At <u>March 31, 2023</u>	As At <u>March 31, 2022</u>
I. ASSETS			
(1) Non-Current Assets			
(a) Property, plant and equipment	3A	728.92	591.17
(b) Other intangible assets	3B	1.29	2.06
(c) Capital work-in-progress	3C	4.13	2.37
(d) Right-of-use assets	4	132.80	167.25
(e) Financial assets			
(i) Trade receivables	9	35.89	45.66
(ii) Others	5	195.70	186.81
(f) Deferred tax assets (net)	6	81.64	65.73
(g) Other non-current assets	7	16.60	12.79
Total non-current assets		<u>1,196.97</u>	<u>1,073.84</u>
(2) Current Assets			
(a) Inventories	8	7,627.18	6,886.13
(b) Financial assets			
(i) Trade receivables	9	2,143.58	2,208.22
(ii) Loans	10	25.31	26.50
(iii) Cash & cash equivalents	11	30.17	293.54
(iv) Others	12	6.86	7.57
(c) Other current assets	13	550.25	477.32
Total current assets		<u>10,383.35</u>	<u>9,899.28</u>
	Total Assets (1+2)	<u><u>11,580.32</u></u>	<u><u>10,973.12</u></u>
II. EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity share capital	14	416.10	416.10
(b) Other equity	15	4,239.43	4,168.39
Total equity		<u>4,655.53</u>	<u>4,584.49</u>
(2) Liabilities			
Non-Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	16A	1,543.96	1,438.00
(ii) Lease liability	17	74.88	121.68
(b) Provisions	18A	104.84	96.18
Total non-current liabilities		<u>1,723.68</u>	<u>1,655.86</u>
Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	16B	3,699.91	3,533.57
(ii) Trade payables	19		
(a) Micro, small and medium enterprises		222.15	168.55
(b) Other than Micro, small and medium enterprises		366.49	276.82
(iii) Lease liabilities	17	77.16	60.29
(iv) Others	20	538.78	482.80
(b) Other current liabilities	21	215.60	147.09
(c) Provisions	18B	81.02	63.65
Total current liabilities		<u>5,201.11</u>	<u>4,732.77</u>
	Total Equity & Liabilities (1+2)	<u><u>11,580.32</u></u>	<u><u>10,973.12</u></u>

Basis of preparation, Measurement and

Significant Accounting Policies

2

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

As per our report of even date.

FOR MADAN & ASSOCIATES
CHARTERED ACCOUNTANTS

FIRM'S REGISTRATION NO. : 000185N

M K MADAN

Partner

Membership No. 082214

PLACE : New Delhi
DATED : May 30, 2023
FOR AND ON BEHALF OF BOARD OF DIRECTORS
DEVINDER KUMAR JAIN

Managing Director and CEO

DIN : 00191539

ARUN JAIN

Whole Time Director and CFO

DIN : 01054316

NARINDER KUMAR JAIN

Managing Director

DIN : 00195619

SUDHA SINGH

Company Secretary

Membership No. A33371



STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

	NOTES	For the Year ended March 31, 2023	For the Year ended March 31, 2022
I. Revenue from operations	23	15,251.52	13,611.82
II. Other Income	24	66.79	89.25
III. Total Income (I+II)		<u>15,318.31</u>	<u>13,701.07</u>
IV. Expenses :			
(a) Cost of materials consumed	25	3,251.29	2,257.24
(b) Purchase of stock-in-trade	26	6,934.96	7,748.21
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	27	(688.45)	(1,156.66)
(d) Employee benefit expense	28	1,826.29	1,534.60
(e) Financial costs	29	514.78	467.77
(f) Depreciation and amortisation expenses	30	191.95	165.54
(g) Other expenses	31	3,196.99	2,433.46
Total Expenses		<u>15,227.81</u>	<u>13,450.16</u>
V. Profit before tax	(III-IV)	90.50	250.91
VI. Tax expenses :	32		
Current tax		36.98	78.35
Earlier year tax expenses		2.40	0.15
Deferred tax	6	(16.93)	(19.60)
Total tax expenses		<u>22.45</u>	<u>58.90</u>
VII. Profit after tax for the period (V-VI)		68.05	192.01
VIII. Other comprehensive income			
Items that will not be reclassified to Statement of Profit & Loss :			
(i) Re-measurement gains / (losses) on defined benefit plans		4.00	27.12
(ii) Tax impact on re-measurement gain/ (losses) on defined benefit plans		(1.01)	(6.82)
Other comprehensive income / (losses) for the year (net of tax)		<u>2.99</u>	<u>20.30</u>
Total Comprehensive income for the year (VII+VIII)		<u>71.04</u>	<u>212.31</u>
Earnings per equity share (face value ₹ 10)	33		
Basic		1.64	4.61
Diluted		1.64	4.61
Basis of preparation, Measurement and Significant accounting policies	2		

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

As per our report of even date.

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

FOR AND ON BEHALF OF BOARD OF DIRECTORS

M K MADAN
Partner
Membership No. 082214

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Managing Director and CEO
DIN : 00191539

NARINDER KUMAR JAIN
Managing Director
DIN : 00195619

PLACE : New Delhi
DATED : May 30, 2023

ARUN JAIN
Whole Time Director and CFO
DIN : 01054316

SUDHA SINGH
Company Secretary
Membership No. A33371

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

A. Equity Share Capital:

As at March 31, 2023

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

As at March 31, 2022

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

B. Other Equity (Refer note no.15)

As at March 31, 2023

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

As at March 31, 2022

Particulars	Reserve & Surplus			Other Comprehensive Income	Total
	General reserve	Securities Premium	Retained earnings	Measurement of defined benefit obligations	
Balance at April 1, 2021	1,125.17	312.30	2,528.56	(9.95)	3,956.08
Changes in accounting policy or prior period item	-	-	-	-	-
Restated balance at the beginning of the current reporting period	1,125.17	312.30	2,528.56	(9.95)	3,956.08
Profit / (loss) for the year			192.01		192.01
Other comprehensive income / (expense) [net of tax] for the year				20.30	20.30
Total comprehensive income				10.35	10.35
Balance as at March 31, 2022	1,125.17	312.30	2,720.57	10.35	4,168.39

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

As per our report of even date

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

FOR AND ON BEHALF OF BOARD OF DIRECTORS

M K MADAN
Partner
Membership No. 082214

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DIN : 00191539

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PLACE : New Delhi
DATED : May 30, 2023

ARUN JAIN
Whole Time Director and CFO
DIN : 01054316

SUDHA SINGH
Company Secretary
Membership No. A33371

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

	For the Year Ended <u>March 31, 2023</u>	For the Year Ended <u>March 31, 2022</u>
A. Cash Flow from Operating Activities :		
Net Profit before tax	90.50	250.91
<u>Adjustments to reconcile profit before tax and prior period items to cash provided by operations :</u>		
Depreciation and amortisation expenses	191.95	165.54
Bad & doubtful debt provided	7.88	10.78
Foreign exchange fluctuations	(59.72)	(65.49)
Finance cost	514.78	467.78
Insurance claim w/off	-	24.40
Other Comprehensive Income	-	(27.12)
Bad debts	4.13	0.70
Property, plant & equipment written off	2.46	0.01
Refund of Income Tax	4.98	-
Provision no longer required	(14.14)	(0.91)
Interest income	-	(0.16)
Profit on sale of assets	(2.20)	0.79
Cash generated from operations before working capital changes	740.62	827.23
Movements in working capital :		
(Increase) / decrease in trade receivables	136.26	459.53
(Increase) / decrease in inventories	(741.05)	(1,226.88)
(Increase) / decrease in loans and advances	(67.45)	393.71
Increase / (decrease) in trade payables	143.27	(38.68)
Increase / (decrease) in other current liabilities	310.56	241.36
Cash flow generated from operations	522.21	656.27
Income taxes paid	57.61	138.46
Net cash (used in) / flow from operating activities	464.60	517.81
B. Cash flow from investing activities :		
Payment to acquire property, plant and equipment including intangible assets and capital work in progress	(265.43)	(73.45)
Sale proceeds from property, plant and equipment	5.26	0.60
Interest received	-	0.16
Net cash flow from / (used in) investing activities	(260.17)	(72.69)
C. Cash flow from financing activities :		
Increase / (decrease) in borrowings	112.25	140.50
Interest expenses	(514.78)	(467.78)
Repayment of lease liabilities (ROU)	(65.27)	(50.35)
Net Cash used in financing activities	(467.80)	(377.63)
Increase/(Decrease) in cash and cash equivalents (A+B+C)	(263.37)	67.49
Cash and cash equivalents at the beginning of the year	293.54	226.05
Cash and cash equivalents at the end of the year	30.17	293.54

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

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

As per our report of even date.

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

M K MADAN
Partner
Membership No. 082214

PLACE : New Delhi
DATED : May 30,2023

FOR AND ON BEHALF OF BOARD OF DIRECTORS

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Managing Director
DIN : 00195619

SUDHA SINGH
Company Secretary
Membership No.A33371

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

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

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation, Measurement and Significant Accounting Policies

- (i) The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read together with Rule 3 of the Companies (Indian Accounting Standard) Rules, 2015, as amended from time to time and the presentation requirements of Division II of Schedule III to the Companies Act, 2013.
- (ii) These financial statements have been prepared on going concern basis following accrual system of accounting, applying consistent accounting policies for all the periods presented therein. The financial statements were approved for issue by the Board of Directors in accordance with the resolution passed on April 3rd, 2023.
- (iii) Transactions in currencies other than the Company's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are re translated at the rates prevailing at that date. Exchange differences on monetary items are recognized in the Statement of Profit and Loss in the period in which they arise.
Non- monetary items that are measured in terms of historical cost in a foreign currency are not re-translated.

2.2 Current versus non-current classification

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

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

2.3 Basis of measurement

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

Recent Accounting Developments:

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

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

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

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

2.4 (i) Property, Plant and Equipment

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

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

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

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

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

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

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

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

(ii) Capital work in progress

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

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

(iii) Depreciation

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

The estimated useful lives of major components of PPE are as follows:

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

2.5 Fair value measurement

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

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

the liability takes place either:

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

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

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

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

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

Level I input

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

Level II input

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

Level II inputs include:

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

Level III input

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

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

2.6 Functional and presentation currency

These Ind AS Financial Statements are prepared in Indian Rupee which is the Company's functional currency. All financial information presented in Rupees has been rounded to the nearest lacs. Transactions and balances with values below the rounding off norm adopted by the Company have been reflected as "0" in the relevant notes to these financial statements.

2.7 Intangible Assets

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

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

2.8 Leases Assets

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

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

As a Lessee

Right of Use Assets

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

Short Term Leases and leases of low value of assets

The Company applies the short-term lease recognition exemption to its short-term leases. It also applies the lease of low value assets recognition exemption that are considered to be low value. The Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. The Company incurred ₹ 9.05 lakhs for the year ended 31st March, 2023 (31st March, 2022: ₹ 9.05 lakhs) towards expenses relating to short-term leases and leases of low-value assets.

Determination of Lease term

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

Lease Liabilities

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

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

Impairment of Right of Use Assets

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

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

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

For lease commitments and lease liabilities: Refer note 17.

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

2.9 Impairment of Non-Financial Assets

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

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

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

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

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

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

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

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

No Impairment was identified in FY 2022-23 and in previous FY 2021-22.

2.10 Cash and Cash equivalent

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash at banks, on hand and short-term deposits, as defined above. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

2.11 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognized when a Company becomes a party to the contractual provisions of the instruments.

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

FINANCIAL ASSETS**(i) Initial recognition and measurement:**

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

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

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

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

(ii) Subsequent measurement of financial assets:

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

Financial assets at fair value through other comprehensive income (FVTOCI) with recycling of cumulative gains and losses (debt instruments)

Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)

Financial assets at fair value through profit or loss

(iii) Derecognition of financial assets :

The Company derecognises a financial asset when

- the contractual rights to the cash flows from the asset expire,
- the Company has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
 - a) it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party or
 - b) the company has neither transferred nor retained substantially all the risks and rewards of the asset,
but has transferred control of the asset.

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

(iv) Impairment of financial assets:

In accordance with Ind AS 109, the Company applies the expected credit loss model for recognizing impairment loss on financial assets carried at amortised cost and FVOCI debt instruments. In respect of trade receivables only, the Company applies the simplified approach permitted by Ind AS 109

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables. The application of simplified approach does not require the Company to track changes in credit risk.

FINANCIAL LIABILITIES

(i) Initial Recognition and Measurement

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

(ii) Subsequent measurement of financial liabilities:

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

(iii) De-recognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts and consideration paid is recognised in the Statement of Profit and Loss.

Reclassification of financial assets and liabilities

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

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

Offsetting of financial instruments

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

2.12 Provisions

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

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

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

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

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

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

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

2.13 Inventories

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

Costs comprises as follow:

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

2.14 Employment Benefits

Company follows Ind AS-19 as detailed below:-

Short Term Benefits

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

Defined Contribution Plan:

- (c) Provident Fund and Employee State Insurance:

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

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

employee's state insurance. The amount is calculated at specified percentage of eligible employees' salary and wages and is paid to ESIC.

Defined Benefit Plan:

(d) Gratuity

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

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

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

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

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

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

Leave Encashment

Accumulated compensated absences which are expected to be availed or encashed within twelve months from the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlements as at the year end.

Accumulated compensated absences which are expected to be availed or encashed beyond twelve months from the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial loss/gains are recognised in the Statement of Profit and Loss in the year in which they arise.

2.15 Revenue Recognition

Sale of Products/Services

Revenue from sale of goods is recognised when control of the products being sold is transferred to our customer and when there are no longer any unfulfilled obligations. The Performance Obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on terms with customers. Performance obligations satisfied over a period of time are recognized as per the terms of relevant contractual agreements / arrangements.

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

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

is recognised for expected volume discounts payable to customers in relation to sales made until the end of the reporting period.

- (a) Interest Income is recorded on time proportion basis by reference to the principal outstanding using the applicable effective rate of Interest (EIR)
- (b) Export entitlements i.e., duty free scrip, duty drawback and remission of duties and taxes are accounted for on the basis of export of goods on FOB value determined for custom purpose.
- (c) Export entitlements i.e. duty free scrip, duty drawback and remission of duties and taxes are accounted for on the basis of export of goods on FOB value determined for custom purpose.

Revenue from contract with customers is recognized when the Company satisfies performance obligation by transferring promised goods and services to the customer. Performance obligations may be satisfied at a point of time or over a period of time. Performance obligations are said to be satisfied at a point of time when the customer obtains controls of the asset.

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

2.16 Taxation

Current income tax

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

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

Deferred tax

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

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

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

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

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

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

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

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

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

2.17 Borrowing Costs

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

2.18 Foreign Currency Transactions

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

2.19 Earning per shares

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

2.20 Segment Reporting

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

(a) Assets and liabilities:

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

(b) Segment revenue and expenses:

Segment revenue and expenses are the ones that are directly attributable to segment. It does not include interest income on inter-corporate deposits, interest expense and income tax.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

2.21 Cash Flow Statement

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

2.22 Contingent Liability

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

2.23 Assets classified as held for sale

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

2.24 Use of Key accounting estimates and judgments

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

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

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts in ₹ lakhs, unless otherwise stated)

3(A) PROPERTY, PLANT AND EQUIPMENT [refer note no. 3A(i)]

Sr.	Particulars	Gross carrying amount			Accumulated Depreciation			Net Carrying amount	
		As At April 1,2022	Additions during the year	Disposals during the year	As At March 31, 2023	Depreciation during the year	Disposals during the year	As At April 1,2022	As At March 31, 2023
1.	Freehold Land [refer note 3A(iii)]	3.25			3.25				3.25
2.	Buildings - Factory	54.06	2.73		56.79	2.48		23.90	32.89
3.	Buildings - Other than Factory	285.62			285.62	10.48		80.67	204.95
4.	Temporary Shed	10.37			10.37			9.94	0.43
5.	Plant and Equipments	338.10	57.57	22.85	372.82	35.37	21.02	152.35	220.47
6.	Laboratory Equipment	7.29		0.04	7.25	0.13	0.04	4.67	2.58
7.	Electric Machinery	80.01	6.11	7.11	79.01	10.00	2.92	42.19	36.82
8.	Office Equipments	28.07	4.79	6.19	26.67	5.21	5.94	16.51	10.16
9.	Computer	30.67	3.77	14.70	19.75	6.69	14.47	12.53	7.22
10.	Furniture and Fixtures	20.94	3.59	3.05	21.47	2.38	2.99	10.91	10.56
11.	Vehicles	166.56	189.21	60.97	294.80	47.67	57.92	95.21	199.59
		1,024.94	267.77	114.91	1,177.80	120.41	105.30	448.88	728.92

Previous Year

Sr.	Particulars	Gross carrying amount			Accumulated Depreciation			Net Carrying amount	
		As At April 1,2021	Additions during the year	Disposals during the year	As At March 31, 2022	Depreciation during the year	Disposals during the year	As At April 1,2021	As At March 31, 2022
1.	Freehold Land [refer note 3A(iii)]	3.25			3.25				3.25
2.	Buildings - Factory	50.53	3.53		54.06	2.66		21.42	32.64
3.	Buildings - Other than Factory	285.62			285.62	11.01		70.19	215.43
4.	Temporary Shed	10.37			10.37	0.09		9.94	0.43
5.	Plant and Equipments	292.99	45.11		338.10	32.23		138.00	200.10
6.	Laboratory Equipment	7.29			7.29	0.35		4.58	2.71
7.	Electric Machinery	45.88	35.76	1.63	80.01	9.72	0.25	35.11	44.90
8.	Office Equipments	23.54	4.53		28.07	5.34		17.24	10.83
9.	Computer	22.12	8.66	0.11	30.67	4.57	0.10	20.31	10.36
10.	Furniture and Fixtures	17.96	2.98		20.94	2.02		11.52	9.42
11.	Vehicles	166.56			166.56	26.35		105.46	61.10
		926.11	100.57	1.74	1,024.94	94.34	0.35	433.77	591.17

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts in ₹ lakhs, unless otherwise stated)

- 3A(i) For details of Property, plant and equipment charged as security of borrowings, refer note 16.2.
 3A(ii) Title deeds of all immovable properties are held in the name of Company. However, these are lodged with the lender bank.
 3A(iii) The possession of land, belonging to the company, bearing Khazra No.420, total area measuring 1 bigha, 19 biswas and 3 biswansi situated at village Gurgaon, is in dispute and company has filed a suit for getting possession of the same. The next hearing date is on 27th July,2023.

3(B) OTHER INTANGIBLE ASSETS

Sr. No.	Particulars	Gross carrying amount			Accumulated Depreciation		Net Carrying amount			
		As At April 1, 2022	Additions during the year	Disposals during the year	As At March 31, 2023	As At April 1, 2022	Depreciation during the year	Disposals during the year	As At March 31, 2023	As At March 31, 2023
1	Computer Software	20.98	-	-	20.98	18.92	0.77	-	19.69	1.29
		20.98	-	-	20.98	18.92	0.77	-	19.69	1.29

Previous Reporting Period

Sr. No.	Particulars	Gross carrying amount			Accumulated Depreciation		Net Carrying amount			
		As At April 1, 2021	Additions during the year	Disposals during the year	As At March 31, 2022	As At April 1, 2021	Depreciation during the year	Disposals during the year	As At March 31, 2022	As At March 31, 2022
1	Computer Software	20.98	-	-	20.98	16.08	2.84	-	18.92	2.06
		20.98	-	-	20.98	16.08	2.84	-	18.92	2.06

3(C) CAPITAL WORK IN PROGRESS

As at March 31, 2023	4.13
As at March 31, 2022	2.37

3C(i) Capital work in progress Ageing schedule

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

Particulars	As on March 31, 2022				Total
	<1 year	1-2 year	2-3 years	>3 years	
Projects in progress	2.37	-	-	-	2.37
Projects temporarily suspended	-	-	-	-	-

There are no projects overdue as on date or has exceeded its cost compared to its original plan as at 31st March,2023.

- 3C(ii) The estimated amount of the contracts remaining to be executed on capital account is ₹ 4 lakhs (previous year ₹ 10 lakhs).

4. RIGHT OF USE ASSETS

Balance as at beginning of the year
 (Leases) (in respect of building and plant & equipment)
 Addition during the year
 Deletion during the year
 Amortisation during the year
 Balance as at the end of the year

	As At March 31, 2023	As At March 31, 2022
	167.25	158.42
	36.32	76.79
	-	-
	70.77	68.36
	132.80	167.25

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts in ₹ lakhs, unless otherwise stated)

	As At March 31, 2023	As At March 31, 2022
5. FINANCIAL ASSETS - OTHERS		
National savings certificate (refer note no.5.1)	0.05	0.05
Security deposits (refer note no.5.2)	70.64	61.75
Compensation claim receivable (refer note no.5.3)	125.01	125.01
	195.70	186.81

- 5.1 In the name of a director of the company and the same is pledged with the Sales Tax Authorities, Mumbai.
- 5.2 Includes ₹ 40.29 lakhs (previous year ₹ 35.44 lakhs) towards Freight for import consignments.
- 5.3 Represent enhanced Compensation for land ₹ 2.88 lakhs (previous year ₹ 2.88 lakhs), for structure ₹ 51.32 lakhs (previous year ₹ 51.32 lakhs) and interest receivable thereon ₹ 70.81 lakhs (previous year ₹ 70.81 lakhs) which were awarded by the Court in respect of acquisition of land of about 325 sq. yards of factory land and construction thereon by PWD (B&R), Gurgaon.
- The company has filed a case of recovery of the same before Addl. Session Judge, Gurugram, which is pending.

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

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

Particulars	For the year ended March 31, 2022			
	As at April 1, 2021	Recognised in		As at March 31, 2022
		Profit & Loss	OCI	
Tax effect of items constituting deferred tax assets				
Property, plant and equipment	(11.14)	11.55		0.41
Trade receivables	27.16	2.49		29.65
Lease liability	45.22	0.67		45.89
Provisions	39.94	7.02	(6.82)	40.14
Total (A)	101.18	21.73	(6.82)	116.09
Tax effect of items constituting deferred tax liability				
Leasehold assets - Right of use	39.97	2.12		42.09
Non current assets - financial Assets - others	8.27	-		8.27
Total (B)	48.24	2.12	-	50.36
Deferred Tax Asset (net)	52.94	19.61	(6.82)	65.73

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
(All amounts in ₹ lakhs, unless otherwise stated)

	As At	As At
	<u>March 31, 2023</u>	<u>March 31, 2022</u>
7. OTHER NON-CURRENT ASSETS		
Pre payment expenses	9.85	1.46
Advance to suppliers	0.96	3.99
Capital advance (refer note no.13.2)	-	1.55
Deposit with the Govt. Dept. (refer note no. 7.1)	5.78	5.78
Income Tax refund for earlier year (AY 2017-18)	0.97	0.97
Advance for immovable properties (refer note no.7.2)	<u>126.24</u>	<u>126.24</u>
	143.80	139.99
Less : Provision for doubtful advances for immovable property and supplier (refer note no.7.2)	<u>127.20</u>	<u>127.20</u>
	<u>16.60</u>	<u>12.79</u>
7.1	Represent deposit of 20% against demand raised by IT Department for AY 2018-19. The company has filed an appeal against the same which is pending (refer note no 35).	
7.2	It represents amount given to a Builder / Developer Company in earlier years. The Builder / Developer Company to whom the amount was advanced, has been acknowledging the advance and has also been assuring to transfer suitable properties of equal value and get the documents of title executed in favour of company. However till date, the Builder / Developer Company has neither transferred any property and / or executed title deed(s) in favour of company nor repaid any amount in spite of the assurances given from time to time. As a matter of abundant caution the amount has already been fully provided in the year ended 31.03.2013.	
8. INVENTORIES		
(a) Raw material	344.36	298.45
(b) Work in progress	773.12	677.52
(c) Finished goods	1,220.23	1,077.69
(d) Stock-in-trade (acquired for trading)	5,149.03	4,698.72
(e) Stores & Spares	<u>140.44</u>	<u>133.75</u>
	<u>7,627.18</u>	<u>6,886.13</u>
8.1	Refer note no.2.12 of Significant Accounting Policies, regarding mode of valuation of inventories.	
8.2	Non-moving items included in raw materials valued at ₹ 1.40 lakhs (previous year ₹ 1.95 lakhs), in store valued at ₹ 0.53 lakhs (previous year ₹ 0.49 lacs) and stock-in-trade valued at ₹ 0.08 lakhs (previous year ₹ 0.65 lakhs) which are valued at scrap value.	
8.3	Above inventories include Goods in transit as detailed below :	
Raw Materials	0.82	1.62
Stores & Spares	4.53	3.12
8.4	Stock in trade includes spare parts of Health and Fitness equipment of ₹ 5.33 lakhs (previous year ₹ 4.83 lakhs) valued at scrap value and non moving stock of ₹ 0.28 lakhs (previous year ₹ 68.95 lakhs) valued at estimated realisable value determined by the management.	
8.5	Hypothecated in favour of bank towards working capital borrowing (refer note 16.2).	
9. TRADE RECEIVABLES		
Unsecured :		
Considered good	2,143.88	2,208.22
Increase in significant credit risk	35.59	45.66
Credit impaired	<u>111.54</u>	<u>117.79</u>
	<u>2,291.01</u>	<u>2,371.67</u>
Less : Provision for expected credit loss	<u>111.54</u>	<u>117.79</u>
Net Trade receivables	<u>2,179.47</u>	<u>2,253.88</u>
Current	2,143.58	2,208.22
Non-Current	35.89	45.66
Total	2,179.47	2,253.88

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts in ₹ lakhs, unless otherwise stated)

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

Ageing of Trade Receivables Particulars	As on March 31, 2022					
	Outstanding from the date of transaction					
	> 6 months	>6 months <1 year	1-2 years	2-3 years	More than 3 years	Total
Unsecured and Undisputed -						
Considered good	2,198.48	9.74				2,208.22
Increase in significant credit risk			26.13	7.57	11.96	45.66
Credit impaired			3.67		114.12	117.79
Provision for expected credit loss			3.67		114.12	117.79
Net Trade Receivables -						
Considered good	2,198.48	9.74				2,208.22
Increase in significant credit risk		-	26.13	7.57	11.96	45.66
- Credit Impaired	-	-	-	-	-	-

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

9.2 The Company has sent letters to Trade receivables for confirmations and have not received the same for majority of the outstanding till the date of signing of the financial statements. The adjustment, if any, will be made on the receipt of the confirmations. In the opinion of the management, these balances are good for payment and recovery as these are running accounts in the normal course of business. Trade receivables more than 1 year amounting to ₹ 35.89 lakhs are considered good by the management. The Company makes provision for Expected Credit loss in respect of the outstanding amounts for more than 3 years on simplified approach as in the opinion of the management the amount of actual bad debts is not significant.

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

	As At March 31, 2023	As At March 31, 2022
10. LOANS		
<u>Unsecured - Considered Good</u>		
Loan to employees	<u>25.31</u>	<u>26.50</u>
	<u>25.31</u>	<u>26.50</u>
Current	25.31	26.50
Non-Current	-	-

10.1 In line with circular no.04/2015 issued by MCA dated 10.03.2015, loans given to employees as per the Company's policy are not considered for the purpose of disclosure under section 186(4) of the Companies Act,2013.

10.2 Refer note no.41.7.

11. CASH & CASH EQUIVALENTS

Balances with banks (on current A/C)	24.52	287.90
Cash on hand	<u>5.65</u>	<u>5.64</u>
	<u>30.17</u>	<u>293.54</u>

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts in ₹ lakhs, unless otherwise stated)

	<u>As At</u> <u>March 31, 2023</u>	<u>As At</u> <u>March 31, 2022</u>
12. OTHER FINANCIAL ASSETS		
Duty drawback claim refundable	1.04	1.37
Product focus scheme receivable	-	4.62
Remission of duty & taxes receivable	<u>5.82</u>	<u>1.58</u>
	<u>6.86</u>	<u>7.57</u>
13. OTHER CURRENT ASSETS		
Input tax receivable (refer note no.13.1)	10.57	27.53
Advance against import	374.22	311.58
Pre-payment expenses (refer note no.13.4)	51.50	40.32
Advance against domestic supplies	13.22	20.92
Others (refer note no.13.2)	41.76	34.26
Advance Tax / TDS / TCS (net of provision for tax) for current year	20.63	7.51
Income tax refund for earlier year	<u>38.35</u>	<u>35.20</u>
	<u>550.25</u>	<u>477.32</u>

13.1 Current year figure includes GST input receivable of ₹ 10.57 lakhs which is under reconciliation with Electronic Credit Ledger balance of ₹ Nil balance.

13.2 Includes Advances recoverable ₹ 3.56 lakhs (previous year ₹ 5.49 lakhs) from directors on account of TDS and Advance against bonus ₹ 21.99 lakhs (previous year ₹ 15.12 lakhs), Advance against salary ₹ 2.13 lakhs (previous year ₹ 8.16 lakhs) and Capital advance of ₹ 9.69 lakhs (previous year ₹ 3.55 lakhs).

13.3 Represents Income Tax refund for the A.Y 2020-21 and A.Y 2022-23 adjusted against demand of A.Y 2018-19 and A.Y 2021-22 (refer note no 35).

13.4 Includes ₹ 23.69 lakhs to gratuity trust [refer note 2.13(d)].

14. SHARE CAPITAL
AUTHORISED

100,00,000 (previous year 100,00,000) Equity shares of ₹10 each 1,000.00 1,000.00

ISSUED, SUBSCRIBED AND FULLY PAID UP

41,61,000 (previous year 41,61,000) Equity shares of ₹10 each 416.10 416.10

14.1 Term/right attached with equity shares:

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

14.2 Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Equity shares	<u>Numbers</u>	<u>Amount</u>
Issued, subscribed and fully paid up		
As at March 31, 2021	4,161,000	416.10
Increase / (decrease) during the year	-	-
As at March 31, 2022	4,161,000	416.10
Increase / (decrease) during the year	-	-
As at March 31, 2023	4,161,000	416.10

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

<u>Name of Shareholder</u>	<u>As at March 31, 2023</u>		<u>As at March 31, 2022</u>	
	<u>No.</u>	<u>%</u>	<u>No.</u>	<u>%</u>
Navendu Investment Co. Pvt. Ltd.	1,474,000	35.42	1,474,000	35.42
Pankaj Jain	314,140	7.55	314,140	7.55

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

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

Promoters and Promoter Group Name	March 31, 2023		March 31, 2022		% change during the year
	No. of Shares	% holding	No. of Shares	% holding	
Promoter					
Devinder Kumar Jain	146,820	3.53%	146,820	3.53%	0%
Narinder Kumar Jain	153,707	3.69%	153,707	3.69%	0%
Arun Jain	84,400	2.03%	84,400	2.03%	0%
Manish Jain	91,400	2.20%	91,400	2.20%	0%
Pankaj Jain	314,140	7.55%	314,140	7.55%	0%
Neeraj Jain	98,566	2.37%	98,566	2.37%	0%
Arun Jain [Karta of Arun Jain (HUF)]	500	0.01%	500	0.01%	0%
Manish Jain [Karta of Manish Jain (HUF)]	12,700	0.31%	12,700	0.31%	0%
Pankaj Jain [Karta of Pankaj Jain (HUF)]	17,700	0.43%	17,700	0.43%	0%
Neeraj Jain [Karta of Neeraj Jain (HUF)]	12,500	0.30%	12,500	0.30%	0%
Prabha Jain	104,500	2.51%	104,500	2.51%	0%
Amita Jain	111,467	2.68%	111,467	2.68%	0%
Indu Jain	57,100	1.37%	57,100	1.37%	0%
Nidhi Jain	63,200	1.52%	63,200	1.52%	0%
Shilpa Jain	107,600	2.59%	107,600	2.59%	0%
Payal Jain	63,200	1.52%	63,200	1.52%	0%
Aakash Jain	25,300	0.61%	25,300	0.61%	0%
Promoter Group					
Navendu Investment Co. Pvt. Ltd	1,474,000	35.42%	1,474,000	35.42%	0%
Vijay Vallabh Securities Limited	181,000	4.35%	181,000	4.35%	0%
Total	3,119,800	74.98%	3,119,800	74.98%	

	As At March 31, 2023	As At March 31, 2022
15. OTHER EQUITY		
Securities premium	312.30	312.30
General reserve	1,125.17	1,125.17
Retained earning	2,788.62	2,720.57
Other comprehensive income	13.34	10.35
Balance as at the end of reporting period	<u>4,239.43</u>	<u>4,168.39</u>

15.1 Securities Premium

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

15.2 General Reserve

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

15.3 The disaggregation of changes in each type of reserve, retained earnings and other comprehensive income are disclosed in Statement of Changes in Equity.

16. BORROWINGS

A. NON-CURRENT

(Refer note no. 16.1)

Vehicle loan (Secured)

From bank 93.96

Loan from Related parties (Unsecured)

From Companies 150.00 138.00

From Directors 1,300.00 1,300.00

1,543.96 1,438.00

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts in ₹ lakhs, unless otherwise stated)

	<u>As At</u> <u>March 31, 2023</u>	<u>As At</u> <u>March 31, 2022</u>	
B. CURRENT			
a) Working Capital Loan (Secured)			
From bank (refer note no.16.2)	1,780.56	1,620.51	
b) Vehicle loan (Secured)			
From bank	44.79	-	
c) Loan from Related Parties (Unsecured)/			
<u>Current maturities of long term borrowings</u>			
(Refer note no.16.1)			
From Directors	<u>1,874.56</u>	<u>1,913.06</u>	
	<u>3,699.91</u>	<u>3,533.57</u>	
<u>Detail of Vehicle loan</u>	<u>Non Current</u>	<u>Current Maturity</u>	<u>Total</u>
Bank of India, 1st date of sanction 21.11.2022	1,780.56	93.96	1,874.52
as per repayment schedule, no. of instalments			
due 43, Rate of interest per annum @ 9.6%, last date			
of maturity 07.10.2026.			
16.1 Out of the total Unsecured borrowings from related parties aggregating ₹ 3,324.56 lakhs (previous year ₹ 3,351.06 lakhs), a sum of ₹ 1,450 lakhs (previous year ₹ 1,438 lakhs) has been classified as long term borrowing (s) as per the declaration of the lenders. The loans have been carried over since earlier years without specifying the tenure. However, the rate of interest is determined and approved by the Board of Directors every year, the interest rate determined for current year is 9% p.a. The balance amount has been considered short term borrowing(s).			
16.2 Working Capital Loans are secured against hypothecation of all moveable properties including plant & equipment, stocks of raw materials, stores and spares, finished goods, stock in trade and all book debts, bills and claims receivables. The loans from banks are collaterally secured against equitable mortgage of factory land/building & guaranteed by all Executive Directors.			
16.3 The company has utilised the borrowings from banks and financial institutions for the specific purposes for which it was taken. There has been no default with regard to repayment of borrowing and interest during the year and outstanding on the date of balance sheet.			
16.4 The company has not been declared as wilful defaulter by any bank or financial institution or any other lender.			
17. LEASE LIABILITIES			
Lease liabilities - current	77.16	60.29	
Lease liabilities - non-current	74.88	121.68	
	<u>152.04</u>	<u>181.97</u>	
<u>Particulars</u>			
Balance as at beginning of the year	181.97	83.05	
Add : Addition	36.32	150.59	
Add : Accretion of interest	22.25	18.85	
Less : Payments	88.50	70.52	
Less : Others (including foreclosure)	-	-	
Closing balance as at 31st March	<u>152.04</u>	<u>181.97</u>	
17.1 In respect of building for office and warehouse and plant & equipment taken on lease.			
18. PROVISIONS			
A. NON-CURRENT			
Gratuity	59.74	53.36	
Leave Encashment	45.10	42.82	
	<u>104.84</u>	<u>96.18</u>	
B. CURRENT			
Gratuity	38.00	41.19	
Leave Encashment	31.20	22.46	
Provision for warranty (refer note no.2.11)	11.82	-	
	<u>81.82</u>	<u>63.65</u>	
18.1 Provision for gratuity and leave encashment are determined by Actuary in terms of IndAS 19 (refer note 2.13(d), 27.3 & 27.4).			

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts in ₹ lakhs, unless otherwise stated)

	As At <u>March 31, 2023</u>	As At <u>March 31, 2022</u>
19. TRADE PAYABLES		
Micro, small and medium enterprises (refer note no.19.2)	222.15	168.55
Other than Micro, small and medium enterprises	<u>366.49</u>	<u>276.82</u>
	<u>588.64</u>	<u>445.37</u>

19.1 Ageing schedule of trade payables from date of transaction

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

Particulars	As on March 31, 2022				Total
	< 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables :					
Micro, small and medium enterprises	168.55	-	-	-	168.55
Other than Micro, small & medium enterprises	<u>276.82</u>	-	-	-	<u>276.82</u>
Total	445.37	-	-	-	445.37

- 19.2** The above information regarding Micro, small and medium enterprises have been determined to the extent such parties are identified on the basis of information available with the Company, which has been relied upon by the Auditors. Total outstanding dues of Micro, small and medium enterprises, which are outstanding for more than stipulated period and Company has not provided interest as no supplier has demanded any interest and other disclosures in terms of Micro, small and medium Enterprises Development Act, 2006 are given below :

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

- Delayed payments due as at the end of each accounting year on account of Principal	Nil*	Nil
- The amount of interest paid in terms of section 16 of MSMD ACT 2006 along with the amount of payment made beyond date during each accounting year.	Nil*	Nil
-The amount of interest due and payable for the period of delay in making payment(which has been paid but beyond the appointed date during the year) but without adding the interest specified under MSMD Act 2006.	Nil*	Nil
-Interest accrued and remaining unpaid at the end of each accounting year.	Nil*	Nil
- The amount of further interest remaining due and payable in the succeeding years (Represents all interest amounts remaining due together with that from prior year(s) until such date when the interest was actually paid to the small enterprises.)	Nil*	Nil

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

- 19.3** The Company has sent letters to Trade Payables for confirmations and have not received the same for the majority of the outstanding till the date of signing of the financial statements. However the same have been paid subsequent to the reporting date. In respect of the remaining amounts the adjustment, if any, will be made on the receipt of the confirmations.

20. OTHER FINANCIAL LIABILITIES

Salary, wages & bonus payable (refer note no.27.5)	152.46	106.39
Interest accrued but not due on working capital loan	6.03	3.21
Security deposits from customers(Unconfirmed) (refer note. 20.2)	<u>91.32</u>	<u>92.52</u>
Other liabilities (refer note no.20.1)	<u>288.97</u>	<u>280.68</u>
	<u>538.78</u>	<u>482.80</u>

- 20.1** Other liabilities include ₹ 259.21 lakhs (previous year ₹ 255.63 lakhs) towards interest payable on Unsecured Borrowings.

- 20.2** Represents insignificant amounts from various customers in the ordinary course of business.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts in ₹ lakhs, unless otherwise stated)

	As At	As At
	<u>March 31, 2023</u>	<u>March 31, 2022</u>
21. OTHER CURRENT LIABILITIES		
Provident fund & pension fund	13.42	13.45
TDS payable	50.08	48.16
Unclaimed Dividend of Investors (2015-16)	-	0.83
Other statutory dues (refer footnote 21.1)	71.27	55.36
Advance from customers (Unconfirmed) (refer note no.21.2)	<u>80.83</u>	<u>29.29</u>
	<u>215.60</u>	<u>147.09</u>
21.1 Includes GST ₹ 68.72 lakhs (previous year ₹ 52.76 lakhs), ESI / PF / Welfare fund ₹ 15.97 lakhs (previous year ₹ 2.60 lakhs).		
21.2 Includes ₹ 47.96 lakhs from export customers.		
	For the Year	For the Year
	Ended	Ended
	<u>March 31, 2023</u>	<u>March 31, 2022</u>
22. REVENUE FROM OPERATIONS		
Sale of Products (Net of sales return and Discounts) :		
Manufactured goods	6,619.52	4,746.45
Stock in trade	8,602.72	8,836.57
Sale of services	5.64	5.48
Other operating revenue (refer note no.22.1)	<u>23.64</u>	<u>23.32</u>
	<u>15,251.52</u>	<u>13,611.82</u>
Geographic bifurcation of sale of products :		
India	14,845.68	13,339.92
Outside India	376.56	243.10
22.1 Other operating income includes the followings :		
i) Duty drawback	5.26	3.31
ii) Provision written back in respect of doubtful trade receivables	14.14	0.91
iii) Others [refer footnote 22.2]	<u>4.24</u>	<u>19.10</u>
	<u>23.64</u>	<u>23.32</u>
22.2 Represents Remission of duties and taxes (RODTEP) ₹ 4.24 lakhs (previous year ₹1.58 lakhs).		
23. OTHER INCOME		
Interest received	-	0.16
Foreign exchange fluctuation gain (net)	59.72	65.50
Fair value gain on financial instrument	-	23.59
Earlier Year Expenses Written Back	0.68	-
Miscellaneous Income	4.19	-
Profit on sale of asset	<u>2.20</u>	<u>-</u>
	<u>66.79</u>	<u>89.25</u>
23.1 Represents gain on account of reworking of Lease Liability and Right of Use Asset as per IndAS 116 due to change in lease terms of one of the premises.		
24. RAW MATERIAL CONSUMED		
Rubber	853.67	628.96
Cloth	436.20	295.77
Ball covering materials	513.28	313.24
Chemicals & solvent	613.15	387.37
Nylon yarn	79.91	39.32
Heat transfer labels	92.26	49.68
Accessories, adhesives and other materials	<u>662.82</u>	<u>542.90</u>
	<u>3,251.29</u>	<u>2,257.24</u>
25. PURCHASE OF STOCK-IN-TRADE		
Health equipment & fitness accessories	1,817.33	4,732.51
T.T., cricket equipments & other sports goods	<u>5,117.63</u>	<u>3,015.70</u>
	<u>6,934.96</u>	<u>7,748.21</u>

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts in ₹ lakhs, unless otherwise stated)

	For the Year Ended <u>March 31, 2023</u>	For the Year Ended <u>March 31, 2022</u>
26. CHANGES IN INVENTORIES		
OPENING		
Finished goods	1,077.69	1,300.02
Stock-in-trade	4,698.72	3,524.85
Work in progress	<u>677.52</u>	<u>472.40</u>
	6,453.93	5,297.27
CLOSING		
Finished goods	1,220.23	1,077.69
Stock-in-trade	5,149.03	4,698.72
Work in progress	<u>773.12</u>	<u>677.52</u>
	7,142.38	6,453.93
Net (Increase) / Decrease in Inventory	(688.45)	(1,156.66)
27. EMPLOYEE BENEFITS EXPENSES		
Salaries, wages and bonus (Refer note no.27.1 & 27.5)	1,524.97	1,296.84
Contribution to provident, ESI & other funds (Refer note no.27.2)	123.88	104.46
Gratuity expenses (funded & non-funded) (Refer note no.27.3)	27.80	27.56
Leave Encashment (Refer note no.27.4)	38.72	21.23
Staff welfare	<u>110.92</u>	<u>84.51</u>
	1,826.29	1,534.60

27.1 DIRECTORS' REMUNERATION

Salary	253.20	229.20
House rent allowance	126.60	114.60
Contribution to provident & other Funds	1.30	1.30
Reimbursement of medical expenses	<u>14.39</u>	<u>9.86</u>
	395.49	354.96

27.2 Contribution to defined contribution plans

The Company makes contribution towards provident fund and pension fund. These funds are administered by Government of India. Under the schemes; the Company is required to contribute a specified percentage of salary to the retirement benefit schemes to fund the benefit. Contribution to Defined Contribution Plan, recognised as expense for the year are as under:-

	Year Ended <u>March 31, 2023</u>	Year Ended <u>March 31, 2022</u>
Employer's contribution to provident fund	34.44	29.27
Employer's contribution to pension fund	<u>57.84</u>	<u>48.59</u>

27.3 Defined Benefit Plan
Gratuity

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

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

	<u>Gratuity (Funded)</u>		<u>Gratuity (Non-Funded)</u>	
	<u>Year Ended</u>		<u>Year Ended</u>	
	<u>March 31, 2023</u>	<u>March 31, 2022</u>	<u>March 31, 2023</u>	<u>March 31, 2022</u>
I. Change in the benefit obligation				
Defined benefit obligation at beginning of the year	345.47	337.08	94.55	92.54
Interest cost	24.94	22.89	6.83	6.28
Current service cost	22.40	21.64		
Benefits paid	17.56	14.37		
Actuarial (gain) / loss on obligations	<u>(0.84)</u>	<u>(21.77)</u>	<u>(3.63)</u>	<u>(4.27)</u>
Defined benefit obligation at the end of the year	374.41	345.47	97.75	94.55
II. Change in plan assets				
Fair value of plan assets at the beginning of the year	365.19	342.36		
Expected return on plan assets	26.55	23.25		
Employer Contribution	18.43	12.87		
Benefits paid	17.56	14.37		
Actuarial (Gain) / Loss on plan assets	0.47	(1.08)		
Fair value of plan assets at the year end	<u>391.95</u>	<u>365.19</u>		
Actual return on plan assets	25.90	24.33		

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts in ₹ lakhs, unless otherwise stated)

	<u>Gratuity (Funded)</u>		<u>Gratuity (Non-Funded)</u>	
	<u>Year Ended</u>		<u>Year Ended</u>	
	<u>March 31, 2023</u>	<u>March 31, 2022</u>	<u>March 31, 2023</u>	<u>March 31, 2022</u>
III. Reconciliation of fair value of assets and obligations				
Fair value of plan assets at the end of the year	391.95	365.19		
Present value of obligation at the end of the year	374.41	345.47		
Funded Status	17.54	19.72		
Net Asset / (Liability)	17.54	19.72		
IV. Expenses recognised during the year				
Current Service Cost	22.40	21.64		
Interest Cost	24.94	22.89	6.83	6.28
Expected return on plan assets	26.37	23.25		
Net actuarial (Gain) / Loss	(0.37)	(22.85)	(3.63)	(4.27)
Expenses charged to Statement of Profit & Loss	20.97	21.28	6.83	6.28
V. Actuarial Assumptions				
Discount Rate	7.38% p.a	7.22% p.a	7.38% p.a	7.22% p.a
Salary Escalation	6% p.a	6% p.a	6% p.a	6% p.a
Expected return on plan assets	8% p.a	8% p.a	8% p.a	8% p.a
VI. Sensitivity analysis:	1% increase	1% increase	1% increase	1% increase
Discount rate	(18.52)	(18.43)	(2.28)	(2.61)
Salary increase rate	19.77	19.67		
	1% decrease	1% decrease	1% decrease	1% decrease
Discount rate	19.60	19.53	2.36	2.71
Salary decrease rate	(18.86)	(18.72)		
Sensitivities due to employee attrition rate are not material and hence impact of change due to these not calculated.				
The management of funds is entrusted with Life Insurance Corporation of India. The detail of investments made by them are not available.				
27.4 Leave Encashment				
It is an unfunded defined benefit plan for which the obligation is recognised on the basis of valuation made by actuary in terms of IndAS 19.				
27.5	Provisions for bonus of ₹ 67.90 lakhs is made on Adhoc basis considering the amount actually paid in pursuance of settlement arrived with the workers related to F.Y 2021-22.			
		For the Year Ended		For the Year Ended
		March 31, 2023		March 31, 2022
28. FINANCE COSTS				
Interest expenses :				
On borrowings		477.07		426.49
On lease liability (ROU)		22.27		27.08
Bank charges		15.44		14.20
		514.78		467.77
28.1	For related party refer note no.34.			
29. DEPRECIATION AND AMORTISATION EXPENSES				
Depreciation of property, plant & equipment		120.41		94.34
Amortisation on right of use assets		70.78		68.36
Amortisation of intangible assets		0.76		2.84
		191.95		165.54
30. OTHER EXPENSES				
Power and fuel		273.14		215.01
Ball stitching charges		411.48		251.22
Other manufacturing expenses		470.06		341.32
Stores & Spares consumed		407.88		284.71
Repairs to plant and equipments		85.79		64.17
Repairs to building		19.37		18.49
Repairs to others (refer note no.30.6)		95.90		81.09
Rent (refer note no.2.22)		9.05		9.05
Rates & taxes (excluding taxes on income) (refer note no.30.7)		16.18		4.89
Insurance		34.23		31.56
Travelling expenses (refer note no.30.1)		106.55		74.12
Auditor's remuneration (refer note no.30.2)		7.95		5.50
Transportation, shipping & packing charges		319.16		259.34

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts in ₹ lakhs, unless otherwise stated)

	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Commission, discounts and rebates	328.78	278.62
Bad & doubtful debts provided	7.88	10.78
Advertisements & publicity (refer note no.30.5)	77.87	57.90
Freight & octroi	12.73	14.47
Legal & professional fees (refer note no.30.2)	63.82	71.17
Postage & telephone	49.65	44.52
Printing & stationery	15.27	12.75
Royalty expenses	6.68	16.98
CSR expenditure (refer note no.30.3)	-	9.00
Sales promotion expenses	271.76	169.03
Security expenses	17.96	17.11
Insurance Claim written off	-	24.40
Bad debts / advances written off	4.13	0.70
Miscellaneous expenses (refer note no.30.4)	83.72	65.56
	<u>3,196.99</u>	<u>2,433.46</u>

- 30.1** Include directors' travelling ₹ 20.70 lakhs (previous year ₹ 5.16 lakhs).
- 30.2** Statutory audit fees is ₹ 5.50 lakhs (previous year ₹ 5.50 lakhs) and Tax audit fees ₹ 2.45 lakhs (previous year ₹ 2.45 lakhs paid to other than statutory auditor included in Legal & Professional expense).
- 30.3 Corporate Social Responsibility (CSR)**
- (a) CSR amount required to be spent as per section 135 of the Companies Act, 2013 read with Schedule VII thereof by the Company during the year is ₹ Nil (previous year ₹ 9 lakhs) due to lower figures of net worth, turnover and net profits in the immediately preceding financial year than the threshold limit prescribed u/s 135(1) of the Act.
- (b) Details of Amount spent towards CSR given below :
- | | | |
|---|-----|------|
| For Bird hospital paid to a trust where Director of company is a trustee. | Nil | 9.00 |
|---|-----|------|
- 30.4** Misc. expenses include Prior period expenses of ₹ 2.02 lakhs (previous year ₹ 3.36 lakhs), director's sitting fee ₹ 1.40 lakhs (previous year ₹ 1.11 lakhs), General expenses ₹ 13.43 lakhs (previous year ₹ 12.06 lakhs), License fee ₹ 4.65 lakhs (previous year ₹ 5.93 lakhs), Donation ₹ 7.53 lakhs (previous year ₹ 0.64 lakhs), Assets written off ₹ 2.46 lakhs (previous year ₹ nil), Festival expenses ₹ 6.45 lakhs (previous year ₹ 5.98 lakhs), Subscriptions ₹ 9.39 lakhs (previous year ₹ 7.82 lakhs), Software expenses ₹ 5.46 lakhs (previous year ₹ 3.21 lakhs), Water & electricity & generator expenses ₹ 8.73 lakhs (previous year ₹ 5.92 lakhs).
- 30.5** Includes proportionate amount of ₹ 3.07 lakhs in respect of total amount of advertisement of ₹ 13.81 lakhs as one time cost, spread over a period of 3 years.
- 30.6** Includes repair to vehicles ₹ 49.52 lakhs(previous year ₹ 44.92 lakhs) and Electric repairs ₹ 31.22 lakhs(previous year ₹ 25.44 lakhs).
- 30.7** Includes one time NDMC conversion and parking charges of ₹ 9.09 lakhs.

31. TAX EXPENSES
Income tax recognised in Statement of Profit and Loss

Current tax	36.98	78.35
Earlier year taxation	2.40	0.15
Deferred tax	(16.93)	(19.60)
Total income tax expenses recognised in the current year	<u>22.45</u>	<u>58.90</u>

The Income Tax expenses for the year can be reconciled to the accounting profit as follows :

Profit before tax	90.50	250.91
Applicable tax rate	25.168%	25.168%
Computed tax expenses	22.78	63.15
Tax effect of allowances/disallowances:	14.07	14.56
Deferred Tax	(16.80)	(18.97)
Earlier year taxation	2.40	0.15
Total income tax expenses recognised in the current year	<u>22.45</u>	<u>58.89</u>

32. EARNING PER SHARE

Net Profit after tax	68.05	192.01
Weighted average no. of equity share (nos.)	4,161,000	4,161,000
Nominal value of equity per share (₹)	10.00	10.00
Basic earning per share (₹)	1.64	4.61
Diluted earning per share (₹)	1.64	4.61

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts in ₹ lakhs, unless otherwise stated)

33. SEGMENT INFORMATION

The company's operating segments are established on the basis of those components of the group that are evaluated regularly by the chief operating officer (the 'Chief Operating Decision Maker' as define in Ind As 108 -'Operating Segments'), in deciding how to allocate resources and in assessing performance. The segments have been identified taking into account nature of products and services, the differing risks and returns and the internal business reporting systems. The Company's business segments are as under:

(i) Own Manufactured Products : Segment includes manufacturing and sale of sport items comprising of sports balls & latex bladders for sports balls.

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

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

- Expenses have been identified to a segment on the basis of sale of the respective segment to the total sale of the company. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".
- Segment assets and segment liabilities represent assets and liabilities in respective segments. Investments, tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable".

(i) Primary Segment Information

Sr. No.	Particulars	Manufactured products		Stock in trade (Trade Products)		Unallocable		Total	
		For the year ended on March 31, 2023	March 31, 2022	For the year ended on March 31, 2023	March 31, 2022	For the year ended on March 31, 2023	March 31, 2022	For the year ended on March 31, 2023	March 31, 2022
1	Segment Revenue								
	Sales	6,619.52	4,746.45	8,602.72	8,836.57			15,222.24	13,583.02
	Sale of services			5.64	5.48			5.64	5.48
	Other income	15.65	16.14	7.99	7.18	(3.99)	20.89	19.65	44.21
		6,635.17	4,762.59	8,616.35	8,849.23	(3.99)	20.89	15,247.53	13,632.71
2	Segment Results								
	Profit before interest & tax	203.49	83.77	405.78	614.03	(3.99)	20.89	605.28	718.69
	Less : Interest expense	223.86	163.46	290.92	304.32			514.78	467.78
	Profit before tax	(20.37)	(79.69)	114.86	309.71	(3.99)	20.89	90.50	250.91
	Less : Tax								
	Current tax					36.98	78.35	36.98	78.35
	Earlier year taxation					2.40	0.15	2.40	0.15
	Deferred tax					(16.93)	(19.60)	(16.93)	(19.60)
	Net Profit after tax							68.05	192.01
3	Other Information								
A.	Segment Assets	4,077.15	4,178.80	6,987.47	6,048.42	515.70	745.89	11,580.32	10,973.11
B.	Segment Liabilities	772.12	544.63	645.89	591.07	3,962.82	3,814.92	5,380.83	4,950.62
	Capital expenditure including additions & CWIP	153.61	62.58	115.91	10.87			269.52	73.45
	Depreciation	79.13	61.57	42.03	35.62			121.16	97.19
C.	Working Capital (A-B)	3,305.03	3,634.17	6,341.58	5,457.35	(3,447.12)	(3,069.03)	6,199.49	6,022.49

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts in ₹ lakhs, unless otherwise stated)

(ii) Secondary Segment Information

Sr. No.	Particulars	As At	As At
		March 31, 2023	March 31, 2022
1	Segment Revenue		
	- Within India	14,870.97	13,389.61
	- Outside India	376.56	243.10
	Total Revenue	15,247.53	13,632.71
2	Segment Assets		
	- Within India	11,529.76	10,971.50
	- Outside India (Trade receivable)	50.56	1.61
	Total Assets	11,580.32	10,973.11
3	Segment Liabilities		
	- Within India	5,380.83	4,950.62
	- Outside India	-	-
	Total Liabilities	5,380.83	4,950.62
4	Capital Expenditure		
	- Within India	269.52	73.45
	- Outside India	-	-
	Total Expenditure	269.52	73.45

34. RELATED PARTY DISCLOSURE

As per Ind AS 24, the disclosure of transactions with the related parties as defined in the Accounting Standard are given below :

I List of Parties with whom transactions entered during the year
Significant influence with whom Company had transactions

1 Cosco Polymer Industries (P) Ltd.

Key Management Personnel

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

Relatives of Key Management Personnel

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

II Detail of transactions made during the year between the company and related parties.

	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
A Significant influence with whom Company had transactions		
<u>Cosco Polymer Industries (P) Ltd.</u>		
Loans received	12.00	-
Interest accrued and due for the year	12.43	12.42
Payment of outstanding interest of previous year	11.18	10.48
Loans outstanding	150.00	138.00
Interest outstanding after TDS	11.19	11.18
Lease rent paid	9.60	9.60
B Key Managerial Personnel		
<u>Loans received</u>		
Devinder Kumar Jain	54.00	62.00
Narinder Kumar Jain	42.00	48.00
Manish Jain	58.00	58.00
Pankaj Jain	66.00	72.00
Neeraj Jain	34.00	42.00
Arun Jain	24.00	42.00

	For the Year Ended <u>March 31, 2023</u>	For the Year Ended <u>March 31, 2022</u>
<u>Re-payment of loans</u>		
Devinder Kumar Jain	118.00	92.00
Narinder Kumar Jain	29.50	3.00
Manish Jain	2.00	-
Pankaj Jain	82.50	45.50
Neeraj Jain	55.50	43.00
Arun Jain	29.00	-
<u>Interest accrued and due for the year</u>		
Devinder Kumar Jain	55.02	59.14
Narinder Kumar Jain	32.98	30.22
Manish Jain	49.24	44.17
Pankaj Jain	73.18	73.93
Neeraj Jain	36.85	38.03
Arun Jain	28.31	26.12
<u>Payment of accrued interest after TDS</u>		
Devinder Kumar Jain	53.22	60.67
Narinder Kumar Jain	27.20	30.28
Manish Jain	39.75	40.79
Pankaj Jain	66.54	69.43
Neeraj Jain	34.22	37.89
Arun Jain	23.51	24.96
<u>Loans outstanding</u>		
Devinder Kumar Jain	606.65	670.65
Narinder Kumar Jain	388.11	375.61
Manish Jain	598.30	542.30
Pankaj Jain	846.15	862.65
Neeraj Jain	414.35	435.85
Arun Jain	321.00	326.01
<u>Recoverable from Directors</u>		
Devinder Kumar Jain	0.89	-
Narinder Kumar Jain	1.39	-
Manish Jain	-	0.83
Pankaj Jain	0.08	1.13
Neeraj Jain	0.61	0.62
Arun Jain	0.32	0.54
<u>Interest outstanding net of TDS</u>		
Devinder Kumar Jain	49.52	53.22
Narinder Kumar Jain	29.68	27.20
Manish Jain	44.31	39.75
Pankaj Jain	65.86	66.54
Neeraj Jain	33.17	34.22
Arun Jain	25.48	23.51
<u>Rent paid</u>		
Devinder Kumar Jain	3.90	3.90
Narinder Kumar Jain	7.02	7.02
Pankaj Jain	7.02	7.02
<u>Remuneration</u>		
Devinder Kumar Jain	78.01	69.12
Narinder Kumar Jain	79.13	68.46
Manish Jain	58.82	54.51
Pankaj Jain	59.32	55.39
Neeraj Jain	60.86	53.89
Arun Jain	59.35	53.59

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
(All amounts in ₹ lakhs, unless otherwise stated)

	For the Year Ended <u>March 31, 2023</u>	For the Year Ended <u>March 31, 2022</u>
C Key Management Personnel's Relatives		
<u>Rent paid</u>		
Prabha Jain	5.46	5.46
<u>Remuneration</u>		
Aakash Jain	15.25	11.64
34 Related parties have been identified by the management.		
34 Key Managerial personnel remuneration does not include provision for gratuity and compensated absences.		
34 No amounts have been written off / provided for or written back during the year in respect of amounts receivable from or payable to related parties.		
34 Remuneration paid to KMP excludes expenses incurred in the course of performance of duty. Car perquisite which is calculated as per Income Tax Rules are given below.		
Devinder Kumar Jain	0.40	0.36
Narinder Kumar Jain	0.40	0.36
Manish Jain	0.32	0.30
Pankaj Jain	0.32	0.30
Neeraj Jain	0.32	0.30
Arun Jain	0.40	0.36
35. CONTINGENT LIABILITIES NOT PROVIDED FOR IN RESPECT OF		
(i) Claims against the company not acknowledged as debt :		
Cases against the Company in Labour Court & High Court by ex-employees	64.94	64.94
Income Tax for A.Y 2018-19	28.90	28.90
Income Tax for A.Y 2021-22	1.74	-
UP VAT / CST for A.Y 2009-10	34.70	34.70
(ii) <u>Guarantee</u>		
(a) To Sales Tax Authorities :		
for Cosco Polymer Industries Pvt. Ltd. (related party)	1.00	1.00
for others	5.27	5.27
(b) To State Electricity Board :		
for others	Not Ascertainable	Not Ascertainable
(c) To Banks in respect of contractual obligations to Canteen Store Departments		
	97.00	102.28

*The company is contesting these demands and the management, based on advise of its advisors, believes that its position will likely be upheld in the appellate process. No expense has accrued in the standalone financial statements for these demands raised. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the company's financial position and results of operations. The company does not expect any reimbursements in respect of the above contingent liabilities.

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

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The company's principal financial liabilities comprise borrowings, Security Deposits Received, trade and other payables. The main purpose of these financial liabilities is to finance the company's operations. The company's principal financial assets include, trade and other receivables, cash and cash equivalents and security deposits that are out of regular business operations. The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk. In order to manage the aforementioned risks, the Company operates a risk management policy and a programme that performs close monitoring of and responding to each risk factors. The company's senior management oversees the management of these risks.

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument that will fluctuate because of changes in market prices. Market risk comprises three types of risk i.e. interest rate risk, currency risk and other price risk, such as commodity risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

i. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rate relates primarily to the Company's borrowings from Banks with floating interest rates / volatility in rupee value against foreign currency fluctuations. The unsecured loans from related parties constitute a significant portion of total borrowings and is not subject to volatility in the rate of borrowings. There is no foreign exchange loan taken during the year and outstanding at the year end.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

	<u>March 31, 2023</u>		<u>March 31, 2022</u>	
	<u>1% increase</u>	<u>1% decrease</u>	<u>1% increase</u>	<u>1% decrease</u>
Impact on Profit Before Tax				
Increase / (decrease) in average interest cost	51.07	(51.08)	45.13	(45.13)

ii. Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. Company deals in import of health equipment and exports sports goods. The company makes advance payments in respect of imports to mitigate the adverse exchange fluctuations. In view of the insignificant risk, sensitivity analysis showing impact on profit is not calculated. During the year company earned currency fluctuation gain of ₹ 59.72 lakhs (previous year ₹ 65.48 lakhs).

iii. Commodity price risk

The company does not have significant risk in raw material price variations. In case of any variation in price, the same is normally passed on to customers through appropriate adjustment to selling prices.

(b) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments if a counter party default on its obligations. The company's exposure to credit risk arises majorly from trade and other receivables. Other financial assets like security deposits and bank deposits are paid against import consignments. Company has good past track record of recovery from trade receivables. Defaults in past have been very few and too less.

(c) Liquidity risk

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank borrowings, unsecured loans from directors on a continuous basis and security from dealers. The table below summarises the maturity profile of the Company's financial liabilities:

Particulars	Maturities			Total
	Upto 1 year	1-2 years	2-3 years	
March 31, 2023				
Non-current borrowings		44.79	1,499.16	1,543.95
Current borrowings	3,699.91			3,699.91
Trade payables	588.64			588.64
Other financial liabilities	615.94		74.88	690.82
Total	4,904.49	44.79	1,574.04	6,523.32
March 31, 2022				
Non-current borrowings			1,438.00	1,438.00
Current borrowings	3,533.57			3,533.57
Trade payables	445.37			445.37
Other financial liabilities	543.09		121.68	664.77
Total	4,522.03	-	1,559.68	6,081.71

37. CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity shareholders. The primary objective of the Company's capital management is to ensure that it maintains a good credit rating and capital ratios in order to support its business and maximise shareholder value. The Company monitors capital using a gearing ratio, which is net debt divided by total capital. The Company includes within net debt, all non-current and current borrowings reduced by cash and cash equivalents and other bank balances.

	<u>Note</u>	<u>As at</u> <u>March 31, 2023</u>	<u>As at</u> <u>March 31, 2022</u>
Non-current borrowings	16A	1,543.96	1,438.00
Current borrowings	16B	3,699.91	3,533.57
Less : Cash and cash equivalents	11	5.65	5.64
Other bank balances	11	24.52	287.90
Net Debt (A)		5,213.71	4,678.03
Equity share capital	14	416.10	416.10
Other equity	15	4,239.43	4,168.39
Total Capital (B)		4,655.53	4,584.49
Gearing Ratio (A/B)		1.12	1.02

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing borrowings that define capital structure requirements. The breaches in meeting the financial covenants would permit the bank to immediately call borrowings. There have been no breaches in the financial covenants of any interest-bearing borrowings in the current year. No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2023 and March 31, 2022.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts in ₹ lakhs, unless otherwise stated)

38. RATIOS

S. No.	Particulars	Current Year		Previous Year		Variance	Reasons for Variance
		(₹ in lakhs)	Ratio	(₹ in lakhs)	Ratio		
(a)	Current ratio : (in times) Numerator = Total current assets Denominator = Total current liabilities	10,383.35 5,201.11	2.00	9,899.28 4,732.78	2.09	-0.05	
(b)	Debt-Equity ratio : (in times) Numerator = Total Borrowing Denominator = Shareholders' equity	5,243.87 4,655.53	1.13	4,971.57 4,584.49	1.08	0.04	
(c)	Debt service coverage ratio : (in times) Numerator : Earnings available for debt service = PAT + Non cash operating expenses + Interest + Other non-cash expenses-Non Cash Income- Profit on sale of Fixed Assets, etc. Denominator : Debt service = Interest accrued and due + current portion of lease Liability+ current maturities of long term borrowings	779.08 2,210.93	0.35	825.32 2,228.98	0.37	-0.05	
(d)	Return on equity ratio : (in %) Numerator = Net Profits after taxes Denominator = Shareholder's Equity	68.05 4,655.53	1.46%	192.01 4,584.49	4.19%	-65%	Though sales have been increased by 12% in comparison to last year, but profit is reduced due to change in sales mix which includes some profitable items. Other factor includes increase in prices of raw materials and other expenses. The net result of that is declining net profits.
(e)	Inventory turnover ratio : (in times) Numerator = Cost of goods sold=Cost of material+ consumed + Purchase of stock in trade + change in inventories of finished goods, WIP & stock in trade Denominator = Average Inventory	9,497.80 7,256.66	1.31	9,053.91 6,284.89	1.44	-9%	

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts in ₹ lakhs, unless otherwise stated)

S. No.	Particulars	Current Year		Previous Year		Variance	Reasons for Variance
		(₹ in lakhs)	Ratio	(₹ in lakhs)	Ratio		
(f)	Trade receivables turnover ratio: (in times) (refer footnote 38.1) Numerator = Revenue from Operations Denominator = Average Trade Receivables	15,222.24 2,216.68	6.87	13,583.02 2,456.19	5.53	24%	Sales have been increased so the debtors. Debtors in monetary terms is decreased but percentage is increased due to increase in sales.
(g)	Trade payables turnover ratio : (in times) (refer footnote 38.2) Numerator : Net purchase = Purchase of Stock in trade and raw material Denominator = Average Trade payables	10,232.16 517.00	19.79	10,049.30 464.70	21.63	-8%	
(h)	Net capital turnover ratio : (in times) Numerator = Revenue from Operations Denominator = Working capital	15,222.24 5,182.25	2.94	13,583.02 5,166.50	2.63	12%	
(i)	Net profit ratio : (in %) Numerator = Net profit after tax Denominator = Revenue from Operations	68.05 15,222.24	0.45%	192.01 13,583.02	1.41%	-68%	Profit is decreased due to reduction of sales mix and increase costs in raw materials and other expenses.
(j)	Return on capital employed : (in %) Numerator = Earning before finance cost and tax Denominator = Capital employed = Net worth + Total borrowings + Deferred tax liabilities (if any)	605.28 6,379.21	9%	718.68 6,240.34	12%	-18%	

38.1 In the absence of figure of Net credit sales, Revenue from operations has been taken into consideration for computing Trade receivables ratio.

38.2 In the absence of figure of Net credit purchases, Total purchases been taken into consideration for computing Trade Payables ratio.

38.3 Ratio for Return on Investment not reported since no investments is held by the Company.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS



(All amounts in ₹ lakhs, unless otherwise stated)

39. Below table represents the reconciliation of figures of the charged Current assets quarterly statements and Returns filed with the banks and that reflected in the Books of accounts.

Nature of Current assets for the quarter ending	Sanction amount to which the discrepancy relates	Nature of discrepancy	Amount as per quarterly return & statements	As per unaudited books of accounts	Difference	Remarks including subsequent rectification, if any
<u>June, 2022</u>						
Trade Receivable	2,800.00		2,049.67	2,049.67	-	
Inventory - Raw Material	2,800.00		311.42	311.42	-	
Inventory - Finished Goods / Stock in trade	2,800.00		5,973.57	5,973.57	-	
Inventory - Stores & Spares	2,800.00	Clerical mistake	157.77	157.78	(0.01)	Clerical mistakes and no subsequent rectification was filed with the bank.
<u>September, 2022</u>						
Trade Receivable	2,800.00		2,508.51	2,508.51	-	
Inventory - Raw Material	2,800.00		314.11	314.11	-	
Inventory - Finished Goods / Stock in trade	2,800.00		6,287.25	6,287.25	-	
Inventory - Stores & Spares	2,800.00		139.88	139.88	-	
<u>December, 2022</u>						
Trade Receivable	2,800.00	Non-current debtors are not considered.	2,345.54	2,396.35	(50.81)	Debtors having significant credit risk are not considered and no subsequent rectification was filed with the bank.
Inventory - Raw Material	2,800.00		305.42	305.42	-	
Inventory - Finished Goods / Stock in trade	2,800.00		6,364.85	6,364.85	-	
Inventory - Stores & Spares	2,800.00		132.53	132.53	-	
<u>March, 2023</u>						
Trade Receivable	2,800.00	Non-current debtors are not considered.	2,143.58	2,179.47	(35.89)	Debtors having significant credit risk are not considered and no subsequent rectification was filed with the bank.
Inventory - Raw Material	2,800.00		344.36	344.36	-	
Inventory-Finished Goods / Stock in trade	2,800.00		6,369.27	6,369.27	-	
Inventory - Stores & Spares	2,800.00		140.44	140.44	-	

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
(All amounts in ₹ lakhs, unless otherwise stated)
40. ADDITIONAL Notes and relevant regulatory information (Other than disclosed in Notes) :

- 40.1** (a) The operating cycle of the company is assumed to be of twelve months in absence of clearly identifiable normal operating cycle and accordingly assets / liabilities have been classified as current / non current.
- (b) No impairment exercise is conducted in absence of internal / external indicators.
- 40.2** Cosco Polymer Lanka (Private) Ltd. (erstwhile Subsidiary of the Company in Sri Lanka) has been ordered to be wound up by the Hon'ble High Court of the Western Province, Colombo. Accordingly, "Consolidated Financial Statements" as per Ind AS 110, have not been prepared.
- 40.3** The Equity Shares held by the Company in Cosco Polymer Lanka (Private) Ltd. (erstwhile Subsidiary of the Company in Sri Lanka) stand vested in the Secretary to the Treasury of the Government of Sri Lanka under the Revival of Underperforming Enterprises or Underutilised Assets Act No.43 of 2011 (of Republic of Sri Lanka) as per disclosures made in the earlier year Accounts. Competent Authority appointed under the said Act is controlling, administering and managing such Enterprises / Units / Assets. The Act (of Sri Lanka), provides for payment of compensation and accordingly claim was filed in Sri Lanka with the Compensation Tribunal constituted under the said Act. The Compensation Tribunal vide its letter Ref: Com T/01/27 dated 08.12.2015, has allowed compensation of LKR 480 lakhs (Equivalent INR 204.66 lakhs) and after deducting LKR 16.74 lakhs due for Board of Investment (BOI) of Sri Lanka as at the date of vesting, the net compensation payable is LKR 463.26 lakhs (Equivalent INR 197.52 lakhs). The amount is yet to be released and the same shall be credited to Liquidator, since Cosco Polymer Lanka (Private) Ltd. has been ordered to be wound up by the Hon'ble High Court of the Western Province, Colombo. The management does not expect any net realisable value of its investment in the erstwhile subsidiary. However realisation, if any, shall be accounted for in the year of actual receipt.
- 40.4** The Appraising Officer - Assistant commissioner (Gr. VI), ICD Import, Tughlakabad, New Delhi vide order No. 141/2019/S K Gupta/AC/Import/ICD/TKD dated 01.11.2019 adjudicated Additional Custom demand of ₹ 5.31 lakhs (including Interest) in respect of various years 2011-12 to 2017-18 on account of non-inclusion of various expenses (post import) like advertisement & sales promotion for the purpose of computing the assessable value of imports of foreign Brand goods, under the Customs Act, 1962 and Valuation Rules framed thereunder. The Additional Custom Duty Demand has since been paid voluntarily by the Company ₹ 4.87 lakhs during F.Y 2016-17 and ₹ 0.44 lakhs during F.Y 2018-19. By issuing Corrigendum dated 16.07.2019 demand was reduced to ₹ 2.34 lakhs. The Principal Commissioner of Customs, ICD, Import, Tughlakabad, has filed Appeal before Commissioner of Customs (Appeals), New Delhi, against the said Order for remanding back the case to the department authority to re-adjudicate the case by considering the Corrigendum dated 16.07.2019 to the Demand cum Show Cause Notice and inter-alia other issues. It has been advised to the company that there would not be any significant liability on this account rather it is expected to receive back the refund of the amount already paid in the earlier years. the company has not recognised any contingent refund during the year / earlier years on this account.

41 Additional Regulatory Information:

- 41.1** The company has not revalued its PPE (including ROU asset) and hence disclosure regarding basis of revaluation is not applicable.
- 41.2** There is no charge or satisfaction of any charge which is not registered with ROC beyond the statutory period.
- 41.3** The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the intermediary shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries), or
- (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- 41.4** The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (Ultimate Beneficiaries), or
- (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 41.5** No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- 41.6** The company has not granted any loans or advances in the nature of loans to promoters, directors, KMP and the related parties either severally or jointly with any other person which is either repayable on demand or without specifying any terms or period of demand and therefore requirement of disclosure of such loan / advance is not applicable.
- 41.7** The company has complied with the number of layers prescribed under clause (87) of section 2 of the act read with companies (restriction on number of layers) rules 2017.
- 41.8** Company has not applied any accounting policy retrospectively or has made a restatement of items in Financial Statement or has reclassified items in the Financial Statement.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS**(All amounts in ₹ lakhs, unless otherwise stated)**

- 41.9** The company has not done any transaction with struck off companies during the year and therefore no balance whether payable / receivable / investment in securities or shares of the company held by such struck off companies or any other outstanding exist on the balance sheet date.
- 41.10** The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- 41.11** The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- 41.12** The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment had released draft rules for the Code on Social Security, 2020 on November 13, 2020, and invited suggestions from stakeholders which are under consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified. The Company will give appropriate impact in its financial statements in the period in which, the code becomes effective and the related rules to determine the financial impact are published.
- 42.** Previous year figures have been reclassified / regrouped wherever necessary to confirm with those of current year figures.

As per our report of even date.

**FOR MADAN & ASSOCIATES
CHARTERED ACCOUNTANTS**

FIRM'S REGISTRATION NO. : 000185N

FOR AND ON BEHALF OF BOARD OF DIRECTORS**M K MADAN**

Proprietor
Membership No. 082214

DEVINDER KUMAR JAIN

Managing Director and CEO
DIN : 00191539

NARINDER KUMAR JAIN

Managing Director
DIN : 00195619

ARUN JAIN

Whole Time Director and CFO
DIN : 01054316

SUDHA SINGH

Company Secretary
Membership No.A33371

PLACE : New Delhi

DATED : May 30,2023



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