

Changing the way,  
we twist the yarn

**MEERA™**  
INDUSTRIES LIMITED

Regd. office  
2126, Road No. 2, GIDC,  
Sachin - 394 230, Surat.(Guj.) India.  
Tel.: 0261-2399114, Cell : 98795 63372, Fax : +91-261-2397269  
E-Mail : Info@meeraind.com Web :www.meeraind.com

Principle Works, Quality Speaks.

IN HOUSE R&D Center

An ISO 9001:2015 Company

CIN - L29298GJ2006PLC048627

Date: 05<sup>TH</sup> September, 2023

|  |   |
|--|---|
| <b>The Manager – Listing</b><br><b>BSE Limited</b><br><b>14<sup>th</sup> Floor, P. J. Towers,</b><br><b>Dalal Street, Fort,</b><br><b>Mumbai – 400001.</b> | <b>Stock ID: MEERA</b><br><b>Scrip Code: 540519</b> |
|--|---|

**Sub: Submission of 17<sup>TH</sup> Annual Report for the Financial Year 2022-23.**

In terms of provisions of Regulation 34(1)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, we submit herewith the soft copy of 17<sup>TH</sup> Annual Report of the Meera Industries Limited for the financial year 2022-23 along with the notice of 17th Annual General Meeting of the Company scheduled to be held on Friday, 29<sup>TH</sup> September, 2023 At 04:00 P.M, through Video Conference Mode.

In accordance with the circular No. 17 /2020 issued by the Ministry of corporate Affairs ('MCA') dated 13th April 2020 and circular no, SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 issued by the Securities and Exchange Board of India ('SEBI') the Notice convening the 17<sup>TH</sup> AGM and the Annual Report for the financial year 2022-23 have been sent only through Electronic mode to all the members whose E-mail ID are registered with the Company/RTA/Depository participant(s).

The Annual Report and Notice are also available on the Company's website at [www.meeraind.com](http://www.meeraind.com)

You are requested to take the same on your record.

Thanking you,  
Yours faithfully,

**For Meera Industries Limited**

BHAVISHA KUNAL CHAUHAN  
Digitally signed by  
BHAVISHA KUNAL  
CHAUHAN  
Date: 2023.09.05  
17:12:57 +05'30'

**Bhavisha Chauhan**  
**Company Secretary & Compliance Officer**  
**Membership No- F-12515**

**Encl: 17<sup>th</sup> Annual Report for F.Y. 2022-23.**



**17th**  
2022-23  
**ANNUAL  
REPORT**

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Meera Industries, an ISO 9001 company has shaped itself with the changing era in the competitive world of textile twisting technology & machineries.



**FINANCIAL STATEMENTS**

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# MEET OUR BOARD OF DIRECTORS

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***Dharmesh Desai***

Chairman &  
Managing Director  
(KMP)



***Bijal Desai***

Whole Time  
Director  
(KMP)



***CA. Mayank Desai***

Non-Executive  
Director



***Mr. Hetal Mehta***

Independent  
Director



***CA. Sanjay Mehta***

Independent  
Director



***Mr. Rajendra Kalyani***

Independent  
Director



***Mr. Vinod Ojha***

Chief Financial  
Officer  
(KMP)



***CS Bhavisha Chauhan***

Company secretary  
& compliance officer  
(KMP)



# WELCOME TO OUR COMPANY

Our greatest asset is our people. Having highly dedicated & committed team with their vast & rich experience, we strengthen our manufacturing & production process.

Our Constant quest for innovative through research is not limited. We design, develop & manufacture high-tech textile machinery offering intelligent solutions, operational reliability, quality & economic efficiency. With the synergy of creativity, we took a leap forward integrating science & technology as our core strength.

We have established a strong foothold in international textile segment by exporting our machines worldwide.



## **SUCCESSFUL INNOVATIONS**

- TPRS Twisting Machine
- Twisting / Cabling Machine
- Double Deck Spun Twister
- Economical TFO for Weaving Industry
- Continuous Bulking & Heat Setting Machines for carpet & Bath Mat Yarn

## **VARIOUS APPRECIATION**

- Research & Development Award
- Research & Development (Innovation) Award
- Special Export Award
- Bhartiya Udyog Ratan Award
- Indian Leadership Award for Industrial Development

# ABOUT OUR COMPANY

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Meera Industries Limited an ISO 9001 company is a renowned name in the field of twisting, cabling and continuous heat setting machines. Having Presence in more than 28 countries, we are known for innovating new technologies and providing complete customized solutions to our customer.

We have a in house R&D center recognized by the Department of Scientific and Industrial Research (DSIR). We are also a recipient of two R&D awards continuously for 2 years in a row from Textile manufacturers Association (TMMA) for pioneering Single Step S/Z twisting technology (TPRS) and continuous Bulking and Heat Setting Machines (Meerabah) in India.

Energy conservation, Better Productivity and Ease of Use are the goals in mind when we design machines. We assure you to serve in the best possible way we can.

## FUTURISTIC TWISTING SOLUTION



# OUR CORE VALUES



## INTERNATIONAL STANDARDS

At Par With International Manufacturing Standards.



## WELL-KNOWN BRANDS

In Domestic International Market.



## CUSTOMER CENTRIC



## LEADERS IN INNOVATION

Innovative, Authentic & Futuristic Approach



## EXCELLENT CUSTOMER CARE

Personalized Customer Care



## QUALITY CONTROL

Stringent Quality Checks At Every Step



## TECHNO-LOGICAL PROWESS



## ONE STOP SOLUTION

All Kind Of Twisting & Winding Machine Under One Root

# OUR SALES FUNNEL

## MEERA'S PRESENCE

- 📍 Plants & Offices
- 📍 Subsidiary
- 🌐 Sales Network



# OUR JOURNEY



**2019**  
Tech Textil 20-22 NOV

Mumbai, India



**2019**  
Floor Tek 10-12 SEPT

Dalton, USA



**2019**  
SHANGHAI TEX 25-28 NOV

Shanghai, China





**2020**  
**DomoTex 10-13 JAN**

Hannover, Germany



**2022**  
**ITM JUN**

Istanbul, Turkey



**2022**  
**Plastasia 20-23 APRIL**

Delhi, India



**2023**  
**ITMA 8-14 JUNE**

Milan, Italy



# CHAIRMAN'S COMMUNIQUE

**The shifting dynamics in global manufacturing have opened up new avenues of growth for India, thus compelling us to embrace new strategies to seize the forthcoming opportunities.**

**Leveraging on our strategic shift towards becoming a competent manufacturer of TWISTING MACHINE in India.**

## Dear Shareholders,

I am delighted and honoured to present to you the Annual Report for FY-2023. This report stands as a testament to our collective journey, marked by resilience, determination, and the pursuit of excellence. On behalf of the Board of Directors of the Company, I extend a warm welcome to all at the 17th Annual General Meeting of our Company. Your steadfast faith in our vision has propelled us forward, even in the face of unprecedented challenges.

The year FY 22-23 has been challenging due to economic events worldwide, affecting both domestic and international markets. This has directly impacted textile companies globally, leading to a slowdown in new investments and hindering projected business growth due to negative sentiments.

Here are some of the major economic events that have negatively affected the textile industry in 2022-2023:

1. **Russia-Ukraine war:** The Russia-Ukraine war has caused a disruption to global supply chains, driving up the prices of raw materials and energy. This has made it more expensive for textile manufacturers to operate, which has led to some businesses raising prices or cutting production.
2. **Rising interest rates:** The US Federal Reserve has raised interest rates in an attempt to combat inflation. This has made it more expensive for businesses to borrow money, which has led to some businesses reducing their investment and hiring plans.
3. **Inflation:** Inflation has risen sharply in recent months, reaching a 40-year high in the US. This has made it more expensive for consumers to buy textiles, which has led to a decline in demand.
4. **Supply chain disruptions:** The COVID-19 pandemic has also caused widespread supply chain disruptions, which have made it more difficult and expensive for businesses to get the materials and components they need. This has had a negative impact on the textile industry, as many businesses have been forced to delay or cancel orders.
5. **Energy crisis:** The energy crisis in Europe has led to higher energy prices, which have made it more expensive for textile manufacturers to operate. This has led to some businesses raising prices or cutting production.
6. **One of the world's primary hub for textiles, Turkey, experienced a devastating earthquake on February 6, 2023, measuring 7.8 on the Richter scale. As a result, numerous factories and warehouses were destroyed, significantly impacting the textile industry in the area. MEERA generates a considerable amount of sales from the sale of machines related to carpets, such as Twisters, Cablers, Heat Setting machines, Winders etc.**

The global Carpet business in the FY 2023 has seen a slowdown due to the high interest rates and energy expenses in the United States and Europe, resulting in a direct impact on our sales.

## Indian Economy:

After experiencing a robust growth rate of 8.7% in FY22, the Indian economy is projected to achieve a real GDP growth of 7% in FY23. This growth has been primarily driven by strong private consumption and increased capital formation, which have also resulted in job creation as evidenced by declining urban unemployment rates and higher registrations in the Employee Provident Fund. Additionally, the successful implementation of a vast vaccination campaign, with over 2 Billion doses administered, has contributed to improved consumer sentiment, further bolstering consumption patterns. Several factors contribute to the optimistic growth forecasts for the Indian economy. The rebound in private consumption has stimulated production activities, while increased Capital Expenditure has facilitated the participation of the private sector. The widespread vaccination coverage has allowed people to engage in contact-based services, such as dining out, hotel stays, shopping, and cinema visits. Moreover, the return of migrant workers to urban areas, specifically in the construction sector, has reduced housing market inventory. Furthermore, corporations have strengthened their balance sheets, and well-capitalised public sector banks are ready to increase credit supply, particularly to Micro, Small, and Medium Enterprises (MSMEs), enabling their growth.

## The Business

Ever since we started, our main driving forces have been being creative, real, and looking toward the future. We thought, "Let's give our all to those projects that got pushed aside when things were normal." It turned out to be a great move.

The Government's thrust on an industrialised nation through investment-inducing policies such as 'Make in India' and 'Atmanirbhar Bharat' has widened the opportunity matrix significantly, resulting in healthy volumes for all business sectors, including ours. The promising outlook has mandated a change in our business operations. Embracing the tenets of Industry 4.0 in earnest, we are working to transform ourselves into a Smart Enterprise.

Also, we have sharpened our focus on diversity – in products and markets. We continue to align our product portfolios in every business vertical against the dynamic market environment to expand our sectoral bandwidth. We are also working on expanding our geographic presence across high-growth markets globally. These strategies should serve as essential growth leaders over the foreseeable future.

## Looking In The Future

Despite market fluctuations, MEERA continues to innovate. The current economic slowdown has not dampened our determination to work even harder and enhance our current product line, introduce new products, explore new markets, and implement fresh marketing strategies. Let's find below some of the highlights.

### On the innovation side

CT-240 Carpet Cabler has undergone improvements in productivity, energy efficiency, yarn quality, and ergonomic design. The latest model is stronger and more widely accepted than its closest global competitor.

DTX-300 For UHMWPE Yarns. Ultra-High Molecular Weight Polyethylene (UHMWPE) is used in very sensitive technical textile applications due to its high strength, high wear-resistance, ductility, and biocompatibility.

Meera's DTX-300 has been improvised to run more UHMWPE yarns like Dyneema, Armaid, Kevlar etc. There are only a handful of suppliers who can twist such yarns with accuracy and excellence, and we are among them. We have already served numerous customers in this sector from the USA, Europe, South America, and other regions.

TPRX-50 - For Baler Twines, MEERA's patented technology called TPRS (Twisting Plying and Reverse Twisting in One Step) which has been successfully used for Multifilament and staple yarns has now been enhanced to accommodate Tape Yarns such as PP Fibrillated and Polyethylene (PE) Yarns for Baler Twines.

This innovation represents a significant shift in the baler twine industry. The increasing acceptance of this model within the market will be advantageous for producers as it will help to lower their capital and operational expenses. Additionally, it will open up a new market for us.

### **New Market Addition**

Although We have been exporting to more than 28 countries worldwide, we found that there are many opportunities available in the European Union (EU) region specially for technical textile segments.

The European Union (EU) is a consortium of 27 countries with a highly advanced technical textile industry. Maybe these companies are not giant companies like what we see in India, China, Turkey but they are specialised product producers and always looking for customized solutions. Europe has always been the innovator of the world. Frankly speaking the European intent matched with the MEERA's intent of always improving and innovating.

Starting from fiscal year 2022-23, we initiated a targeted marketing strategy aimed at the European Union market. Very good to know, we received exceptionally favorable support and interest from companies seeking twisting and winding machines for a wide range of applications.

The European market represents not only a hub of innovation but also offers favorable pricing. We anticipate that a more significant presence in the European market will contribute to enhanced profitability in the years ahead. To capitalize on this opportunity, we have dedicated special resources to connect with customers.

### **Looking Ahead:**

The market has not been as favourable in recent years as we had hoped. However, it has provided us with ample time and opportunities to continually introduce new products, which might not have been feasible otherwise. We hold a strong sense of optimism that in the upcoming months, we can secure a significant share of the global carpet cabling and twisting machine market, solidifying our dominant position in the technical textile sector.

We approach this with positivity and hopefulness. As the global economy and events begin to show positive signs, we anticipate exponential rather than linear growth in MEEERA sales. Each day, we enhance our product offerings, and I am confident that, armed with innovative products and a highly dedicated workforce, our company will not only maintain but strengthen its prominent position in the market.

In addition to our business growth, we are also committed to fulfilling our social responsibilities and contributing to a better future.

### **Acknowledgement:**

With a strong foundation, we will continue implementing our strategic priorities and accelerating our growth momentum.

In closing, I extend my heartfelt appreciation to our esteemed shareholders for their invaluable trust and steadfast support. Your partnership has been a cornerstone of our journey, and we are truly grateful for your continued involvement. We understand the importance of your investment and the trust you have placed in us. Rest assured, we will continue to strive for excellence, delivering consistent value and upholding the highest standards of corporate governance. Thank you, once again for being an integral part of our success, and we look forward to our continued collaboration as we write the next chapter of our journey.

On behalf of the Board of Directors, of Meera Industries Limited, I want to thank you all for your continued trust, confidence, and support.

**Regards,**

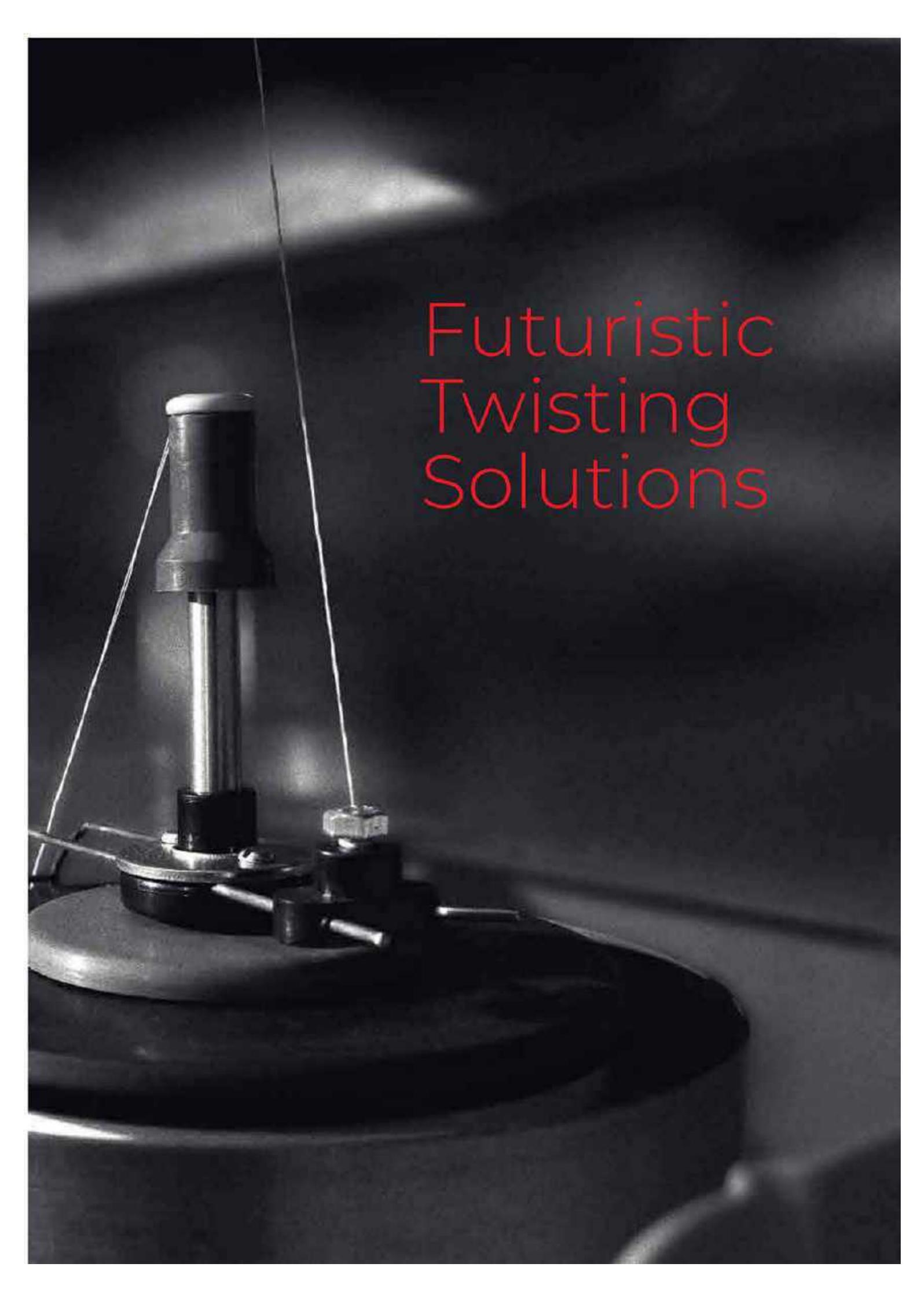
**Dharmesh V. Desai**

**Chairman and Managing Director**



**Creating the foundation for the next giant leap**

*-Dharmesh Desai*



# Futuristic Twisting Solutions

# MEERA

FUTURISTIC TWISTING

*Futuristic twisting &  
Winding technologies*



# CORPORATE INFORMATION

## Board of Directors

**Mr. Dharmesh Desai**

Chairman and Managing Director

**Mrs. Bijal Desai**

Whole-time Director

**CA. Mayank Desai**

Non Executive Director

**Mr. Hetal Mehta**

Independent Director

**CA. Sanjay Mehta**

Independent Director

**Mr. Rajendra Kalyani**

Independent Director

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**CS Bhavisha Chauhan**

Company Secretary

**Mr. Vinod Ojha**

Chief Financial Officer

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## Registrar and Transfer Agent

Kfin Technologies Limited,  
Karvy Selenium Tower B, Plot 31-32, Gachibowli,  
Financial District, Nanakramguda, Hyderabad 500 032,  
Ph: +91 40-67162222 | Fax: +91 40-23431551  
e-mail: einward.ris@karvy.com

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## Statutory Auditors

M/s K A Sanghvi & Co LLP  
Chartered Accountants, Surat.

## Bankers

Kotak Mahindra Bank

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## Registered Office

2126, Road No. 2, GIDC Sachin,  
Surat – 394 230, Gujarat, INDIA.  
Tel: 0261- 2399114 | Fax: +91-261-2397269.  
E-mail: cs@meeraind.com | Website: www.meeraind.com

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## CIN:

L29298GJ2006PLC048627

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## TO MEMBERS

The Ministry of Corporate Affairs has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliances by the companies and has issued circulars stating that service of notice / documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government members who have not registered their e-mail addresses, are requested to register their e-mail addresses with the RTA /s Kfin Technologies Private Limited, Hyderabad by an E-mail or Letter. Members are requested to bring this copy with them at the meeting as no copies shall be distributed at the meeting again.



## BOARD OF DIRECTOR'S REPORT

### TO, THE MEMBERS, MEERA INDUSTRIES LIMITED

The Board of directors are pleased to present the 17TH Annual Report together with the Audited Financial Statements for the year ended on 31st March, 2023

#### 1. FINANCIAL HIGHLIGHTS:

The Audited Financial Statements of your Company as on March 31, 2023, are prepared in accordance with the Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and the provisions of the Companies Act, 2013 ("Act").

The summarized financial highlights is depicted below:

(Rs. in Lakhs)

|   | Standalone Results |                | Consolidated Results |                |
|---|--------------------|----------------|----------------------|----------------|
|   | 2022 - 23          | 2021 - 22      | 2022 - 23            | 2021 - 22      |
| Income from Operations  | 1871.93            | 3176.89        | 2033.76              | 3166.29        |
| Other income  | 27.39              | 22.75          | 27.39                | 22.75          |
| <b>Total Income</b>   | <b>1899.32</b>     | <b>3199.64</b> | <b>2061.15</b>       | <b>3189.04</b> |
| Less : Total Expenditure before Int. Depreciation & Tax                 | 1978.90            | 2714.99        | 2079.12              | 2698.58        |
| <b>Profit/(Loss) before Int. Depreciation &amp; Tax</b>                 | <b>- 79.58</b>     | <b>484.65</b>  | <b>- 17.97</b>       | <b>490.46</b>  |
| Less : Interest   | 9.98               | 11.51          | 10.39                | 11.51          |
| <b>Profit/(Loss) before Depreciation &amp; Tax</b>                      | <b>- 89.56</b>     | <b>473.14</b>  | <b>- 28.36</b>       | <b>478.95</b>  |
| Less : Depreciation   | 108.67             | 101.26         | 109.19               | 101.74         |
| <b>Profit/(Loss) before Exceptional and extraordinary items and Tax</b> | <b>- 198.23</b>    | <b>371.88</b>  | <b>- 137.55</b>      | <b>377.21</b>  |
| Less : exceptional items  | 13.44              | 19.72          | 0                    | 0              |
| <b>Profit/(Loss) before Tax</b>   | <b>- 184.79</b>    | <b>391.60</b>  | <b>- 137.55</b>      | <b>377.21</b>  |
| Less : Current Tax  | -                  | 94.55          | -                    | 94.55          |
| : Deferred Tax  | - 0.31             | 15.59          | - 0.31               | 15.59          |
| : Prior period items  | 4.20               | - 0.62         | 4.20                 | - 0.62         |
| <b>Profit/(Loss) after Tax</b>  | <b>- 180.28</b>    | <b>280.84</b>  | <b>- 133.04</b>      | <b>266.45</b>  |
| Add : Surplus/Deficit B/F. from Pre. Year                               | 808.26             | 655.57         | 813.03               | 674.73         |
| Less : Amount Transferred From Sundries (Others)                        | 0                  | 0              | 0                    | 0              |
| Less : Interim Dividend   | 0                  | 128.15         | 0                    | 128.15         |
| Less : Provision for Final Dividend                                     | 0                  | 0              | 0                    | 0              |
| Less : Dividend Distri. Tax   | 0                  | 0              | 0                    | 0              |
| <b>Balance Carried to B/s.</b>  | <b>627.98</b>      | <b>808.26</b>  | <b>679.99</b>        | <b>813.03</b>  |

## **2. STATE OF COMPANY'S PERFORMANCE (STANDALONE):**

During the year under review,

- The revenue of the company of Rs. 1899.32 Lakhs as compared to Rs. 3199.64 Lakhs in the previous year.
- The net loss after Tax to Rs. -180.28 Lakhs as compared to profit of Rs. 280.84 Lakhs in the previous year.

## **3. STATE OF COMPANY'S PERFORMANCE (CONSOLIDATED):**

The consolidated total revenue of your Company for FY2022-23;

- The revenue of the company to Rs. 2061.15 Lakhs as compared to Rs. 3189.04 Lakhs in the previous year.
- The net loss after Tax to Rs. -133.04 as compared to Rs. 266.45 in the previous year.

A detailed discussion on financial and operational performance of the Company is given under "Management Discussion and Analysis Report" forming part of this Annual Report.

## **4. CHANGE IN NATURE OF BUSINESS, IF ANY AND FUTURE OUTLOOK:**

There has been no significant change in the business carried on by the company and it continued to be plant and machinery for textiles and yarn trade. At present your company has no plan to enter into any other business. Further, the Company continues with its efforts to maintain growth even during the economic downturn and face new challenges.

## **5. DIVIDEND:**

The Board of directors has not recommended dividend for the year under review.

## **6. ANNUAL RETURN**

Pursuant to Section 134(3) (a) of the Act, the draft annual return as on March 31, 2023, prepared in accordance with Section 92(3) of the Act, is made available on the website of the Company and can be assessed using the link [www.meeraind.com](http://www.meeraind.com)

## **7. USE OF PROCEEDS IPO/FPO/ STATEMENT OF DEVIATION(S) OR VARIATION(S) IN ACCORDANCE WITH REGULATION 32 OF SEBI (LODR) REGULATIONS, 2015:**

Funds raised from the above mentioned issue has been utilized full amount for the purpose of objects as stated in prospectus. There is no deviation/variation of funds raised by IPO/FPO.

## **8. DIRECTORS RESPONSIBILITY STATEMENT:**

Pursuant to provisions contained in section 134(5) of the companies Act, 2013 your directors after due inquiry confirm that:

- a) in the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2023 the applicable accounting standards have been followed and no material departures have been made from the accounting standards;
- b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31<sup>st</sup> March, 2023 and of the profit/loss of the company for that period;
- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis; and
- e) the directors have laid down internal financial controls as stated in explanation to section 134(5)(e) of the Companies Act, 2013 to be followed by the company and that such internal financial controls are adequate, commensurate with the nature and size of its business and are operating effectively;



- f) The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

## 9. AUDITORS AND REPORT THEREON:

M/s. KA SANGHAVI AND COLLP, Chartered Accountants (FRN No. 0120846W/W100289) appointed as statutory auditors of the Company for a second term of 5 (five) consecutive years until the conclusion of the 20<sup>th</sup> annual general meeting of the Company.

The report of the Auditors is self-explanatory. There are no qualifications or adverse remarks in the Auditors' Report which require any clarification/ explanation. The Notes on financial statements are self-explanatory, and needs no further explanation. Further the Auditors' Report for the financial year ended, 31<sup>st</sup> March, 2023 is annexed to the Balance Sheet.

Your company has installed adequate internal financial controls with reference to the Financial Statements as reported by Auditors for the year ended 31<sup>st</sup> March, 2023.

## 10. REPORTING OF FRAUDS

During the year under review, the Statutory Auditors and Secretarial Auditors have not reported any instances of fraud committed against your Company by its officers or employees to the Audit Committee or the Board, under Section 143(12) of the Act.

## 11. SECRETARIAL STANDARDS:

The Company has complied with all the applicable secretarial standards issued by the Institute of Company Secretaries of India.

## 12. SECRETARIAL AUDITOR

Pursuant to Section 204 of the Companies Act, 2013 read with Rules thereof, the Board of Directors had appointed M/s. Chirag Shah & Associates., Practicing Company Secretary, Ahmedabad, as Secretarial Auditors of the Company to conduct the Secretarial Audit for F.Y. 2022-23. A Secretarial Audit Report for F.Y. 2022-23 is annexed herewith as Annexure A. There are no qualification, reservation or adverse remarks in secretarial audit report, which is self-explanatory.

## 13. INTERNAL AUDITORS:

Pursuant to provisions of Section 138 of Companies Act, 2013 read with Rule 13 of the Companies (Accounts) Rules, 2014 and other applicable provisions if any of the Companies Act, 2013 M/s D D R & Co, Chartered Accountants, were re-appointed as Internal Auditor of Company for period of 1 year from the F.Y. 2022-23.

The Company continued to implement her suggestions and recommendations to improve the control systems. Their scope of work includes review of processes for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas. Internal Auditor's findings are discussed with the process owners and suitable corrective actions taken as per the directions of Audit Committee on an ongoing basis to improve efficiency in operations.

## 14. COST AUDITORS

The Company has not appointed the Cost Auditor as pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit is not applicable to the Company.

## 15. PARTICULARS OF LOAN, GUARANTEE AND INVESTMENT UNDER SECTION 186:

Pursuant to the provisions of Section 186 of the Companies Act, 2013, with respect to a loan, guarantee, security or investments covered under are disclosed in the notes to the Financial Statements.

## 16. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

Your Company has implemented a policy on Related Party Transactions and the said Policy is available on the Company's website: [www.meeraind.com](http://www.meeraind.com)

There have been no materially significant related party transactions with the Company's Promoters, Directors and others as defined in Section 2(76) of the Companies Act, 2013 which may have potential conflict of interest with the Company at large.

Further, all such contracts/ arrangements/ transactions were placed before the Audit Committee and Board, for their approval. Prior approval/s of the Audit Committee/ Board are obtained on an annual basis, which is reviewed and updated on quarterly basis.

All related party transactions entered into during the financial year were on an arm's length basis and were in the ordinary course of business. Your Company had not entered into any transactions with related parties which could be considered material in terms of Section 188 of the Act. Accordingly, the disclosure of related party transactions, as required under Section 134(3)(h) of the Act, in Form AOC - 2, is not applicable.

### **17. AMOUNTS TRANSFERRED TO RESERVES:**

The company has transferred the whole amount of Profit under the head Reserve and surplus account as per attached audited Balance sheet for the year ended on March 31, 2023.

### **18. MATERIAL CHANGES AFFECTING THE FINANCIAL POSITION OF THE COMPANY:**

In the opinion of board of directors there are no material changes & have occurred after balance sheet date till the date of the report affecting the financial position of the company.

### **19. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The details of conservation of energy, technology, absorption, foreign exchange earnings and outgo as required U/S 134(3)(m) of Companies Act 2013 read with the Rule 8(3) of the Companies (Accounts) Rules, 2014 is enclosed as **Annexure B** hereto and forms part of this report.

### **20. RISK MANAGEMENT POLICY:**

The company has been exempted under regulation 21 of SEBI (Listing Obligation and Disclosure requirements) Regulations, 2015 from reporting of risk management. The board is fully aware of Risk Factor and is taking preventive measures wherever required.

### **21. PARTICULARS OF DEPOSITS:**

Company has not accepted any deposits falling within purview of the section 73 to 76 of The Companies Act, 2013 read with rules made there under. There Are no overdue public deposits, unclaimed public deposits as on the last day of financial year.

### **22. SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS:**

Your directors confirmed that no significant and material orders have been passed by Regulators or Courts or Tribunals impacting the going concern status and companies' operations in future.

### **23. INTERNAL FINANCIAL CONTROLS:**

The internal audit covers a wide variety of operational matters and ensures compliance with specific standard with regards to availability and suitability of policies and procedures. The Company has placed proper and adequate internal financial control system which ensures that all the assets are safeguarded and protected.

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 reviews performed by the management and relevant Board 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 Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business including adherence to the Company's policies, the safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial disclosures. During the year, such controls were tested and no reportable material weaknesses in design or operation were observed.



Your directors are of the opinion that looking to the size and nature of business of the company there is adequate internal financial control system and the said system is operating effectively. Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143

of the Companies Act, 2013 is attached as Annexure A of the Auditors Report.

## 24. COMPANIES POLICIES ON DIRECTORS' APPOINTMENT AND REMUNERATION:

The managerial remuneration paid to the directors during the financial year are as under:

| Sr. No. | Name of Director         | Designation                  | Managerial Remuneration paid (amount in Lacs) |
|---------|--------------------------|------------------------------|---|
| 1       | Dharmesh Vinodbhai Desai | Chairman & Managing Director | 33.00   |
| 2       | Bijal Dharmeshbhai Desai | Whole Time Director          | 23.4 0  |

As per the provisions of Section 197 of the Act, if any director draws or receives, directly or indirectly, by way of remuneration any such sums in excess of the limit prescribed by this section or without approval required under this section, he/she shall refund such sums to the company, within two years or such lesser period as may be allowed by the company, and until such sum is refunded, hold it in trust for the company. The company may waive the recovery of any sum refundable to it under section 197 pursuant to the receipt of permission from the Members of the Company through special resolution.

Further, no employee of the Company was in receipt of the remuneration exceeding the limits prescribed in the rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, hence no information as required under the provisions of Section 197 of the Companies Act, 2013 read with rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in this report.

In accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations, the Nomination and Remuneration Committee of the Board of Directors approved the 'Nomination and Remuneration Policy', which is available on the website of the Company [www.meeraind.com](http://www.meeraind.com)

## 25. ANNUAL EVALUATION OF PERFORMANCE OF BOARD, DIRECTORS AND COMMITTEES:

The Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, contribution at the meetings and otherwise, independent judgment, governance issues etc. As per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in terms of Rule 8(4) of the Companies (Accounts) Rules, 2014 company has laid down specific criteria for evaluation of annual performance and has developed qualitative and quantitative bench marks to ensure effective implementation of the same.

The performance of Board and its Committees, individual Directors, and Chairpersons were found satisfactory.

## ● DISCLOSURE RELATED TO BOARD, COMMITTEES AND POLICIES:

## 26. MEETINGS OF THE BOARD OF DIRECTORS:

During the year under the review, 5 (Five) Board Meetings were held, with gap not exceeding the period prescribed under Companies Act, 2013 and Rules made thereunder. Details of Board Meetings held during the year and the attendance of the Directors are provided in the Corporate Governance Report, which forms part of this Annual Report. Board meeting dates were finalized in consultation with all Directors and agenda

papers backed up by comprehensive notes and detailed background information are circulated well in advance before the date of the meeting thereby enabling the Board to take informed decisions. The intervening gap between the Board Meetings was within the period prescribed under the Companies Act, 2013.

### 27. AUDIT COMMITTEE:

During the financial year 2022-23, following are the members of Audit Committee:

| Sr. No. | Name of Directors            | Designation | Category               |
|---------|------------------------------|-------------|------------------------|
| 1       | MR. Hetal Rumendrabhai Mehta | Chairman    | Independent Director   |
| 2       | CA Mayank Yashwantraai Desai | Member      | Non-executive Director |
| 3       | CA Sanjay Natwarlal Mehta    | Member      | Independent Director   |
| 4       | Mr. Rajendra V Kalyani       | Member      | Independent Director   |

All members of the Audit Committee have accounting and financial management knowledge and expertise/exposure. Required Audit Committee meetings were attended by the Internal Auditors, Statutory Auditors and Chief Financial Officer. The Company Secretary acts as the Secretary of the Audit Committee.

The Chairman of the Audit Committee attended the

last Annual General Meeting (AGM) held on 30<sup>th</sup> September, 2022 to answer shareholders' queries. The brief details of the Audit Committee are given in Corporate Governance Report forming part of the Annual Report.

### 28. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The Stakeholder's Relationship Committee comprises of the following members:

| Sr. No. | Name of Directors            | Designation | Category               |
|---------|------------------------------|-------------|------------------------|
| 1       | MR. Hetal Rumendrabhai Mehta | Member      | Independent Director   |
| 2       | CA Mayank Yashwantraai Desai | Chairman    | Non-executive Director |
| 3       | CA Sanjay Natwarlal Mehta    | Member      | Independent Director   |
| 4       | Mr. Rajendra V Kalyani       | Member      | Independent Director   |



The Stakeholder's Relationship Committee The Committee review and ensures redressal of investor grievances.

Details of Investor's grievances/Complaints:

No investor complaints received during the year. The pending complaints of the Shareholders/Investors registered with SEBI at the end of the current financial year ended on 31<sup>st</sup> March, 2023 are NIL.

There were no pending requests for share transfer/dematerialization of shares as of 31<sup>st</sup> March 2023.

The brief details of the Stakeholders Relationship Committee are given in Corporate Governance Report forming part of the Annual Report.

## 29. NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee comprise the following:

| Sr. No. | Name of Directors            | Designation | Category               |
|---------|------------------------------|-------------|------------------------|
| 1       | MR. Hetal Rumendrabhai Mehta | Member      | Independent Director   |
| 2       | CA Mayank Yashwantraai Desai | Member      | Non-executive Director |
| 3       | CA Sanjay Natwarlal Mehta    | Member      | Independent Director   |
| 4       | Mr. Rajendra V Kalyani       | Chairman    | Independent Director   |

The Nomination and Remuneration Committee acts in accordance with the terms of reference specified by the Board of Directors of the Company. The Nomination and Remuneration Committee and the Policy are in compliance with Section 178 of the Companies Act, 2013 read with the applicable rules thereto and Listing Regulations (as may be amended from time to time). The Nomination and remuneration Committee has framed the "NOMINATION AND REMUNERATION POLICY". The brief details of the Nomination and Remuneration Committee are given in Corporate Governance Report forming part of the Annual Report.

Note: For Nomination and Remuneration Committee Policy Please refer our website: [www.meeraind.com](http://www.meeraind.com)

## 30. CORPORATE SOCIAL RESPONSIBILITIES (CSR) POLICY:

At present the company is not covered under CSR provisions as per criteria laid down under section 135(1) of the Companies Act, 2013, but company has voluntarily constituted CSR Committee and the said committee has framed CSR policy as per schedule VII.

The Company has voluntarily constituted a CSR Committee. The CSR Committee comprises of the following members:

| Sr. No. | Name of Directors            | Designation | Category               |
|---------|------------------------------|-------------|------------------------|
| 1       | MR. Hetal Rumendrabhai Mehta | Member      | Independent Director   |
| 2       | CA Mayank Yashwantraai Desai | Member      | Non-executive Director |
| 3       | CA Sanjay Natwarlal Mehta    | Chairman    | Independent Director   |
| 4       | Mr. Rajendra V Kalyani       | Member      | Independent Director   |

The CSR Policy may be accessed on the Company's website at [www.meeraind.com](http://www.meeraind.com)

### 31. MEETING OF INDEPENDENT DIRECTORS:

The Independent Directors of company met one time during the year on 13<sup>th</sup> August, 2022 where all the Independent Directors were present under the requirement of Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### 32. DECLARATION BY INDEPENDENT DIRECTORS & FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS:

Independent Director have given necessary declaration under Section 149(7) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations, and as per the said declarations, they fulfill the criteria of Independence as provided in Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The same has been recorded by the Board of Directors.

The Independent Directors have also confirmed that there has been no change in the circumstances which may affect their status as Independent director and 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 duties with an objective independent judgment and without any external influence and that they are independent of the management. A Statement of said affirmation by the Independent Directors is annexed hereto (**Annexure-C**) and forms part of this Report.

A policy on familiarization program for independent directors has been adopted by the Company. All new Independent Directors inducted to the Board are presented with an overview of the Company's business operations, products, organization structures and about the Board Constitutions and its procedures. The policy is available at company's website [www.meeraind.com](http://www.meeraind.com)

### 33. CHANGE IN COMPOSITION OF BOARD:

### Directors & KMP:

- As of March 31, 2023, your Company's Board had Six members comprising of 2 Executive Directors and 3 independent directors and 1 non-executive director. The Directors of your Company are well experienced having expertise in their respective fields of technical, finance, strategic and operational management and administration.
- In accordance with the provisions of Section 152 of the Act, read with rules made thereunder and Articles of Association of the Company, MRS. BIJAL DHARMESH BHAJ DESAI, Director of the Company is liable to retire by rotation at the ensuing Annual General Meeting (AGM) and being eligible, offers herself for re-appointment. During the year following changes in directorship were made:
- In Financial year 2022-2023, the Board has appointed Mr. Rajendra Kalyani as an Additional Independent Director on 18<sup>th</sup> May, 2022 and the Members has regularized him as an Independent Director through its Postal Ballot Meeting as on 13<sup>th</sup> August, 2022.

None of the Directors of your Company are disqualified under the provisions of Section 164(2)(a) and (b) of the Act.

### 34. DISCLOSURE REGARDING ISSUE OF EQUITY SHARES WITH DIFFERENTIAL RIGHTS:

The Company has not issued Equity Shares with differential rights.

### 35. DISCLOSURE REGARDING ISSUE OF SWEAT EQUITY SHARES:

The Company has not issued sweat Equity shares during the Financial Year 2022-23.

### 36. DISCLOSURE REGARDING ISSUE OF EMPLOYEE STOCK OPTIONS:

The Company has not issued Employee Stock Options during the Financial Year 2022-23.



### **37. REDEMPTION OF SHARES / DEBENTURES:**

The Company has not redeemed any shares during the Financial Year 2022-23.

### **38. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION PROTECTION FUND:**

As on 31<sup>st</sup> March, 2023, no amount is required to be transfer to investor education protection fund.

### **39. VIGIL MECHANISM/WHISTLE BLOWER POLICY:**

Pursuant to Section 177(9) and (10) of the Companies Act, 2013, and Regulation 22 of the Listing Regulations, the Company has formulated Whistle Blower Policy /vigil mechanism for Directors and employees to report to the management about the unethical behaviour, fraud or violation of Company's code of conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the chairman of the Audit Committee in exceptional cases. The Policy on vigil mechanism and whistle blower policy may be accessed on the Company's website at [www.meeraind.com](http://www.meeraind.com)

### **40. PREVENTION OF INSIDER TRADING:**

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code. All Board Directors and the designated employees have confirmed compliance with the Code.

The Company Secretary is the Compliance Officer for monitoring adherence to the said PIT Regulations. The Company has also formulated 'The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPS)' in compliance with

the PIT Regulations. This Code is displayed on the Company's website - [www.meeraind.com](http://www.meeraind.com)

### **41. CORPORATE GOVERNANCE:**

Pursuant to the provisions of Regulation 34(3) read with Part-C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Report on Corporate Governance is annexed hereto and forms part of this Report - **Annexure-D**. Your Company is committed to transparency in all its dealings and places high emphasis on business ethics.

The requisite Compliance Certificate as required under Part E of Schedule V of the Listing Regulations, issued by CS Raimeen Maradiya, Company Secretary in Practice (C.P. No. 17554), pertaining to the compliance of the conditions of Corporate Governance, is also annexed **Annexure-E** hereto which forms part of this Report.

### **42. MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT:**

As per Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management Discussion and Analysis Report forms part of this Annual Report being attached as **Annexure F**.

### **43. DETAILS OF SUBSIDIARY, JOINT VENTURE OR ASSOCIATES:**

Your company has one Subsidiary name 'MEERA INDUSTRIES USA, LLC situated in USA. Your company has no joint venture or associates. However, particulars of Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures in the prescribed format AOC-1 has been enclosed under **Annexure-G** with the report and forms part of this report.

### **44. BUSINESS RESPONSIBILITY REPORT:**

The company has been exempted from reporting on Business Responsibility Report as per Regulation 34(2)(f) of SEBI (Listing Obligation and Disclosure requirements) Regulations, 2015.

### **45. CODE OF CONDUCT:**

The Company has adopted Code of Business Conduct & Ethics ("the Code") which is applicable to the Board of

Directors, Senior Management, Key Managerial Personnel, Functional heads and all professional serving in the roles of finance, tax, accounting, purchase and investor relations of the Company. The Board of Directors and the members of Senior Management Team (one level below the Board of Directors) of the Company are required to affirm annual Compliance of this Code. A declaration signed by the Chairman and Managing Director of the Company to this effect is placed at the end of this report as Annexure-H. The Code requires Directors and Employees to act honestly, fairly, ethically and with integrity, conduct themselves in professional, courteous and respectful manner. The Code is displayed on the Company's website - [www.meeraind.com](http://www.meeraind.com)

**46. KEY MANAGERIAL PERSON:**

Pursuant to the provisions of section 203 of the Companies Act, 2013 read with rules framed thereunder the following persons are the key Managerial Personnel of the company:

- 1) Mr. Dharmesh Vinodbhai Desai, Chairman & Managing Director
- 2) Mrs. Bijal Dharmesh Desai, Whole Time Director
- 3) Mrs. Bhavisha Kunal Chauhan, Company Secretary and Compliance Officer
- 4) Mr. Vinod Ojha, Chief Financial Officer

**OTHER DISCLOSURES:**

**47. GENERAL MEETINGS:**

16<sup>th</sup> Annual General Meeting of the Company was held at on Friday, 30 September, 2022 at 04:00 p.m. through video conferencing/other audio visual means.

**48. INSURANCE:**

Your Company has taken all the necessary steps to insure its properties and insurable interests, as deemed appropriate and also as required under the various legislative enactments.

**49. MD AND CFO CERTIFICATION:**

The MD and CFO of the company required to gives annual certification on financial reporting and internal controls to the board in terms of Regulation 17(8) of listing regulation and certification on financial results while placing the financial result before the board in terms of Regulation 33 of listing regulation and same is published in this report as Annexure-I.

**50. DISCLOSURE RELATING TO EMPLOYEES:**

Further, no employee of the Company was in receipt of the remuneration exceeding the limits prescribed in the rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, hence no information as required under the provisions of Section 197 of the Companies Act, 2013 read with rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in this report.

**51. DISCLOSURE UNDER SECTION 22 OF THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

The Company is conscious of the importance of environmentally clean and safe operations. The Company's policy requires conduct of operations in such a manner so as to ensure safety of all concerned, compliances of environmental regulations and preservation of natural resources. As required by the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, the Company has formulated and implemented a policy on prevention of sexual harassment at the workplace with a mechanism of lodging complaints. Besides, redressal is placed on the intranet for the benefit of employees.

Following is a summary of sexual harassment complaints received and disposed off during F.Y. 2022-23.

- No. of complaints not resolved as on 1st April, 2022: Nil
- No. of complaints received in financial year 2022-23: Nil
- No. of complaints resolved in financial year 2022-23: Nil
- No. of complaints not resolved as on 31st March, 2023: Nil

**52. EQUAL EMPLOYMENT OPPORTUNITIES:**

Being an equal opportunity employer, the company will do its utmost to ensure that all of its employees are



treated fairly during the period of their employment irrespective of their race, religion, sex (including pregnancy), color, creed, age, national origin, physical or mental disability, citizenship status, ancestry, marital status, veteran status, political affiliation, or any other factor protected by law. All decisions regarding employment will be taken based on merit and business needs only.

**53.** Declaration signed by the Managing Director stating that the members of board of Directors and senior management personnel have affirmed compliance with the code of conduct of board of Directors and senior management is annexed as a part of the report ("Annexure-J").

### 53. GENERAL DISCLOSURE:

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

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. Issue of Shares (Including Sweat Equity Shares) to employees of the Company under any scheme.
3. Significant or material orders passed by the Regulators or Courts or Tribunals which impact the going concern status and the Company's operation in future.
4. Voting rights which are not directly exercised by the employees in respect of shares for the subscription/purchase of which loan was given by the Company (as there is no scheme pursuant to which such persons can beneficially hold shares as envisaged under Section 67(3) of the Act).
5. Change in the nature of business of your Company.
6. Application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016.
7. One time settlement of loan obtained from the banks or financial institutions.

Place: SACHIN, SURAT  
Date: 14/08/2023

### 54. ACKNOWLEDGMENT:

Your directors wish to extend their sincere thanks to the Government as well as the Government agencies, banks, customers, shareholders, vendors and other related organizations who have helped in your Company's progress, as partners, through their continued support and co-operation.

Your Directors also wish to place on record their sincere appreciation for the dedicated efforts and consistent contribution made by the employees at all levels, to ensure that the Company continues to grow and excel.

### 55. CAUTIONARY STATEMENT:

Statements in the Board's Report and the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be 'forward looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and Indian demand supply conditions, finished goods prices, feed stock availability and prices, cyclical demand and pricing in the Company's principal markets, changes in government regulations, tax regimes, economic developments within India and the countries within which the Company conducts business and other factors such as litigation and labor negotiations. The Company is not obliged to publicly amend, modify or revise any forward-looking statement, on the basis of any subsequent development, information or events or otherwise.

For and on behalf of Board of Directors  
**MEERA INDUSTRIES LIMITED**

**Dharmesh V. Desai**  
Chairman and Managing Director  
DIN:00292502





## Form No. MR-3 SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31.03.2023

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

MEERA INDUSTRIES LIMITED

(CIN: L29298GJ2006PLC048627)

Regd. Office: 2126, Road No. 2 GIDC,

Sachin, Surat, Gujarat, 394230.

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit by using appropriate Information technology tools like virtual data sharing by way of data room and remote desktop access tools, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31.03.2023, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31.03.2023 according to the provisions of:

- (i). The Companies Act, 2013 (the Act) and the rules made there under;
- (ii). The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (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 there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v). The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- 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, 2018;
- d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and 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 Debt Securities) Regulations, 2008 and 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;
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and 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 (Buyback of Securities) Regulations, 2018 (Not Applicable to the Company during the audit period);

i. The Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015;

j. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

(vi). As informed to us, there are no other Sector specific laws which are specifically applicable to the Company.

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

a. Secretarial Standards issued by the Institute of Company Secretaries of India;

b. The Listing Agreements entered into by the Company with Stock Exchange(s).

However, as per the provisions of Regulation 15(2)(a) of SEBI (LODR) Regulations, 2015, when the above regulations become applicable to a listed entity at a later date, it shall ensure compliance with the same within 6 months from such date. In the instant case, the company migrated to main board with effect from October 1, 2021. Therefore, the applicability of the said clause will not be attracted until March 31, 2022. So, the Corporate Governance Report filed for the quarter ending March, 2022 has shown the data correctly. Further, the Company has appointed the Independent Director on May 18, 2022 and complied with the aforesaid regulations.

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

We further report that, the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the

Place: Ahmedabad

Date: 14/08/2023

period under review were carried out in compliance with the provisions of the Act.

As per the Information provided by the management, adequate notices were given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions in the board meetings were carried through by majority while there were no dissenting members' views, and hence not captured and recorded as part of the minutes.

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

We further report that during the year under review Company has passed following special resolution through Postal Ballot on 13th day of August, 2022:

- To appoint Mr. Rajendrabhai Vanmalibhai Kalyani (DIN: 07988568) as an Independent Director

And following special resolution passed in Annual General Meeting held on 30th day of September, 2022:

- To consider and if thought fit, approve the re-appointment of Mr. Hetal Mehta (DIN- 03370244) as an Independent Director (Non-Executive) of the Company to hold an office for a second term of five years.

- To consider and if thought fit, approve the reappointment of CA Sanjay Natwarlal Mehta (DIN00002817) as an Independent Director (Non-Executive) of the Company to hold an office for a second term of five years.

Raimeen Maradiya

Partner

Chirag Shah and Associates

FCS No. 11283

C P No.: 17554

UDIN: F011283E000886993

Peer Review Cer. No.: 704/2020

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



## 'Annexure A'

To,  
**The Members,**  
**MEERA INDUSTRIES LIMITED**  
(CIN: L29298GJ2006PLC048627)  
Regd. Office: 2126, Road No. 2 GIDC,  
Sachin, Surat, Gujarat, 394230.

Our Secretarial Audit Report of even date is to be read along with this letter.

### Management's Responsibility

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

### Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial

compliances.

3. We believe that audit evidence and information obtain from the Company's management is adequate and appropriate for us to provide a basis for our opinion.

4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.

### Disclaimer

5. 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.

Place: Ahmedabad  
Date: 14/08/2023

Raimeen Maradiya  
Partner  
Chirag Shah and Associates  
FCS No. 11283  
C P No.: 17554  
UDIN: F011283E000886993  
Peer Review Cer. No.: 704/2020

## ANNEXURE - B TO THE DIRECTORS' REPORT

INFORMATION AS PER SECTION 134(3)(m) OF THE COMPANIES ACT, 2014 FORMING PART OF  
THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2023

### CONSERVATION OF ENERGY / ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

#### A. TECHNOLOGY ABSORPTION:

The Company has no foreign collaboration and is well versed with the indigenous technology

#### B. CONSERVATION OF ENERGY:

(a) In line with the Company's commitment towards conservation of energy, all units continue with their efforts aimed at improving energy efficiency through innovative measures to reduce wastage and optimize consumption.

(b) Steps taken by the company for utilizing alternate sources of energy including waste generated: NIL

(c) Capital investment on energy conservation equipment: NIL

#### C. RESEARCH & DEVELOPMENT (R&D):

Company had incurred following expenditure on R&D:

| Particulars                         | For the year ended 31.03. 2023 |
|-------------------------------------|--------------------------------|
| Research and Development Expenses : |                                |
| Opening Stock of R&D Goods          | 12.44                          |
| Add :                               |                                |
| Purchase of R&D Goods               | 7.50                           |
| Other R&D Expenses                  | 0.54                           |
| Salary and Wages                    | 19.36                          |
| Bonus                               | 1.34                           |
|                                     | 4118                           |
| Less : Closing Stock of R&D Goods   | 10.84                          |
| Scrape Sales                        | 0.00                           |
|                                     | 30.35                          |

#### D. TECHNOLOGY ABSORPTION, ADOPTATION AND INNOVATION

a. Efforts Made:-

The Company deploys indigenous technology and continues its efforts to increase its yield, production, scale of operations and upgradation of technology.

b. Benefits derived as a result of above efforts

Product improved through high efficiency and energy saving has improved an overall working of the Company.

c. In case of imported technology (imported during the last 5 years from the beginning of the financial year):

| Technology imported | Year of import | Has technology been fully absorbed. | If not fully absorbed, areas where this has not taken place, reasons there for and future plan of action |
|---------------------|----------------|-------------------------------------|--|
|                     | N.A.           | N.A.                                | N.A.   |



## E. FOREIGN EXCHANGE EARNINGS AND OUTGO:

The particulars relating to foreign exchange earnings and outgo during the year under review are as under:

| Particulars   | 2022 - 23 | 2021 - 22 |
|---|-----------|-----------|
| Earnings  | 498.17    | 1040.21   |
| Outgo on account of expenses                          | 14.78     | 13.64     |
| Outgo on account of import of components on CIF basis | 66.18     | 273.37    |

Place: Sachin, Surat

Date : 14/08/2023

For and on behalf of Board of Directors of,  
**Meera Industries Limited**

**Dharmesh V. Desai**  
Chairman and Managing Director  
DIN : 00292319

## ANNEXURE- C DECLARATION OF INDEPENDENCE

To,  
The Board of Directors,  
Meera Industries Limited,  
Plot No. 2126, Road No. 2, GIDC,  
Sachin, Surat - 394230, Gujarat.

Dear Sirs,

### SUB: STATEMENT ON INDEPENDENCE TO THE BOARD OF DIRECTORS UNDER SECTION-149

I, the undersigned Mr. Sanjay Mehta S/o Mr. Natwarlal Mehta hereby declare that I was appointed as Independent director of M/s Meera Industries Limited since 10/10/2017, declare and state that I meet all the criteria of Independence as provided in sub section (6) of section 149 of the Companies Act, 2013 as amended from time to time and under Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, with respect to my directorship in Meera Industries Limited:

1. I am/was not a promoter of the company or its holding, subsidiary or associate company;
2. I am/was not related to promoters or directors in the company, its holding, subsidiary or associate company;
3. I have/had no pecuniary relationship, other than remuneration as such director or having transaction not exceeding ten per cent of his total income with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
4. None of my relatives-
  - (i) is holding any security of or interest in the company, its holding, subsidiary or associate company of face value exceeding fifty lakh rupees or two per cent of the paid-up capital of the company during the two immediately preceding financial years or during the current financial year;
  - (ii) is indebted to the company, its holding, subsidiary or associate company or their promoters, or directors in excess of 50 lakhs rupees at any time during the two immediately preceding financial years or during the current financial year;

- (iii) has given a guarantee or provided any security in connection with the indebtedness of any third person to the company, its holding, subsidiary or associate company or their promoters, or directors of such holding company in excess of 50 lakhs rupees at any time during the two immediately preceding financial years or during the current financial year; or
- (iv) has any other pecuniary transaction or relationship with the company, or its subsidiary, or its holding or associate company amounting to two per cent, or more of its gross turnover or total income singly or in combination with the transactions referred to in Point (i), (ii) or (iii);

5. neither myself nor any of my relatives-
  - (i) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year;

- (ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year of—
  - a. a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
  - b. any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to 10% or more of the gross turnover of such firm;

- (iii) holds together with his relatives 2% or more of the total voting power of the company; or

- (iv) is a Chief Executive or director, by whatever name called, of any nonprofit organisation that receives 25% or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company;

And as such I continue to be independent director of the company. Above statement of Independence may please



be taken up at the proposed Board Meeting.

I hereby declare that the above information is true and correct to the best of my knowledge as on the date of this

**Name: Sanjay Natwarlal Mehta**  
**DIN: 00002817**  
**Place: Mumbai**  
**Date: 01ST April, 2023**

**To,**

**The Board of Directors,**  
Meera Industries Limited,  
Plot No. 2126, Road No. 2, GIDC,  
Sachin, Surat - 394230, Gujarat.

Dear Sirs,

**SUB: STATEMENT ON INDEPENDENCE TO THE BOARD OF DIRECTORS UNDER SECTION-149**

I, the undersigned **Mr. Hetal Mehta S/o Mr. Rumendrabhai Mehta** hereby declare that I was appointed as Independent director of M/s Meera Industries Limited since 07/04/2017, declare and state that I meet all the criteria of Independence as provided in sub section (b) of section 149 of the Companies Act, 2013 as amended from time to time and under Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, with respect to my directorship in Meera Industries Limited:

1. I am/was not a promoter of the company or its holding, subsidiary or associate company;
2. I am/was not related to promoters or directors in the company, its holding, subsidiary or associate company;
3. I have/had no pecuniary relationship, other than remuneration as such director or having transaction not exceeding ten per cent of his total income with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
4. None of my relatives-
  - (i) is holding any security of or interest in the company, its holding, subsidiary or associate company of face value exceeding fifty lakh rupees or two per cent of the paid-up capital of the company during the two immediately preceding financial years or during the current financial year;
  - (ii) is indebted to the company, its holding, subsidiary or associate company or their promoters, or directors in excess of 50 lakhs rupees at any time during the two immediately preceding financial years or during the current financial year;
  - (iii) has given a guarantee or provided any security in connection with the indebtedness of any third person to the company, its holding, subsidiary or associate company or their promoters, or directors of such holding company in excess of 50 lakhs rupees at any time during the two immediately preceding financial years or during

**Name: Hetal Rumendra Mehta**  
**DIN: 03370244**  
**Place: Surat**  
**Date: 01<sup>ST</sup> April, 2023**

declaration and further undertake to intimate immediately upon changes, if any, to the company for updating the same.

Thanking You,

the current financial year; or

(iv) has any other pecuniary transaction or relationship with the company, or its subsidiary, or its holding or associate company amounting to two per cent, or more of its gross turnover or total income singly or in combination with the transactions referred to in Point (i), (ii) or (iii);

5. neither myself nor any of my relatives-

(i) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year;

(ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year of-

a. a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or

b. any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to 10% or more of the gross turnover of such firm;

(iii) holds together with his relatives 2% or more of the total voting power of the company; or

(iv) is a Chief Executive or director, by whatever name called, of any nonprofit organisation that receives 25% or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company.

And as such I continue to be independent director of the company. Above statement of Independence may please be taken up at the proposed Board Meeting.

I hereby declare that the above information is true and correct to the best of my knowledge as on the date of this declaration and further undertake to intimate immediately upon changes, if any, to the company for updating the same.

Thanking You,

## DECLARATION OF INDEPENDENCE

To,

The Board of Directors,  
Meera Industries Limited,  
Plot No. 2126, Road No. 2, GIDC,  
Sachin, Surat - 394230, Gujarat.

Dear Sirs,

SUB: STATEMENT ON INDEPENDENCE TO THE BOARD OF DIRECTORS UNDER SECTION-149

I, the undersigned Mr. Rajendrabhai Kalyani S/o Mr. Vanmalibhai Kalyani hereby declare that I was appointed as Independent director of M/s Meera Industries Limited since 18/05/2022, declare and state that I meet all the criteria of Independence as provided in sub section (6) of section 149 of the Companies Act, 2013 as amended from time to time and under Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, with respect to my directorship in Meera Industries Limited:

1. I am/was not a promoter of the company or its holding, subsidiary or associate company;

2. I am/was not related to promoters or directors in the company, its holding, subsidiary or associate company;

3. I have/had no pecuniary relationship, other than remuneration as such director or having transaction not exceeding ten per cent of his total income with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;

4. None of my relatives-

(i) is holding any security of or interest in the company, its holding, subsidiary or associate company of face value exceeding fifty lakh rupees or two per cent of the paid-up capital of the company during the two immediately preceding financial years or during the current financial year;

(ii) is indebted to the company, its holding, subsidiary or associate company or their promoters, or directors in excess of 50 lakhs rupees at any time during the two immediately preceding financial years or during the current financial year;

(iii) has given a guarantee or provided any security in connection with the indebtedness of any third person to the company, its holding, subsidiary or associate company or

their promoters, or directors of such holding company in excess of 50 lakhs rupees at any time during the two immediately preceding financial years or during the current financial year; or

(iv) has any other pecuniary transaction or relationship with the company, or its subsidiary, or its holding or associate company amounting to two per cent, or more of its gross turnover or total income singly or in combination with the transactions referred to in Point (i), (ii) or (iii);

5. neither myself nor any of my relatives-

(i) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year;

(ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year of-

a. a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or

b. any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to 10% or more of the gross turnover of such firm;

(iii) holds together with his relatives 2% or more of the total voting power of the company; or

(iv) is a Chief Executive or director, by whatever name called, of any nonprofit organisation that receives 25% or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company.

And as such I continue to be independent director of the company. Above statement of Independence may please be taken up at the proposed Board Meeting.

I hereby declare that the above information is true and correct to the best of my knowledge as on the date of this declaration and further undertake to intimate immediately upon changes, if any, to the company for updating the same.

Name: Sanjay Natwarlal Mehta  
DIN: 00002817  
Place: Mumbai  
Date: 01ST April, 2023

Thanking You



## ANNEXURE- D REPORT ON CORPORATE GOVERNANCE

### INTRODUCTION

The Directors present the Company's Report on Corporate Governance for the year ended March 31, 2023, in terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (The "Listing Regulations") as under:

### 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:-

Corporate Governance represents the value framework, rules, practices by which a Company conducts its business activities. Corporate Governance is modus operandi of governing a corporate entity which includes a set of systems, procedures and practices which ensure that the Company is managed in the best interest of all corporate stakeholders i.e. Shareholders, employees, suppliers, customers and society in general.

The fundamentals of Corporate Governance include transparency, accountability, reporting and independence. For accomplishment of the objectives of ensuring fair Corporate Governance, the Government of India has put in place a framework based on the stipulations contained under the Companies Act, SEBI Regulations, Accounting Standards, Secretarial Standards, etc. Corporate Governance has become a buzzword in the corporate world.

The Company's Philosophy on Corporate Governance envisages the attainment of high level of transparency and accountability in the functioning of the Company and the conduct of its business internally and externally, including the inter-action with employees, shareholders, creditors, consumer, institutional and other term lenders and place due emphasis on regulatory compliance. The Board along with its Committees undertakes its fiduciary duties keeping in mind the interests of all its stakeholders and the Company's corporate governance philosophy.

As a responsible corporate citizen, it is the earnest endeavor of your company to improve its focus on corporate governance by increasing accountability and transparency. Securities and Exchange Board of India has issued guidelines on the Corporate Governance for all listed companies. These are incorporated in Listing Regulations. We have started diligently to follow these guidelines.

Our multiple initiatives towards maintaining the highest standards of governance are detailed:

### 2. BOARD OF DIRECTORS:

The necessary disclosures regarding change in Committee positions, if any, have been made by all the Directors, during the year under review. None of the Directors hold directorship in more than 20 public limited companies nor is a Member of more than 10 Committees or Chairperson of more than 5 Committees across all Public Companies (only Audit Committee and Stakeholders' Relationship Committee).

The Company has a balanced Board with optimum combination of Executive, Non-Executive Directors and Non-Executive Independent Directors, which plays a crucial role in Board processes and provides independent views and judgment on business strategies and performance.

**Independent Directors:** In terms of Section 149(7) of the Companies Act, 2013, Mr. Hetal Mehta, Mr. Sanjay Mehta and Mr. Rajendra Kalyani, the Independent Directors, have given a declaration to the Company that they meet the criteria of independence as specified under Section 149(6) of the Companies Act, 2013 and the Listing Regulations. Further, in terms of Regulation 25 of the Listing Regulations, none of the Independent Directors hold directorship as Independent Director in more than seven listed companies and since none of the Independent Director is serving as a whole-time director in any listed company, the limit of serving as independent director in more than three listed companies is not applicable. The terms and conditions of appointment of Independent Directors have been disclosed on the website of the Company as required in terms of Regulation 46 of the Listing Regulations.

All the directors have certified that they are not members of more than ten mandatory committees and do not act as chairman of more than five mandatory committees in terms of the Regulation 26 of the Listing Regulations across all the companies in which they are directors.

**Code of Ethics-** The Company has prescribed a Code of Ethics for its directors and senior management. The Code of Ethics of the Company has been posted on its website [www.meeraind.com](http://www.meeraind.com). The declaration from the Managing Director in terms of Regulation 34(3) read with Part D of Schedule V of the Listing Regulations, stating that as of March 31, 2023 the Board members and Senior Management Personnel have affirmed the

compliance with the Code of Ethics laid down by the Company, has been included in this Report.

### A. Composition:

Your company has an optimum combination of both

Executive and Non-Executive Directors. The board composition comprises of SIX Directors consisting of Two Executive Directors and Four non-executive directors as on 31.03.2023

As on March 31, 2023, the composition of the Board and category of directors are as follows:

| Sr. No. | Name                             | DIN      | Category   | Designation                  |
|---------|----------------------------------|----------|--|------------------------------|
| 1       | DHARMESH VINODBHAI DESAI         | 00292502 | Promoter, Executive and Non-Independent Director | Chairman & Managing Director |
| 2       | BIJAL DHARMESHBHAI DESAI         | 00292319 | Promoter, Executive and Non-Independent Director | Whole time Director          |
| 3       | MAYANK YASHWANTRAI DESAI         | 00354210 | Non-Executive Director                           | Director                     |
| 4       | HETAL MEHTA                      | 03370244 | Non-Executive and Independent Director           | Director                     |
| 5       | SANJAY NATWARLAL MEHTA           | 00002817 | Non-Executive and Independent Director           | Director                     |
| 6       | RAJENDRABHAI VANMALIBHAI KALYANI | 07988568 | Non-Executive and Independent Director           | Director                     |

The dates for the Board meetings are fixed after taking into account the convenience of all the directors and sufficient notice, in terms of applicable laws, is given to all of them. All the agenda papers for the Board and Committee meetings are disseminated physically to all the directors at least seven days in advance from the date of Board Meeting and Committee meetings. All the information required for decision making is incorporated in the agenda. The Board reviews the performance of the Company and sets the strategy for future. The Board takes on record the actions taken by the company on all its decisions periodically.

The names of the directors on the Board, their

attendance at the 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 31, 2023 are given below. Other directorships do not include alternate directorships (if any), directorships of private limited companies, foreign companies and companies incorporated under section 8 of the Companies Act, 2013. In terms of regulation 26 of SEBI (LODR) Regulations, 2015, only Chairmanships/Memberships of Board Committees shall include Audit Committee and Stakeholders Relationship Committee in all other Public Limited Companies (Excluding Meera Industries Limited) have been considered.

| Name of Director         | Category                               | No. of Board meetings during the year 2022-2023 |          | Whether Attended the last AGM held on Sep. 30, 2022 | No. of Directorships In other Public Companies |        | No. of Committee position held in other Public Companies |        |
|--------------------------|--|---|----------|---|--|--------|--|--------|
|                          |  | Held during their tenure                        | Attended |   | Chairman                                       | Member | Chairman   | Member |
| Dharmesh Vinodbhai Desai | Promoter, Chairman & Managing Director | 05  | 05       | Yes   | -  | -      | -  | -      |
| Bijal Dharmeshbhai Desai | Promoter, Whole Time Director          | 05  | 05       | Yes   | -  | -      | -  | -      |



|                                  |                                    |    |    |     |   |   |   |   |
|----------------------------------|------------------------------------|----|----|-----|---|---|---|---|
| Mayank Yashwantrao Desai         | Non-Executive Director             | 05 | 04 | Yes | - | - | - | - |
| Hetal Mehta                      | Non-Executive Independent Director | 05 | 05 | Yes | - | 1 | 1 | 3 |
| Sanjay Natwarlal Mehta           | Non-Executive Independent Director | 05 | 04 | Yes | - | 2 | 1 | 4 |
| Rajendrabhai vanmalibhai kalyani | Non-Executive Independent Director | 05 | 05 | No  |   |   |   |   |

## B. Number and dates of Board meetings held during the financial year ended March 31, 2023:

During the Financial year 2022-23, our Board has met 05 (Five) times on 30.05.2022, 13.07.2022, 13.08.2022, 14.11.2022 and 13.02.2023.

The maximum gap between any two consecutive meetings was less than one hundred and twenty days, as stipulated under section 173 of Companies Act 2013 and regulation 17 of the SEBI LODR and Secretarial Standards as issued by the Institute of Company Secretaries of India (ICSI). As per applicable laws, a minimum of four Board meetings are required to be held every year (one meeting in every calendar quarter). The Company has convened additional Board meetings to address specific needs of the company.

## C. Disclosure of relationship between directors inter-se:

Mr. Dharmesh Desai, Chairman & Managing Director of the Company, is related with Mrs. Bijal Desai, who is spouse of him and Whole time director and Executive director in Meera Industries Limited.

## D. Number of shares held by non-executive directors:

As on March 31, 2023, equity shares of the company were held by following non-executive directors:

1. Mayank Yashwantrao Desai - 59,935
2. Sanjay Natwarlal Mehta - 1200

## E. Information on Directors Appointment/Re-appointment:

A brief resume of the Director proposed for the re-appointment at the ensuing Annual General Meeting, the nature of his/her experience in specific functional areas and name of Companies in which he/she hold Directorship and Membership of committees of the Board are provided in note to this notice.

**Mr. Rajendra Vanmalibhai Kalyani (DIN: 07988568)** has been appointed as additional non-executive Independent Director of the Company w.e.f. May 18, 2022 on recommendation of the Nomination and Remuneration committee and Regularized as Non-

Executive Independent Director by passing postal ballot/remote E-voting on August 13, 2022.

In terms of section 152 of Companies Act, 2013 and the rules made there under and pursuant to the Notice of ensuing Annual General Meeting (AGM), **Mrs. Bijal Dharmeshbhai Desai (DIN: 00292319)**, Director, is liable to be retiring by rotation and offer herself for reappointment at the ensuing AGM.

## F. Meeting of Independent Directors:

The Company's Independent Directors are required to meet at least once in every financial year without the presence of Executive Directors or management personnel.

Independent Directors meeting conducted on August 13, 2022 where all the independent directors were present under the requirement of Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## G. Evaluation of Independent Directors and Boards Performance

The Board evaluated each of Independent Directors based on their participation in the Board and their vast experience, expertise and contribution to the Board and Company. Each and every related party transaction is very well scrutinized and checks were made so that the Company is a beneficiary.

## H. Training and Familiarization for Independent Directors:

On appointment, the concerned New Independent Director is issued a letter of Appointment setting out in detail, the terms of appointment, duties and responsibilities. The newly appointed Independent Directors of the Company are familiarized with the various aspects of the Company provided with an overview of the requisite criteria of independence, roles, rights, duties and responsibilities of directors, terms of appointment of the Company and policies of the Company and other important regulatory aspects as relevant for directors. The Business Heads, CFO, Compliance Officer and Executive Directors update the Board on the business model of the Company, the nature of industry and its dynamism, the roles, responsibilities

and liabilities of Independent Directors, etc. Further, business, legal, regulatory and industry updates are made available to the Independent Directors. The details of Familiarization programme available on [www.meeraind.com](http://www.meeraind.com)

### I. A chart or a matrix setting out the skills/expertise/competence of the board of directors specifying the following:

The board skills matrix provides a guide as to the skills, knowledge, experience, personal attributes and other criteria appropriate for the board of the Company. The template is designed to capture the skills of the current Board, assist in the recruitment of future directors if

necessary and provide guidance for the Board in its succession planning.

The Board is a skills-based board comprising directors who collectively have the skills, knowledge and experience to effectively govern and direct the Company. The Board has identified the skills and attributes required of Company directors can be broadly categorized as follows:

- Governance skills (skills directly relevant to performing the Board's key functions);
- Industry skills (skills relevant to the industry/section in which the organization predominantly operates); and
- Personal attributes/qualities that are generally considered desirable to be an effective Director.

In addition, the Board as a whole should also encompass desirable diversity in aspects such as gender, age, or different perspectives relative to the skills and attributes noted above.

### Governance Skills

| Skill area             | Description  | Importance of Skill (essential, desirable, able to rely on external advice) |
|------------------------|--|---|
| Strategy               | Ability to think strategically and identify and critically assess strategic opportunities and threats and develop effective strategies for the Company.  | Essential   |
| Policy                 | Ability to identify key issues and opportunities for the Company within the Polymer Industry, and develop appropriate policies to define the parameters within which the organization should operate.  | Essential   |
| Finance                | Qualifications and experience in accounting or finance and the ability to: <ul style="list-style-type: none"> <li>➤ analyze key financial statements;</li> <li>➤ critically assess financial viability and performance;</li> <li>➤ contribute to strategic financial planning;</li> <li>➤ oversee budgets and the efficient use of resources; and</li> <li>➤ oversee funding arrangements and accountability.</li> </ul> | Essential   |
| Risk                   | Ability to identify key risks in a wide range of areas including legal and regulatory compliance, and monitor risk and compliance management frameworks and systems.   | Essential   |
| Information technology | Knowledge and experience in the strategic use and governance of information management and information technology including personal information privacy and security risk management.   | Desirable   |
| Executive management   | Experience at an executive level including the ability to: <ul style="list-style-type: none"> <li>• appoint &amp; evaluate the performance of the MD/KMP/Senior Management</li> <li>• oversee strategic human resource management and industrial relations</li> </ul>  | Desirable   |



|                       |  |           |
|-----------------------|--|-----------|
| Board experience      | Experience as a director of a company, preferably of a listed company, and an understanding of compliance requirements, including reporting and shareholder meeting requirements | Desirable |
| Commercial experience | A broad range of commercial/business experience  | Desirable |
| Technical             | Have technical ability and knowledge to understand the company's product, process manufacturing technology etc   | Desirable |

## Industry Skills

| Skill area                                       | Importance of Skill (essential, desirable, able to rely on external advice) |
|--|---|
| Expertise in the areas of the Company's Business | Desirable   |
| Technical  | Desirable   |
| Depth of experience with the Company             | Desirable   |

## Personal Attributes/Qualities

| Attribute                       | Description  |
|---------------------------------|--|
| Integrity (ethics)              | A commitment to: <ul style="list-style-type: none"> <li>– understanding and fulfilling the duties and responsibilities of a director, and maintaining knowledge</li> <li>– putting the Company's interests before any personal interests</li> <li>– being transparent and declaring any activities or conduct that might be a potential conflict</li> <li>– maintaining Board confidentiality</li> </ul> |
| Influencer and negotiator       | The ability to negotiate outcomes and influence others to agree with those outcomes, including an ability to gain broad stakeholder support for the Board's decisions  |
| Critical and innovative thinker | The ability to critically analyze complex and detailed information, readily understand key issues, and develop innovative approaches and solutions to problems.  |
| Leader                          | Leadership skills including the ability to: <ul style="list-style-type: none"> <li>– appropriately represent the organization</li> <li>– set appropriate Board and Company culture</li> <li>– make and take responsibility for decisions and actions</li> </ul>  |

The skill areas in the matrix will be regularly reviewed to ensure that the composition of skills on the Board remains aligned with the Group's stage of development and strategic direction.

The name of directors who have above skills/expertise/competence:

1. Dharmesh Vinodbhai Desai
2. Bijal Dharmeshbhai Desai
3. Mayank Yashwantrao Desai
4. Hetal Mehta
5. Sanjay Natwarlal Mehta
6. Rajendrabhai Vanmalibhai Kalyani

A. The board hereby confirms that in its opinion: the

independent directors fulfill the conditions specified in SEBI (LODR) Regulations, 2015 and are independent of the management.

B. There was no instance of resignation of an Independent Director during the financial year 2022-23. Therefore, no such requirement to give reason for resignation of Independent Director.

### J. Code of Conduct:

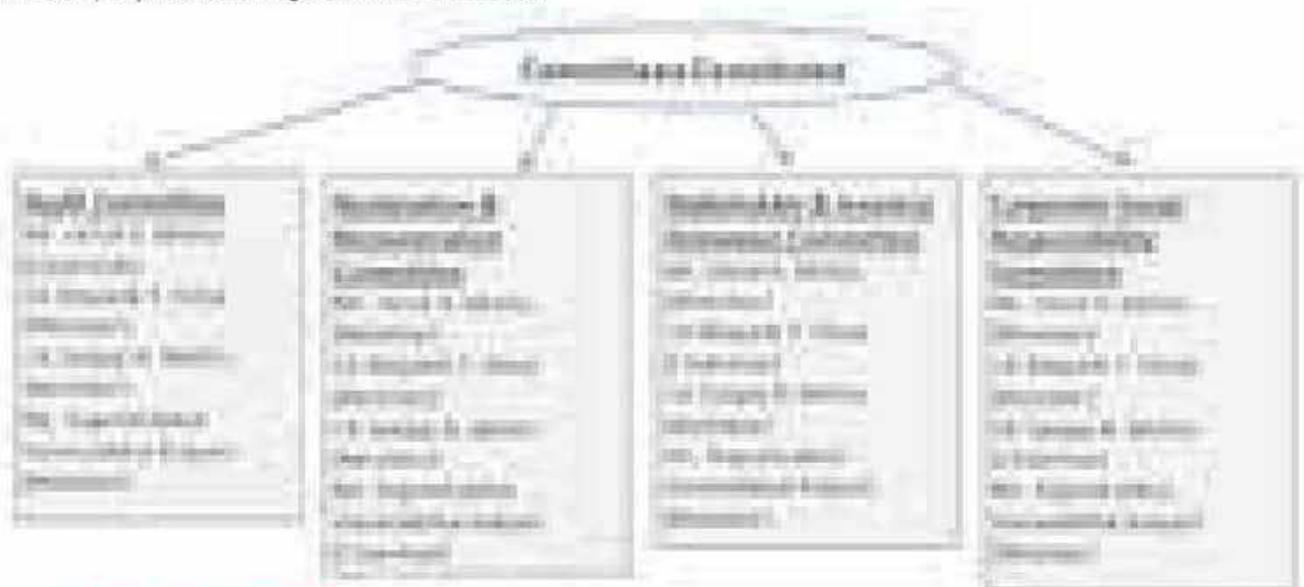
The Company has framed and adopted a Code of Conduct, which is applicable to all the directors and members of the senior management in terms of Regulation 17(5)(a) of SEBI (LODR) Regulations, 2015.

The said code, lays the general principles designed to guide all directors and members of the senior management in making ethical decisions. All the Directors and members of the senior management have confirmed their adherence to the provisions of the said code.

### 3. COMMITTEES OF THE BOARD:

The Board Committees focus on specific areas mentioned in their terms of reference and make informed decisions within the authority delegated to them. Each Committee of the Board is guided by its terms of reference. The Committees also make specific recommendations to the Board on various matters required. All observations, recommendations and decisions of the Committees are placed before the Board for its information or approval. All the minutes of committee meetings are placed before the Board for its

The Company has following Committees of Board:



#### a. AUDIT COMMITTEE:

##### SCOPE AND FUNCTION:

Brief description of terms of reference: - The primary objective of the audit committee is to monitor and provide an effective supervision of the management's financial reporting process, to ensure accurate and timely disclosures, with the highest level of transparency, integrity and quality of financial reporting.

Pursuant to requirement of Section 177(1) of the Companies Act, 2013 Company has formulated Audit Committee. All the Directors have a good understanding of Finance, Accounts and Law. The Audit Committee acts in accordance with the terms of reference specified by the Board of Directors of the Company. All the recommendations made by the Audit committee were accepted by the Board whenever made. The terms of reference meet with requirements of Regulation 18 of

noting. For better Corporate governance mechanism & robust flow of information between Executive and Independent Directors of the Company.

The Company has following Committees of the Board Namely Audit committee, Nomination and Remuneration committee, Stakeholder's Relationship Committee and Corporate Social responsibility committee which enables the Board to deal with specific areas / activities that need a closer review and to have an appropriate structure to assist in the discharge of their responsibilities. The Board Committees meet at regular intervals and ensure to perform the duties and functions as entrusted upon them by the Board.

The terms of reference for each committee have been clearly defined by the Board. The minutes of the meetings and the recommendation, if any, of the committees are submitted to the Board for their consideration and approval.

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and provisions of the Companies Act, 2013 for the Audit Committee are as follows including:

- (1) Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (2) Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- (3) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (4) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with



particular reference to:

a) Matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;

b) Changes, if any, in accounting policies and practices and reasons for the same;

c) Major accounting entries involving estimates based on the exercise of judgment by management;

d) Significant adjustments made in the financial statements arising out of audit findings;

e) Compliance with listing and other legal requirements relating to financial statements;

f) Disclosure of any related party transactions;

g) Modified opinion(s) in the draft audit report;

(5) Reviewing, with the management, the quarterly financial statements before submission to the board for approval;

(6) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;

(7) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

(8) Approval or any subsequent modification of transactions of the listed entity with related parties;

(9) Scrutiny of inter-corporate loans and investments;

(10) Valuation of undertakings or assets of the listed entity, wherever it is necessary;

(11) Evaluation of internal financial controls and risk management systems;

(12) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

(13) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

(14) Discussion with internal auditors of any significant findings and follow up there on;

(15) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

(16) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

(17) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

(18) To review the functioning of the whistle blower mechanism;

(19) Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;

(20) Carrying out any other function as is mentioned in the terms of reference of the audit committee.

(21) reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.

The audit committee shall mandatorily review the following information:

1) Management discussion and analysis of financial condition and results of operations;

2) Statement of significant related party transactions (as defined by the audit committee), submitted by management;

3) Management letters / letters of internal control weaknesses issued by the statutory auditors;

4) Internal audit reports relating to internal control

weaknesses; and

5) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.

6) Statement of deviations: (a) half yearly statement of

deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1). (b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(5).

**Composition**-The Composition of the Committee as on March 31, 2023 is as under:

| Name of Director & Status in Committee | Nature of Directorship             | No. of Meetings held | No. of Meetings attended |
|--|------------------------------------|----------------------|--------------------------|
| Mr. Hetal R. Mehta (Chairman)          | Non-Executive Independent Director | 5                    | 5                        |
| CA Mayank Y. Desai (Member)            | Non-Executive Director             | 5                    | 4                        |
| CA Sanjay N. Mehta (Member)            | Non-Executive Independent Director | 5                    | 4                        |
| Mr. Rajendrabhai Vanmalibhai Kalyani   | Non-Executive Independent Director | 5                    | 5                        |

**B. NOMINATION AND REMUNERATION COMMITTEE: -**

Brief description of terms of reference - The Nomination and Remuneration Committee of the Board has been constituted as per the requirements of Section 178(1) of the Companies Act, 2013 and Regulation 19 of the Listing Regulations. The terms of reference of Nomination and Remuneration Committee shall, inter-alia, include the following:

(1) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to the remuneration of the directors, key managerial personnel and other employees;

(2) For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

- a. use the services of an external agencies, if required;
- b. consider candidates from a wide range of

backgrounds, having due regard to diversity; and  
c. consider the time commitments of the candidates.

(3) Formulation of criteria for evaluation of performance of independent directors and the board of directors;

(4) Devising a policy on diversity of board of directors;

(5) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.

(6) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

(7) recommend to the board, all remuneration, in whatever form, payable to senior management

**Composition** - As on March 31, 2023 the Nomination and Remuneration Committee comprises Four members out of them 1 is non-executive director and 3 are non-executive independent directors. . The composition of the Nomination and Remuneration Committee is in compliance with the requirements of Section 178(1) of the Companies Act, 2013 and Regulation 19 of the Listing Regulations as on March 31, 2023.



| Name of Director & Status in Committee | Nature of Directorship             | No. of Meetings held | No. of Meetings attended |
|--|------------------------------------|----------------------|--------------------------|
| Mr. Hetal R. Mehta (Chairman)          | Non-Executive Independent Director | 1                    | 1                        |
| CA Mayank Y. Desai (Member)            | Non-Executive Director             | 1                    | 1                        |
| CA Sanjay N. Mehta (Member)            | Non-Executive Independent Director | 1                    | 1                        |
| Mr. Rajendrabhai Vanmalibhai Kalyani   | Non-Executive Independent Director | 1                    | 1                        |

**Board evaluation** -The process for evaluation of performance of the Board has been established. A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders, etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

**Remuneration policy and remuneration to directors:**

In accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations, the Nomination and Remuneration Committee of the Board of Directors approved the 'Board Diversity and Remuneration Policy', which is available on the website of the Company [www.meeraind.com](http://www.meeraind.com)

**Transactions with the non-executive directors** - The Company does not have any material pecuniary relationship or transactions with its non-executive directors. The Company has paid sitting fees to non-executive directors for attending the meetings of the Board/Committees, as disclosed in this Report.

Except Mr. Dharmesh Desai and Mrs. Bijal Desai, all the other Directors are non-executive directors. The remuneration paid to executive directors during the year under review is as under.

(Rs. In Lacs)

| Name of Executive Director | Salary | Retirement Benefits | Gratuity | Bonus/Commission/Stock Options/ Incentive | Total |
|----------------------------|--------|---------------------|----------|---|-------|
| Mr. Dharmesh Desai         | 33.00  | 0                   | 0        | 0   | 33.00 |
| Mrs. Bijal Desai           | 23.40  | 0                   | 0        | 0   | 23.40 |

**d. STAKEHOLDER RELATIONSHIP COMMITTEE:**

The Stakeholders Relationship Committee has been constituted as per the requirements of Section 178(5) of the Companies Act, 2013 and Regulation 20 of the Listing Regulations.

**Terms of Reference** - The broad terms of reference of Stakeholders Relationship Committee includes the role

as specified in Part D of Schedule II of SEBI LODR Regulations.

**Composition:** - As on March 31, 2023 the Stakeholders Relationship Committee of the Board comprises Four members out of them 1 is non-executive director and 3 are non-executive independent directors.

The composition of the Stakeholders Relationship Committee is in compliance with the requirements of Section 178(5) and Regulation 20 of the Listing Regulations as on March 31, 2023.

| Name of Director & Status in Committee | Nature of Directorship             | No. of Meetings held | No. of Meetings attended |
|--|------------------------------------|----------------------|--------------------------|
| CA Mayank Y. Desai (Chairman)          | Non-Executive Director             | 1                    | 1                        |
| Mr. Hetal R. Mehta (Member)            | Non-Executive Independent Director | 1                    | 1                        |
| CA Sanjay N. Mehta (Member)            | Non-Executive Independent Director | 1                    | 1                        |
| Mr. Rajendrabhai Vanmalibhai Kalyani   | Non-Executive Independent Director | 1                    | 1                        |

**Name, designation and contact details of the Compliance Officer:**

Mrs. Bhavisha Kunal Chauhan, Company Secretary (Membership No. F-12515) is the Compliance Officer of the Company. The Compliance Officer can be contacted at the Registered Office of the Company at: 2126, Road No. 2, Sachin GIDC, Surat - 394230, India;

Tel: 0261-2399114  
 Email: [cs@meeraind.com](mailto:cs@meeraind.com)  
 Website: [www.meeraind.com](http://www.meeraind.com)

**COMPLIANT STATUS:**

Number of complaints/requests received from the shareholders during the financial year 2022-23 and the number of pending complaints is given below:

| Opening Balance | Received during the year | Resolved during the year | Closing Balance |
|-----------------|--------------------------|--------------------------|-----------------|
| 0               | 0                        | 0                        | 0               |

The Stakeholders' Relationship Committee's composition and the terms of reference meet with requirements of Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and provisions of the Companies Act, 2013. The Committee meets as and when needed.

**e. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:**

Pursuant to Section 135 of the Companies Act, 2013 the Companies (Corporate Social Responsibility) Rules, 2014 are not applicable to the Company but the Company has voluntarily constituted CSR Committee. A Corporate Social Responsibility Committee (CSR Committee) was constituted by the Board of Directors of your Company at its Meeting and a CSR Policy was formulated.

One Meeting of the Corporate Social Responsibility Committee were held on 13.08.2022 during the Financial Year 2022-23 and the attendance of the Members was as follows:

**COMPOSITION**



| Name of Director & Status in Committee | Nature of Directorship             | No. of Meetings held | No. of Meetings attended |
|--|------------------------------------|----------------------|--------------------------|
| CA Sanjay N. Mehta (Chairman)          | Non-Executive Independent Director | 1                    | 1                        |
| CA Mayank Y. Desai ( Member)           | Non-Executive Director             | 1                    | 1                        |
| Mr. Hetal R. Mehta ( Member)           | Non-Executive Independent Director | 1                    | 1                        |
| Mr. Rajendrabhai Vanmalibhai Kalyani   | Non-Executive Independent Director | 1                    | 1                        |

#### DISCLOSURES:

During the period, there were no transactions materially significant with Company's promoters, directors or management or subsidiaries or their relatives that may have potential conflict with the interests of the Company at large.

#### 4. Role of the Company Secretary in overall governance process:

The Company Secretary plays a key role in ensuring that the Board procedures are followed and regularly reviewed. The Company Secretary ensures that all relevant information, details and documents are made

available to the Directors and senior management for effective decision-making at the meetings. The Company Secretary is to assist and advise the Board in the conduct of affairs of the Company, to ensure compliance with applicable statutory requirements and Secretarial Standards, to provide guidance to directors and to facilitate convening of meetings. She interfaces between the management and regulatory authorities for governance matters.

#### 5. General Body Meetings:

- i. Details of last three annual general meetings ("AGM") - The details of the last three AGMs of the Company are noted below:
- ii. All the resolutions proposed by the Directors to

| Year & AGM No.                  | Venue  | Day, Date and Time                         | Special Resolutions Passed   |
|---------------------------------|--|--|--|
| 2019-20<br>14 <sup>TH</sup> AGM | Held through Video conferencing / other Audio visual means | Saturday, December 05, 2020 at 04.00 P.M.  | -  |
| 2020-21<br>15 <sup>TH</sup> AGM | Held through Video conferencing / other Audio visual means | Thursday, September 30, 2021 at 04.00 P.M. | -  |
| 2021-22<br>16 <sup>TH</sup> AGM | Held through Video conferencing / other Audio visual means | Friday, September 30, 2022 at 04.00 P.M.   | 1. Re-appointment of Mr. Hetal Mehta (DIN- 03370244) as an Independent Director (Non-Executive) of the Company to hold an office for a second term of five Years;<br>2. Re-appointment of Mr. Sanjay Mehta (DIN- 00002817) as an Independent Director (Non -Executive) of the Company to hold an office for a second term of five Years; |

shareholders in the last three years were approved by the shareholders with requisite majority. Voting results of the last AGM are available on the website of the Company.

iii. **Whether any Special Resolutions were passed last year through postal ballot: -YES**

iv. During FY 2022-23 pursuant to the provisions of Section 110 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014, as amended from time to time, the Company conducted the Postal Ballot as set out in the notice of Postal Ballot dated 13th July, 2022 seeking approval of members of the Company for:

1. To regularize Mr. Mr. Rajendrabhai Vanmalibhai Kalyani as an Independent Director.

i. The postal ballot was carried out as per the provisions of Sections 108 and 110 and other applicable provisions of the Act, read with the Rules framed thereunder and read with the General Circular nos. 14/2020, 17/2020, 22/2020, 33/2020, 39/2020, 10/2021, 20/2021, 3/2022, 11/2022 dated April 8, 2020, April 13, 2020, June 15, 2020, September 28, 2020, December 31, 2020, June 23, 2021, December 8, 2021, May 5, 2022, December 28, 2022 respectively issued by the Ministry of Corporate Affairs.

v. The Mode of voting for the resolutions was Postal Ballot/Remote e-voting.

vi. Scrutinizer- Mr. Chirag Shah (Membership No. FCS-5545 C.P.No.3498)

vii. Voting pattern

V. Procedure of Postal Ballot: -Remote E-Voting\

| Particulars  | No. of Postal Ballot Forms /E-voting | No. of shares  | % of Total Paid Up Equity Capital | % of total votes polled |
|--|--------------------------------------|----------------|-----------------------------------|-------------------------|
| a) Voting exercised through E-Voting                       | 19                                   | 7463903        | 69.89%                            | 100.00%                 |
| b) E-Voting ballot with assent (favour) for the Resolution | 19                                   | 7463903        | 69.89%                            | 100.00%                 |
| c) E-Voting ballot dissent (against) for the Resolution    | 0                                    | 0              | 0.00%                             | 0.00%                   |
| d) E-Voting ballot Abstained from voting                   | 0                                    | 0              | 0.00%                             | 0.00%                   |
| e) Total valid votes exercised (b+c)                       | 19                                   | 7463903        | 69.89%                            | 100.00%                 |
| <b>Total Ballot with ASSENT in Electronic mode</b>         | <b>19</b>                            | <b>7463903</b> | <b>69.89%</b>                     | <b>100.00%</b>          |
| <b>Total Ballot with DISSENT in Electronic mode</b>        | <b>0</b>                             | <b>0</b>       | <b>0.00%</b>                      | <b>0.00%</b>            |

Since total votes polled in favour of the resolution is 100 % and no votes are polled against the resolution, resolution has been passed as an **Special Resolution**.

## 6. Means of Communication:

**a. Quarterly results:** The unaudited quarterly results are announced to Stock Exchanges within forty-five days from the end of the quarter and the audited annual results within sixty days from the end of the last quarter as stipulated under the SEBI (LODR) Regulations, 2015.

**b. Newspapers wherein results normally published:** The Financial Express (Gujarati Newspapers having

nationwide circulation and & Indian Express (English Newspapers having nationwide circulation).

**C. Any Website where displayed:** [www.meeraind.com](http://www.meeraind.com)

**d. Whether the Website also displays official news releases:** Yes, Financial Results, shareholding pattern, notices and press releases, if any, are displayed on the website.



**e. Whether presentations made to institutional:** investors or to analysts: No presentations were made to institutional investors or to analysts.

Communication to shareholders on email: In support of the "Green Initiative" undertaken by the Ministry of Corporate Affairs, the Company had during 2017-18, 2018-19, 2019-20, 2020-21, 2021-22 & 2022-23 sent various communications including Documents like Notices and Annual Report to the shareholders at their email address, as registered with their Depository Participants/ Company/ Registrar and Transfer Agents (RTA). This helps in prompt delivery of documents, reduce paper Consumption, save trees and avoid loss of documents in transit.

The Company proposes to send documents like shareholders meeting notice/ other notices, audited financial statements, Board report, auditor's report or any other document, to its members in electronic format at the email address provided by them and/or made available to the Company by their depositories. We would greatly appreciate and encourage more members to register their email address with their Depository Participant or the Registrar and Transfer Agent of the Company, to receive soft copies of the Annual Report, Postal Ballot Notices and other information disseminated by the Company, on a real-

time basis without any delay.

**f. Email IDs for investors:**

Your Company has a designated e-mail ID, [cs@meeraind.com](mailto:cs@meeraind.com) for the redressal of any Stakeholders' related grievances exclusively for the purpose of registering complaints by Members/stakeholders. Investors can also contact the share Registrar and Transfer Agent (RTA) of the Company on their email id: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)

**g. SEBI Scores:**

The Investors can also raise complaints in a centralized web-based complaints redress system called "Scores" developed by SEBI. Complaints at the beginning of the year, received during the year and at the end of the year: NIL

**7. General Shareholder Information:**

**a. Company Registration Details:**

The Company is registered in Gujarat, India. The Corporate Identification Number (CIN) allotted by the Ministry of Corporate Affairs is - L29298GJ2006PLC048627

**b. Ensuing Annual General Meeting: -**

|                       |  |
|-----------------------|--|
| <b>Date and time:</b> | Friday, 29th September, 2023 at 04:00 P.M .  |
| <b>Deemed Venue:</b>  | <p><b>Meeting is being conducted through VC/OAVM</b> Pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02 /2021 dated January 13, 2021, Circular No. 21/2021 dated 14th December, 2021 and 02/2022 dated 5th May 2022 and latest being 10/2022 dated 28th December, 2022 ("MCA Circulars") and Circular No. SEBI/HO/CFD/CMD2/ CIR/P/2021/11 dated 15th January, 2021 and Circular No. SEBI/HO/DDHS/P/CIR/2022/0063 dated 13th May, 2022 and SEBI/HO/CRD/PoD -2/P/ CIR/2023/4 dated 5th January, 2023.</p> <p><b>Deemed Venue:</b><br/>2126, Road No. 2, Sachin GIDC, Surat - 394230, India;</p> |

**c. Financial Year:** April 01, 2022 to March 31, 2023

**d. Book Closure:** The dates of Book Closure are from Saturday, September 23, 2023 to Friday, September 29, 2023 (both days inclusive).

**e. Dividend payment date:** Your directors have not recommended any dividend for the financial year 2022-23.

**f. Dividend History for the last 10 Financial Years**

The Table below highlights the history of Dividend declared by the Company in the last 5 Financial Years:

| Sr. No. | Financial Year | Date of Declaration of Dividend | Amount declared per share    |
|---------|----------------|---------------------------------|------------------------------|
| 1.      | 2018-19        | August 14, 2019                 | Final Dividend<br>Rs. 1.20   |
| 2.      | 2019-20        | September 09, 2019              | Final Dividend<br>Rs. 3.00   |
| 3.      | 2019-20        | November 25, 2019               | Interim Dividend<br>Rs. 1.00 |
| 4.      | 2020-21        | November 20, 2020               | Interim Dividend<br>Rs. 0.50 |
| 5.      | 2021-22        | No Dividend Declared            | NIL                          |

**g. Unclaimed Dividend/Shares**

Pursuant to the provisions of Section 124(5) of the Companies Act, 2013, if the dividend transferred to the Unpaid Dividend Account of the Company remains unpaid or unclaimed for a period of seven years from the date of such transfer then such unclaimed or unpaid dividend shall be transferred by the Company along with interest accrued, if any to the Investor Education and Protection Fund ('the IEPF'), a fund established under sub-section (1) of section 125 of the Act. The details of unclaimed/unpaid dividend are available on the website of the Company viz. [www.meeraind.com](http://www.meeraind.com)

**h. Mandatory Transfer of Shares to Demat Account of Investors Education and Protection Fund Authority (IEPFA) in case of unpaid/unclaimed dividend on shares for a consecutive period of seven years.**

In terms of Section 124(6) of the Companies Act, 2013 read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (as amended from time to time) (IEPF Rules) shares on which dividend has not been paid or claimed by a shareholder for a period of seven consecutive years or more shall be credited to the Demat Account of Investor Education and Protection Fund Authority (IEPFA) within a period of thirty days of such shares becoming due to be so transferred. Upon transfer of such shares, all benefits (like bonus, etc.), if any,

accruing on such shares shall also be credited to such Demat Account and the voting rights on such shares shall remain frozen till the rightful owner claims the shares. Therefore, it is in the interest of shareholders to regularly claim the dividends declared by the Company. Details of Unclaimed Dividend as on March 31, 2023 are updated on company website – [www.meeraind.com](http://www.meeraind.com)

**i. BSE Corporate Compliance & Listing Centre (The 'Listing Centre'):**

BSE's Listing Centre is a web-based application designed for the corporates. All periodical compliance filings like Shareholding Pattern, Corporate Governance Report, Media Releases, Audited/Unaudited Financial Results, Reconciliation of Share Capital Audit Report, Announcements and Intimations etc. are also filed electronically on the Listing Centre.

**j. Listing:** – Equity shares of the company are listed on BSE Limited (BSE).

**k. Annual Listing Fee:** The Annual Listing fee for the financial year 2023-24 has already been duly paid to BSE Ltd where equity Shares of the Company are listed.

**l. Stock Code:** BSE Script Code: 540519  
International Securities Identification Number (ISIN): Equity Shares INE343X01018



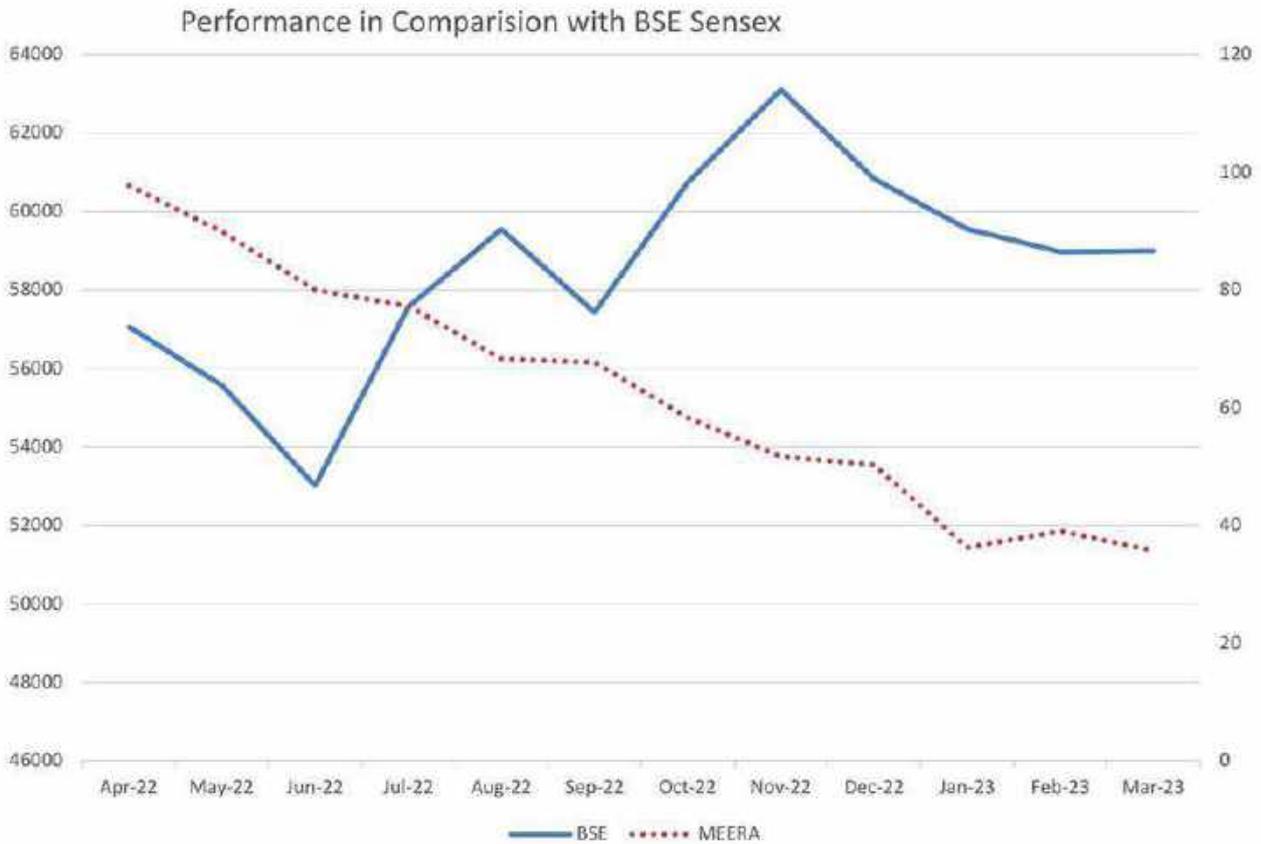
### m. Stock Market price data (In Rs.):-

| Month        | High (Rs.) | Low (Rs.) | Volume<br>(No. of Shares) | Turnover (In Rs.) |
|--------------|------------|-----------|---------------------------|-------------------|
| April-22     | 104.50     | 95.00     | 3,82,253                  | 3,80,37,237       |
| May-22       | 103.05     | 84.00     | 4,04,326                  | 3,84,61,954       |
| June-22      | 94.95      | 76.50     | 3,92,758                  | 3,45,17,443       |
| July-22      | 83.50      | 73.05     | 87,145                    | 68,64,138         |
| August-22    | 79.95      | 62.35     | 1,43,563                  | 1,05,13,155       |
| September-22 | 80.00      | 59.55     | 3,90,798                  | 2,75,24,410       |
| October-22   | 70.70      | 53.20     | 1,22,539                  | 75,77,242         |
| November-22  | 70.70      | 44.00     | 2,75,573                  | 1,48,63,404       |
| December-22  | 54.95      | 46.60     | 1,73,966                  | 89,30,636         |
| January-23   | 51.80      | 34.65     | 3,83,635                  | 1,58,30,166       |
| February-23  | 44.55      | 32.95     | 2,03,690                  | 81,00,114         |
| March-23     | 48.70      | 35.11     | 3,35,510                  | 1,35,81,030       |

| Particulars  | BSE     |
|--|---------|
| Closing share price as on March 31, 2023 (Rs.)           | 35.70   |
| Market Capitalisation as on March 31, 2023 (Rs. in lacs) | 3812.33 |

### n. Performance in comparison to broad-based indices such as BSE Sensex, etc:

Performance in comparison to BSE Sensex (Closing value of TTFL's share price v/s BSE Sensex)



n.No security was suspended from trading during the financial year 2022-23.

**8.Registrar and Share Transfer Agents:**

| Sr. No. | Name of Security | Registrar and Transfer Agents  |
|---------|------------------|--|
| 1.      | Equity Shares    | KFin Technologies Limited<br><i>(formally known as KFin Technologies Private Limited)</i><br>Selenium Tower B, Plot Nos. 31 & 32   Financial District<br>Nanakramguda   Serilingampally Mandal   Hyderabad -<br>500032 India.<br>Toll free Number - 1800 309 4001<br>Einward.ris@kfintech.com   <a href="http://www.kfintech.com">www.kfintech.com</a> |



## 9. Share transfer system:

All matters connected with share transfer, transmission, dividend / interest payment are handled by the Registrar and Transfer agent. Transfers are generally processed within 15 days of lodgments.

## 10. Shareholding Pattern/Distribution of shareholding as on March 31, 2023: -

| Category             | Equity Shareholding | % of Holding  |
|----------------------|---------------------|---------------|
| Promoters            | 61,18,800           | 57.30         |
| Promoters Group      | 7,35,600            | 6.89          |
| Resident Individuals | 35,50,355           | 33.24         |
| Bodies Corporate     | 83,886              | 0.79          |
| HUF                  | 1,27,281            | 1.19          |
| NRI                  | 42,917              | 0.40          |
| Clearing Members     | 19,957              | 0.19          |
| <b>Total</b>         | <b>1,06,78,796</b>  | <b>100.00</b> |

## 11. Distribution of Equity shareholding based on shares held as on March 31, 2023

| MEERA INDUSTRIES LIMITED                              |                   |                |               |                 |               |
|---|-------------------|----------------|---------------|-----------------|---------------|
| Distribution of Shareholding as on 25/08/2023 (TOTAL) |                   |                |               |                 |               |
| S/no  | Category (Shares) | No. of Holders | % To Holders  | No. of Shares   | % To Equity   |
| 1   | 1 - 5000          | 3101           | 96.27         | 1320218         | 12.36         |
| 2   | 5001 - 10000      | 65             | 2.02          | 453779          | 4.25          |
| 3   | 10001 - 20000     | 21             | 0.65          | 292027          | 2.73          |
| 4   | 20001 - 30000     | 8              | 0.25          | 196322          | 1.84          |
| 5   | 30001 - 40000     | 3              | 0.09          | 107338          | 1.01          |
| 6   | 40001 - 50000     | 4              | 0.12          | 181089          | 1.70          |
| 7   | 50001 - 100000    | 12             | 0.37          | 858977          | 8.04          |
| 8   | 100001 and above  | 7              | 0.22          | 7269046         | 68.07         |
|   | <b>TOTAL:</b>     | <b>3221</b>    | <b>100.00</b> | <b>10678796</b> | <b>100.00</b> |

## 12. Dematerialization of Shares: -

The equity shares of the Company are compulsorily traded in dematerialized form. We have established connectivity with both depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The International Security Identification Number (ISIN) of the Company's equity shares under the Depository System is **INE343X01018**, Number of equity shares held in dematerialized and physical mode as on March 31, 2023 are noted below: -

| Particulars                                  | No. of shares of Rs.10/- each | % of total shares |
|--|-------------------------------|-------------------|
| Shares held in dematerialized form with NSDL | 17,16,126                     | 16.07             |
| Shares held in dematerialized form with CDSL | 89,62,670                     | 83.93             |
| Shares held in physical form                 | 0                             | 0                 |
| <b>Total</b>                                 | <b>1,06,78,796</b>            | <b>100.00</b>     |

### 13. Outstanding GDRs or any other convertible instruments, conversion date and likely impact on equity:

The company had no outstanding GDRs/ADRs/warrants or any convertible instruments.

### 14. Commodity price risk or foreign exchange risk and hedging activities: Not applicable

### 15. Plant Locations:

Manufacturing Unit (Factory):- 2126, Road No. 2, Sachin GIDC, Surat - 394230, Gujarat, India

### 16. Address for Correspondence: -

The Company's registered Office is situated at 2126, Road No. 2, Sachin GIDC, Surat - 394230, Gujarat, India, Tel.: 0261- 2399114;

Email: [info@meeraind.com](mailto:info@meeraind.com)

Website: [www.meeraind.com](http://www.meeraind.com)

All shareholders' correspondence should be addressed to:

Mrs. Bhavisha Kunal Chauhan (Company Secretary and Compliance Officer)

Meera Industries Limited

Tel.: 0261- 2399114; Email: [cs@meeraind.com](mailto:cs@meeraind.com)

Note: As required in terms of Regulation 13 of SEBI (Listing Obligations and Disclosures) Regulations, 2015, the Company has designated an e-mail ID exclusively for the purpose of registering complaints by investors. The e-mail ID is: [cs@meeraind.com](mailto:cs@meeraind.com)

The company's RTA

KFin Technologies Limited  
(formally known as KFin Technologies Private Limited)

Selenium Tower B, Plot Nos. 31 & 32 | Financial District  
Nanakramguda | Serilingampally Mandal | Hyderabad -

500032 | India

[www.kfintech.com](http://www.kfintech.com)

Contact Person: Balaji Reddy S (Senior Manager - Corporate Registry)

M: +919949051872, E: [balajireddy.s@kfintech.com](mailto:balajireddy.s@kfintech.com)

### 12. OTHER DISCLOSURES

a) **Materially significant related party transactions:** During the year under review, the Company had not entered into any materially significant related party transactions that may have potential conflict with the interests of Company at large.

b) **Details of non-compliance:** There were no instances of non-compliance, penalties, strictures imposed on the Company by stock exchange(s) or the SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

c) **Establishment of Vigil Mechanism/ Whistle Blower Policy:** The company has adopted whistle Blower Policy/Vigil Mechanism applicable for directors and employees to report concerns about unethical behavior, actual or suspected fraud, or violation of the code of conduct. It also provides for adequate safeguards against victimization of directors/ employees who avail of the mechanism. The Company affirms that no personnel has been denied access to the Audit Committee. The Whistle Blower Policy/Vigil Mechanism is also placed on the website of the Company, i.e. [www.meeraind.com](http://www.meeraind.com)

d) **Compliance with Mandatory Requirements and adoption of the Non-Mandatory Requirements of Corporate Governance:-**

The Company is complying with all the mandatory requirements of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 as applicable to listed company; however, Company has not adopted any of the



non-mandatory requirements stipulated under the said enactment.

e) **Web link where policy for determining 'material subsidiaries' is disclosed:** During the year under review the company does not have any Material subsidiaries. However, the Company has adopted a Policy for determining material subsidiaries. The policy is also placed on the website of the Company at [www.meeraind.com](http://www.meeraind.com)

f) **Web link where policy on dealing with related party transactions:** The policy on dealing with related party transactions is placed on the website of the Company at [www.meeraind.com](http://www.meeraind.com)

g) There is no commodity price risk or foreign exchange risk and hedging activities involved or applicable.

h) **Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):** The company has not raised any funds through preferential allotment or qualified institutions placement during the year under review. Therefore details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) is not applicable.

i) **Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof:** There was no instance of non - acceptance of any recommendation made by any committee of the board.

j) **Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part:** Rs. 3,50,000/- plus GST for all services received during FY 2022-23.

k) **Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

1. Number of complaints filed during the financial year-NIL
2. Number of complaints disposed of during the financial year- NIL
3. Number of complaints pending as on end of the financial year- NIL

### 13. Disclosure of Accounting Treatment:

In the preparation of the financial statements, the

Company has followed the Indian Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.

**14.** The Company has complied with the requirements of Part C (Corporate Governance Report) of sub-paras (2) to (10) of schedule V of the Listing Regulations to the extent as applicable to the company.

**15.** The disclosures of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 made in the section on corporate governance of the annual report.

### 16. Equity Shares in the Demat suspense account/unclaimed suspense account:

As on March 31, 2023, there are no shares in the Demat suspense account/unclaimed suspense account.

### 17. Compliance Certificate from Company Secretary in Practice

The Certificate of Company Secretary in practice that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority is annexed as a part of the report (Annexure-I).

### 18. Reconciliation of Share Capital Audit:

In terms of regulation 40(9) of listing regulations, certificates on a half year basis have been issued by a Company Secretary in Practice with respect to due compliance of shares transfer formalities by the company.

The Company Secretary in Practice carried out a Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) (collectively 'depositories') and the total issued and listed capital. The audit confirms that the total paid up capital is in agreement with the aggregate of the total number of shares in physical form and in dematerialized form (held with depositories). The audit report is disseminated to the Stock Exchange on a quarterly basis.

**19.** Declaration signed by the Managing Director stating that the members of board of directors and senior management personnel have affirmed compliance with the code of conduct of board of directors and senior

management is annexed as a part of the report (Annexure-J).

**20.** Disclosure of certain types of agreements binding listed entities: NIL

### **21. Green Initiative:**

As a responsible corporate citizen, the Company welcomes and supports the 'Green Initiative' initiated by the Ministry of Corporate Affairs, Government of India (MCA), by its recent circulars, enabling electronic delivery of documents including the annual report, quarterly, half yearly results to shareholders at their email address previously registered with the depository participants (DPs)/company/registrars and share transfer agents. Shareholders who have not registered their e-mail addresses so far are requested to register

their email addresses to help us in the Endeavor to save trees and protect the planet. Those holding shares in demat form can register their email address with their concerned DP. Those shareholders who hold shares in physical form are requested to register their email addresses with our registrar, KFin Technologies Pvt. Ltd, by sending a letter, duly signed by the first/sole holder quoting details of folio number/client id.

**22. Annual Report-** Annual Report containing, inter alia, the Standalone Financial Statements, Directors' Report, Auditors' Report and other important information is circulated to members of the Company prior to the AGM. The Report on Management Discussion and Analysis forms part of the Annual Report. The Annual Report of the Company is also available on the website of the Company in a user friendly and downloadable format.



## ANNEXURE- E COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To,  
The Members of  
MEERA INDUSTRIES LIMITED

We have examined the compliance of conditions of Corporate Governance by Meera Industries Limited ("the Company") for the year ended on 31st March, 2023 as stipulated in the applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, pursuant to the Listing Agreement of the Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of procedures and implementations thereof adopted by the Company for ensuring the compliance of the conditions of Corporate

Place: Ahmedabad  
Date: 14/08/2023

Governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

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.

Raimeen Maradiya  
Partner  
Chirag Shah and Associates  
FCS No. 11283  
C P No.: 17554  
UDIN: F011283E000886993  
Peer Review Cer. No.: 704/2020

# ANNEXURE- F MANAGEMENT DISCUSSION AND ANALYSIS REPORT

## WORLD ECONOMY:

According to the International Monetary Fund (IMF), global economic outlook is uncertain again given the financial sector turmoil, high inflation, geopolitical developments and the COVID pandemic. Geopolitical developments triggered high energy costs in 2022. Also, supply-side disruptions distorted consumer prices. As a result, unreasonable inflation prevailed across the globe - averaging around 9%.

Majority of the global central banks tightened the monetary policy to restore price stability.

## OUTLOOK:

Rising interest rates and the developments in Eastern Europe will continue to cast a grim shadow on global economic stability. On the positive side however, the reopening of China's economy, higher global demand and slowing inflation projected across certain countries in the year ahead have seemingly paved the way for a healthy recovery.

According to the World Bank, investment growth in emerging markets and developing economies is likely to remain below its average rate of the past two decades.

Smaller nations are particularly vulnerable to such shocks because of their reliance on external trade and financing, limited economic diversification, elevated debt, and susceptibility to natural disasters. In order to mitigate the risks of global recession and debt distress in emerging markets & developing economies and to support a major increase in investment, well-concerted global and national level efforts are necessary.

## INDIAN ECONOMY:

India recovered from the pandemic in FY22 and positioned itself to ascend to the pre-pandemic growth path. According to the Economic Survey, the nominal GDP of India was estimated at US\$ 3.5 trillion in March 2023.

India's industrial output, as measured by the Index of Industrial Production (IIP), stood at 5.6 per cent on an annual basis in February 2023, according to recent National Statistical Office (NSO) data. That marked an improvement of 40 basis points sequentially, from growth of 5.2 percent in factory output in January. The

rise in industrial production was mainly driven by the manufacturing sector. Given these developments, India with a GDP growth estimated at around 7.2% in FY23 retained its position as the fastest-growing major economy.

India is expected to sustain a 6.5 per cent-plus GDP growth in FY24. The economic progress in FY24 will be supported by robust domestic demand and a healthy pick-up in capital formation.

## OVERVIEW:

The financial statements have been prepared 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 Accounting Standards prescribed under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2006 and as per IND-AS, as at March 31, 2022 and the profit, and its cash flows for the year ended on that date. The management of the company accepts responsibility for the integrity and objectivity of these financial statements, as well as for various estimates and judgments used therein. The estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis, in order that the financial statements reflect in a true and fair manner the form and substance of transactions, and reasonably present the company's state of affairs and profit for the year.

## THE TEXTILE INDUSTRY:

Globally, Textile, Carpets, Threads, and Apparel sector is an important sector making a sizeable contribution to economic progress. Being a basic product, its output has grown consistently over the years.

The Indian textile machine industry is one among the most important industries for the Indian economy considering its contribution to employment generation, industrial output, and foreign exchange earnings. India incidentally is one among the largest consumer and exporter of textile machines and clothing in the world.

Meera's ability to stay at the cutting-edge of technology ensures that its sophisticated equipment generates quality output consistently year after year.

The Company's customer-centric DNA is reflected in its



ability to offer a comprehensive basket of value-added services (which continues to expand) that ensures optimum utilisation of the machine throughout its useful life.

Born out of the Make in India and Atmanirbhar Bharat ideology more than six decades ago, the textile machinery division stands out as a global unit that plays a pivotal role in placing India on the global textile map. The Company has evolved into one of the very few manufacturers of the entire range of spinning solutions for textile companies globally. This business segment operates on the single phrase 'customer centricity'. This culture has transformed into the DNA of the business. It has positioned MEERA as one of the leading manufacturers of Textile Spinning Machinery globally, with a healthy presence across geographies. The customer-centric business model reflected in the ever expanding basket of value added services. The services basket includes handholding the client's shop floor team post-installation, installed machine monitoring and audit, and providing spares and accessories for maximising machine uptime.

## New Product Development

**CT-240** Carpet Cabler has undergone improvements in productivity, energy efficiency, yarn quality, and ergonomic design. The latest model is stronger and more widely accepted than its closest global competitor.

**DTX-300** For UHMWPE Yarns. Ultra-High Molecular Weight Polyethylene (UHMWPE) is used in very sensitive technical textile applications due to its high strength, high wear-resistance, ductility, and biocompatibility. Meera's **DTX-300** has been improvised to run more UHMWPE yarns like Dyneema, Armaid, Kevlar etc. There are only a handful of suppliers who can twist such yarns with accuracy and excellence, and we are among them. We have already served numerous customers in this sector from the USA, Europe, South America, and other regions.

**TPRX-50** - For Baler Twines. MEERA's patented technology called TPRS (Twisting Plying and Reverse Twisting in One Step) which has been successfully used for Multifilament and staple yarns has now been enhanced to accommodate Tape Yarns such as PP Fibrillated and Polyethylene (PE) Yarns for Baler Twines.

This innovation represents a significant shift in the baler twine industry. The increasing acceptance of this model within the market will be advantageous for producers as it will help to lower their capital and operational expenses. Additionally, it will open up a new market for us.

**CWX-250** - High Speed Winders with Precision Winding

making them ideal for various textile processes and compatible with a diverse range of yarns.

Winders play a crucial role in textile manufacturing processes. While Meera already offers drum winders, there was a lack of precision winders in our product lineup. To address this, we introduced new models such as CWX-250, RWX-250, and CWXX-250 in FY 2023. These models are designed to provide high-speed winding solutions for a variety of Multifilaments, Staple, Tape, UHMWPE Carbon, Glass, Steel Yarns etc.

Winders that are specialized are highly desired machines in our field, and offering these models will significantly enhance the company's sales. This presents an excellent opportunity for the upcoming years..

## COMPETITION:

Competition in the domestic as well as international market has intensified and forced the players to adopt aggressive marketing strategy and promotional campaigns to capture and protect their market shares. The Company has the plans to penetrate better into global market, especially through the customer retention and business development in the regions which have not been tapped.

The Company sells its products through a well-established network in different countries, which are supported by the Company's strong marketing force. The Company's broad product range and frequent visits by its marketing people to the outlets and the importing countries ensure that the Company's products receive a maximum response and are adequately promoted.

## OPERATIONS:

- Installed New automatic machines in the workshop to reduce component manufacturing time and increase productivity and quality.
- Provided intensive training (classroom and shop floor) to the team.
- Created a team dedicated to work with key suppliers on aligning their processes and products to Meera's requirement
- Streamlined the supply of components to assembly lines for faster and accurate assembly operations; updated and provided in-detail Standard Operating Procedures (SOP) to the assembly operators for error-free mechanics
- Renovated certain important mother equipment with the latest technology and automation solutions for improving product quality and productivity
- Automated the part screening process to check components on parameters critical to quality and customer requirement; data captured provides

traceability of each component to its batch and operator

### R&D:

R&D stands as a cornerstone of MEERA Industries, driving continuous innovation throughout the year. Our dedicated efforts cater to customized customer requirements, reducing costs, enhancing efficiency, and improving ergonomics. Here are a few key highlights.

- **Diverse Expertise:** Meera Industries has a multidisciplinary R&D team covering design, mechanics, 3D tech, electronics, and more.
- **Cross-Disciplinary Innovation:** Their varied expertise enables innovative solutions that blend different fields.
- **Efficient Product Development:** Proficiency in design, mechanics, and 3D tech allows swift product ideation and prototyping.
- **Electronics Proficiency:** Competence in electronics ensures advanced, technology-driven solutions.
- **Problem Solving:** Their adaptable team excels at critical thinking and creative problem-solving, staying ahead in innovation.

### CUSTOMER SERVICE:

Intensified the provision of audit service to existing clients to facilitate maximising of machine uptime; kept a close watch on timely preventive maintenance

through a dedicated team.

### COMPANY OVERVIEW:

Our Company was originally incorporated as Meera Industries Private Limited on July 05, 2006. Our Company is a growing textile machine manufacturer dealing in twisting, cabling, winding, and heat setting machines. We design, develop, and sell high-performance machines to various processing and manufacturing units in the textile industry. The huge repository of knowledge and technology base that our Company has developed since inception is a strong base to outperform the competition and be abreast in the market. This supports our Company to constantly upgrade the technologies to meet present and futuristic requirements of our customers. We ensure the quality of our products through rigorous testing including testing of sub system before integration and followed by testing of the entire system when assembled. We provide a combination of designing, manufacturing, testing facilities and after sales support that provides customer delight to the equipment offered by us.

The Company's continued focus on Machine division is expected to continue to drive its performance and the company remain committed to maintaining high operating standards.

Key Highlights of the Company's Standalone and consolidated performance for the year are as under.

Performance of your company for F.Y. 2022-23 is summarized as under:

|   | Standalone Results |                | Consolidated Results |                |
|---|--------------------|----------------|----------------------|----------------|
|   | 2022-23            | 2021-22        | 2022-23              | 2021-22        |
| Income from Operations  | 1871.93            | 3176.89        | 2033.76              | 3166.29        |
| Other income  | 27.39              | 22.75          | 27.39                | 22.75          |
| <b>Total Income</b>   | <b>1899.32</b>     | <b>3199.64</b> | <b>2061.15</b>       | <b>3189.04</b> |
| <u>Less:</u> Total Expenditure before Int., Depreciation & Tax          | 1978.90            | 2714.99        | 2079.12              | 2698.58        |
| <b>Profit/(Loss) before Int., Depreciation &amp; Tax</b>                | <b>-79.58</b>      | <b>484.65</b>  | <b>-17.97</b>        | <b>490.46</b>  |
| <u>Less :</u> Interest  | 9.98               | 11.51          | 10.39                | 11.51          |
| <b>Profit/(Loss) before Depreciation &amp; Tax</b>                      | <b>-89.56</b>      | <b>473.14</b>  | <b>-28.36</b>        | <b>478.95</b>  |
| <u>Less :</u> Depreciation  | 108.67             | 101.26         | 109.19               | 101.74         |
| <b>Profit/(Loss) before Exceptional and extraordinary items and Tax</b> | <b>-198.23</b>     | <b>371.88</b>  | <b>-137.55</b>       | <b>377.21</b>  |
| <u>Less :</u> exceptional items   | 13.44              | 19.72          | 0                    | 0              |
| <b>Profit/(Loss) before Tax</b>   | <b>-184.79</b>     | <b>391.60</b>  | <b>-137.55</b>       | <b>377.21</b>  |



|  |                |               |                |               |
|--|----------------|---------------|----------------|---------------|
| <b>Less :</b> Current Tax                              | -              | 94.55         | -              | 94.55         |
| : Deferred Tax   | -0.31          | 15.59         | -0.31          | 15.59         |
| : Prior period items                                   | 4.20           | -0.62         | 4.20           | -0.62         |
| <b>Profit/(Loss) after Tax</b>                         | <b>-180.28</b> | <b>280.84</b> | <b>-133.04</b> | <b>266.45</b> |
| <b>Add:</b> Surplus/Deficit B/F. from Pre. Year        | 808.26         | 655.57        | 813.03         | 674.73        |
| <b>Less:</b> Amount Transferred From Sundries (Others) | 0              | 0             | 0              | 0             |
| <b>Less:</b> Interim Dividend                          | 0              | 128.15        | 0              | 128.15        |
| <b>Less:</b> Provision for Final Dividend              | 0              | 0             | 0              | 0             |
| <b>Less:</b> Dividend Distri. Tax                      | 0              | 0             | 0              | 0             |
| <b>Balance Carried to B/s.</b>                         | <b>627.98</b>  | <b>808.26</b> | <b>679.99</b>  | <b>813.03</b> |

## STATE OF COMPANY'S PERFORMANCE (STANDALONE):

During the year under review,

- The revenue of the company of Rs. 1899.32 Lakhs as compared to Rs. 3199.64 Lakhs in the previous year.
- The net loss after Tax to Rs. -180.28 Lakhs as compared to profit of Rs. 280.84 Lakhs in the previous year.

## STATE OF COMPANY'S PERFORMANCE (CONSOLIDATED):

The consolidated total revenue of your Company for FY 2022-23;

- The revenue of the company to Rs. 2061.15 Lakhs as compared to Rs. 3189.04 Lakhs in the previous year.
- The net loss after Tax to Rs. -133.04 as compared to Rs. 266.45 in the previous year.

## MOVEMENT IN KEY RATIOS

On account of decrease in turnover by 36% in FY 2022-23, the net profit margin ratio has been decreased from 8.84 % in FY 2021-22 to (6.75%) in FY 2022-23. The return on capital employed also decreased from 14.84% in FY 2021-22 to (4.90%) in FY 2022-23. Return on equity decreased from 10.21% in FY 2021-22 to (5.54%) in FY 22-23, debtors' turnover has been increased from 97.48 in FY 2021-22 to 156.31 in FY 2022-23. the inventory turn ratio has also decreased from 1.79 in FY 2021-22 to 1.21 in FY 2022-23. Current ratio decreased from 2.08 in FY 2021-22 to 1.68 times in FY 2022-23 on account of increase in operations.

## INITIATIVES BY THE COMPANY:

MEERA has taken the following Marketing initiatives to attain its growth targets.

### Market Expansion:

Established local marketing base in Barcelona, Spain, targeting the European Union market.

### Cost Reduction:

Conducting cost reduction exercises across various fields.

### Product Development:

Adding versatility to existing products to expand market opportunities. Introduced precision winder segments to tap into a previously untapped market.

### Internet Marketing:

Increased internet-based marketing activities. Enhanced customer interaction tools for improved engagement and conversions.

### Modernization of Manufacturing Processes:

Prioritizing modernization to enhance product quality and reduce costs. Expect sustainable improvements in productivity and profitability.

### Customer Engagement:

Actively engaging with customers to capitalize on modernization project opportunities.

Regular participation in international machine exhibitions to strengthen connections.

### Product Awareness and Revenue Generation:

Focusing on raising awareness about new products in the preparatory segment. Increasing spare parts sales and generating knowledge-based revenue through customer-centric initiatives.

## RISK MANAGEMENT:

The Company has adopted a comprehensive and integrated risk appraisal, mitigation and management

process. The risk mitigation measures of the Company are placed before the Board periodically for review and improvement.

### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

The Company has a benefit of Internal Control Systems developed over years which ensured that all transactions are satisfactorily recorded and reported and all assets are protected against loss from an unauthorized use or otherwise. The Internal control system is adequate and commensurate with the nature of its business and size of its operations, though continues efforts are being made to strengthen the same. The management also reviews the internal control systems and procedures to ensure its application.

### **MATERIAL DEVELOPMENT IN HUMAN RESOURCES/INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED:**

Place: Sachin, Surat  
Date : 14/08/2023

The Company enjoys the support of a committed and well satisfied human capital. Compensation packages offered by the Company, best-of class methods in recruitment, training, motivation, and performance appraisal, attract and retain the best talents. These practices enable the Company to keep the attrition rate well below the industry average. The Company had 150 permanent employees as on 31st March 2023.

The number of employees engaged during the year was in line with operational requirement of the Company. The relation with labour was cordial during the year.

### **CAUTIONARY NOTICE (DISCLAIMER):**

The statements in the "Management Discussion and Analysis Report" section describes the Company's objectives, projections, estimates, expectations and predictions, which may be "forward looking statements" within the meaning of the applicable laws and regulations. The annual results can differ materially from those expressed or implied, depending upon the economic and climatic conditions, Government policies and other incidental factors.

For and on behalf of Board of Directors of,  
**Meera Industries Limited**

**Dharmesh V. Desai**  
Chairman and Managing Director  
DIN : 00292319



## ANNEXURE - G TO THE DIRECTOR'S REPORT

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

### Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

| Sl. No. | Particulars   | Details                   |
|---------|---|---------------------------|
| 1       | Name of the subsidiary  | MEERA INDUSTRIES USA, LLC |
| 2       | Reporting period for the subsidiary concerned, if different from the holding company's reporting period                     | 2022-2023                 |
| 3       | Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries | INR(Lakhs)                |
| 4       | Share capital   | 8.10                      |
| 5       | Reserves & surplus  | 52.02                     |
| 6       | Total assets  | 83.46                     |
| 7       | Total Liabilities   | 26.32                     |
| 8       | Investments   | Nil                       |
| 9       | Turnover  | 233.82                    |
| 10      | Profit before taxation  | 60.68                     |
| 11      | Provision for taxation  | -                         |
| 12      | Profit after taxation   | 60.68                     |
| 13      | Proposed Dividend   | NIL                       |
| 14      | % of shareholding   | 100%                      |

Notes: The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations
- Names of subsidiaries which have been liquidated or sold during the year.

## Part “B”: Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

|   |             |
|---|-------------|
| Names of associates/joint ventures  | <b>N.A.</b> |
| Latest audited Balance Sheet Date   |             |
| Shares of associates/joint ventures held by the company on the year end     |             |
| Nil   |             |
| Amount of investment in associates/joint ventures                           |             |
| Interest of holding %   |             |
| Description of how share is significant influence                           |             |
| Reasons why the associate/joint venture is not consolidated                 |             |
| Net assets attributable to shareholding as per latest audited Balance Sheet |             |
| Profit/Loss for the year  |             |
| Consolidated in Consolidation   |             |
| Not consolidated in Consolidation   |             |

1. Names of associates or joint ventures which are yet to commence operations. - NIL

2. Names of associates or joint ventures which have been liquidated or sold during the year. - N.A.

Place: Ahmedabad

Date: 14/08/2023

Raimeen Maradiya

Partner

Chirag Shah and Associates

FCS No. 11283

C P No.: 17554

UDIN: \_\_\_\_\_

Peer Review Cer. No.: 704/2020



## ANNEXURE- H DECLARATION ON COMPLIANCE OF THE COMPANY'S CODE OF CONDUCT

To,  
Meera Industries Limited,  
Surat.

This is to certify that the Company had laid down code of conduct for all the board members and senior management personnel of the Company and the same is uploaded on the website of the Company - [www.meeraind.com](http://www.meeraind.com)

All the members of the Board and Senior Management Personnel of the Company have affirmed due observance of the said Code of Conduct, as it is applicable to them and there is no non-compliance observed thereof during the year ended on 31st March, 2023.

Place: Sachin, Surat  
Date : 14/08/2023

For and on behalf of Board of Directors of,  
**Meera Industries Limited**

**Dharmesh V. Desai**  
Chairman and Managing Director  
DIN : 00292319

## ANNEXURE- I MD & CFO COMPLIANCE CERTIFICATE

[Under Regulation 17(8) of SEBI (LODR) Regulations, 2015]

To,  
The Board of Directors,  
MEERA INDUSTRIES LIMITED  
Surat.

We hereby certify that-

- i. We have reviewed the financial statements and the cash flow statements for the year ended 31st March, 2023 and that to the best of our knowledge and belief.
  - a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
  - b) 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.
- ii. To the best of our knowledge and belief, no transactions entered by the Company during the year ended 31st March, 2023 which are fraudulent, illegal or

Place: Sachin, Surat  
Date : 14/08/2023

violation of the Company's Code of Conduct.

- iii. We accept responsibility for establishing and maintaining internal control system and that we have evaluated the effectiveness of the internal control system of the Company and we have disclosed to the auditors and the Audit Committee, efficiencies in the design or operation of internal control system, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- iv. We further certify that we have indicated to the auditors and the Audit Committee:
  - a) There are no significant changes in internal control system during the year;
  - b) There are no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - c) There are no instances of significant fraud of which we have become aware, involving management or an employee having a significant role in the Company's internal control system.

For and on behalf of Board of Directors of,  
Meera Industries Limited

**Dharmesh V. Desai**  
Chairman and Managing Director  
DIN : 00292319



## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,  
The Members of  
**MEERA INDUSTRIES LIMITED**  
2126, Road No. 2 GIDC,  
Sachin, Surat – 394230,  
Gujarat

with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Meera Industries Limited having CIN L29298GJ2006PLC048627 and having registered office at 2126, Road No. 2 GIDC, Sachin, Surat – 394230 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read

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 March 31, 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.

| Sr. No. | Name of Director                     | DIN      | Date of appointment in Company |
|---------|--------------------------------------|----------|--------------------------------|
| 1.      | Mr. Sanjay Natwarlal Mehta           | 00002817 | 10/10/2017                     |
| 2.      | Ms. Bijal Dharmeshbhai Desai         | 00292319 | 05/07/2006                     |
| 3.      | Mr. Dharmesh Vinodbhai Desai         | 00292502 | 05/07/2006                     |
| 4.      | Mr. Mayank Yashwantrai Desai         | 00354210 | 28/01/2017                     |
| 5.      | Ms. Hetal Mehta                      | 03370244 | 07/04/2017                     |
| 6.      | Mr. Rajendrabhai Vanmalibhai Kalyani | 07988568 | 18/05/2022                     |

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This

certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Raimeen Maradiya  
Partner  
Chirag Shah and Associates  
FCS No. 11283  
C P No.: 17554  
UDIN: F011283E000890031  
Peer Review Cer. No.: 704/2020 Place: Ahmedabad  
Date: 14/08/2023

Place: Ahmedabad  
Date: 14/08/2023



# INDEPENDENT AUDITORS REPORT

TO THE MEMBERS OF  
MEERA INDUSTRIES LIMITED

## Report on the Standalone Ind AS Financial Statements

### Opinion

We have audited the accompanying Standalone Ind AS Financial Statements of MEERA INDUSTRIES LIMITED, (the "Company"), which comprise the 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, and the notes to the standalone Ind AS financial statements, including 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 Ind AS 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 and its loss, total comprehensive income, change in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the companies Act, 2013. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the standalone Ind AS 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 Ind AS financial statements under the provisions of the Companies Act, 2013 and the Rules 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 Ind AS financial statements.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the standalone Ind AS 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.

| No. | Key Audit Matter   | How the matter was addressed in our audit   |
|-----|--|---|
| 01. | <p><b>Evaluation of uncertain Tax positions</b><br/>The company has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of the said dispute. Refer Note No. 33 to the standalone financial statements</p>   | <p>Obtained details of completed Vat Tax assessment and demand as on March 31, 2023 from management.<br/>We involved our internal experts to challenge the management's underlying assumptions in estimating the tax provision and the possible outcome of the dispute. Our internal experts also considered legal precedence and other rulings in evaluating management's position on this uncertain tax position. Additionally, we considered the effect of new information in respect of uncertain tax position as at 01.04.2022 to evaluate whether any change was required to management's position on these uncertainties.</p>  |
| 02. | <p>The Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considered current and anticipated future economic conditions on the basis of the related credit information for its customers to estimate the probability of default in future. We identified Expected credit losses as a key audit matter because of the significant judgement involved in calculating the expected credit losses. This required a high degree of auditor judgment and an increased extent of effort when performing audit procedures to evaluate the reasonableness of management's estimate of the expected credit losses.</p> | <p>Our audit procedures related to the allowance for credit losses for trade receivables included the following, among others:</p> <ul style="list-style-type: none"> <li>a) We tested the effectiveness of controls over the               <ul style="list-style-type: none"> <li>(1) development of the methodology for the allowance for credit losses, including consideration of the current and estimated future economic conditions,</li> <li>(2) completeness and accuracy of information used in the estimation of probability of default, and</li> <li>(3) computation of the allowance for credit losses.</li> </ul> </li> <li>b) For a sample of customers we tested the input data such as credit related information used in estimating the probability of default by comparing them to external and internal sources of information.</li> <li>c) We evaluated the incorporation of the applicable assumptions into the estimate of expected credit losses and tested the mathematical accuracy and computation of the allowances by using the same input data used by the Company.</li> <li>d) We evaluated the qualitative adjustment to the historical loss rates, including assessing the basis for the adjustments and the reasonableness of the significant assumptions.</li> </ul> |

### Other Information

The company's management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the company's annual report, management discussion and analysis, Board's report including Annexures to Board's report but does not include the standalone Ind AS Financial Statements and our auditor's report thereon.

Our opinion on the Standalone Ind AS Financial

Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone Ind AS 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 Ind AS Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated / inconsistent.

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

### **Responsibilities of Management and Those charged with Governance for the Standalone Ind AS Financial Statements**

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including The Indian Accounting Standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 Ind AS 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 Ind AS financial statements, 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

### **Auditor's Responsibility for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS 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 Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the standalone Ind AS 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 with reference to standalone Ind AS financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone Ind AS financial statements made by management and the 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 Ind AS 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 Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central

Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013 we give in the "Annexure-A", a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

2. (A) As required by Section 143(3) of the Act, we report that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit:

b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books:

c. The Balance Sheet, the Statement of Profit and Loss including the statement of other comprehensive income, the Cash Flow Statement and the statement of changes in equity dealt with by this Report are in agreement with the relevant books of account;

d. In our opinion, the aforesaid Standalone Ind AS Financial Statements comply with the IND AS specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended:

e. On the basis of written representations received from the directors as on 31st March, 2023, taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2023, from being appointed as a director in terms of Section 164(2) of the Act; and

f. With respect to the adequacy of the internal financial controls over financial reporting of these standalone Ind AS financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

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

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

The remuneration paid to any director is not in excess of the limits laid down under section 197 read with Schedule V of the Act.

(C) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

1. The Company has disclosed the impact of pending litigations as at 31<sup>ST</sup> March, 2023 on its financial position in its standalone Ind AS financial statements – Refer Note 33 to the financial statements.

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

3. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

4.  
i. The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate

Beneficiaries.

ii. 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 entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

iii. Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

5. During the year, the company has not declared or paid any dividend in contravention of the provisions of Section 123 of the Companies Act, 2013.

6. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

Place : SURAT  
Date : May 30, 2023

for **K A SANGHAVI AND CO LLP**  
Chartered Accountants  
FRN : 0120846W/W100289

**AMISH ASHVINBHAI SANGHAVI**  
**PARTNER**  
M. NO. 101413  
ICAI UDIN : 23101413BGQWUC7388  
1001, 1002, 1003, RAJHANS BONISTA,  
RAM CHOWK, GHOD DOD ROAD,  
SURAT-395007 GUJARAT



## **Annexure 'A' to the Independent Auditor's Report (Referred to in paragraph 1 under the heading 'Report on other legal and regulatory requirements' section of our report to the Members of Merra Industries Limited of even date)**

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

I. In respect of the Company's property, plant and equipment, right-of-use assets and intangible assets:

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

(B) The Company has maintained proper records showing full particulars of Intangible Assets.

b. The company has a regular programme of physical verification of its Property, Plant and equipment and right-of-use assets by which all Property, Plant and Equipment are physically verified by the management in the phased manner over the period of three years. In accordance with this programme, certain Property, Plant and Equipment and right-of-used assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, the periodicity of such physical verification is reasonable having regard to the size of the Company and the nature of its assets.

c. the title deeds of all the immovable properties in the nature of freehold land & buildings included in property, plant and equipment disclosed in note 3 to the standalone financial statements are held in the name of the Company.

d. The company has not revalued any of its Property, Plant and Equipment including Right-of-Use Assets or intangible assets during the year ended on March 31, 2023.

e. There are no proceedings initiated during the year or are pending against the company as at march 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) (as amended in 2016) and rules made thereunder.

II. In respect of the Company's inventory:

a. The inventory includes, raw materials for manufacturing of textile machinery and yarn. The management has conducted physical verification of inventory except goods-in-transit at reasonable intervals during the year and the coverage and procedures of physical verification of inventory followed by the management are appropriate in relation

to the size of the Company and the nature of its business. No discrepancies of 10% or more were noticed in the aggregate for each class of inventory during the year.

b. The company has not been sanctioned any working capital limit in excess of rupee 5 core, in aggregate, at any points of time during the year, from any bank or financial institution on the basis of security of current asset hence quarterly returns or filing of statements are not applicable to company. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.

III. During the year the Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, LLPs or other parties and hence provisions of clauses 3(iii) (a), (b), (c), (d), (e) and (f) of the Order are not applicable to the Company and hence not commented upon.

IV. There are no loans, investments, guarantees, and security in respect of which provisions of section 185 and 186 of the Companies Act, 2013 is applicable and accordingly, the requirement to report on clause 3(iv) of the Order with respect to section 185 and 186 of the Companies Act, 2013 is not applicable to the Company.

V. The company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the companies act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

VI. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013 and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

VII. In respect of statutory dues:

a. The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, Income-tax, TDS, TCS, GST, customs duty, cess,

employees professional tax and other material statutory dues applicable to it. However, there are slight delays in depositing the dues in respect of TDS, TCS, GST, Provident funds, ESIC and employees professional tax contributions.

| Nature of Statute                 | Nature of Dues   | Amount unpaid  | Period to which the Amount relates (Assessment Year) | Forum where Dispute is pending                           |
|-----------------------------------|--|--|--|--|
| Gujarat Value Added Tax Act, 2003 | Demand raised under the assessment regarding Gujarat Value Added Tax and Input credit along with Interest and Penalty. | Rs. 12.52 Lakhs (13.02 Lakhs Less 0.50 Lakhs paid in F.Y. 2019-20) | 2006 - 2007  | Hon. Tribunal, Commercial Tax, Gujarat State, Ahmedabad. |

during the year.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, customs duty, GST, cess, professional tax and other material statutory dues were in arrears as at 31st March, 2023 for a period of more than six months from the date they became payable.

b. Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2023 on account of disputes are given below:

VIII. The company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income tax act, 1961 (43 of 1961) as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

IX.

a. Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has no outstanding of dues to banks and Financial Institution. Therefore clause 3(ix)(a), 3(ix)(c) and 3(ix)(d) is not applicable to company. The Company had no Debentures issued or outstanding during the year.

b. The company has not been declared wilful defaulter by any bank or financial institution or

government or any other lender.

c. The company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

d. The company has not raised loans during the year on the pledge of securities held in its subsidiaries, associates or joint ventures.

X. During the year, the Company has not made any IPO, or FPO nor made any preferential allotment or private placement of shares or convertible debentures to raise any funds. Accordingly the requirements to report on clause 3(x)(a) and 3(x)(b) of the Order are not applicable to the Company.

XI.

a. No fraud by the company or no material fraud on the company by its officers or employees has been noticed or reported during the course of our audit.

b. No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;

c. There are no whistle-blowers complaints received by the company during the year.

XII. The company is not a Nidhi company. Accordingly, the provisions of clause 3(xii) of the Order are not

| Particular  | March 31, 2023 |
|---|----------------|
| Net loss after taxes (LAT) as shown in the statement of profit and loss                         | 184.47         |
| Add: depreciation of PPE, amortization of intangible assets, impairment loss, deferred tax etc. | 108.67         |
| Less: reversal of impairment loss, deferred tax, write backs credited P&L                       | to 0.31        |
| Add/Less: All quantifiable qualifications in the audit report                                   | -              |
| Cash Loss   | 76.11          |

applicable to the Company and hence not commented upon.

XIII. Transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the notes to the standalone financial statements as required by the applicable accounting standards.

XIV.

a. The Company has an adequate internal audit system commensurate with the size and nature of its business.

b. We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

XV. The Company has not entered into non-cash transactions with directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the company. Hence requirement to report on clause 3(xv) of the Order are not applicable to the company.

XVI.

a. The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the company. Accordingly, the requirement to report on clause (xvi)(a) of the order is not applicable to the company.

b. The Company has not conducted any non-Banking Financial or Housing Finance activities without obtaining a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

c. The company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(d) of the order is not applicable to the company.

d. There is no core investment company as a part of group, hence requirement to report on clause 3(xvi)(d) of the Order is not applicable to the company.

XVII. The company has incurred cash losses during the financial year under audit but not incurred in the immediately preceding financial year. Details of the same is as under:

XVIII. During the year, there was no resignation of statutory auditor and hence the provisions of this clause is not applicable.

XIX. On the basis of the financial ratios disclosed in note 42 (i), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

XX. During the year, the provisions of Sec. 135 in relation to the CSR activities are not applicable to the company and hence requirement to report on clause XX(a) and (b) of the Order are not applicable to the Company.

XXI. The requirement of clause 3(xxi) is not applicable in respect of Standalone Financial Statements.

Place: SURAT  
Date: May 30, 2023

for K A SANGHAVI AND CO LLP  
Chartered Accountants  
FRN: 0120846W/W100289

**AMISH ASHVINBHAI SANGHAVI**  
**PARTNER**  
M. NO. 101413  
ICAI UDIN: 23101413BGQWUC7388  
1001, 1002, 1003, RAJHANS BONISTA,  
RAM CHOWK, GHOD DOD ROAD,  
SURAT-395007 GUJARAT

## **ANNEXURE – 'B' TO THE INDEPENDENT AUDITOR'S REPORT (Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Meera Industries Limited of even date)**

**Report on the Internal Financial Controls with reference to the Standalone Financials Statements 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 MEERA INDUSTRIES LIMITED ("The Company") as of March 31, 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 with reference to standalone financial statements 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 with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 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. However, we are of the opinion that the company can make the Internal Controls on Financial Reporting more adequate and more effective considering the inherent risk and nature and size of the business activities carried out by the company.

Place : SURAT  
Date : May 30, 2023

for **K A SANGHAVI AND CO LLP**  
Chartered Accountants  
FRN : 0120846W/W100289

**AMISH ASHVINBHAI SANGHAVI**  
**PARTNER**  
M. NO. 101413  
ICAI UDIN : 23101413BGQWUC7388  
1001, 1002, 1003, RAJHANS BONISTA,  
RAM CHOWK, GHOD DOD ROAD,  
SURAT-395007 GUJARAT



**MEERA INDUSTRIES LIMITED**  
**CIN : L29298GJ2006PLC048627**  
**Standalone Balance Sheet as at 31st March, 2023**

(₹ in lakhs)

| Particulars                               | Note<br>No. | As at<br>31st March, 2023 | As at<br>31st March, 2022 |
|---|-------------|---------------------------|---------------------------|
| <b>I. ASSETS</b>                          |             |                           |                           |
| <b>1) Non-current assets</b>              |             |                           |                           |
| a) Property, Plant and Equipment          | 3(a)        | 1,838.50                  | 1,455.47                  |
| b) Capital work-in-progress               | 3(b)        | -                         | 288.31                    |
| c) Right of use assets                    | 3(a)        | 87.38                     | 116.51                    |
| d) Other Intangible assets                | 4(a)        | 12.60                     | 16.43                     |
| e) Intangible assets under development    | 4(b)        | 1.75                      | 1.75                      |
| <b>g) Financial Assets</b>                |             |                           |                           |
| (i) Investments                           | 5           | 14.75                     | 38.69                     |
| (ii) Trade receivables                    |             |                           |                           |
| (iii) Loans                               |             |                           |                           |
| (iv) other financial assets               | 6(a)        | 7.91                      | 8.16                      |
| j) Other non-current assets               |             |                           |                           |
| <b>Total Non-current assets</b>           |             | <b>1,962.89</b>           | <b>1,925.32</b>           |
| <b>2) Current assets</b>                  |             |                           |                           |
| a) Inventories                            | 7           | 997.19                    | 858.21                    |
| <b>b) Financial Assets</b>                |             |                           |                           |
| (i) Investments                           |             | -                         | -                         |
| (ii) Trade receivables                    | 8           | 266.47                    | 382.98                    |
| (iii) Cash and cash equivalents           | 9           | 52.05                     | 78.41                     |
| (iv) Bank balances other than (iii) above |             | -                         | -                         |
| (v) Loans                                 | 10          | 1.34                      | 7.73                      |
| (vi) other financial assets               | 6(b)        | 4.23                      | 3.91                      |
| c) Current Tax Assets (Net)               | 11          | 9.91                      | -                         |
| d) Other current assets                   | 12          | 225.17                    | 274.59                    |
| <b>Total Current assets</b>               |             | <b>1,556.36</b>           | <b>1,605.84</b>           |
| <b>Total Assets</b>                       |             | <b>3,519.25</b>           | <b>3,531.16</b>           |
| <b>II. EQUITY AND LIABILITIES</b>         |             |                           |                           |
| <b>A) EQUITY</b>                          |             |                           |                           |
| a) Equity share capital                   | 13          | 1,067.88                  | 1,067.88                  |
| b) Other Equity                           | 14          | 1,362.04                  | 1,542.31                  |
| <b>Total Equity</b>                       |             | <b>2,429.92</b>           | <b>2,610.19</b>           |
| <b>B) LIABILITIES</b>                     |             |                           |                           |
| <b>1) Non-current liabilities</b>         |             |                           |                           |
| <b>a) Financial Liabilities</b>           |             |                           |                           |
| (i) Borrowings                            |             |                           |                           |
| (ii) Lease liabilities                    | 15          | 71.91                     | 100.56                    |

|  |    |                 |                 |
|--|----|-----------------|-----------------|
| (iii) Trade Payables   |    |                 |                 |
| Total outstanding dues of micro enterprises and small enterprises,                     |    |                 |                 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises |    |                 |                 |
| (iv) Other financial liabilities   |    |                 |                 |
| (other than those specified in item  |    |                 |                 |
| b) Provisions  | 16 | 5.43            | 12.68           |
| c) Deferred tax liabilities (Net)  | 17 | 50.46           | 49.36           |
| d) Other non-current liabilities   | 20 | 4.79            | -               |
| <b>Total Non-current Liabilities</b>   |    | <b>132.59</b>   | <b>162.60</b>   |
| <b>2) Current liabilities</b>  |    |                 |                 |
| a) Financial Liabilities   |    |                 |                 |
| (i) Borrowings   |    |                 |                 |
| (ii) Lease liabilities   | 15 | 28.65           | 24.43           |
| (iii) Trade Payables   | 18 |                 |                 |
| Total outstanding dues of micro enterprises and small enterprises,                     |    |                 |                 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises |    | 89.03           | 76.41           |
| (iv) Other financial liabilities   |    |                 |                 |
| (other than those specified in item c)   | 19 | 35.27           | 37.28           |
| b) Other Current liabilities   | 20 | 249.60          | 125.79          |
| c) Provisions  | 16 | 12.55           | 14.69           |
| d) Current Tax Liabilities (net)   | 21 | -               | 56.29           |
| <b>Total Current liabilities</b>   |    | <b>956.74</b>   | <b>758.37</b>   |
| <b>Total Liabilities</b>   |    | <b>1,089.33</b> | <b>920.97</b>   |
| <b>Total Equity and Liabilities</b>  |    | <b>3,519.25</b> | <b>3,531.16</b> |

See accompanying notes to Standalone Financial Statements which form an integral part of Financial Statements. In terms of our attached report of even date

**For K A SANGHAVI & CO. LLP**  
Chartered Accountants  
Firm Registration No: 120846W/W100289

For and on behalf of the Board of  
Directors of MEERA INDUSTRIES LIMITED

**AMISH ASHVINBHAI SANGHAVI**  
Partner  
Membership No: 101413  
ICIA UDIN : 23101413BGQWUC7388

**DHARMESH VINDOCHANDRA DESAI**  
Director DIN : 00292502  
Place : North Carolina, USA

**BIJAL DHARMESHBHAI DESAI**  
Director DIN : 00292319  
Place : Surat

Place : Surat  
Date : May 30, 2023

**VINOD SATYANARAYAN OJHA**  
Chief Financial Officer  
Place : Surat

**BHAVISHA CHAUHAN**  
Company Secretary  
Place : Surat

**MEERA INDUSTRIES LIMITED**  
**CIN : L29298GJ2006PLC048627**

**Standalone Statement of Profit and Loss for the year ended March 31, 2023**

(₹ in lakhs)

| Particulars  | Note No. | For the year ended<br>31st March 2023 | For the year ended<br>31st March, 2022 |
|--|----------|---------------------------------------|--|
| I. Revenue from operation  | 22       | 1,871.93                              | 3,176.89                               |
| II. Other Income   | 23       | 27.39                                 | 22.75                                  |
| <b>III. Total Income (I+II)</b>  |          | <b>1,899.32</b>                       | <b>3,199.64</b>                        |
| IV. Expenses   |          |                                       |  |
| a) cost of materials consumed  | 24       | 1,107.80                              | 1,955.80                               |
| b) purchase of stock-in-trade  |          |                                       |  |
| c) Changes in inventories of finished goods, Stock-in-Trade and work-in-progress | 25       | 71.66                                 | -261.51                                |
| d) Employee benefits expense   | 26       | 393.70                                | 444.91                                 |
| e) Finance costs   | 27       | 9.98                                  | 11.51                                  |
| f) Depreciation and amortization expenses  | 28       | 108.67                                | 101.26                                 |
| g) Other expenses  | 29       | 405.73                                | 575.80                                 |
| <b>Total expenses (IV)</b>   |          | <b>2,097.55</b>                       | <b>2,827.76</b>                        |
| V. Profit/(loss) before exceptional items and tax (III-IV)                       |          | -198.23                               | 371.87                                 |
| VI. Exceptional Items  | 30       | 13.44                                 | 19.72                                  |
| VII. Profit/(loss) before tax (V-VI)   |          | <b>-184.79</b>                        | <b>391.59</b>                          |
| VIII. Tax expenses   | 31       |                                       |  |
| a) Current tax   |          | -                                     | 94.55                                  |
| b) Deferred tax  |          | -0.31                                 | 15.59                                  |
| <b>Total tax expenses</b>  |          | <b>-0.31</b>                          | <b>110.13</b>                          |
| IX. Profit/(loss) for the period from continuing operations (VII-VIII)           |          | <b>-184.47</b>                        | <b>281.46</b>                          |
| X. Profit/(loss) from discontinued operations                                    |          | -                                     | -                                      |
| XI. Tax expenses of discontinued operations                                      |          | -                                     | -                                      |
| XII. Profit(loss) from discontinued operations (after tax) (X-XI)                |          | -                                     | -                                      |
| XIII. Profit/(loss) for the year (IX+XII)  |          | <b>-184.47</b>                        | <b>281.46</b>                          |
| XIV. Other Comprehensive income  |          |                                       |  |
| a) Remeasurement costs of Post employment benefits                               |          | 5.61                                  | -0.83                                  |
| b) Deferred tax on post employment   |          | -1.41                                 | 0.21                                   |
| <b>Total Other Comprehensive Income for the year, net of tax</b>                 |          | <b>4.20</b>                           | <b>-0.62</b>                           |

|   |                |               |
|---|----------------|---------------|
| XV. Total comprehensive income/(loss) for the year (XIII+XIV)               | <b>-180.28</b> | <b>280.83</b> |
| XVI. Earnings per equity share (for continuing operation)                   |                |               |
| a) Basic  | -1.73          | 2.64          |
| b) Diluted  | -1.73          | 2.64          |
| XVII. Earnings per equity share (for discontinuing operation)               |                |               |
| a) Basic  | -              | -             |
| b) Diluted  | -              | -             |
| XVIII. Earnings per equity share (for continuing & discontinuing operation) |                |               |
| a) Basic  | -1.73          | 2.64          |
| b) Diluted  | -1.73          | 2.64          |

See accompanying notes to Standalone Financial Statements which form an integral part of Financial Statements in terms of our attached report of even date

**For K A SANGHAVI & CO. LLP.**  
Chartered Accountants  
Firm Registration No: 120846W/W100289

For and on behalf of the Board of  
Directors of **MEERA INDUSTRIES LIMITED**

**AMISH ASHVINBHAI SANGHAVI**  
Partner  
Membership No: 101413  
ICIA UDIN : 23101413BGQWUC7388

**DHARMESH VINDOCHANDRA DESAI**  
Director DIN : 00292502  
Place : North Carolina, USA

**BIJAL DHARMESHBHAI DESAI**  
Director DIN : 00292319  
Place : Surat

Place : Surat  
Date : May 30, 2023

**VINOD SATYANARAYAN QJHA**  
Chief Financial Officer  
Place : Surat

**BHAVISHA CHAUHAN**  
Company Secretary  
Place : Surat

**MEERA INDUSTRIES LIMITED**  
**CIN : L29298GJ2006PLC048627**

**Standalone Statement of cash flows for the year ended March 31, 2023**

(₹ in lakhs)

| Particulars  | For the year ended<br>31st March 2023 | For the year ended<br>31st March, 2022 |
|--|---------------------------------------|--|
| <b>Profit (Loss) before tax</b>                                    | -184.79                               | 391.60                                 |
| <b>Adjustments for</b>   |                                       |  |
| Depreciation and amortisation expense                              | 108.67                                | 101.26                                 |
| Gain on Sale of Fixed assets                                       | -0.03                                 | -                                      |
| Interest Income  | -0.39                                 | -1.89                                  |
| Gain on Sale of Investments  | -13.44                                | -1.55                                  |
| Unrealised Gain Loss on Investments                                | -0.34                                 | -0.17                                  |
| Interest on lease liability  | 8.32                                  | 11.51                                  |
| Loss on Sale of Fixed Assets                                       | -                                     | -                                      |
| Expected credit loss on trade receivables                          | -2.69                                 | 19.81                                  |
| Forex Gain Loss  | -                                     | 15.67                                  |
| <b>Change in operating assets and liabilities:</b>                 |                                       |  |
| (Increase)/Decrease in trade receivables                           | 119.19                                | -1.94                                  |
| (Increase)/Decrease in Inventory                                   | -138.98                               | -91.98                                 |
| Increase/(Decrease) in trade payables                              | 130.77                                | 44.30                                  |
| (Increase)/Decrease in other financial assets                      | -0.07                                 | 4.84                                   |
| (Increase)/decrease in other non-current assets                    | -                                     | -                                      |
| (Increase)/decrease in other current assets                        | 55.82                                 | 6.39                                   |
| Increase/(decrease) in provisions                                  | -3.77                                 | 9.90                                   |
| Increase/(decrease) in other financial liabilities                 | -2.01                                 | 7.89                                   |
| Increase/(decrease) in other non-current liabilities               | 4.79                                  | -                                      |
| Increase/(decrease) in other current liabilities                   | 123.81                                | -126.90                                |
| <b>Cash generated from operations</b>                              | <b>204.86</b>                         | <b>388.74</b>                          |
| Income taxes paid  | 66.20                                 | 130.41                                 |
| <b>Net cash inflow from operating activities</b>                   | <b>138.66</b>                         | <b>258.33</b>                          |
| <b>Cash flows from investing activities</b>                        |                                       |  |
| Proceeds / (Purchase) from sale of investments                     | 37.73                                 | 32.38                                  |
| Purchase of property, plant and equipment                          | -170.85                               | -403.52                                |
| Proceed from sale of property, plant and equipment                 | 0.45                                  | -                                      |
| Investments in Bank deposit having maturity more than three months | -                                     | 122.60                                 |
| Dividend received  | -                                     | -                                      |
| Interest received  | 0.39                                  | 3.19                                   |
| <b>Net cash outflow from investing activities</b>                  | <b>-132.28</b>                        | <b>-245.35</b>                         |

| <b>Cash flows from financing activities</b>                      |               |                |
|--|---------------|----------------|
| Proceeds/(Repayment) from borrowings                             | -             | -              |
| Principal repayment towards lease liability                      | -24.43        | -30.60         |
| Dividend paid  | -             | -128.15        |
| Interest paid  | -8.32         | 1.55           |
| <b>Net cash inflow (outflow) from financing activities</b>       | <b>-32.75</b> | <b>-157.20</b> |
| Net increase (decrease) in cash and cash equivalents             | -26.36        | -144.22        |
| Cash and cash equivalents at the beginning of the financial year | 78.41         | 222.63         |
| Cash and cash equivalents at end of the year                     | 52.05         | 78.41          |

| Particulars                          | For the year ended<br>31st March 2023 | For the year ended<br>31st March, 2022 |
|--------------------------------------|---------------------------------------|--|
| Balances with banks                  |                                       |  |
| in current accounts                  | 46.41                                 | 70.42                                  |
| in dollar accounts                   | 1.44                                  | 1.36                                   |
| Cash on hand                         | 4.19                                  | 6.63                                   |
| Balances per statement of cash flows | 52.05                                 | 78.41                                  |

For K A SANGHAVI & CO. LLP.  
Chartered Accountants  
Firm Registration No: 120846W/W100289

For and on behalf of the Board of  
Directors of MEERA INDUSTRIES LIMITED

**AMISH ASHVINBHAI SANGHAVI**  
Partner  
Membership No: 101413  
ICIA UDIN : 23101413BGQWUC7388

**DHARMESH VINDOCHANDRA DESAI**  
Director DIN : 00292502  
Place : North Carolina, USA

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Director DIN : 00292319  
Place : Surat

Place : Surat  
Date : May 30, 2023

**VINOD SATYANARAYAN OJHA**  
Chief Financial Officer  
Place : Surat

**BHAVISHA CHAUHAN**  
Company Secretary  
Place : Surat

**MEERA INDUSTRIES LIMITED**  
**CIN : L29298GJ2006PLC048627**  
**Standalone Statement of Changes in Equity for the**  
**year ended March 31, 2023**

**(A) Equity Share Capital**

(₹ in lakhs)

| Particulars  | Amount          |
|--|-----------------|
| Balance as at March 31, 2021                                       | 1,067.88        |
| Changes in Equity Share Capital due to prior period errors         | -               |
| Restated balance at the beginning of the previous reporting period | -               |
| Changes in equity share capital during the previous year           | -               |
| <b>Balance as at March 31, 2022</b>                                | <b>1,067.88</b> |
| 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            | -               |
| <b>Balance as at March 31, 2023</b>                                | <b>1,067.88</b> |

**(B) Other Equity**

(₹ in lakhs)

| Particulars  | Securities Premium | General Reserve | Capital Redemption Reserve | Total           |
|--|--------------------|-----------------|----------------------------|-----------------|
| Balance as on March 31, 2021                                       | 734.05             | -               | -                          | 1,389.62        |
| Changes in accounting policy or prior period errors                | -                  | -               | -                          | -               |
| Restated balance at the beginning of the previous reporting period | -                  | -               | -                          | -               |
| Total Comprehensive Income for the previous year, net of taxes     | -                  | -               | -                          | -0.62           |
| Dividends  | -                  | -               | -                          | -128.15         |
| Transfer to retained earnings                                      | -                  | -               | -                          | 281.46          |
| Transfer to General Reserve  | -                  | -               | -                          | -               |
| Transfer to Capital Redemption Reserve                             | -                  | -               | -                          | -               |
| <b>Balance as on March 31, 2022</b>                                | <b>734.05</b>      | <b>-</b>        | <b>-</b>                   | <b>1,542.31</b> |
| Changes in accounting policy or prior period errors                | -                  | -               | -                          | -               |
| Restated balance at the beginning of the current reporting period  | -                  | -               | -                          | -               |
| Total Comprehensive Income for the current year, net of taxes      | -                  | -               | -                          | 4.20            |
| Dividends  | -                  | -               | -                          | -               |
| Transfer to retained earnings                                      | -                  | -               | -                          | -184.47         |
| Transfer to General Reserve  | -                  | -               | -                          | -               |
| Transfer to Capital Redemption Reserve                             | -                  | -               | -                          | -               |
| <b>Balance as on March 31, 2023</b>                                | <b>734.05</b>      | <b>-</b>        | <b>-</b>                   | <b>1,362.04</b> |



See accompanying notes to Standalone Financial Statements which form an integral part of Financial Statements. In terms of our attached report of even date

For K A SANGHAVI & CO. LLP.  
Chartered Accountants  
Firm Registration No: 120846W/W100289

For and on behalf of the Board of  
Directors of MEERA INDUSTRIES LIMITED

AMISH ASHVINBHAI SANGHAVI  
Partner  
Membership No: 101413  
ICIA UDIN : 23101413BGQWUC7388

Place : Surat  
Date : May 30, 2023

DHARMESH VINDOCHANDRA DESAI  
Director DIN : 00292502  
Place : North Carolina, USA

VINOD SATYANARAYAN OJHA  
Chief Financial Officer  
Place : Surat

BIJAL DHARMESHBHAI DESAI  
Director DIN : 00292319  
Place : Surat

BHAVISHA CHAUHAN  
Company Secretary  
Place : Surat

## Standalone Significant accounting policies and notes for the year ended March 31, 2023

### 1. Corporate information.

Meera Industries Limited ("the Company") was incorporated on 05/07/2006 as a private Limited company and later on during Financial Year 2016-2017, it got converted in Public Limited Company domiciled in India. Its shares are listed on BSE SME platform effective from 09/05/2017 and during the year the Company has migrated to BSE Main board. The company is primarily engaged in the business of manufacture and sale of customized textile machinery and machinery parts and trading and manufacturing of yarn including Import and Export of the same. The company has wholly owned subsidiary at USA.

### 2. Statement of significant accounting policies.

#### a. Basis of preparation.

These standalone financial statements of the company have been prepared to comply with the Indian Accounting standards ('Ind AS'), including the rules notified under the relevant provisions of the Companies Act, 2013, (as amended from time to time) and Presentation and disclosure requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS Compliant Schedule III) and the relevant provisions of the Companies Act, 2013 and guidelines issued by Securities and Exchange Board of India (SEBI) as amended from time to time. The financial statements have been prepared on a going concern basis under the historical cost convention on accrual basis, except in case of assets for which provision for impairment for certain financial instruments which are measured at fair value.

All amounts included in the financial statements are reported in Lacs of Indian Rupees except wherever absolute figure of Indian Rupees mentioned.

#### b. Presentation and disclosure of financial statements.

During the year end 31ST March 2023, the company has presented the financial statements as per the Schedule III notified

under the Companies Act, 2013. The statement of Cash Flows has been prepared and presented as per requirements of Ind As 7 "Statement of Cash Flows". The disclosure requirements with respect to items in the Balance sheet and Profit & Loss Account, as prescribed in Schedule III of the Act are presented by way of notes forming part of the standalone financial statements. The company has also reclassified the previous figures in accordance with the requirements applicable in the current year.

Accounting policies have been consistently applied except where a newly issued Indian Accounting Standard is initially adopted or a revision to an existing Indian Accounting Standard requires such change in the accounting policy hitherto in use.

#### c. Use of Estimates

In the application of the Company's accounting policies, management of the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the Standalone Financial Statements.

#### d. Recent accounting pronouncements

The Ministry of Corporate Affairs (MCA) notifies new standards or amendments to the existing standards under Companies (Indian

Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

**Ind AS 1, Presentation of Financial Statements** – This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the standalone financial statements.

**Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors** – This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its Standalone financial statements.

**Ind AS 12, Income Taxes** – This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its Standalone financial statements.

### e. Summary of significant accounting policies.

#### I. Current versus non current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

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

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

#### II. Functional and presentation currency

The financial statements are presented in INR which is also the Company's functional currency.

#### III. Fair value measurement

The Company measures financial instruments, such as, derivatives at fair

value at each balance sheet 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 the liability takes place either:

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

The 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, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or

indirectly observable

- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

#### IV. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment. Amounts disclosed as revenue are net of returns, trade discount, rebates, sales tax, value added taxes and Goods & Services Tax.

#### Sales of goods

Revenue from sale of goods is recognised when the control of the goods have been transferred to the buyer, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably. The performance obligation in the case of sale of goods is satisfied at a point in time i.e. when the material shift to the customer or on delivery to the customer as may be specified in the contract.

### Sales of services

Revenue from services rendered is generally recognized in proportion to the stage of completion of the transaction at the reporting date. The stage of completion of the contract is determined based on actual service provided as a proportion of the total service to be provided. Revenues from contracts priced on a time and material basis are recognised when services are rendered and related costs are incurred.

Duty drawback is accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

Revenue from sale of scrap and other materials is recognized upon transfer of control of goods to customers.

### Other Income

Interest income is recognised on pro-rate basis. Dividend is recognised as income when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

Income from mutual funds is recognised when the Company's right to receive the payment is established, and unit holders' right to receive payment is established.

## V. Taxes

### **Current income tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is

recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

### Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases 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.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. 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 period/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.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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.

## **VI. Property, plant and equipment**

### **Accounting Policy for recognition and measurement**

Property, plant and equipment are stated at acquisition cost less accumulated depreciation and accumulated impairment losses, if any. All costs, including borrowing costs incurred up to the date the asset is ready for its intended use, are capitalised along with the respective asset.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates. Write back of creditors over concern of performance of assets, any directly attributable cost of bringing the item to its working condition for its intended use. The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

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

If significant parts of an item of

property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

### **Subsequent measurement**

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

### **Impairment**

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value

of money and the risks specific to the asset. 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. Impairment losses of tangible and intangible assets are recognised in the statement of profit and loss. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

- **Depreciation**

Depreciation is recognised on the cost of assets (other than freehold land and properties under construction) less their residual values over their

estimated useful lives, using the straight-line method.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. The Company, based on technical assessment made by technical expert and management estimate, depreciates certain items of plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset.

### Estimated Useful lives of Various Items of Property, Plant and Equipment are as follows:

| Type of Asset                         | Useful Life (in years) |
|---------------------------------------|------------------------|
| Factory Building                      | 30                     |
| Plant and Machinery                   | 15                     |
| Electrical Installation and Equipment | 10                     |
| Furniture & Fixtures                  | 10                     |
| Vehicle (Four-Wheeler)                | 8                      |
| Vehicle (Two-Wheeler)                 | 10                     |
| Office Equipment                      | 5                      |
| Computer and Accessories              | 3                      |
| Server Systems and Networking         | 6                      |
| Right of Use Assets                   | Period of Lease        |

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

## **VII. Intangible Assets**

- **Accounting Policy**  
Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any. The residual values, useful lives and method of depreciation of Intangible Assets are reviewed at each financial year end and adjusted prospectively, if appropriate.
- **Amortisation**  
Amortisation is recognised using Straight Line method over their estimated useful lives. Estimated useful life of the Computer Software is 10 years.
- **Derecognition of Intangible Assets**  
An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in statement of profit and loss when the asset is derecognised.

## **VIII. Capital Work in Progress**

Expenditure related to and incurred

during implementation of capital projects to get the assets ready for intended use is included under "Capital Work in Progress". The same is allocated to the respective items of property plant and equipment on completion of construction / erection of the capital project/property plant and equipment.

## **IX. Impairment of non-financial assets**

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. 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.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations

generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior periods/years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

### X. **Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which

they occur.

### XI. **Provisions, Contingent Liability and Contingent assets**

#### **General**

Provisions are recognised 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. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, 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.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liability are not recognise but are disclosed in the notes. Contingent assets are not recognised but are disclosed in the notes were an inflow of economic benefits probable.

### XII. **Employee Benefits**

#### **Retirement Benefits**

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately

administered fund.

The cost of providing benefits under the defined benefit plan is determined based on actuarial valuation.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in 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"

#### **Compensated Expenses**

The Company treats accumulated leave, as a long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on an actuarial valuation using the projected unit credit method at the period-end/ year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the entire liability in respect of leave as a current liability in the balance sheet, since it does not have an

unconditional right to defer its settlement beyond 12 months after the reporting date.

#### **Other Short-term benefits**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

### **XIII. 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 recognised when the 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 or issue of financial assets and financial liabilities 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 measured at fair value through profit or loss are recognised immediately in the statement of profit and loss.

The company offsets a financial asset and a financial liability when it currently has a legally enforceable right to set off the recognized amounts and the company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

### **XIV. Financial assets**

All regular way purchases or sales of

financial assets are recognised and derecognised 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. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

• **Financial Assets at amortised cost:**

Financial assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

The effective interest method is a method of calculating the amortised cost of financial assets and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and transaction costs and other premiums or discounts) through the expected life of the financial assets, or where appropriate, a shorter period, to the net carrying amount on initial recognition. Interest is recognised on an effective interest basis for debt instruments other than those financial assets classified as at Fair Value through Profit and Loss (FVTPL).

• **Financial Assets at fair value through other comprehensive income (FVTOCI)**

• A financial asset is measured at FVOCI

if it meets both of the following conditions and is not designated as at FVTPL:

- Ø the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- Ø the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

• **Financial Assets at fair value through profit or loss (FVTPL):**

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Fair value changes related to such financial assets including derivative contracts are recognised in the Statement of Profit and Loss.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset.

• **Business Model Assessment:**

The Company makes an assessment of the objectives of the business model in which a financial asset is held at portfolio level because it best reflects the way business is managed and information is provided to

management.  
The assessment of business model comprises the stated policies and objectives of the financial assets, management strategy for holding the financial assets, the risk that affects the performance etc.

• **Derecognition:**

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial 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 recognised in other comprehensive income and accumulated in equity is recognised in the Statement of Profit and Loss if such gain or loss would have otherwise been recognised in the Statement of Profit and Loss on disposal of that financial asset.

• **Impairment:**

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount

equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

**XV. Financial Liabilities:**

• **Classification as debt or equity:**

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

• **Equity Instruments:**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

• **Financial Liabilities:**

All financial liabilities are measured at amortised cost using the effective interest method or at FVTPL.

• **Financial liabilities at amortised cost**

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item in the Statement of Profit and Loss.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest

rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition. Trade and other payables are recognised at the transaction cost, which is its fair value, and subsequently measured at amortised cost.

- **Financial liabilities at FVTPL**

A financial liability may be designated as at FVTPL upon initial recognition if:

- i) such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- ii) the financial liability whose performance is evaluated on a fair value basis, in accordance with the Company's documented risk management;

Fair value changes related to such financial liabilities including derivative contracts like forward currency contracts and options to hedge the Company's foreign currency risks are recognised in the Statement of Profit and Loss.

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Financial liabilities are classified as held for trading if these are incurred for the purpose of repurchasing in the near term. Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in the statement of profit and loss.

- **Derecognition:**

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

### XVI. Cash and cash equivalents

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

### XVII. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

### XVIII. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

Identification of segments:

In accordance with Ind AS 108– Operating Segment, the operating segments used to present segment information are identified on the basis of information reviewed by the Company's management to allocate resources to the segments and assess their performance. An operating segment is a component of the Company that engages in business activities from which it earns revenues and incurs expenses, including revenues and expenses that relate to transactions with any of the Company's other components. Results of the operating segments are reviewed regularly by the management team (chairman and chief financial officer) which has been identified as the chief operating decision maker (CODM), to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available.

Allocation of common costs:

Common allocable costs are allocated to each segment accordingly to the relative contribution of each segment to the total common costs.

Unallocated items:

Revenues and expenses, which relate to the Company as a whole and are not allocable to segments on a reasonable basis, have been included under "Unallocated corporate expenses". Assets and liabilities, which relate to the Company as a whole and are not allocable to segments on reasonable basis, are shown as unallocated corporate assets and liabilities respectively.

Segment Accounting Policies:

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

## **XIX. Investments in subsidiaries, associates and joint ventures**

Investments in Subsidiaries, Associates and Joint Ventures are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, associates and joint venture, the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

## **XX. Inventory**

Inventories are valued at cost as per moving weighted average price (Yarn Division inventory are valued as per FIFO Method) or net realisable value, whichever is lower after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, levies. Inventories of stores and spare parts are valued at cost. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and to make the sale.

## **XXI. Earnings per Share**

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity

shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the standalone financial statements by the Board of Directors.

### XXII. Leases

The Company assesses whether a contract is, or contains, a lease. 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.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

Lease term is a non-cancellable period together with periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to

terminate the lease if the Company is reasonably certain not to exercise that option.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments to be paid over the lease term at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate. Subsequently, the lease liability is measured at amortised cost using the effective interest method.



1. There is no intent to sell any of the assets held by the company and hence there is no fixed assets held for disposal.
2. During the year, there is no change in amount of the Property, Plant and Equipment due to business combination, revaluation and other adjustments.
3. During the year, the company has not held any benami property as defined under the Benami Transactions (Prohibition) Act, 1988.
4. Buildings include the building used for in-house Research and Development work which forms 20% of Total Building Area as certified by the management. Further, other assets used for R & D purpose are shown separately under Other Fixed Assets.
5. Assets with Research and Development includes Building, Plant and Machinery, Computers & Data Processing Units and Office equipments and depreciated as per the useful life of the Companies Act, 2013

### 3(b). Capital Work-in-Progress

|                                      | (₹ in lakhs)        |                     |
|--------------------------------------|---------------------|---------------------|
|                                      | As at 31 March 2023 | As at 31 March 2022 |
| Balance at the beginning of the year | 288.31              | 55.56               |
| Additions during the year            | 121.06              | 232.74              |
| Capitalisation during the year       | 409.37              | -                   |
| Balance as at end of the year        | -                   | 288.31              |

#### Notes:

1. Capital work-in-progress includes property, plant and equipment under construction, installation and cost of asset not ready for use as at year end. 2. Ageing for capital work-in-progress as at March 31, 2023, March 31, 2022, is as follows:

|                          | Year | Amount in capital work-in-progress for a period of |       |             | Total  |
|--------------------------|------|--|-------|-------------|--------|
|                          |      | Less than 1 year                                   | 1 - 2 | 2 - 3 years |        |
| Capital work-in-progress | 2023 | -  | -     | -           | -      |
|                          | 2022 | 232.74   | 55.56 | -           | 288.31 |
| Projects in progress     |      | -  | -     | -           | -      |

3. The company does not have any capital-work-in-progress whose completion is overdue or has exceeded its cost compared to its original plan.

#### 4(a). Intangible Assets

|                                    | Softwares | Trade mark | Total |
|------------------------------------|-----------|------------|-------|
| <b>A. Gross cost amount</b>        |           |            |       |
| As at 1 April 2021                 | 38.47     | 0.13       | 38.60 |
| Additions                          | -         | -          | -     |
| Disposals                          | -         | -          | -     |
| As at 31 March 2022                | 38.47     | 0.13       | 38.60 |
| Additions                          | -         | -          | -     |
| Disposals                          | -         | -          | -     |
| As at 31 March 2023                | 38.47     | 0.13       | 38.60 |
| <b>B. Accumulated depreciation</b> |           |            |       |
| As at 1 April 2021                 | 17.93     | 0.02       | 17.95 |
| Charge for the year                | 4.21      | 0.01       | 4.22  |
| Disposals                          | -         | -          | -     |
| As at 31 March 2022                | 22.14     | 0.03       | 22.17 |
| Charge for the year                | 3.82      | 0.01       | 3.84  |
| Disposals                          | -         | -          | -     |
| As at 31 March 2023                | 25.97     | 0.04       | 26.01 |
| <b>Net carrying value</b>          |           |            |       |
| As at 31 March 2022                | 16.33     | 0.10       | 16.43 |
| As at 31 March 2023                | 12.51     | 0.09       | 12.60 |

#### 4(b). Intangible assets under development

|                                      | As at 31 March 2023 | As at 31 March 2022 |
|--------------------------------------|---------------------|---------------------|
| Balance at the beginning of the year | 1.75                | 1.53                |
| Additions during the year            | -                   | 0.22                |
| Capitalisation during the year       | -                   | -                   |
| Balance as at end of the year        | 1.75                | 1.75                |

Notes:

1. Intangible assets under development was patent which was under the process of registration in India and outside India.
2. Ageing for Intangible assets under development as at March 31, 2023, March 31, 2022 is as follows:

(₹ in lakhs)

| Capital work-in-progress | Year | Amount in capital work-in-progress for a period of |             |                   | Total |
|--------------------------|------|--|-------------|-------------------|-------|
|                          |      | Less   | 2 - 3 years | More than 3 years |       |
|                          | 2023 |  | 1.17        | 0.36              | 1.75  |
| Projects in progress     | 2022 | 0.22   | 0.36        | -                 | 1.75  |

3. The company does not have any capital-work-in progress whose completion is overdue or has exceeded its cost compared to its original plan.
4. There is no intent to sell any of the intangible assets held by the company and hence there is no intangible assets held for disposal.
5. During the year, there is no change in amount of the Intangible Asset due to business combination, revaluation and other adjustments

## 5. Investments

(₹ in lakhs)

| 5. Non-current investments  | 31 March 2023 | 31 March 2022 |
|---|---------------|---------------|
| <b>Unquoted equity shares</b>   |               |               |
| <b>Unquoted Investments Measured at Cost</b>  |               |               |
| <b>In Equity Shares of wholly own subsidiary company</b>  |               |               |
| 125 (31/03/2022 : 500) of ₹ 100 each fully paidup in Meera Industries                                     | 8.10          | 32.38         |
| <b>Quoted Investments Measured at realisable value</b>  |               |               |
| 19770.868 (31/03/2022 : 19770.868) each fully paidup SBI Arbitrage Opportunities Fund Regular Plan Growth | 5.69          | 5.39          |
| 27.699 (31/03/2022 : 27.699) each fully paidup SBI Liquid Fund Regular                                    | 0.97          | 0.92          |
|   | <b>14.75</b>  | <b>38.69</b>  |
| Cost of Unquoted Investments  | 8.10          | 32.38         |
| Cost of Quoted Investments  | 6.11          | 6.11          |
| Market Value of Quoted Investments  | 6.65          | 6.31          |

## 6 Other financial assets

(₹ in lakhs)

| 6(a). Non-current other financial assets   | 31 March 2023 | 31 March 2022 |
|--|---------------|---------------|
| <b>Unsecured considered good</b>           |               |               |
| <b>Security Deposit to related parties</b> |               |               |
| BIJAL DHARMESH DESAI (RENT DEPOSIT)        | 5.00          | 5.00          |
| <b>Security Deposit to others</b>          |               |               |
| JOSH PETROLEUM                             | 0.10          | 0.10          |
| DAKSHIN GUJARAT VIJ COMPANY LIMITED        | 2.78          | 2.78          |
| BSNL (TELEPHONE DEPOSIT)                   | 0.03          | 0.03          |
| INDIA ITME SOCIETY                         | -             | 0.25          |
|  | <b>7.91</b>   | <b>8.16</b>   |

(₹ in lakhs)

| 6(b). Current Other Financial assets | 31 March 2023 | 31 March 2022 |
|--------------------------------------|---------------|---------------|
| <b>Unsecured considered good</b>     |               |               |
| <b>Security Deposit to others</b>    |               |               |
| TECHTEXTIL INDIA 2021                | 0.34          | 0.34          |
| <b>Others</b>                        |               |               |
| DUTY DRAWBACK INCOME RECEIVABLE      | 3.89          | 3.57          |
|                                      | <b>4.23</b>   | <b>3.91</b>   |

## 7. Inventories

(₹ in lakhs)

| Particulars                       | 31 March 2023 | 31 March 2022 |
|-----------------------------------|---------------|---------------|
| <b>Raw Material</b>               |               |               |
| MACHINE DIVISION                  | 543.63        | 345.16        |
| YARN DIVISION                     | 27.27         | 13.50         |
| <b>Finished Goods</b>             |               |               |
| FINISHED GOODS                    | 152.32        | 68.22         |
| SEMI FINISHED GOODS               | 132.76        | 119.68        |
| <b>Work In Progress</b>           |               |               |
| WORK IN PROGRESS                  | 130.37        | 299.22        |
| <b>Others</b>                     |               |               |
| Closing Stock at R & D Department | 10.84         | 12.44         |
|                                   | <b>997.19</b> | <b>858.21</b> |

## 8. Trade Receivables

(₹ in lakhs)

| Particulars                              | 31 March 2023 | 31 March 2022 |
|--|---------------|---------------|
| <b>Unsecured, considered good</b>        |               |               |
| From Related Parties                     | 25.43         | 70.38         |
| From Others                              | 284.92        | 359.15        |
|  | <b>310.35</b> | <b>429.54</b> |
| Less: Allowance for Expected Credit loss | 43.87         | 46.56         |
|  | <b>266.47</b> | <b>382.98</b> |

(₹ in lakhs)

| 31 March 2023   | Outstanding for following periods from due date of payment |                 |              |             |                   |               |
|---|--|-----------------|--------------|-------------|-------------------|---------------|
|   | Less than 6 Month  | 6 Months-1 Year | 1-2 Years    | 2-3 Years   | More than 3 Years | Total         |
| (i) Undisputed Trade receivables- considered good                                 | 243.56   | 1.47            | 47.09        | 2.07        | 5.47              | 299.65        |
| (ii) Undisputed Trade receivables- Which have significant increase in credit risk | -  | -               | -            | -           | 10.70             | 10.70         |
| (iii) Undisputed Trade receivables- credit impaired                               | -  | -               | -            | -           | -                 | -             |
| (iv) disputed Trade receivables- considered good                                  | -  | -               | -            | -           | -                 | -             |
| (v) disputed Trade receivables- Which have significant increase in credit risk    | -  | -               | -            | -           | -                 | -             |
| (vi) disputed Trade receivables- credit impaired                                  | -  | -               | -            | -           | -                 | -             |
|   | <b>243.56</b>  | <b>1.47</b>     | <b>47.09</b> | <b>2.07</b> | <b>16.16</b>      | <b>310.35</b> |
| Less: Allowance for Expected Credit loss  |  |                 |              |             |                   | <b>43.87</b>  |
| <b>Total</b>  |  |                 |              |             |                   | <b>266.47</b> |

(₹ in lakhs)

| 31 March 2022   | Outstanding for following periods from due date of payment |                 |              |             |                   |               |
|---|--|-----------------|--------------|-------------|-------------------|---------------|
|   | Less than 6 Month  | 6 Months-1 Year | 1-2 Years    | 2-3 Years   | More than 3 Years | Total         |
| (i) Undisputed Trade receivables- considered good                                 | 363.06   | 28.51           | 12.65        | 5.84        | 8.78              | 418.84        |
| (ii) Undisputed Trade receivables- Which have significant increase in credit risk | -  | -               | -            | -           | 10.70             | 10.70         |
| (iii) Undisputed Trade receivables- credit impaired                               | -  | -               | -            | -           | -                 | -             |
| (iv) disputed Trade receivables- considered good                                  | -  | -               | -            | -           | -                 | -             |
| (v) disputed Trade receivables- Which have significant increase in credit risk    | -  | -               | -            | -           | -                 | -             |
| (vi) disputed Trade receivables- credit impaired                                  | -  | -               | -            | -           | -                 | -             |
| <b>Total</b>  | <b>363.06</b>  | <b>28.51</b>    | <b>12.65</b> | <b>5.84</b> | <b>19.47</b>      | <b>429.54</b> |
| Less: Allowance for Expected Credit loss  |  |                 |              |             |                   | 46.56         |
| <b>Total</b>  |  |                 |              |             |                   | <b>382.98</b> |

## 9. Cash and cash equivalents

(₹ in lakhs)

| Particulars                           | 31 March 2023 | 31 March 2022 |
|---------------------------------------|---------------|---------------|
| CASH ON HAND                          | 4.19          | 6.63          |
| BALANCE WITH BANKS IN CURRENT ACCOUNT | 46.41         | 70.42         |
| BALANCE WITH BANKS IN DOLLAR ACCOUNT  | 1.44          | 1.36          |
|                                       | <b>52.05</b>  | <b>78.41</b>  |

## 10. Loans

(₹ in lakhs)

| Particulars          | 31 March 2023 | 31 March 2022 |
|----------------------|---------------|---------------|
| Loan considered good |               |               |
| ADVANCE TO EMPLOYEES | 1.34          | 7.73          |
|                      | <b>1.34</b>   | <b>7.73</b>   |

## 11. Current Tax Assets (Net)

(₹ in lakhs)

| Particulars                  | 31 March 2023 | 31 March 2022 |
|------------------------------|---------------|---------------|
| INCOME TAX REFUND RECEIVABLE | 9.91          | -             |
|                              | <b>9.91</b>   | <b>-</b>      |

## 12. Other current assets

(₹ in lakhs)

| Particulars                                      | 31 March 2023 | 31 March 2022 |
|--|---------------|---------------|
| CAPITAL ADVANCES                                 | 1.02          | 15.48         |
| PREPAID EXPENSES                                 | 21.77         | 17.13         |
| ADVANCE TO SUPPLIERS OTHER THAN CAPITAL ADVANCES | 128.14        | 209.11        |
| <b>BALANCE WITH STATUTORY AUTHORITIES</b>        |               |               |
| GST CREDIT RECEIVABLE                            | 54.85         | 31.63         |
| IGST REFUND RECEIVABLE                           | 18.13         | -             |
| VAT/CST PAID UNDER PROTEST                       | 1.25          | 1.25          |
|  | <b>225.17</b> | <b>274.59</b> |

### 13. Equity share capital

(₹ in lakhs)

| Particulars  | 31 March 2023 | 31 March 2022 |
|--|---------------|---------------|
| <b>Authorised share capital</b>                                      |               |               |
| 1,20,00,000 (1,20,00,000) Equity Shares Fully Paidup of Rs.10/- each | 1,200.00      | 1,200.00      |
| <b>Issued</b>  |               |               |
| 1,06,78,796 (1,06,78,796) Equity Shares Fully Paidup of Rs.10/- each | 1,067.88      | 1,067.88      |
| <b>Subscribed</b>  |               |               |
| 1,06,78,796 (1,06,78,796) Equity Shares Fully Paidup of Rs.10/- each | 1,067.88      | 1,067.88      |
| <b>Paidup</b>  |               |               |
| 1,06,78,796 (1,06,78,796) Equity Shares Fully Paidup of Rs.10/- each | 1,067.88      | 1,067.88      |
|  | 1067.88       | 1067.88       |

### Holding more than 5%

(₹ in lakhs)

| Particulars                   | 31 March 2023    |        | 31 March 2022    |        |
|-------------------------------|------------------|--------|------------------|--------|
|                               | Number of shares | % Held | Number of shares | % Held |
| Bijalben Dharmeshbhai Desai   | 3252811          | 30.46  | 3252811          | 30.46  |
| Dharmeshbhai Vinodkumar Desai | 2865989          | 26.84  | 2865989          | 26.84  |

### Details of Shares for preceding Five years

(₹ in lakhs)

| Particulars   | 31-03-23 | 31-03-22 | 31-03-21 | 31-03-20 | 31-03-19 |
|---|----------|----------|----------|----------|----------|
| Number of Equity shares bought back   |          |          |          |          |          |
| Number of Preference shares redeemed  |          |          |          |          |          |
| Number of Equity shares issued as bonus share                                       |          |          |          | 6229296  |          |
| Number of Preference shares issued as bonus share                                   |          |          |          |          |          |
| Number of Equity shares allotted for contracts without payment received in cash     |          |          |          |          |          |
| Number of Preference shares allotted for contracts without payment received in cash |          |          |          |          |          |

### Reconciliation

(₹ in lakhs)

| Particular                        | 31 March 2023    |        | 31 March 2022    |         |
|-----------------------------------|------------------|--------|------------------|---------|
|                                   | Number of shares | Amount | Number of shares | Amount  |
| Number of shares at the beginning | 10678796         | 106.79 | 10678796         | 1067.88 |
| Add: Issue                        | -                | -      | -                | -       |
|                                   | -                | -      | -                | -       |
| Less: Bought back others          | -                | -      | -                | -       |
|                                   | -                | -      | -                | -       |
| Numbers of shares at the end      | 10678796         | 106.79 | 10678796         | 1067.88 |

## Shareholding of Promoters

(₹ in lakhs)

| Shares held by promoters at the end of the year | 31 March 2023 |                   |                           | 31 March 2022 |                   |                           |
|---|---------------|-------------------|---------------------------|---------------|-------------------|---------------------------|
|   | No. of shares | % of total shares | % Changes during the year | No. of shares | % of total shares | % Changes during the year |
| <b>Name of the Promotor</b>                     |               |                   |                           |               |                   |                           |
| Bijalben Dharmeshbhai Desai                     | 3252811       | 30.46             | -                         | 3252811       | 30.46             | -                         |
| Dharmeshbhai Vinodkumar Desai                   | 2865989       | 26.84             | -                         | 2865989       | 26.84             | 0.04                      |

## 14. Other Equity

(₹ in lakhs)

| Particulars  | 31 March 2023 | 31 March 2022 |
|--|---------------|---------------|
| Securities Premium Opening   | 734.05        | 734.05        |
| Additions  | -             | -             |
|  | 734.05        | 734.05        |
| Profit and Loss Opening  | 808.26        | 655.57        |
| Amount Transferred from Statement of P & L                                       | -184.47       | 281.46        |
| <b>Appropriation and Allocation</b>  |               |               |
| Dividend Payment   | -             | -128.15       |
| <b>Items of other other comprehensive income recognised directly in retained</b> |               |               |
| Remeasurement costs of Post employment benefits                                  | 5.61          | -0.83         |
| Deferred tax on post employment  | -1.41         | 0.21          |
|  | 4.20          | -128.77       |
|  | 627.98        | 808.26        |
|  | 1362.04       | 1542.31       |

## 15. Lease liabilities

(₹ in lakhs)

| Particulars                  | 31 March 2023 |         | 31 March 2022 |         |
|------------------------------|---------------|---------|---------------|---------|
|                              | Non-current   | Current | Non-current   | Current |
| Opening Balance              | 100.56        | 24.43   | -             | -       |
| Additions in Lease Liability | -             | -       | 145.64        | -       |
| <b>Add / (Less)</b>          |               |         |               |         |
| Interest Charged             | -             | 8.32    | -             | 9.95    |
| Repayments in current year   | -             | -32.75  | -20.65        | -9.95   |
| Repayment with in one year   | -28.65        | 28.65   | -24.43        | 24.43   |
|                              | 71.91         | 28.65   | 100.56        | 24.43   |

### Lease payment to be made in

(₹ in lakhs)

| Particulars                                       | 31 March 2023 | 31 March 2022 |
|---|---------------|---------------|
| Within one year                                   | 28.65         | 24.43         |
| Later than one year but not later than five years | 71.91         | 100.56        |
| Later than five years                             | -             | -             |
| <b>Total</b>                                      | <b>100.56</b> | <b>124.99</b> |

The Company has lease contracts for its factory and office used in its operations. These lease generally have lease terms 5 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets. The Company is restricted from assigning and subleasing the leased assets.

### 16. Provisions

(₹ in lakhs)

| Particulars                             | 31 March 2023 |              | 31 March 2022 |              |
|---|---------------|--------------|---------------|--------------|
|   | Non - current | Current      | Non - current | Current      |
| <b>Provisions for Employee Benefits</b> |               |              |               |              |
| BONUS PAYABLE                           | -             | 10.50        | -             | 12.71        |
| GRATUITY                                | 3.97          | -            | 11.22         | -            |
| LEAVE ENCASHMENT                        | 1.46          | 2.05         | 1.46          | 1.98         |
|   | <b>5.43</b>   | <b>12.55</b> | <b>12.68</b>  | <b>14.69</b> |

### 17. Deferred tax liabilities (Net)

The balance comprises temporary differences attributable to:

(₹ in lakhs)

| Particulars                                       | 31 March 2023 | 31 March 2022 |
|---|---------------|---------------|
| <b>Deferred Tax Asset – [A]</b>                   |               |               |
| Provision for Employee Benefits                   | 4.53          | 6.60          |
| Expenditure disallowed                            | -             | -             |
| Lease Liability                                   | 3.32          | -             |
| Others  | -             | -             |
| <b>Deferred Tax Liability – [B]</b>               |               |               |
| Unrealised loss / gain on investments             | 0.12          | 0.03          |
| Lease Liability                                   | -             | 2.13          |
| Written Down Value of Fixed Assets (depreciation) | 58.18         | 53.80         |
| Others  | -             | -             |
| <b>Net Deferred Tax Liability [B-A]</b>           | <b>50.46</b>  | <b>49.36</b>  |

(₹ in lakhs)

| Movement in Deferred Tax Liability                | Charge/(Credit) to<br>Statement of P&L |              | Charge/(Credit) to OCI |              |
|---|--|--------------|------------------------|--------------|
|   | 31-03-23                               | 31-03-22     | 31-03-23               | 31-03-22     |
| <b>Deferred Tax Asset – [A]</b>                   |  |              |                        |              |
| Provision for Employee Benefits                   | -                                      | 2.00         | -                      | 0.21         |
| Unrealised loss / gain on investments             | -                                      | -            | -                      | -            |
| lease Liability                                   | 5.45                                   | -            | -                      | -            |
| Others  | 0.00                                   | -            | -                      | -            |
| <b>Deferred Tax Liability – [B]</b>               |  |              |                        |              |
| Provision for Employee Benefits                   | 0.66                                   | -            | 1.41                   | -            |
| Unrealised loss / gain on investments             | 0.03                                   | 0.03         | -                      | -            |
| Expenditure disallowed                            | -                                      | 0.99         | -                      | -            |
| lease Liability                                   | -                                      | 2.13         | -                      | -            |
| Written Down Value of Fixed Assets (depreciation) | 4.38                                   | 14.44        | -                      | -            |
| Others  | -                                      | -            | -                      | -            |
| <b>Net Deferred Tax Liability [B-A]</b>           | <b>-0.38</b>                           | <b>15.59</b> | <b>1.41</b>            | <b>-0.21</b> |

## 18. Trade Payables

(₹ in lakhs)

| Particulars   | 31 March 2023 | 31 March 2022 |
|---|---------------|---------------|
| <b>Non-current</b>  |               |               |
| <b>(I) Trade Payable</b>  |               |               |
| (a) Total outstanding dues of micro enterprises and small enterprises |               |               |
| (b) Total outstanding dues of creditors other than micro enterprises  |               |               |
| <b>Total non-current Trade Payable</b>                                | -             | -             |
| <b>Current</b>  |               |               |
| <b>(I) Trade Payable</b>  |               |               |
| (a) Total outstanding dues of micro enterprises and small enterprises | 89.03         | 76.41         |
| (b) Total outstanding dues of creditors other than micro enterprises  | 541.64        | 423.49        |
| <b>Total current trade payables</b>                                   | <b>630.67</b> | <b>499.90</b> |

### TRADE PAYABLES COVERED UNDER MSMED ACT, 2006 :

Sundry creditors covered under MSMED Act, 2006 are those creditors who are outstanding at the balance sheet date. Out of which creditors due for more than 45 days as on the balance sheet date ` 37.47 Lakhs (` 1.32 Lakhs).

The company has provided interest on the same as per the provisions of MSMED Act, 2006. Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 :

Amount due to Micro, Small and Medium Enterprises as on 31st March, 2023 (31st March 2022) are disclosed on the basis of information available with the Company regarding status of the suppliers is as follows :

(₹ in lakhs)

| Particulars  | 31-03-23 | 31-03-22 |
|--|----------|----------|
| Principal Amount due and remaining unpaid                                | 84.47    | 75.06    |
| Interest due on above and the unpaid interest                            | 4.56     | 1.35     |
| Interest paid during the year  | -        | 0.04     |
| Payment made beyond the appointed day during the year                    | 83.66    | 24.59    |
| Interest due and payable for the period of delay                         | -        | -        |
| Interest accrued and remaining unpaid                                    | 4.56     | 1.35     |
| Amount of further interest remaining due and payable in succeeding years | -        | -        |

**Trade Payable ageing as at 31 March 2023 and 31 March 2022**

(₹ in lakhs)

| 31 March 2023               | Outstanding for following periods from due date of payment |          |          |         |        |
|-----------------------------|--|----------|----------|---------|--------|
|                             | < 1 Year   | 1-2 Year | 2-3 Year | >3 Year | Total  |
| (i) MSME                    | 89.03  | -        | -        | -       | 89.03  |
| (ii) Others                 | 539.01   | 1.73     | -        | 0.91    | 541.64 |
| (iii) Disputed dues - MSME  | -  | -        | -        | -       | -      |
| (iv) Disputed dues - Others | -  | -        | -        | -       | -      |

| 31 March 2022               | Outstanding for following periods from due date of payment |          |          |         |        |
|-----------------------------|--|----------|----------|---------|--------|
|                             | < 1 Year   | 1-2 Year | 2-3 Year | >3 Year | Total  |
| (i) MSME                    | 75.75  | -        | 0.63     | 0.03    | 76.41  |
| (ii) Others                 | 420.91   | 0.52     | 1.89     | 0.17    | 423.49 |
| (iii) Disputed dues - MSME  | -  | -        | -        | -       | -      |
| (iv) Disputed dues - Others | -  | -        | -        | -       | -      |

**19. Other financial liabilities**

(₹ in lakhs)

| Particulars                                | 31 March 2023 |              | 31 March 2022 |              |
|--|---------------|--------------|---------------|--------------|
|  | Non-current   | Current      | Non-current   | Current      |
| CREDITOR FOR CAPITAL ASSETS AMOUNT PAYABLE | -             | 8.50         | -             | 7.17         |
| DIRECTOR REMUNERATION PAYABLE              | -             | 1.00         | -             | 0.33         |
| TRAVELLING EXPENSES PAYABLE                | -             | 2.13         | -             | 2.77         |
| SALARY AND WAGES PAYABLE                   | -             | 1.09         | -             | 0.00         |
|  | -             | 22.54        | -             | 27.01        |
|  | -             | <b>35.27</b> | -             | <b>37.28</b> |

**20. Other Non-current and current liabilities**

(₹ in lakhs)

| Particulars                                       | 31 March 2023 |               | 31 March 2022 |               |
|---|---------------|---------------|---------------|---------------|
|   | Non-current   | Current       | Non-current   | Current       |
| STATUTORY DUES PAYABLE                            |               |               |               |               |
| GST PAYABLE                                       | -             | 0.22          | -             | 0.26          |
| PROVIDENT FUND PAYABLE                            | -             | 2.65          | -             | 2.46          |
| ESIC PAYABLE                                      | -             | 0.45          | -             | 0.55          |
| LWF PAYABLE                                       | -             | -             | -             | -             |
| PROFESSIONAL TAX PAYABLE                          | -             | 0.18          | -             | 5.67          |
| TCS PAYABLE                                       | -             | -             | -             | 0.10          |
| TDS PAYABLE                                       | -             | 4.66          | -             | 4.79          |
| SECURITY DEPOSIT RECEIVED AGAINST SUPPLY OF GOODS | 4.79          | -             | -             | -             |
| ADVANCE FROM CUSTOMERS                            | -             | 241.43        | -             | 111.96        |
|   | <b>4.79</b>   | <b>249.60</b> | -             | <b>125.79</b> |

**21. Current Tax Liabilities (net)**

(₹ in lakhs)

| Particulars   | 31 March 2023 | 31 March 2022 |
|---|---------------|---------------|
| Opening Balance                                       | 56.29         | 7.75          |
| Add Current year provision for income tax             | -             | 94.55         |
| Less : Tax Paid (Advance tax, TDS and TCS receivable) | 56.29         | 46.01         |
| Closing Balance                                       | -             | <b>56.29</b>  |

## 22. Revenue from operation

(₹ in lakhs)

| Particulars                     | 31 March 2023   | 31 March 2022   |
|---------------------------------|-----------------|-----------------|
| <b>Sale of products</b>         |                 |                 |
| <b>Manufactures Goods</b>       |                 |                 |
| EXPORT SALES                    | 517.92          | 1,099.41        |
| LOCAL SALES                     | 1,293.69        | 1,978.71        |
| <b>Sale of Services</b>         |                 |                 |
| LABOUR INCOME                   | 25.28           | 21.09           |
| <b>Other Operating Revenues</b> |                 |                 |
| SALE OF MEIS LICENSE            | -               | 12.89           |
| DUTY DRAWBACK INCOME            | 7.78            | 16.22           |
| FREIGHT INCOME                  | 26.71           | 48.57           |
| PACKIING AND FORWARDING CHARGES | 0.55            | -               |
|                                 | <b>1,871.93</b> | <b>3,176.89</b> |

## Revenue disaggregation by vertical is as follows :

(₹ in lakhs)

| Particulars                         | 31 March 2023  | 31 March 2022  |
|-------------------------------------|----------------|----------------|
| <b>Sale of products</b>             |                |                |
| MACHINE DIVISION                    | 1206.45        | 2593.20        |
| YARN DIVISION                       | 605.16         | 484.92         |
| <b>Sale of Services</b>             |                |                |
| MACHINE DIVISION                    | 23.33          | 2.82           |
| YARN DIVISION                       | 1.95           | 18.27          |
| <b>Other Operating Revenues</b>     |                |                |
| MACHINE DIVISION                    | 35.04          | 77.67          |
| YARN DIVISION                       | 0.01           | 0.01           |
| <b>Total revenue from operation</b> |                |                |
| MACHINE DIVISION                    | 1243.44        | 2673.69        |
| YARN DIVISION                       | 628.49         | 503.20         |
|                                     | <b>1871.93</b> | <b>3176.89</b> |

**Revenue disaggregation by geography is as follows:**

(₹ in lakhs)

| Particulars  | 31 March 2023  | 31 March 2022  |
|--------------|----------------|----------------|
| BANGLADESH   | 20.05          | 63.67          |
| Brazil       | 3.68           | 66.53          |
| Canada       | 35.10          | -              |
| EGYPT        | 24.59          | -              |
| EUROPE       | 58.66          | -              |
| INDONESIA    | 12.58          | 2.51           |
| MEXICO       | 48.50          | -              |
| RUSSIA       | 14.15          | -              |
| Saudi Arabia | 0.76           | -              |
| SOUTH AFRICA | 112.47         | 56.96          |
| SPAIN        | 32.85          | -              |
| THAILAND     | -              | 0.78           |
| TURKEY       | 83.82          | 306.09         |
| TURKMENISTAN | -              | 119.97         |
| UAE          | -              | 169.30         |
| USA          | 96.88          | 361.63         |
| INDIA        | 1327.85        | 2029.45        |
|              | <b>1871.93</b> | <b>3176.89</b> |

### 23. Other income

(₹ in lakhs)

| Particulars   | 31 March 2023 | 31 March 2022 |
|---|---------------|---------------|
| <b>Interest</b>   |               |               |
| INTEREST ON BANK FD   | 0.39          | 1.89          |
| <b>Profit(Loss) on Redemption / sale of Investment &amp; Fixed Assets (Net)</b> |               |               |
| UNREALISED GAIN ON MUTUAL FUNDS   | 0.34          | 0.17          |
| GAIN ON REDEMPTION OF MUTUAL FUNDS  | -             | 1.55          |
| PROFIT ON SALE OF FIXED ASSETS  | 0.03          | 0.04          |
| <b>Miscellaneous</b>  |               |               |
| INTEREST ON INCOME TAX REFUND   | -             | 2.87          |
| LATE PAYMENT CHARGES  | 0.05          | -             |
| DISCOUNT INCOME (NET)   | 5.35          | 0.55          |
| SUBSIDY / GRANT INCOME  | 4.08          | -             |
| FOREIGN EXCHANGE DIFFERENCE (NET)   | 17.15         | 11.03         |
| NET EXCHANGE GAIN OR LOSS ON TANGIBLE ASSETS                                    | -             | 4.64          |
|   | 27.39         | 22.75         |

### 24. Cost of material consumed

(₹ in lakhs)

| Particulars         | 31 March 2023 | 31 March 2022 |
|---------------------|---------------|---------------|
| <b>Raw Material</b> |               |               |
| OPENING             | 358.66        | 529.37        |
| PURCHASE            | 1,320.05      | 1,785.08      |
| ADJUSTMENT          | -             | -             |
| CLOSING             | 570.90        | 358.66        |
|                     | 1,107.80      | 1,955.80      |

**Details of Raw Material**

| Particulars      | (₹ in lakhs)  |               |
|------------------|---------------|---------------|
|                  | 31 March 2023 | 31 March 2022 |
| MACHINE DIVISION | 529.28        | 1,501.18      |
| YARN DIVISION    | 578.52        | 454.61        |
|                  | 1,107.80      | 1,955.80      |

**25. Changes in inventories of finished goods, Stock-in-Trade and work-in-progress**

| Particulars  | (₹ in lakhs)  |               |
|--|---------------|---------------|
|  | 31 March 2023 | 31 March 2022 |
| <b>Opening</b>                                     |               |               |
| WORK-IN-PROGRESS, SEMI FINISHED AND FINISHED GOODS | 487.11        | 225.60        |
| <b>Closing</b>                                     |               |               |
| WORK-IN-PROGRESS, SEMI FINISHED AND FINISHED GOODS | 415.45        | 487.11        |
| <b>Increase/Decrease</b>                           |               |               |
| WORK-IN-PROGRESS, SEMI FINISHED AND FINISHED GOODS | 71.66         | -261.51       |
|  | 71.66         | -261.51       |

**Details of Changes in Inventory**

| Particulars             | (₹ in lakhs)  |               |
|-------------------------|---------------|---------------|
|                         | 31 March 2023 | 31 March 2022 |
| <b>MACHINE DIVISION</b> |               |               |
| WORK-IN-PROGRESS        | 168.84        | -151.87       |
| SEMI FINISHED GOODS     | -13.08        | -108.94       |
| FINISHED GOODS          | -84.10        | -0.71         |
|                         | 71.66         | -261.51       |

## 26. Employee benefit expenses

(₹ in lakhs)

| Particulars                            | 31 March 2023 | 31 March 2022 |
|--|---------------|---------------|
| <b>Salaries, Wages &amp; Bonus</b>     |               |               |
| BONUS                                  | 16.64         | 20.49         |
| SALARY                                 | 162.25        | 180.03        |
| WORKER WAGES                           | 120.50        | 143.19        |
| COMPENSATORY ALLOWANCES                | -             | 0.35          |
| DIRECTORS REMUNERATION                 | 56.40         | 56.40         |
| <b>Contribution to Gratuity</b>        |               |               |
| PROVISION FOR GRATUITY                 | 9.58          | 10.39         |
| <b>Contribution to Provident Fund</b>  |               |               |
| PF CONTRIBUTION                        | 16.21         | 14.75         |
| <b>Staff Welfare Expenses</b>          |               |               |
| STAFF WELFARE EXPENSE                  | 6.77          | 13.97         |
| <b>Leave Encashment Expenses</b>       |               |               |
| PROVISION FOR LEAVE ENCASHMENT         | 0.64          | 0.45          |
| <b>Other employee Related Expenses</b> |               |               |
| ESIC CONTRIBUTION                      | 4.69          | 4.85          |
| LWF CONTRIBUTION                       | 0.03          | 0.04          |
|  | <b>393.70</b> | <b>444.91</b> |

## 27. Finance cost

(₹ in lakhs)

| Particulars               | 31 March 2023 | 31 March 2022 |
|---------------------------|---------------|---------------|
| <b>Interest expenses</b>  |               |               |
| INTEREST ON LEASE FINANCE | 8.32          | 9.95          |
| <b>Bank Charges</b>       |               |               |
| BANK CHARGES              | 1.67          | 1.56          |
|                           | <b>9.98</b>   | <b>11.51</b>  |

## 28. Depreciation and amortization expenses

(₹ in lakhs)

| Particulars                            | 31 March 2023 | 31 March 2022 |
|--|---------------|---------------|
| <b>Depreciation &amp; Amortisation</b> |               |               |
| Depreciation Tangible Assets           | 75.70         | 67.91         |
| Amortisation ROU Assets                | 29.13         | 29.13         |
| Amortisation Intangible Assets         | 3.84          | 4.22          |
|  | <b>108.67</b> | <b>101.26</b> |

## 29. Other expenses

(₹ in lakhs)

| Particulars                                 | 31 March 2023 | 31 March 2022 |
|---|---------------|---------------|
| <b>Manufacturing Service Costs Expenses</b> |               |               |
| <b>Power and Fuel</b>                       |               |               |
| DIESEL EXPENSES                             | 1.09          | 4.49          |
| ELECTRICITY EXPENSES (FACTORY)              | 23.23         | 21.12         |
| <b>Water Charges</b>                        |               |               |
| WATER CHARGES                               | -0.02         | 0.85          |

|  |       |       |
|--|-------|-------|
| <b>Freight And Forwarding Charges</b>                                  |       |       |
| LOADING AND UNLOADING CHARGES  | 1.80  | 3.67  |
| FREIGHT INWARD EXPENSES  | 14.86 | 20.73 |
| PACKING AND FORWARDING EXPENSES  | 11.80 | 16.60 |
| <b>Cost of Taxes and Other Levies by Government, Local Authorities</b> |       |       |
| CUSTOM DUTY ON IMPORT  | 5.10  | 9.01  |
| <b>Other Manufacturing Costs</b>                                       |       |       |
| CONSUMABLES AND SPARES   | 29.29 | 39.78 |
| HANDLING CHARGES (IMPORT)  | -     | 0.07  |
| JOBWORK CHARGES  | 60.69 | 90.14 |
| <b>Administrative and General Expenses</b>                             |       |       |
| <b>Telephone Postage</b>   |       |       |
| TELEPHONE EXPENSES   | 1.13  | 1.07  |
| POSTAGE & COURIER EXPENSES   | 13.36 | 8.84  |
| <b>Printing Stationery</b>   |       |       |
| PRINTING & STATIONERY EXPENSES   | 1.79  | 3.08  |
| <b>Rent Rates And taxes</b>  |       |       |
| GIDC NOTIFIED AREA TAX   | 6.22  | 2.82  |
| SECURITY TRANSACTION TAX / INCOME TAX                                  | 0.00  | 0.00  |
| TDS PAID   | 0.04  | -     |
| PROFESSIONAL TAX   | 0.10  | -     |
| GST EXPENSES   | -     | 0.03  |
| <b>Auditors Remuneration</b>   |       |       |
| AUDITOR REMUNERATION   | 3.50  | 3.50  |
| <b>Directors Sitting Fees</b>  |       |       |
| DIRECTORS SITTING FEES   | 2.00  | 1.95  |
| <b>Repairs Maintenance Expenses</b>                                    |       |       |
| REPAIR AND MAINTENANCE EXPENSES  | 7.41  | 5.39  |
| AMC EXPENSES   | 0.58  | 1.78  |
| <b>Travelling Conveyance</b>   |       |       |
| CONVEYANCE & PETROL EXPENSES   | 1.62  | 2.01  |
| TRAVELLING EXPENSES  | 28.92 | 19.43 |
| <b>Legal and Professional Charges</b>                                  |       |       |
| INTERNAL AUDIT FEES  | 3.00  | 3.00  |
| LISTING EXPENSES.  | 3.00  | 7.37  |
| ISO AUDIT FEE  | 0.56  | 0.40  |
| LEGAL AND PROFESSIONAL FEES  | 10.10 | 9.72  |
| CS AUDIT FEES  | 3.40  | 0.60  |
| <b>Insurance Expenses</b>  |       |       |
| INSURANCE EXPENSES   | 20.11 | 18.89 |
| <b>Vehicle Running Expenses</b>  |       |       |
| VEHICLE RUNNING & MAINTENANCE EXPENSES                                 | 2.85  | 4.74  |
| <b>Donations Subscriptions</b>   |       |       |
| CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE                            | -     | -     |
| DONATION EXPENSES  | 1.12  | 0.90  |

|   |        |        |
|---|--------|--------|
| <b>Safety and Security Expenses</b>                           |        |        |
| SECURITY SERVICES EXPENSES                                    | 5.32   | 5.09   |
| <b>Information Technology Expenses</b>                        |        |        |
| COMPUTER EXPENSES   | 0.58   | 0.71   |
| SOFTWARE LICENSE RENEWAL EXPENSES                             | 1.88   | 0.48   |
| INTERNET EXPENSES   | 0.13   | 0.14   |
| <b>Subscriptions, Membership Fees</b>                         |        |        |
| MEMBERSHIP & SUBSCRIPTION                                     | 0.87   | 1.07   |
| <b>Registration and Filing Fees</b>                           |        |        |
| ROC EXPENSES  | 0.06   | 0.08   |
| <b>Other Administrative and General Expenses</b>              |        |        |
| GARDENING EXPENSES  | 4.19   | 2.93   |
| OFFICE EXPENSES   | 2.37   | 2.03   |
| DOCUMENTATION CHARGES   | 0.01   | 0.09   |
| AGM EXPENSES  | -      | 0.10   |
| CE MARKING CERTIFICATE  | 0.25   | 0.35   |
| CLEANING EXPENSES   | 0.76   | 0.98   |
| CREDIT CARD CHARGES   | 0.06   | 0.15   |
| LOCKER RENT   | -      | 0.11   |
| STOCK EXCHANGE EXPENSES                                       | 1.59   | 0.40   |
| REGISTRATION CHARGES  | 0.01   | -      |
| INTEREST ON INCOME TAX PAID                                   | 7.39   | 8.70   |
| INTEREST ON TDS AND TCS PAID                                  | 0.02   | 0.24   |
| INTEREST ON LATE PAYMENT                                      | 3.20   | 1.30   |
| FACTORY LICENSE   | 0.07   | -      |
| DISCOUNT (NET)  | -      | 0.03   |
| COMPENSATION AND SETTLEMENT EXPENSE                           | -      | 14.50  |
| <b>Selling Distribution Expenses</b>                          |        |        |
| <b>Advertising Promotional Expenses</b>                       |        |        |
| SALES PROMOTION EXPENSES                                      | 2.81   | 3.36   |
| ADVERTISEMENT EXPENSES  | 3.28   | 0.30   |
| <b>Commission Paid</b>  |        |        |
| COMMISSION EXPENSES   | -      | 23.78  |
| <b>Transportation Distribution Expenses</b>                   |        |        |
| CLEARING & FORWARDING CHARGES                                 | 12.65  | 16.82  |
| FREIGHT OUTWARD EXPENSES                                      | 37.53  | 130.43 |
| <b>Other Selling Distribution Expenses</b>                    |        |        |
| EXHIBITION EXPENSES   | 33.42  | 6.23   |
| FOREIGN BUSINESS EXPENSES                                     | 0.94   | 0.38   |
| <b>Provisions</b>   |        |        |
| NETOFF BAD DEBTS AND BALANCE WRITTEN OFF/EXCEPTED CREDIT LOSS | -2.69  | 19.81  |
| <b>Research and Development Expenses</b>                      |        |        |
| RESEARCH AND DEVELOPMENT EXPENSES                             | 30.35  | 33.27  |
|   | 405.73 | 575.80 |

## 29(a) Auditor's remuneration

| Particulars          | (₹ in lakhs)  |               |
|----------------------|---------------|---------------|
|                      | 31 March 2023 | 31 March 2022 |
| As Statutory Auditor | 3.00          | 3.00          |
| As Tax Auditor       | 0.50          | 0.50          |
|                      | 3.50          | 3.50          |

## 29(b) COMPUTATION OF R&D EXPENSES

| Particulars                                | (₹ in lakhs)  |               |
|--|---------------|---------------|
|  | 31 March 2023 | 31 March 2022 |
| <b>Research and Development Expenses :</b> |               |               |
| Opening Stock of R&D Goods                 | 12.44         | 11.25         |
| <b>Add :</b>                               |               |               |
| Purchase of R&D Goods                      | 7.50          | 6.53          |
| Other R & D Expenses                       | 0.54          | 0.09          |
| Salary and Wages                           | 19.36         | 25.99         |
| Bonus                                      | 1.34          | 1.84          |
|  | 28.75         | 34.45         |
| Less : Closing Stock of R&D Goods          | 10.84         | 12.44         |
| Scrape Sales                               | -             | -             |
|  | 30.35         | 33.27         |

## 30. Exceptional items

| Particulars            | (₹ in lakhs)  |               |
|------------------------|---------------|---------------|
|                        | 31 March 2023 | 31 March 2022 |
| GAIN ON SALE OF SHARES | 13.44         | 19.72         |
|                        | 13.44         | 19.72         |

Note : Expense in Nature of Prior period amount was debited in the respective account. The prior period expense includes Professional Tax Rs. 0.08 Lakhs, Stock exchange expenses Rs. 0.19 Lakhs, Repair and Maintenance Rs. 0.46 Lakhs, Clearing and Forwarding Charges Rs. 0.26 Lakhs and Legal and Professional Fees Rs. 5.90 Lakhs.

## 31. Tax expense

| Particulars                        | (₹ in lakhs)  |               |
|------------------------------------|---------------|---------------|
|                                    | 31 March 2023 | 31 March 2022 |
| <b>Current Tax</b>                 |               |               |
| PROVISION FOR INCOME TAX           | -             | 94.55         |
| EXCESS OF PROVISION FOR INCOME TAX | -             | -             |
| DEFERRED TAX                       | -0.31         | 15.59         |
|                                    | -0.31         | 110.13        |

## 32. Related Parties Disclosures

As per Ind AS 24, the disclosures of transactions with the related parties are given below:

a. List of Related Parties where Control exists and Relationships:

| Sr. No. | Name of the Related Party | Relationship                    |
|---------|---------------------------|---------------------------------|
| 1.      | Meera Industries USA LLC  | Wholly Owned Subsidiary Company |

**b. List of Related Parties where Control exists and Relationships:**

| Sr. No. | Name of Personnel                        | Designation                          | Nature of relationship                  |
|---------|--|--------------------------------------|---|
| 1.      | Mr. Dharmesh Vinodbhai Desai             | Chairman and Managing Director       | Key Managerial personnel (KMP)          |
| 2.      | Mrs. Bijal Dharmeshbhai Desai            | Whole Time Director                  | Key Managerial personnel (KMP)          |
| 3.      | Mr. Sanjay Natwarlal Mehta               | Non - Executive Independent Director | Key Managerial personnel (KMP)          |
| 4.      | Mr. Mayank Yashwantrao Desai             | Non - Executive Independent Director | Key Managerial personnel (KMP)          |
| 5.      | Mr. Hetal Mehta                          | Non - Executive Independent Director | Key Managerial personnel (KMP)          |
| 6.      | Mr. Rajendrabhai Vanmalibhai Kalyani     | Non - Executive Independent Director | Key Managerial personnel (KMP)          |
| 7.      | Mr. Vinod Satyanarayan Ojha              | Chief Financial Officer              | Key Managerial personnel (KMP)          |
| 8.      | Mrs. Bhavisha Kunal Chauhan              | Company Secretary                    | Key Managerial personnel (KMP)          |
| 9.      | HD Electric (Prop. Hetal Dharmesh Desai) | -                                    | Relative of Managerial personnel (RKMP) |

**c. Transactions between the company and related parties and the status of outstanding balances as at 31st March 2023 (31st March 2022)**

In ₹ Lakhs

| Sr. No. | Name of the Related Parties              | Nature of balances    | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|---------|--|-----------------------|-----------------------------|-----------------------------|
| 1       | Meera Industries USA LLC                 | Trade Receivable      | 24.01                       | 70.38                       |
|         |  | Investments in Shares | 8.10                        | 32.38                       |
| 2       | Mr. Dharmesh Vinodbhai Desai             | Director Remuneration | 0.80                        | 1.44                        |
| 3       | Mrs. Bijal Dharmeshbhai Desai            | Director Remuneration | 1.33                        | 1.33                        |
|         |  | Rent                  | 2.95                        | 2.75                        |
|         |  | Rent Deposit          | 5.00                        | 5.00                        |
| 4       | Sanjay Natwarlal Mehta                   | Sitting Fees          | 0.09                        | 0.68                        |
| 5       | Mayank Yashwantrao Desai                 | Sitting Fees          | NIL                         | 0.41                        |
| 6       | Hetal Mehta                              | Sitting Fees          | 0.09                        | 0.68                        |
| 7       | Rajendrabhai Vanmalibhai Kalyani         | Sitting Fees          | 0.09                        | NIL                         |
| 8       | Mr. Vinod Satyanarayan Ojha              | Salary                | 0.14                        | 0.70                        |
| 9       | Mrs. Bhavisha Kunal Chauhan              | Salary                | 0.51                        | 0.51                        |
| 10      | HD Electric (Prop. Hetal Dharmesh Desai) | Trade Receivable      | 1.42                        | NIL                         |

d. Disclosure of significant transactions with related parties :

In ₹ Lakhs

| Sr. No. | Name of the Related Parties            | Nature of balances                           | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|---------|--|--|-----------------------------|-----------------------------|
| 1       | Meera Industries USA LLC               | Sale of Goods                                | 71.99                       | 138.69                      |
|         |  | Disinvestment of shares in WOS under buyback | 37.73                       | 52.10                       |
| 2       | Mr. Dharmesh Vinodbhai Desai           | Director Remuneration                        | 33.00                       | 33.00                       |
|         |  | Dividend                                     | NIL                         | 34.39                       |
| 3       | Mrs. Bijal Dharmeshbhai Desai          | Director Remuneration                        | 23.40                       | 23.40                       |
|         |  | Dividend                                     | NIL                         | 39.03                       |
|         |  | Rent   | 32.75                       | 30.60                       |
| 4       | Sanjay Natwatal Mehta                  | Sitting Fees                                 | 0.45                        | 0.75                        |
|         |  | Dividend                                     | NIL                         | 0.03                        |
| 5       | Mayank Yashwantrao Desai               | Sitting Fess                                 | 0.45                        | 0.45                        |
|         |  | Dividend                                     | NIL                         | 0.72                        |
| 6       | Hetal Mehta                            | Sitting Fees                                 | 0.55                        | 0.75                        |
| 7       | Rajendrabhai Vanmalibhai Kalyani       | Sitting Fees                                 | 0.55                        | NIL                         |
| 8       | Mr. Vinod Satyanarayan D'ja            | Salary                                       | 8.15                        | 9.19                        |
| 9       | Mrs. Bhavisha Kunal Chauhan            | Salary                                       | 6.61                        | 6.58                        |
| 10      | HD Electric (Prop. Het Dharmesh Desai) | Sale of Goods                                | 1.42                        | NIL                         |

### 33. Contingent Liabilities and Commitments.

In ₹ Lakhs

| Particulars  | 31 <sup>st</sup> March 2023                  | 31 <sup>st</sup> March 2022 |
|--|--|-----------------------------|
| Commitments  | -  | -                           |
| Contingent Liability   |  |                             |
| Sales Tax assessment for FY 2006 Commercial tax Tribunal, Ahmedabad, | - 07 pending before Gujarat refer note below | 13.02                       |
| Total Contingent Liability   | 13.02  | 13.02                       |

The Company has filed an appeal before the Appellate authorities in respect of the disputed matter under sales tax and the appeal is pending with the appellate authority. Considering the facts of the matters, no provision is considered necessary by the management because the management is hopeful that the matter would be decided in favour of the Company in the light of the legal opinion obtained by the company.

### 34. Capital management

The company manages its capital to ensure that it will be able to continue as going concern while maximising the return to stakeholders. The capital structure of the company consists of only total equity and no debts. The company is not subject to any externally imposed capital requirements. Net debt to equity ratio or gearing ratio is not applicable since the company has no external debts.

### 35. Financial Instruments

#### Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

The management assessed that cash and cash equivalents, trade receivables, trade payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

#### Fair values hierarchy

Financial assets and financial liabilities measured at fair value in the balance sheet are categorized into three levels of fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for financial instruments.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data rely as little as possible on entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

#### Valuation process and technique used to determine fair value

(i) The fair value of investments in government securities and quoted equity shares is based on the current bid price of respective investment as at the balance sheet date.

(ii) The fair value of investments in mutual fund units is based on the net asset value (NAV) as stated by the issuers of these mutual fund units in the published statements as at the Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

(iii) In order to arrive at the fair value of unquoted investments, the company obtains independent valuations. The techniques used by the valuer are as follows:

- Asset approach – Net assets value method
- Income approach – Discounted cash flows (“DCF”) method
- Market approach – Enterprise value/Sales multiple method

#### Derivative financial assets:

The Company has not entered into derivative financial instruments.

In ₹ Lakhs

#### Financial instruments by category

The carrying value and fair value of financial instruments by categories as of 31 March 2023 were as follows:

In ₹ Lakhs

| Particulars                              | Amortised cost | Financial assets / liabilities at fair value through profit or loss |             | Financial assets / liabilities at fair value through OCI |           | Total carrying value | Total fair value |
|--|----------------|---|-------------|--|-----------|----------------------|------------------|
|  |                | Designated upon initial recognition                                 | Mandatory   | Designated upon initial recognition                      | Mandatory |                      |                  |
| <b>Assets:</b>                           |                |   |             |  |           |                      |                  |
| <b>Non - Current</b>                     |                |   |             |  |           |                      |                  |
| i. Investments                           | 8.10           |   | 6.65        |  |           | 8.10                 | 6.65             |
| ii. Others                               | 7.91           |   |             |  |           | 7.91                 |                  |
| <b>Current</b>                           |                |   |             |  |           |                      |                  |
| i. Investments                           | NIL            |   |             |  |           | NIL                  |                  |
| ii. Trade receivables                    | 266.47         |   |             |  |           | 266.47               |                  |
| iii. Cash and cash equivalents           | 52.05          |   |             |  |           | 52.05                |                  |
| iv. Bank balances other than (iii) above | NIL            |   |             |  |           | NIL                  |                  |
| v. Loans                                 | 1.34           |   |             |  |           | NIL                  |                  |
| vi. Others                               | 4.23           |   |             |  |           | 4.23                 |                  |
| <b>Total</b>                             | <b>340.10</b>  |   | <b>6.65</b> |  |           | <b>338.76</b>        | <b>6.65</b>      |
| <b>Liabilities:</b>                      |                |   |             |  |           |                      |                  |

|                                  |               |   |   |   |   |               |   |
|----------------------------------|---------------|---|---|---|---|---------------|---|
| <b>Non - Current</b>             |               |   |   |   |   |               |   |
| i. Lease Liability               | 71.91         |   |   |   |   | 71.91         |   |
| <b>Current</b>                   |               |   |   |   |   |               |   |
| i. Lease Liability               | 28.65         |   |   |   |   | 28.65         |   |
| ii. Trade Payable                | 630.67        |   |   |   |   | 630.67        |   |
| iii. Other financial liabilities | 35.27         |   |   |   |   | 35.27         |   |
| <b>Total</b>                     | <b>766.50</b> | - | - | - | - | <b>766.50</b> | - |

The carrying value and fair value of financial instruments by categories as of 31 March 2022 were as follows:

In ₹ Lakhs

| Particulars                              | Amortised cost | Financial assets / liabilities at fair value through profit or loss |           | Financial assets / liabilities at fair value through OCI |           | Total carrying value | Total fair value |
|--|----------------|---|-----------|--|-----------|----------------------|------------------|
|  |                | Designated upon initial recognition                                 | Mandatory | Designated upon initial recognition                      | Mandatory |                      |                  |
| <b>Assets:</b>                           |                |   |           |  |           |                      |                  |
| <b>Non - Current</b>                     |                |   |           |  |           |                      |                  |
| i. Investments                           | 32.38          |   | 6.31      |  |           | 32.38                | 6.31             |
| ii. Others                               | 8.16           |   |           |  |           | 8.16                 |                  |
| <b>Current</b>                           |                |   |           |  |           |                      |                  |
| i. Investments                           | NIL            |   |           |  |           | NIL                  |                  |
| ii. Trade receivables                    | 382.98         |   |           |  |           | 382.98               |                  |
| iii. Cash and cash equivalents           | 78.41          |   |           |  |           | 78.41                |                  |
| iv. Bank balances other than (iii) above | NIL            |   |           |  |           | NIL                  |                  |
| v. Loans                                 | 7.73           |   |           |  |           | NIL                  |                  |
| vi. Others                               | 3.91           |   |           |  |           | 3.91                 |                  |
| <b>Total</b>                             | <b>513.57</b>  | -   | 6.31      | -  | -         | <b>505.84</b>        | 6.31             |
| <b>Liabilities:</b>                      |                |   |           |  |           |                      |                  |
| <b>Non - Current</b>                     |                |   |           |  |           |                      |                  |
| i. Lease Liability                       | 100.56         |   |           |  |           | 100.56               |                  |
| <b>Current</b>                           |                |   |           |  |           |                      |                  |
| i. Lease Liability                       | 24.43          |   |           |  |           | 24.43                |                  |
| ii. Trade Payable                        | 499.90         |   |           |  |           | 499.90               |                  |
| iii. Other financial liabilities         | 37.28          |   |           |  |           | 37.28                |                  |
| <b>Total</b>                             | <b>662.17</b>  | -   | -         | -  | -         | <b>662.17</b>        | -                |

In ₹ Lakhs

**Fair value measurement as at March 31, 2023 :**

| Particulars                      | Fair value measurement using |                                 |                               |                                 | Total         |
|----------------------------------|------------------------------|---------------------------------|-------------------------------|---------------------------------|---------------|
|                                  | Date of valuation            | Quoted prices in active markets | Significant observable inputs | Significant unobservable inputs |               |
|                                  |                              | (Level 1)                       | (Level 2)                     | (Level 3)                       |               |
| <b>Financial Assets</b>          |                              |                                 |                               |                                 |               |
| (i) Investments                  | 31 <sup>st</sup> March 2023  | 6.65                            | -                             | -                               | 6.65          |
| (ii) Loans                       | 31 <sup>st</sup> March 2023  |                                 |                               | 1.34                            | 1.34          |
| (iii) Others                     | 31 <sup>st</sup> March 2023  |                                 |                               | 12.14                           | 12.14         |
| <b>Total</b>                     |                              | <b>6.65</b>                     | <b>-</b>                      | <b>13.48</b>                    | <b>20.13</b>  |
| <b>Financial Liability</b>       |                              |                                 |                               |                                 |               |
| (i) lease Liability              | 31 <sup>st</sup> March 2023  | -                               | -                             | 100.56                          | 100.56        |
| (ii) Other financial liabilities | 31 <sup>st</sup> March 2023  |                                 |                               | 35.27                           | 35.27         |
| <b>Total</b>                     |                              |                                 |                               | <b>135.83</b>                   | <b>135.83</b> |

**Fair value measurement as at March 31, 2022 :**

| Particulars                      | Fair value measurement using |                                 |                               |                                 | Total         |
|----------------------------------|------------------------------|---------------------------------|-------------------------------|---------------------------------|---------------|
|                                  | Date of valuation            | Quoted prices in active markets | Significant observable inputs | Significant unobservable inputs |               |
|                                  |                              | (Level 1)                       | (Level 2)                     | (Level 3)                       |               |
| <b>Financial Assets</b>          |                              |                                 |                               |                                 |               |
| (i) Investments                  | 31 <sup>st</sup> March 2022  | 6.31                            | -                             | -                               | 6.31          |
| (ii) Loans                       | 31 <sup>st</sup> March 2022  |                                 |                               | 7.73                            | 7.73          |
| (iii) Others                     | 31 <sup>st</sup> March 2022  |                                 |                               | 12.07                           | 12.07         |
| <b>Total</b>                     |                              | <b>6.31</b>                     | <b>-</b>                      | <b>19.80</b>                    | <b>26.11</b>  |
| <b>Financial Liability</b>       |                              |                                 |                               |                                 |               |
| (i) lease Liability              | 31 <sup>st</sup> March 2022  | -                               | -                             | 124.99                          | 124.99        |
| (ii) Other financial liabilities | 31 <sup>st</sup> March 2022  |                                 |                               | 37.28                           | 37.28         |
| <b>Total</b>                     |                              |                                 |                               | <b>162.27</b>                   | <b>162.27</b> |

The management assessed that security deposits, loan to related parties, other financial assets and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

(i) Long-term fixed-rate and variable-rate receivables are evaluated by the Company based on parameters such as interest rates, individual creditworthiness of the customer and other market risk factors. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.

(ii) All the other long term borrowing facilities availed by the Company are variable rate facilities which are subject to changes in underlying Interest rate indices. Further, the credit spread on these facilities are subject to change with changes in Company's creditworthiness. The management believes that the current rate of interest on these loans are in close approximation from market rates applicable to the Company. Therefore, the management estimates that the fair value of these borrowings are approximate to their respective carrying values.

### 36. Financial Risk Management Framework

Risk management framework

The Company's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the Company is exposed to and how the Company manages the risk and the related impact in the financial statements.

| Risk                        | Exposure arising from   | Measurement                 | Management  |
|-----------------------------|---|-----------------------------|---|
| Credit risk                 | Cash and cash equivalents, trade receivables, financial assets measured at amortised cost | Ageing analysis             | Bank deposits, diversification of asset base, credit limits and collateral.   |
| Liquidity risk              | Borrowings and other liabilities  | Rolling cash flow forecasts | Availability of committed credit lines and borrowing facilities   |
| Market risk – interest rate | Long-term borrowings at variable rates  | Sensitivity analysis        | Negotiation of terms that reflect the market factors  |
| Market risk- Security price | Investments in equity securities  | Sensitivity analysis        | Company presently does not make significant investments in equity shares, except for entities where it exercises control or joint control or significant influence. |

The Company's risk management is carried out by a central treasury department (of the Company) under policies approved by the board of directors. The board of directors provides written principles for overall risk management, as well as policies covering specific areas, such as interest rate risk, credit risk and investment of excess liquidity.

#### Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investments in debt securities.

The carrying amount of financial assets represents the maximum credit exposure.

- cash and cash equivalents,
- trade receivables,
- loans & receivables carried at amortised cost, and
- deposits with banks

a) Credit risk management

The Company assesses and manages credit risk based on internal credit rating system, continuously monitoring defaults of customers and other counterparties, identified either individually or by the company, and incorporates this information into its credit risk controls. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

A: Low

B: Medium

C: High

Assets under credit risk:

| Description |                           | March 31, 2023 | March 31, 2022 |
|-------------|---------------------------|----------------|----------------|
| A: Low      | Loans                     | 1.34           | 7.73           |
|             | Investments               | 14.75          | 38.69          |
|             | Other financial assets    | 12.14          | 12.07          |
|             | Cash and cash equivalents | 52.05          | 78.41          |
|             | Other bank balances       | -              | -              |
| B: Medium   | Trade receivables         | 266.47         | 382.98         |

Trade receivables

Ind AS requires expected credit losses to be measured through a loss allowance. The Company assesses at each date of statements of financial position whether a financial asset or a group of financial assets is impaired. Expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. Company's exposure to customers is towards related parties and not subject to significant credit risk based on past history.

Non-Current Investment:

The Company holds non-current investment in mutual funds of at 31 March 2023 and 31 March 2022. The credit risk on mutual funds is limited.

Cash and cash equivalents

The Company holds cash and cash equivalents. The credit risk on liquid funds is limited.

Other financial assets measured at amortised cost

Other financial assets measured at amortised cost includes loans and advances to employees, security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

b) Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Company maintains flexibility in funding by maintaining availability under committed facilities. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the company operates.

Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity of the Company based on their contractual maturities for all non-derivative financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

**Year ended March 31, 2023**

In ₹ Lakhs

| Particulars                 | Balance       | in next 12 months | >1 year <5   | > 5 year | Total         |
|-----------------------------|---------------|-------------------|--------------|----------|---------------|
| Lease Liability             | 100.56        | 28.65             | 71.91        | -        | 100.56        |
| Borrowings                  | -             | -                 | -            | -        | -             |
| Trade payables              | 630.67        | 628.04            | 2.63         | -        | 630.67        |
| Other financial liabilities | 35.27         | 35.27             | -            | -        | 35.27         |
| <b>Total</b>                | <b>766.50</b> | <b>691.96</b>     | <b>74.54</b> | <b>-</b> | <b>766.50</b> |

**Year ended March 31, 2022**

In ₹ Lakhs

| Particulars                 | Balance       | in next 12 months | >1 year <5    | > 5 year | Total         |
|-----------------------------|---------------|-------------------|---------------|----------|---------------|
| Lease Liability             | 124.99        | 24.43             | 100.56        | -        | 124.99        |
| Borrowings                  | -             | -                 | -             | -        | -             |
| Trade payables              | 499.90        | 499.90            | -             | -        | 499.90        |
| Other financial liabilities | 37.28         | 37.28             | -             | -        | 37.28         |
| <b>Total</b>                | <b>662.17</b> | <b>561.61</b>     | <b>100.56</b> | <b>-</b> | <b>662.17</b> |

**Market Risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes.

In ₹ Lakhs

| Particulars | Liabilities (Foreign currency) |                              | Assets (Foreign currency)    |                              |
|-------------|--------------------------------|------------------------------|------------------------------|------------------------------|
|             | 31 <sup>st</sup> March 202 3   | 31 <sup>st</sup> March 202 2 | 31 <sup>st</sup> March 202 3 | 31 <sup>st</sup> March 202 2 |
| USD         | 0.08                           | 0.07                         | 0.69                         | 1.36                         |
| EURO        | 2.38                           | -                            | 0.42                         | 0.02                         |
| CNY         | -                              | -                            | -                            | 0.04                         |
| GBP         | -                              | -                            | -                            | 0.04                         |
| YEN         | -                              | -                            | -                            | -                            |

In ₹ Lakhs

| Particulars | Liabilities (INR)            |                              | Assets (INR)                 |                              |
|-------------|------------------------------|------------------------------|------------------------------|------------------------------|
|             | 31 <sup>st</sup> March 202 3 | 31 <sup>st</sup> March 202 2 | 31 <sup>st</sup> March 202 3 | 31 <sup>st</sup> March 202 2 |
| USD         | 6.93                         | 5.43                         | 57.34                        | 102.77                       |
| EURO        | 201.81                       | -                            | 38.02                        | 1.64                         |
| CNY         | -                            | -                            | -                            | 0.45                         |
| GBP         | -                            | -                            | -                            | 3.54                         |
| YEN         | -                            | -                            | -                            | -                            |

**Sensitivity analysis**

| Particulars                          | 31 <sup>st</sup> March 202 3 |          | 31 <sup>st</sup> March 202 2 |          |
|--------------------------------------|------------------------------|----------|------------------------------|----------|
|                                      | Increase                     | Decrease | Increase                     | Decrease |
| Forex rate fluctuation (1% movement) | 3.04                         | -3.04    | 1.14                         | -1.14    |

**Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rates. The company keeps majority of its borrowings with floating interest rates and company looks out for opportunity for optimization of interest cost, based on prevailing market scenarios and performance of the company.

**c) Price risk**
**Exposure**

The Company's exposure price risk arises from investments held and classified in the balance sheet either as fair value through other comprehensive income or at fair value through profit or loss. To manage the price risk arising from investments, the Company diversifies its portfolio of assets.

The Company does not have any significant investments in equity instruments which create an exposure to price risk.

### 37. Earnings per share

Basic earnings per share is calculated by dividing:

- i. the profit attributable to owners of the group
- ii. by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

In ₹ Lakhs except number of shares and earning per share

| Particulars  | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|--|-----------------------------|-----------------------------|
| <b>(a) Basic earnings per share</b>  |                             |                             |
| i. Profit (loss) attributable to equity shareholders(basic)                        | (184.47)                    | 281.46                      |
| ii. Weighted average number of equity shares (basic)                               | 10678796                    | 10678796                    |
| Total basic earnings per share attributable to the equity holders of the company   | (1.73)                      | 2.64                        |
| <b>(b) Diluted earnings per share</b>  |                             |                             |
| i. Profit (loss) attributable to equity shareholders(basic)                        | (184.47)                    | 281.46                      |
| ii. Weighted average number of equity shares (basic)                               | 10678796                    | 10678796                    |
| Total diluted earnings per share attributable to the equity holders of the company | (1.73)                      | 2.64                        |

### 38 Post Employment benefits.

Defined contribution Plans :

The Company makes specified monthly contributions towards employee provident fund to Government administered provident fund scheme which is a defined contribution plan. The Company's contribution is recognized as an expense in the statement of profit and loss during the period in which the employee renders the related service.

For details about the related employee benefit expenses, see Note 26.

Defined benefit plan – Gratuity:

Description of the Gratuity Plan :

The company provides for gratuity a defined benefit retirement plan covering eligible employees. Gratuity plan provides for a lumpsum payment to employees on retirement, death, incapacitation, termination of employment, of amount that are based on salaries and tenure of the employees. 'Gratuity liability is funded with Life Insurance Corporation of India (LIC)'.

#### A. Reconciliation of the defined benefit liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset) liability and its components.

Reconciliation of present value of defined benefit obligation

In ₹ Lakhs

| Particulars                          | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|--------------------------------------|-----------------------------|-----------------------------|
| Balance at the beginning of the year | 62.62                       | 49.38                       |
| Current service cost                 | 8.81                        | 9.70                        |
| Interest cost                        | 4.20                        | 3.11                        |
| Benefits Paid                        | (2.28)                      | (0.66)                      |
| Actuarial (gains) losses recognised  |                             |                             |
| Experience adjustments               | (4.33)                      | 2.82                        |
| Financial Assumption adjustment      | (2.11)                      | (1.73)                      |
| Balance at the end of the year       | 66.91                       | 62.62                       |

**B. Expense recognised in profit or loss**

In ₹ Lakhs

| Particulars                           | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|---------------------------------------|-----------------------------|-----------------------------|
| Current service cost                  | 8.81                        | 9.70                        |
| Interest on defined benefit Liability | 0.77                        | 0.38                        |
| Past service Cost                     | -                           | -                           |
| <b>Total</b>                          | <b>9.58</b>                 | <b>10.08</b>                |

**Remeasurements recognised in other comprehensive income**

In ₹ Lakhs

| Particulars  | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|--|-----------------------------|-----------------------------|
| Actuarial (gain)/loss on Obligation for the period | 5.61                        | (0.83)                      |
| Actuarial (gain)/loss due to DBO assumption change | -                           | -                           |
| <b>Total</b>                                       | <b>(5.61)</b>               | <b>(0.83)</b>               |

**C. Actuarial assumptions**

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

In ₹ Lakhs

| Particulars                                 | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|---|-----------------------------|-----------------------------|
| Discount rate                               | 7.20%                       | 6.70%                       |
| Future salary growth                        | 5.00%                       | 5.00%                       |
| Interest Rate on Net DBO                    | 6.70%                       | 6.30%                       |
| Withdrawal Rate                             | 10.00%                      | 10.00%                      |
| Mortality table                             | IALM 2012 -14<br>(Ult.)     | IALM 2012 -14<br>(Ult.)     |
| Weighted average duration of the obligation | 7 years                     | 7 years                     |

**A. Sensitivity analysis**

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

In ₹ Lakhs

| Particulars  | 31 <sup>st</sup> March 2023 |          | 31 <sup>st</sup> March 2022 |          |
|--|-----------------------------|----------|-----------------------------|----------|
|  | Increase                    | Decrease | Increase                    | Decrease |
| Discount rate (1% movement)                          | 3.88                        | 4.36     | 3.98                        | 4.50     |
| Future salary growth (1% movement)                   | 4.41                        | 3.99     | 4.53                        | 4.07     |
| Attrition rate (1% movement)                         | 0.36                        | 0.41     | 0.17                        | 0.22     |
| Mortality (increase in expected lifetime by 1 year)  | -                           | 0.01     | -                           | 0.01     |
| Mortality (increase in expected lifetime by 3 years) | -                           | 0.02     | -                           | 0.02     |

Note : The sensitivity is performed on the DBO at the respective valuation date by modifying one parameter whilst retaining other parameters constant. There are no changes from the previous period to the methods and assumptions underlying the sensitivity analyses.

**39. Segment informations**

As per Ind AS 108- "Operating Segment", segment information has been provided under the Notes to Consolidated Financial Statements.

**40. Exceptional Item**

Exceptional items represents, the Company has bought back in to wholly owned subsidiary (WOS), on such buyback share of profit of Rs. 13.44 lakhs (19.72 lakhs) recognised. The same has been treated as exception item.

32. The Company's objective is to maintain a strong capital base to ensure sustained growth in business. The Company's management focusses to maintain an optimal structure that balances growth and maximizes shareholder value. The Company is predominantly equity financed. Further, the Company has sufficient cash and cash equivalents and financial assets which are liquid to meet its financial obligations.

#### 42. Additional Regulatory information pursuant to the provisions of Schedule III of The Companies Act, 2013

- a. Title deeds of Immovable Property not held in name of the Company  
During the year, the company has no immovable property whose title deeds are not in the name of the company.
- b. During the year, company has not revalued any Property, Plant and Equipment.
- c. Details of Benami Property held and the proceedings under the Benami Transactions (Prohibition) Act, 1988 and Rules made thereunder.:  
During the year, there is no such proceedings have been initiated or pending as on the date of balance sheet, against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and Rules made thereunder.
- d. Borrowings on security of current asset  
The company has not obtained any long term or short term borrowings during the year from any banks or financial institutions.
- e. During the year, the company was not declared as wilful defaulter by any bank or financial Institution or other lender.
- f. Based on the information available with the Company, there are no transactions with struck off companies.
- g. Registration of charges or satisfaction with Registrar of Companies  
The Company does not have any charges or satisfaction which is yet to be registered with registrar of companies beyond the statutory period.
- h. The Company has wholly owned Subsidiary at USA. As per the provisions of the proviso the sub-rule(1) of the Companies (Restriction on number of Layers) Rules, 2017 (as amended), the said layer is not to be considered and hence the provisions of clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017 (as amended) are not applicable.
- i. Financial Ratios :

| SR. NO. | RATIO                     | NUMERATOR  | AS AT MARCH 31, |      | % OF VARIANCE | REASONS FOR VARIANCE IN EXCESS OF 25%  |
|---------|---------------------------|--|-----------------|------|---------------|--|
|         |                           | DENOMINATOR  | 2023            | 2022 |               |  |
| A.      | Current Ratio ( In times) | <u>Current assets</u><br>( As per Balance sheet)<br>Inventories + Trade Receivables + Cash and Cash Equivalents + Short term Loans and advances + other current assets<br><u>Current Liabilities</u><br>(As per Balance sheet)<br>Short term borrowings + trade payables + Other current liabilities + Short term provisions | 1.63            | 2.12 | -23.18        | Since the variance in the ratio is less than 25%, reasons for change is not given. |

|    |  |  |        |       |         |  |
|----|--|--|--------|-------|---------|--|
| B. | Debt - Equity Ratio (In times)         | <p><b>Total Debts</b><br/>(As per Balance sheet)<br/>Total long Term Borrowings + Total Short Term Borrowings</p> <p><b>Shareholder's Equity</b><br/>(As per Balance sheet)<br/>Paid up Share Capital + Reserves and surplus</p> | -      | -     | -       | The company does not have debt, hence Debt-Equity Ratio are not applicable.  |
| C. | Debt Service Coverage Ratio (In times) | <p>Profit before Exceptional items and Tax + Interest Expense + Depreciation and amortization - Current Tax expense</p> <p>Interest Expense + Principal repayment of long term debt</p>  | -      | -     | -       | The company does not have debt, hence Debt-Service Coverage Ratio are not applicable.  |
| D. | Return on Equity Ratio (in %)          | <p>Profit after Tax</p> <p>Share holder's fund</p>   | -0.08  | 0.11  | -170.41 | The decrease is mainly due to the fact that during the year under consideration, there is loss whereas in the preceding year there was profit after tax.           |
| E. | Inventory T/O. Ratio (in times)        | <p><b>Cost of Goods Sold</b><br/>(Opening Stock of Inventory + Purchases + Direct Expenses - Closing Inventory)</p> <p><b>Average inventory</b><br/>((Opening Inventory + Closing Inventory)/2))</p>                             | 1.27   | 2.08  | -38.93  | The decrease is mainly due to the fact that, during the year the average inventory is more than the preceding year.  |
| F. | Trade Receivable T/O Ratio (in Days)   | <p><b>Average Trade receivable * 365 days</b><br/>((Opening trade receivable + Closing trade Receivable)/2)</p> <p><b>Gross Sales</b><br/>(Revenue from operations from Profit &amp; Loss Account)</p>                           | 63.32  | 45.03 | 40.62   | The increase is mainly due to the fact that during the year the Revenue from operation is decreased as compared to last year.                                      |
| G. | Trade payable T/O Ratio (in Days)      | <p><b>Average Trade payable * 365 days</b><br/>((Opening trade payable + Closing trade Payable)/2)</p> <p><b>Gross Purchases</b></p>   | 156.30 | 97.69 | 60.01   | The increase is mainly due to the fact that during the year the Average trade payables are increased whereas the purchases are decreased as compared to last year. |
| H. | Net Capital T/O Ratio (In times)       | <p><b>Revenue from operations</b><br/>(from profit and loss account)</p> <p><b>Working Capital</b><br/>(Current Assets as per Balance sheet - Current Liabilities excluding current maturity of long term debts)</p>             | 2.98   | 3.64  | -18.23  | Since the variance in the ratio is less than 25%, reasons for change is not given.   |
| I. |  | Profit after Tax   | -0.10  | 0.09  | -211.23 |  |

j. During the year, no scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

k. A) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries).

B) The company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the funding party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**l. Undisclosed Income**

During the year, there are no transactions which are not recorded in the books of accounts that has been surrendered or disclosed as income in the Tax Assessment under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income-tax Act, 1961).

**m. Corporate Social Responsibility (CSR)**

During the year, the company is not covered by the provisions of section 135 of Companies Act, 2013 and hence the company is not required to apply the CSR Rules.

**n. Details of Crypto Currency or Virtual Currency**

During the year, the company has not traded or invested in any Crypto Currency or Virtual Currency and hence not applicable.

**o. Earning in Foreign Currency (Accrual Basis) :**

In ₹ Lakhs

| Particulars               | 31 <sup>st</sup> March 202 3 | 31 <sup>st</sup> March 202 2 |
|---------------------------|------------------------------|------------------------------|
| Sale of Goods (FOB value) | 498.17                       | 1040.21                      |

**p. Value of imports calculated on CIF basis:**

In ₹ Lakhs

| Particulars                | 31 <sup>st</sup> March 202 3 | 31 <sup>st</sup> March 202 2 |
|----------------------------|------------------------------|------------------------------|
| Raw Materials & Components | 66.18                        | 151.92                       |
| Capital Goods              | Nil                          | 121.45                       |

**q. Expenditure in Foreign Currency (Accrual Basis)**

In ₹ Lakhs

| Particulars                 | 31 <sup>st</sup> March 202 3 | 31 <sup>st</sup> March 202 2 |
|-----------------------------|------------------------------|------------------------------|
| Foreign Commission Expense  | Nil                          | 12.83                        |
| Machinery Repairing Expense | Nil                          | 0.15                         |
| Exhibition Expense          | 14.78                        | 0.67                         |

**r. Imported and Indigenous raw materials, components and spare parts consumed :**

In ₹ Lakhs

| Particulars | 31 <sup>st</sup> March 202 3 | 31 <sup>st</sup> March 202 2 |
|-------------|------------------------------|------------------------------|
| Imported    | 61.28                        | 144.83                       |
| Indigenous  | 1046.52                      | 1810.97                      |
| Total       | 1107.80                      | 1955.80                      |

**43. The Code on Social Security, 2020**

The Code on Social Security 2020 ('Code') has been notified in the official Gazette on September 29, 2020. The Code is not yet effective and related rules are yet to be notified. Impact if any of the change will be assessed and recognized in the period in which said Code becomes effective and the rules framed thereunder are notified.

**44. Events occurring after the Balance sheet date :**

The company evaluates events and transactions that occur subsequent to the balance sheet date but prior to approval of the financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. As of May 30, 2023, there are no subsequent events to be recognized or reported except disclosed above in the relevant notes.

**45. Approval of Financial Statements**

The financial statements were approved for issue by the Board of Directors on May 30, 2023.

**46.** The figures for the corresponding previous year have been regrouped / reclassified wherever necessary, to make them comparable.

In terms of our attached report of even date For and on behalf of the Board of Directors

For K A SANGHAVI & CO. LLP.  
Chartered Accountants  
Firm Registration No: 120846W/W100289

For and on behalf of the Board of  
Directors of MEERA INDUSTRIES LIMITED

AMISH ASHVINBHAI SANGHAVI  
Partner  
Membership No: 101413  
ICIA UDIN : 23101413BGQWUC7388

Place : Surat  
Date : May 30, 2023

DHARMESH VINDOCHANDRA DESAI  
Director DIN : 00292502  
Place : North Carolina, USA

VINOD SATYANARAYAN OJHA  
Chief Financial Officer  
Place : Surat

BIJAL DHARMESHBHAI DESAI  
Director DIN : 00292319  
Place : Surat

BHAVISHA CHAUHAN  
Company Secretary  
Place : Surat

# INDEPENDENT AUDITORS REPORT

TO THE MEMBERS OF  
MEERA INDUSTRIES LIMITED

## Report on the Consolidated Ind AS Financial Statements

### Opinion

We have audited the accompanying Consolidated Ind AS Financial Statements of MEERA INDUSTRIES LIMITED, (the "Holding Company"), its subsidiaries (the Holding Company and its Subsidiaries together referred to as "the Group"), its associates and joint ventures comprising of the consolidated Balance Sheet as at March 31, 2023, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows for the year ended on that date, and the notes to the consolidated Ind AS financial statements, including a summary of the significant accounting policies and other explanatory information, (hereinafter referred to as "the consolidated financial statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS 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 Group as at March 31, 2023 and its loss, total comprehensive income, change in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the companies Act, 2013. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the consolidated Ind AS Financial Statements section of our report. We are independent of the Group, associates and joint ventures 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 consolidated Ind AS financial statements under the provisions of the Companies Act,

2013 and the Rules 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 consolidated Ind AS financial statements.

### Key Audit Matters

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

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the 'Auditor's Responsibilities for the Audit of the Consolidated 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 consolidated 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 consolidated Ind AS financial statements.

| No. | Key Audit Matter   | How the matter was addressed in our audit   |
|-----|--|---|
| 01. | <p><b>Evaluation of uncertain Tax positions</b><br/>The company has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of the said dispute. Refer Note No. 33 to the consolidated financial statements</p>   | <p>Obtained details of completed Vat Tax assessment and demand as on March 31, 2023 from management.<br/>We involved our internal experts to challenge the management's underlying assumptions in estimating the tax provision and the possible outcome of the dispute. Our internal experts also considered legal precedence and other rulings in evaluating management's position on this uncertain tax position. Additionally, we considered the effect of new information in respect of uncertain tax position as at 01.04.2022 to evaluate whether any change was required to management's position on these uncertainties.</p>  |
| 01. | <p>The Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considered current and anticipated future economic conditions on the basis of the related credit information for its customers to estimate the probability of default in future. We identified Expected credit losses as a key audit matter because of the significant judgement involved in calculating the expected credit losses. This required a high degree of auditor judgment and an increased extent of effort when performing audit procedures to evaluate the reasonableness of management's estimate of the expected credit losses.</p> | <p>Our audit procedures related to the allowance for credit losses for trade receivables included the following, among others:</p> <ol style="list-style-type: none"> <li>a) We tested the effectiveness of controls over the               <ol style="list-style-type: none"> <li>(1) development of the methodology for the allowance for credit losses, including consideration of the current and estimated future economic conditions,</li> <li>(2) completeness and accuracy of information used in the estimation of probability of default, and</li> <li>(3) computation of the allowance for credit losses.</li> </ol> </li> <li>b) For a sample of customers we tested the input data such as credit related information used in estimating the probability of default by comparing them to external and internal sources of information.</li> <li>c) We evaluated the incorporation of the applicable assumptions into the estimate of expected credit losses and tested the mathematical accuracy and computation of the allowances by using the same input data used by the Company. We evaluated the qualitative adjustment to the historical loss rates, including assessing the basis for the adjustments and the reasonableness of the significant assumptions.</li> </ol> |

### Other Information

The Holding company's management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the company's annual report, management discussion and analysis, Board's report including Annexures to Board's report but does not include the consolidated Ind AS Financial Statements and our auditor's report thereon.

Our opinion on the Consolidated Ind AS Financial

Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Ind AS Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated /

inconsistent.

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

### **Responsibilities of Management and Those charged with Governance for the Consolidated Ind AS Financial Statements**

The Holding Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Group including its associates and joint ventures in accordance with the accounting principles generally accepted in India, including The Indian Accounting Standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective board of directors of the companies included in Groups and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Group and its associates and joint ventures and for preventing and detecting the frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, management and Board of Directors are responsible for assessing the Group and its associates and joint ventures ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Boards of Directors of the companies included in the Group and of its associates and joint ventures are also responsible for overseeing the financial reporting process of the Group and of its associates and joint ventures.

### **Auditor's Responsibility for the Audit of the Consolidated Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the consolidated Ind AS 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 Holding Company has adequate internal financial controls with reference to consolidated Ind AS financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the consolidated Ind AS financial statements made by management and the 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 Group 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 consolidated Ind AS 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 consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and joint ventures of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.

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

We communicate with those charged with governance of the Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

safeguards

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

### Other Matters

The accompanying consolidated Financial statements include total assets of Rs. 83.46 Lakhs as at March 31, 2023 (Rs. 169.42 lakhs as at March 31, 2022) and total revenue of Rs. 233.82 Lakhs (Rs. 129.49 Lakhs) and net cash flows amounting to Rs. 12.60 Lakhs (Rs. 12.63 Lakhs) for the year ended on that date in respect of the wholly owned subsidiary company incorporated outside India (i.e. USA) which has not been audited by us, whose financial statements and other financial informations have been compiled at USA by the certified CPA and as per the certificate issued by the CPA, the wholly Owned Subsidiary at USA is not required to get its books of accounts audited for the year under reporting as per the US Regulatory Laws. Therefore, the unaudited Financial results of the subsidiary has been compiled at USA and accordingly included in this consolidated Financial Statements for the year ended on 31st March, 2023. Our opinion, in so far it relates to amounts and disclosures in respect of this wholly owned subsidiary is based solely on such unaudited financial statement and other financial information as compiled by the certified CPA at USA.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013 we give in the "Annexure-A", a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. (A) As required by Section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit:

b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the statement of other comprehensive income, the Consolidated Cash Flow Statement and the Consolidated statement of changes in equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

d. In our opinion, the aforesaid Consolidated Ind AS Financial Statements comply with the IND AS specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;

e. On the basis of the written representations received from the directors of the Company as on March 31, 2023 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

f. With respect to the adequacy of the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" which is based on the auditors' reports of the Company and its subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of those companies.

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

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

The remuneration paid to any director is not in excess of the limits laid down under section 197 read with Schedule V of the Act.

(C) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, as

amended, in our opinion and to the best of our information and according to the explanations given to us:

1. The consolidated financial statements disclose the impact of pending litigations as at 31ST March, 2023 on its financial position in its consolidated Ind AS financial statements – Refer Note 33 to the financial statements.

2. The Group, its associates and joint ventures did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.

3. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding company, its subsidiaries, its associates and joint ventures during the year ended March 31, 2023.

4. i. The respective management of the Holding Company, its subsidiaries, its associates and joint ventures have represented that, to the best of its knowledge and belief, other than as disclosed in the 14 to the consolidated Ind AS financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group, Associates and joint ventures to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group, associates and joint ventures ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

ii. The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

iii. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, 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.

Place : SURAT  
Date : May 30, 2023

5. During the year, the company has not declared or paid any dividend in contravention of the provisions of Section 123 of the Companies Act, 2013.

6. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

**for K A SANGHAVI AND CO LLP**  
Chartered Accountants  
FRN : 0120846W/W100289

**AMISH ASHVINBHAI SANGHAVI**  
**PARTNER**  
M. NO. 101413  
ICAI UDIN : 23101413BGQWUC7388  
1001, 1002, 1003, RAJHANS BONISTA,  
RAM CHOWK, GHOD DOD ROAD,  
SURAT-395007 GUJARAT

**Annexure A referred to in paragraph 1 under the heading Report on other legal and regulatory requirements of our report of even date****Re: Meera Industries Limited**

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

XXI. The WOS Meera Industries USA LLC is incorporated in USA and not required to get its books of accounts audited as per the US regulatory law and therefore, there is no Independent Auditor's report in respect of the subsidiary company whose accounts are incorporated in this Consolidated Ind AS Financial Statements. Therefore, we are not able to comment on this clause.

**Place: SURAT**  
**Date: May 30, 2023**

**for K A SANGHAVI AND CO LLP**  
Chartered Accountants  
FRN : 0120846W/W100289

**AMISH ASHVINBHAI SANGHAVI**  
**PARTNER**  
M. NO. 101413  
ICAI UDIN : 23101413BGQWUC7388  
1001, 1002, 1003, RAJHANS BONISTA,  
RAM CHOWK, GHOD DOD ROAD,  
SURAT-395007 GUJARAT

## **ANNEXURE - B TO THE INDEPENDENT AUDITOR'S REPORT (Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Meera Industries Limited of even date)**

### **Report on the Internal Financial Controls with reference to Consolidated Financial Statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")**

In conjunction with our audit of the consolidated financial statements of Meera Industries Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2023, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies (the Holding Company and its subsidiaries together referred to as "the Group"), its associates and joint ventures as of that date.

#### **Management's Responsibility for Internal Financial Controls**

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "ICAI").

These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued

by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to consolidated financial statements was established and maintained and whether 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting with reference to consolidated financial statements included obtaining an understanding of such internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting with reference to the consolidated financial statements.

#### **Meaning of Internal Financial Controls over Financial Reporting with reference to Consolidated Financial Statements**

A company's internal financial control over financial reporting with reference to the consolidated financial statements is a process designed to provide reasonable



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

## **Inherent Limitations of Internal Financial Controls over Financial Reporting with reference to the Consolidated Financial Statements**

Because of the inherent limitations of internal financial

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

## **Opinion**

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

Place : SURAT  
Date : May 30, 2023

**for K A SANGHAVI AND CO LLP**  
Chartered Accountants  
FRN : 0120846W/W100289

**AMISH ASHVINBHAI SANGHAVI**  
**PARTNER**  
M. NO. 101413  
ICAI UDIN : 23101413BGQWUC7388  
1001, 1002, 1003, RAJHANS BONISTA,  
RAM CHOWK, GHOD DOD ROAD,  
SURAT-395007 GUJARAT





**MEERA INDUSTRIES LIMITED**  
**CIN : L29298GJ2006PLC048627**  
**Consolidated Balance Sheet as at 31st March, 2023**

In ₹ Lakhs

| Particulars                               | Note No. | As at 31st March, 2023 | As at 31st March, 2022 |
|---|----------|------------------------|------------------------|
| <b>I. ASSETS</b>                          |          |                        |                        |
| <b>1) Non-current assets</b>              |          |                        |                        |
| a) Property, Plant and Equipment          | 3(a)     | 1,840.06               | 1,457.40               |
| b) Capital work-in-progress               | 3(b)     | -                      | 288.31                 |
| c) Right of use assets                    | 3(a)     | 87.38                  | 116.51                 |
| d) Other Intangible assets                | 4(a)     | 12.60                  | 16.43                  |
| e) Intangible assets under development    | 4(b)     | 1.75                   | 1.75                   |
| g) Financial Assets                       |          |                        |                        |
| (i) Investments                           | 5        | 6.65                   | 6.31                   |
| (ii) Trade receivables                    |          |                        |                        |
| (iii) Loans                               |          |                        |                        |
| (iv) other financial assets               | 6(a)     | 7.91                   | 8.16                   |
| j) Other non-current assets               |          |                        |                        |
| <b>Total Non-current assets</b>           |          | <b>1,956.35</b>        | <b>1,894.87</b>        |
| <b>2) Current assets</b>                  |          |                        |                        |
| a) Inventories                            | 7        | 1066.65                | 991.76                 |
| b) Financial Assets                       |          |                        |                        |
| (i) Investments                           |          | -                      | -                      |
| (ii) Trade receivables                    | 8        | 253.88                 | 323.13                 |
| (iii) Cash and cash equivalents           | 9        | 52.08                  | 91.04                  |
| (iv) Bank balances other than (iii) above |          | -                      | -                      |
| (v) Loans                                 | 10       | 1.34                   | 7.73                   |
| (vi) other financial assets               | 6(b)     | 4.23                   | 3.91                   |
| c) Current Tax Assets (Net)               | 11       | 9.91                   | 0.00                   |
| d) Other current assets                   | 12       | 226.17                 | 285.38                 |
| <b>Total Current assets</b>               |          | <b>1614.25</b>         | <b>1702.95</b>         |
| <b>Total Assets</b>                       |          | <b>3,570.60</b>        | <b>3,597.82</b>        |
| <b>II. EQUITY AND LIABILITIES</b>         |          |                        |                        |
| <b>A) EQUITY</b>                          |          |                        |                        |
| a) Equity share capital                   | 13       | 1067.88                | 1067.88                |
| b) Other Equity                           | 14       | 1411.08                | 1547.08                |
| <b>Total Equity</b>                       |          | <b>2478.96</b>         | <b>2614.96</b>         |
| <b>B) LIABILITIES</b>                     |          |                        |                        |
| <b>1) Non-current liabilities</b>         |          |                        |                        |
| a) Financial Liabilities                  |          |                        |                        |
| (i) Borrowings                            |          |                        |                        |
| (ii) Lease liabilities                    | 15       | 71.91                  | 100.56                 |

|  |    |                |                |
|--|----|----------------|----------------|
| (iii) Trade Payables   |    |                |                |
| Total outstanding dues of micro enterprises and small enterprises, and                 |    |                |                |
| Total outstanding dues of creditors other than micro enterprises and small enterprises |    |                |                |
| (iv) Other financial liabilities (other than those specified in item b)                |    |                |                |
| b) Provisions  | 16 | 5.43           | 12.68          |
| c) Deferred tax liabilities (Net)  | 17 | 50.46          | 49.36          |
| d) Other non-current liabilities   | 20 | 4.79           | -              |
| <b>Total Non-current Liabilities</b>   |    | <b>132.59</b>  | <b>162.60</b>  |
| <b>2) Current liabilities</b>  |    |                |                |
| a) Financial Liabilities   |    |                |                |
| (i) Borrowings   |    |                |                |
| (ii) Lease liabilities   | 15 | 28.65          | 24.43          |
| (iii) Trade Payables   | 18 |                |                |
| Total outstanding dues of micro enterprises and small enterprises, and                 |    | 89.03          | 76.41          |
| Total outstanding dues of creditors other than micro enterprises and small enterprises |    | 541.64         | 423.55         |
| (iv) Other financial liabilities (other than those specified in item c)                | 19 | 37.58          | 99.10          |
| b) Other Current liabilities   | 20 | 249.60         | 125.79         |
| c) Provisions  | 16 | 12.55          | 14.69          |
| d) Current Tax Liabilities (net)   | 21 | -              | 56.29          |
| <b>Total Current liabilities</b>   |    | <b>959.05</b>  | <b>820.26</b>  |
| <b>Total Liabilities</b>   |    | <b>1091.64</b> | <b>982.86</b>  |
| <b>Total Equity and Liabilities</b>  |    | <b>3570.60</b> | <b>3597.82</b> |

See accompanying notes to Consolidated Financial Statements which form an integral part of Financial Statements. In terms of our attached report of even date

For K A SANGHAVI & CO. LLP.  
Chartered Accountants  
Firm Registration No: 120846W/W100289

For and on behalf of the Board of  
Directors of MEERA INDUSTRIES LIMITED

AMISH ASHVINBHAI SANGHAVI  
Partner  
Membership No: 101413  
ICIA UDIN : 23101413BGQWUC7388

DHARMESH VINDOCHANDRA DESAI  
Director DIN : 00292502  
Place : North Carolina, USA

BIJAL DHARMESHBHAI DESAI  
Director DIN : 00292319  
Place : Surat

Place : Surat  
Date : May 30, 2023

VINOD SATYANARAYAN OJHA  
Chief Financial Officer  
Place : Surat

BHAVISHA CHAUHAN  
Company Secretary  
Place : Surat

**MEERA INDUSTRIES LIMITED**  
**CIN : L29298GJ2006PLC048627**

**Consolidated Statement of Profit and Loss for the year ended March 31, 2023**

In ₹ Lakhs

| Particulars   | Note No. | For the year ended<br>31st March, 2023 | For the year ended<br>31st March, 2022 |
|---|----------|--|--|
| I. Revenue from operation   | 22       | 2033.76                                | 3166.29                                |
| II. Other Income  | 23       | 27.39                                  | 22.75                                  |
| <b>III. Total Income (I+II)</b>   |          | <b>2061.15</b>                         | <b>3189.04</b>                         |
| IV. Expenses  |          |  |  |
| a) cost of materials consumed   | 24       | 1107.80                                | 1959.79                                |
| b) purchase of stock-in-trade   |          |  |  |
| c) Changes in inventories of finished goods, Stock-in-Trade and work-in-progress      | 25       | 135.74                                 | -311.90                                |
| d) Employee benefits expense  | 26       | 393.70                                 | 444.91                                 |
| e) Finance costs  | 27       | 10.39                                  | 11.51                                  |
| f) Depreciation and amortization expenses   | 28       | 109.19                                 | 101.74                                 |
| g) Other expenses   | 29       | 441.87                                 | 605.81                                 |
| <b>Total expenses (IV)</b>  |          | <b>2198.70</b>                         | <b>2811.86</b>                         |
| V. Profit/(loss) before exceptional items and tax (III-IV)                            |          | -137.55                                | 377.18                                 |
| VI. Exceptional Items   |          | 0.00                                   | 0.00                                   |
| VII. Profit/(loss) before tax (V-VI)  |          | -137.55                                | 377.18                                 |
| VIII. Tax expenses  | 30       |  |  |
| a) Current tax  |          | -                                      | 94.55                                  |
| b) Deferred tax   |          | -0.31                                  | 15.59                                  |
| <b>Total tax expenses</b>   |          | <b>-0.31</b>                           | <b>110.13</b>                          |
| IX. Profit/(loss) for the period from continuing operations (VII-VIII)                |          | -137.23                                | 267.05                                 |
| X. Profit/(loss) from discontinued operations   |          | -                                      | -                                      |
| XI. Tax expenses of discontinued operations   |          | -                                      | -                                      |
| XII. Profit(loss) from discontinued operations (after tax) (X-XI)                     |          | -                                      | -                                      |
| XIII. Profit/(loss) for the year (IX+XII)   |          | -137.23                                | 267.05                                 |
| XIV. Other Comprehensive income   |          |  |  |
| a) Remeasurement costs of Post employment benefits                                    |          | 5.61                                   | -0.83                                  |
| b) Deferred tax on post employment  |          | -1.41                                  | 0.21                                   |
| c) Exchange differences in translating the financial statements of foreign operations |          | -2.97                                  | -                                      |
| <b>Total Other Comprehensive Income for the year, net of tax</b>                      |          | <b>1.23</b>                            | <b>-0.62</b>                           |

|   |  |                |               |
|---|--|----------------|---------------|
| XV. Total comprehensive income/(loss) for the year (XIII+XIV)               |  | <b>-136.00</b> | <b>266.42</b> |
| XVI. Earnings per equity share (for continuing operation)                   |  |                |               |
| a) Basic  |  | -1.29          | 2.50          |
| b) Diluted  |  | -1.29          | 2.50          |
| XVII. Earnings per equity share (for discontinuing operation)               |  |                |               |
| a) Basic  |  | -              | -             |
| b) Diluted  |  | -              | -             |
| XVIII. Earnings per equity share (for continuing & discontinuing operation) |  |                |               |
| a) Basic  |  | -1.29          | 2.50          |
| b) Diluted  |  | -1.29          | 2.50          |

See accompanying notes to Consolidated Financial Statements which form an integral part of Financial Statements. In terms of our attached report of even date

**For K A SANGHAVI & CO. LLP.**  
Chartered Accountants  
Firm Registration No: 120846W/W100289

For and on behalf of the Board of  
Directors of MEERA INDUSTRIES LIMITED

**AMISH ASHVINBHAI SANGHAVI**  
Partner  
Membership No: 101413  
ICIA UDIN : 23101413BGQWUC7388

Place : Surat  
Date : May 30, 2023

**DHARMESH VINDOCHANDRA DESAI**  
Director DIN : 00292502  
Place : North Carolina, USA

**VINOD SATYANARAYAN OJHA**  
Chief Financial Officer  
Place : Surat

**BIJAL DHARMESHBHAI DESAI**  
Director DIN : 00292319  
Place : Surat

**BHAVISHA CHAUHAN**  
Company Secretary  
Place : Surat

**MEERA INDUSTRIES LIMITED**  
**CIN : L29298GJ2006PLC048627**

**Consolidated Statement of cash flows for the year ended March 31, 2023**

| Particulars  | For the year ended<br>31st March, 2023 | For the year ended<br>31st March, 2022 |
|--|--|--|
| <b>Profit (Loss) before tax</b>                                    | -137.55                                | 377.21                                 |
| <b>Adjustments for</b>   |  |  |
| Depreciation and amortisation expense                              | 109.19                                 | 101.74                                 |
| Gain on Sale of Fixed assets                                       | -0.03                                  | -                                      |
| Interest Income  | -0.39                                  | -1.89                                  |
| Gain on Sale of Investments  | -                                      | -1.55                                  |
| Unrealised Gain Loss on Investments                                | -0.34                                  | -0.17                                  |
| Interest on lease liability  | 8.32                                   | 11.51                                  |
| Loss on Sale of Fixed Assets                                       | -                                      | -                                      |
| Expected credit loss on trade receivables                          | -2.69                                  | 19.81                                  |
| Adjustment for consolidation *                                     | -3.12                                  | -                                      |
| Forex Gain Loss  | -                                      | 15.67                                  |
| <b>Change in operating assets and liabilities:</b>                 |  |  |
| (Increase)/Decrease in trade receivables                           | 71.93                                  | 63.99                                  |
| (Increase)/Decrease in Inventory                                   | -74.89                                 | -142.37                                |
| (Increase)/Decrease in Biological Assets                           | -                                      | 0.00                                   |
| Increase/(Decrease) in trade payables                              | 130.71                                 | 44.29                                  |
| (Increase)/Decrease in other financial assets                      | -0.07                                  | 4.84                                   |
| (Increase)/decrease in other non-current assets                    | -                                      | -                                      |
| (Increase)/decrease in other current assets                        | 65.61                                  | 3.57                                   |
| Increase/(decrease) in provisions                                  | -3.77                                  | 9.90                                   |
| Increase/(decrease) in other financial liabilities                 | -61.52                                 | 61.06                                  |
| Increase/(decrease) in other non-current liabilities               | 4.79                                   | -                                      |
| Increase/(decrease) in other current liabilities                   | 123.81                                 | -126.91                                |
| <b>Cash generated from operations</b>                              | <b>229.98</b>                          | <b>440.70</b>                          |
| Income taxes paid  | 66.20                                  | 130.41                                 |
| <b>Net cash inflow from operating activities</b>                   | <b>163.79</b>                          | <b>310.29</b>                          |
| <b>Cash flows from investing activities</b>                        |  |  |
| Proceeds / (Purchase) from sale of investments                     | -                                      | -                                      |
| Purchase of property, plant and equipment                          | -170.85                                | -408.62                                |
| Proceed from sale of property, plant and equipment                 | 0.45                                   | -                                      |
| Investments in Bank deposit having maturity more than three months | -                                      | 122.60                                 |
| Dividend received  | -                                      | -                                      |
| Interest received  | 0.39                                   | 1.30                                   |
| <b>Net cash outflow from investing activities</b>                  | <b>-170.00</b>                         | <b>-284.72</b>                         |

|  |               |                |
|--|---------------|----------------|
| <b>Cash flows from financing activities</b>                      |               |                |
| Proceeds/(Repayment) from borrowings                             | -             | -              |
| Principal repayment towards lease liability                      | -24.43        | -30.60         |
| Dividend paid  | -             | -128.15        |
| Interest paid  | -8.32         | 1.57           |
| <b>Net cash inflow (outflow) from financing activities</b>       | <b>-32.75</b> | <b>-157.18</b> |
| Net increase (decrease) in cash and cash equivalents             | -38.96        | -131.61        |
| Cash and cash equivalents at the beginning of the financial year | 91.04         | 222.65         |
| Cash and cash equivalents at end of the year                     | 52.08         | 91.04          |

| Particulars                                 | For the year ended<br>31st March, 2023 | For the year ended<br>31st March, 2022 |
|---|--|--|
| Balances with banks                         |  |  |
| in current accounts                         | 46.41                                  | 70.42                                  |
| in dollar accounts                          | 1.47                                   | 13.99                                  |
| Cash on hand                                | 4.19                                   | 6.63                                   |
| <b>Balances per statement of cash flows</b> | <b>52.08</b>                           | <b>91.04</b>                           |

See accompanying notes to Consolidated Financial Statements which form an integral part of Financial Statements. In terms of our attached report of even date

**For K A SANGHAVI & CO. LLP**  
Chartered Accountants  
Firm Registration No: 120846W/W100289

For and on behalf of the Board of  
Directors of MEERA INDUSTRIES LIMITED

**AMISH ASHVINBHAI SANGHAVI**  
Partner  
Membership No: 101413  
ICIA UDIN : 23101413BGQWUC7388

**DHARMESH VINDOCHANDRA DESAI**  
Director DIN : 00292502  
Place : North Carolina, USA

**BIJAL DHARMESHBHAI DESAI**  
Director DIN : 00292319  
Place : Surat

Place : Surat  
Date : May 30, 2023

**VINOD SATYANARAYAN OJHA**  
Chief Financial Officer  
Place : Surat

**BHAVISHA CHAUHAN**  
Company Secretary  
Place : Surat

**MEERA INDUSTRIES LIMITED**  
**CIN : L29298GJ2006PLC048627**  
**Consolidated Statement of Changes in Equity**  
**for the year ended March 31, 2023**

**(A) Equity Share Capital**

| Particulars  | Amount          |
|--|-----------------|
| Balance as at March 31, 2021                                       | 1,067.88        |
| Changes in Equity Share Capital due to prior period errors         | -               |
| Restated balance at the beginning of the previous reporting period | -               |
| Changes in equity share capital during the previous year           | -               |
| <b>Balance as at March 31, 2022</b>                                | <b>1,067.88</b> |
| 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            | -               |
| <b>Balance as at March 31, 2023</b>                                | <b>1,067.88</b> |

**(B) Other Equity**

| Particulars  | Securities Premium | General Reserve | Capital Redemption Reserve | Foreign Currency Translation Reserve | Retained Earnings | Total           |
|--|--------------------|-----------------|----------------------------|--------------------------------------|-------------------|-----------------|
| <b>Balance as on March 31, 2021</b>                                | <b>734.05</b>      | -               | -                          | -                                    | 674.73            |                 |
| Changes in accounting policy or prior period errors                | -                  | -               | -                          | -                                    | -                 | -               |
| Restated balance at the beginning of the previous reporting period | -                  | -               | -                          | -                                    | -                 | -               |
| Total Comprehensive Income for the previous year, net of taxes     | -                  | -               | -                          | -                                    | -0.62             | -0.62           |
| Dividends  | -                  | -               | -                          | -                                    | -128.14           | -128.14         |
| Transfer to retained earnings                                      | -                  | -               | -                          | -                                    | 267.06            | 267.06          |
| Transfer to General Reserve  | -                  | -               | -                          | -                                    | -                 | -               |
| Transfer to Capital Redemption Reserve                             | -                  | -               | -                          | -                                    | -                 | -               |
| <b>Balance as on March 31, 2022</b>                                | <b>734.05</b>      | -               | -                          | -                                    | <b>813.03</b>     | <b>1,547.08</b> |
| Changes in accounting policy or prior period errors                | -                  | -               | -                          | -                                    | -                 | -               |
| Restated balance at the beginning of the current reporting period  | -                  | -               | -                          | -                                    | -                 | -               |
| Total Comprehensive Income for the current year, net of taxes      | -                  | -               | -                          | -                                    | 4.20              | 4.20            |
| Dividends  | -                  | -               | -                          | -                                    | -                 | -               |
| Transfer to retained earnings                                      | -                  | -               | -                          | -                                    | -137.23           | -137.23         |
| Transfer to reserve  | -                  | -               | -                          | -2.97                                | -                 | -2.97           |
| Transfer to General Reserve  | -                  | -               | -                          | -                                    | -                 | -               |
| Transfer to Capital Redemption Reserve                             | -                  | -               | -                          | -                                    | -                 | -               |
| <b>Balance as on March 31, 2023</b>                                | <b>734.05</b>      | -               | -                          | <b>-2.97</b>                         | <b>679.99</b>     | <b>1,411.08</b> |



See accompanying notes to Standalone Financial Statements which form an integral part of Financial Statements. In terms of our attached report of even date

For K A SANGHAVI & CO. LLP.  
Chartered Accountants  
Firm Registration No: 120846W/W100289

For and on behalf of the Board of  
Directors of MEERA INDUSTRIES LIMITED

AMISH ASHVINBHAI SANGHAVI  
Partner  
Membership No: 101413  
ICIA UDIN : 23101413BGQWUC7388

Place : Surat  
Date : May 30, 2023

DHARMESH VINDOCHANDRA DESAI  
Director DIN : 00292502  
Place : North Carolina, USA

VINOD SATYANARAYAN OJHA  
Chief Financial Officer  
Place : Surat

BIJAL DHARMESHBHAI DESAI  
Director DIN : 00292319  
Place : Surat

BHAVISHA CHAUHAN  
Company Secretary  
Place : Surat

## Consolidated Significant accounting policies and notes for the year ended March 31, 2023

### 1. Corporate information.

Meera Industries Limited ("the Company") was incorporated on 05/07/2006 as a private Limited company and later on during Financial Year 2016-2017, it got converted in Public Limited Company domiciled in India. Its shares are listed on BSE SME platform effective from 09/05/2017 and during the year the Company has migrated to BSE Main board. The company is primarily engaged in the business of manufacture and sale of customized textile machinery and machinery parts and trading and manufacturing of yarn including Import and Export of the same. The company has wholly owned subsidiary at USA.

### 2. Statement of significant accounting policies.

#### a. Basis of preparation.

These consolidated financial statements comprise the financial statements of Meera Industries Ltd. and its Wholly Owned Subsidiary in USA- Meera Industries USA LLC (together referred to as the Group) have been prepared to comply with the Indian Accounting standards ('Ind AS'), including the rules notified under the relevant provisions of the Companies Act, 2013, (as amended from time to time) and Presentation and disclosure requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS Compliant Schedule III) and the relevant provisions of the Companies Act, 2013 and guidelines issued by Securities and Exchange Board of India (SEBI) as amended from time to time. The financial statements have been prepared on a going concern basis under the historical cost convention on accrual basis, except in case of assets for which provision for impairment for certain financial instruments which are measured at fair value.

All amounts included in the financial statements are reported in Lacs of Indian Rupees except wherever absolute figure of Indian Rupees mentioned.

#### b. Presentation and disclosure of financial statements.

During the year end 31ST March 2023, the group has presented the financial statements as per the Schedule III notified under the Companies Act, 2013. The statement of Cash Flows has been prepared and presented as per requirements of Ind As 7 "Statement of Cash Flows". The disclosure requirements with respect to items in the

Balance sheet and Profit & Loss Account, as prescribed in Schedule III of the Act are presented by way of notes forming part of the consolidated financial statements. The group has also reclassified the previous figures in accordance with the requirements applicable in the current year.

Accounting policies have been consistently applied except where a newly issued Indian Accounting Standard is initially adopted or a revision to an existing Indian Accounting Standard requires such change in the accounting policy hitherto in use.

#### c. Basis of consolidation

The Group consolidates all entities which are controlled by it. The consolidated financial statements comprise the financial statements of the Company and its subsidiaries. Control exists when the parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. The entities are consolidated from the date control commences until the date control ceases.

#### Subsidiaries

Subsidiaries are all entities that are controlled by the Company. Control exist when the Company is exposed to or has rights to variable returns from its involvement with the entity and has the ability to affects those returns through power over the entity. In accessing control, potential voting rights are considered only if the rights are substantive. The financial statements of subsidiaries are included in these consolidated financial statements from the date that control commences until the date that control ceases. The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, income and expenses. For the purpose of preparing these consolidated financial statements, the accounting policies of the subsidiaries have been changed where necessary to align them with the policies adopted by the Company. Non-controlling interests in the results and equity of subsidiaries are shown separately in the Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and Consolidated Balance sheet respectively.

Transactions eliminated on consolidation Intra-group balances and transactions, and any unrealized income and expenses arising from intragroup transactions, are eliminated in full while preparing these consolidated financial statements. Unrealized gains or losses arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Company's interest in the investee.

In case of foreign subsidiaries, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in the Foreign Currency Translation Reserve (FCTR).

The unaudited financial statements of wholly owned foreign subsidiary has been prepared in accordance with the Generally Accepted Accounting Principle of its Country of Incorporation.

#### d. Use of Estimates

In the application of the Company's accounting policies, management of the group is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the Consolidated Financial Statements.

#### e. Recent accounting pronouncements

The Ministry of Corporate Affairs (MCA) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

**Ind AS 1, Presentation of Financial Statements** – This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is

insignificant in the consolidated financial statements.

**Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors** – This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its consolidated financial statements.

**Ind AS 12, Income Taxes** – This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its consolidated financial statements.

#### f. Summary of significant accounting policies.

##### a. Current versus non-current classification

The group presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is treated as current when it is:

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

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The group classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

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

##### b. Functional and presentation currency

The consolidated financial statements are presented in



INR which is also the Holding Company's functional currency.

### c. Fair value of financial instruments:

In determining the fair value of its financial instruments, the group uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realised.

For financial assets and liabilities maturing within one year from the balance sheet date and which are not carrying at fair value, the carrying amounts being approximate fair value due to the short maturity of these instruments.

### d. Fair value measurement

The group measures financial instruments, such as, derivatives at fair value at each balance sheet 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 the liability takes place either:

- In the principal market for the asset or liability, or

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

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

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 group 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, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities

- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value

measurement is directly or indirectly observable

- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

For the purpose of fair value disclosures, the group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

### g. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment. Amounts disclosed as revenue are net of returns, trade discount, rebates, sales tax, value added taxes and Goods & Services Tax.

#### Sales of goods

Revenue from sale of goods is recognised when the control of the goods have been transferred to the buyer, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably. The performance obligation in the case of sale of goods is satisfied at a point in time i.e. when the material shift to the customer or on delivery to the customer as may be specified in the contract.

#### Sales of services

Revenue from services rendered is generally recognized in proportion to the stage of completion of the transaction at the reporting date. The stage of completion of the contract is determined based on actual service provided as a proportion of the total service to be provided. Revenues from contracts priced on a time and material basis are recognised when services are rendered and related costs are incurred.

Duty drawback is accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

Revenue from sale of scrap and other materials is recognized upon transfer of control of goods to customers.

### Other Income

Interest income is recognised on pro-rate basis. Dividend is recognised as income when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the group and the amount of income can be measured reliably).

Income from mutual funds is recognised when the group right to receive the payment is established, and unit holders' right to receive payment is established.

### h. Taxes

#### Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the group operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

#### Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases 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.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. 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 reassessed 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 period/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.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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.

### i. Property, plant and equipment

#### Accounting Policy for recognition and measurement

Property, plant and equipment are stated at acquisition cost less accumulated depreciation and accumulated impairment losses, if any. All costs, including borrowing costs incurred up to the date the asset is ready for its intended use, are capitalised along with the respective asset.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates. Write back of creditors over concern of performance of assets, any directly attributable cost of bringing the item to its working condition for its intended use. The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

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

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

#### Subsequent measurement

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the group.

• **Impairment**

The group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. 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.

Impairment losses of tangible and intangible assets are recognised in the statement of profit and loss. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not

exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

• **Depreciation**

Depreciation is recognised on the cost of assets (other than freehold land and properties under construction) less their residual values over their estimated useful lives, using the straight-line method.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. The group, based on technical assessment made by technical expert and management estimate, depreciates certain items of plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the group by the end of the lease term or the cost of the right-of-use asset reflects that the group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset.

Estimated Useful lives of Various Items of Property, Plant and Equipment are as follows:

| Type of Asset                         | Useful Life (in years) |
|---------------------------------------|------------------------|
| Factory Building                      | 30                     |
| Plant and Machinery                   | 15                     |
| Electrical Installation and Equipment | 10                     |
| Furniture & Fixtures                  | 10                     |
| Vehicle (Four-Wheeler)                | 8                      |
| Vehicle (Two-Wheeler)                 | 10                     |
| Office Equipment                      | 5                      |
| Computer and Accessories              | 3                      |
| Server Systems and Networking         | 6                      |
| Right of Use Assets                   | Period of Lease        |

### Derecognition

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

## j. Intangible Assets

### Accounting Policy

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

The residual values, useful lives and method of depreciation of Intangible Assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

### Amortisation

Amortisation is recognised using Straight Line method over their estimated useful lives. Estimated useful life of the Computer Software is 10 years.

### Derecognition of Intangible Assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in statement of profit and loss when the asset is derecognised.

## k. Capital Work in Progress

Expenditure related to and incurred during implementation of capital projects to get the assets ready for intended use is included under "Capital Work in Progress". The same is allocated to the respective items of property plant and equipment on completion of construction / erection of the capital project/property plant and equipment.

## l. Impairment of non-financial assets

The group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value

in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. 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.

The group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior periods/years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

## m. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its

intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

## **n. Provisions, Contingent Liability and Contingent assets**

### **General**

Provisions are recognised when the group 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. When the group expects some or all of a provision to be reimbursed, for example, under an insurance contract, 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.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liability are not recognise but are disclosed in the notes. Contingent assets are not recognised but are disclosed in the notes were an inflow of economic benefits probable.

## **o. Employee Benefits**

### **Retirement Benefits**

Retirement benefit in the form of provident fund is a defined contribution scheme. The group has no obligation, other than the contribution payable to the provident fund. The group recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

The group operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund.

The cost of providing benefits under the defined benefit plan is determined based on actuarial valuation.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

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

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The group 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"

### **Compensated Expenses**

The group treats accumulated leave, as a long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on an actuarial valuation using the projected unit credit method at the period-end/ year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The group presents the entire liability in respect of leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement beyond 12 months after the reporting date.

### **Other Short-term benefits**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

## **p. 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 recognised when the group 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 or issue of financial assets and financial liabilities 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 measured at fair value through profit or loss are recognised immediately in the statement of profit and loss.

The group offsets a financial asset and a financial liability when it currently has a legally enforceable right to set off the recognized amounts and the group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

### q. Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised 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. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

#### Financial Assets at amortised cost:

Financial assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

The effective interest method is a method of calculating the amortised cost of financial assets and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and transaction costs and other premiums or discounts) through the expected life of the financial assets, or where appropriate, a shorter period, to the net carrying amount on initial recognition. Interest is recognised on an effective interest basis for debt instruments other than those financial assets classified as at Fair Value through Profit and Loss (FVTPL).

#### Financial Assets at fair value through other comprehensive income (FVTOCI):

A financial asset is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

Ø the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

Ø the contractual terms of the financial asset give rise on specified dates to cash flows that are solely

payments of principal and interest on the principal amount outstanding.

#### Financial Assets at fair value through profit or loss (FVTPL):

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Fair value changes related to such financial assets including derivative contracts are recognised in the Statement of Profit and Loss.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset.

#### Business Model Assessment:

The Group makes an assessment of the objectives of the business model in which a financial asset is held at portfolio level because it best reflects the way business is managed and information is provided to management. The assessment of business model comprises the stated policies and objectives of the financial assets, management strategy for holding the financial assets, the risk that affects the performance etc.

#### Derecognition:

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial 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 recognised in other comprehensive income and accumulated in equity is recognised in the Statement of Profit and Loss if such gain or loss would have otherwise been recognised in the Statement of Profit and Loss on disposal of that financial asset.

#### Impairment:



The Group assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Group recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

## r. Financial Liabilities:

### - Classification as debt or equity:

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

### - Equity Instruments:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

### - Financial Liabilities:

All financial liabilities are measured at amortised cost using the effective interest method or at FVTPL.

### - Financial liabilities at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item in the Statement of Profit and Loss.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition. Trade and other payables are recognised at the transaction cost, which is its fair value, and subsequently measured at amortised cost.

### - Financial liabilities at FVTPL

A financial liability may be designated as at FVTPL upon initial recognition if:

i) such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;

ii) the financial liability whose performance is evaluated on a fair value basis, in accordance with the Company's documented risk management;

Fair value changes related to such financial liabilities including derivative contracts like forward currency contracts and options to hedge the Company's foreign currency risks are recognised in the Statement of Profit and Loss.

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Financial liabilities are classified as held for trading if these are incurred for the purpose of repurchasing in the near term. Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in the statement of profit and loss.

### - Derecognition:

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

## s. Cash and cash equivalents

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

## t. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the

group are segregated.

### u. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

#### Identification of segments:

In accordance with Ind AS 108 – Operating Segment, the operating segments used to present segment information are identified on the basis of information reviewed by the Company's management to allocate resources to the segments and assess their performance. An operating segment is a component of the Group that engages in business activities from which it earns revenues and incurs expenses, including revenues and expenses that relate to transactions with any of the Company's other components. Results of the operating segments are reviewed regularly by the management team (chairman and chief financial officer) which has been identified as the chief operating decision maker (CODM), to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available.

#### Allocation of common costs:

Common allocable costs are allocated to each segment accordingly to the relative contribution of each segment to the total common costs.

#### Unallocated items:

Revenues and expenses, which relate to the Group as a whole and are not allocable to segments on a reasonable basis, have been included under "Unallocated corporate expenses". Assets and liabilities, which relate to the Group as a whole and are not allocable to segments on reasonable basis, are shown as unallocated corporate assets and liabilities respectively.

#### Segment Accounting Policies.

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the group as a whole.

### v. Investments in subsidiaries, associates and joint ventures

Investments in Subsidiaries, Associates and Joint Ventures are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in

subsidiaries, associates and joint venture, the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

### w. Inventory

Inventories are valued at cost as per moving weighted average price (Yarn Division inventory are valued as per FIFO Method) or net realisable value, whichever is lower after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, levies. Inventories of stores and spare parts are valued at cost. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and to make the sale.

### x. Earnings per Share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Group by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Group by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the standalone financial statements by the Board of Directors.

### y. Leases

The group as a lessee:

The group assesses whether a contract is, or contains, a lease. 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.

The group recognises a right-of-use asset and a lease liability at the lease commencement date except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and

low value leases, the lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

Lease term is a non-cancellable period together with periods covered by an option to extend the lease if the group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the group is reasonably certain not to exercise that option.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the

lease term, unless the lease transfers ownership of the underlying asset to the group by the end of the lease term or the cost of the right-of-use asset reflects that the group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments to be paid over the lease term at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the group's incremental borrowing rate. Generally, the group uses its incremental borrowing rate as the discount rate. Subsequently, the lease liability is measured at amortised cost using the effective interest method.





**3(a). Property, Plant and Equipment and Right of use assets**

|                                    | Free hold land | Right of Use Assets | Factory Buildings | other Building | Plant and equipment | Furniture and Fixtures | Electrical Installation and Equipment | Computers & Data Processing Units | Vehicles | Assets with R & D | Office equipments | Total    |
|------------------------------------|----------------|---------------------|-------------------|----------------|---------------------|------------------------|---------------------------------------|-----------------------------------|----------|-------------------|-------------------|----------|
| <b>A. Gross cost amount</b>        |                |                     |                   |                |                     |                        |                                       |                                   |          |                   |                   |          |
| As at 01 April 2021                | 422.22         | -                   | 312.99            | -              | 602.40              | 48.42                  | 15.90                                 | 48.18                             | 102.28   | 41.49             | 5.61              | 1,599.49 |
| Additions                          | 58.17          | 145.64              | -                 | -              | 163.28              | 0.53                   | 0.19                                  | 0.18                              | -        | 11.05             | 0.70              | 379.74   |
| Disposals                          | -              | -                   | -                 | -              | -                   | -                      | -                                     | -                                 | -        | -                 | 0.53              | 0.53     |
| As at 31 March 2022                | 480.39         | 145.64              | 312.99            | -              | 765.68              | 48.95                  | 16.08                                 | 48.36                             | 102.28   | 52.55             | 5.78              | 1,978.71 |
| Additions                          | -              | -                   | 362.78            | -              | 40.48               | 34.36                  | 13.81                                 | 0.08                              | -        | 5.99              | 1.64              | 459.15   |
| Disposals                          | -              | -                   | -                 | -              | -                   | -                      | -                                     | -                                 | -        | 0.45              | -                 | 0.45     |
| As at 31 March 2023                | 480.39         | 145.64              | 675.78            | -              | 806.16              | 83.32                  | 29.89                                 | 48.44                             | 102.28   | 58.09             | 7.42              | 2,437.41 |
| <b>B. Accumulated depreciation</b> |                |                     |                   |                |                     |                        |                                       |                                   |          |                   |                   |          |
| As at 1 April 2021                 | -              | -                   | 69.19             | -              | 101.93              | 21.83                  | 5.65                                  | 24.30                             | 74.94    | 8.36              | 1.61              | 307.80   |
| Charge for the year                | -              | 29.13               | 8.87              | -              | 41.43               | 3.64                   | 1.32                                  | 4.89                              | 5.07     | 2.81              | 0.38              | 97.52    |
| Other Adjustment                   | -              | -                   | -                 | -              | -                   | -0.06                  | -                                     | -                                 | -        | -                 | -                 | -0.06    |
| Disposals                          | -              | -                   | -                 | -              | -                   | -                      | -                                     | -                                 | -        | -                 | 0.46              | 0.46     |
| As at 31 March 2022                | -              | 29.13               | 78.06             | -              | 143.36              | 25.40                  | 6.97                                  | 29.18                             | 80.00    | 11.17             | 1.53              | 404.80   |
| Charge for the year                | -              | 29.13               | 11.67             | -              | 45.48               | 4.37                   | 1.64                                  | 4.56                              | 5.06     | 3.05              | 0.39              | 105.35   |
| Other Adjustment                   | -              | -                   | -                 | -              | -                   | -0.15                  | -                                     | -                                 | -        | -                 | -                 | -0.15    |
| Disposals                          | -              | -                   | -                 | -              | -                   | -                      | -                                     | -                                 | -        | 0.03              | -                 | 0.03     |
| As at 31 March 2023                | -              | 58.26               | 89.72             | -              | 188.84              | 29.62                  | 8.61                                  | 33.75                             | 85.07    | 14.19             | 1.92              | 509.97   |
| <b>Net carrying value</b>          |                |                     |                   |                |                     |                        |                                       |                                   |          |                   |                   |          |
| As at 31 March 2022                | 480.39         | 116.51              | 234.94            | -              | 622.32              | 23.55                  | 9.11                                  | 19.18                             | 22.27    | 41.38             | 4.25              | 1,573.91 |
| As at 31 March 2023                | 480.39         | 87.38               | 586.05            | -              | 617.32              | 53.70                  | 21.29                                 | 14.70                             | 17.21    | 43.90             | 5.50              | 1,927.44 |

Notes:

1 Title deeds of Immovable Property not held in name of the Company

| Particulars   | As at 31 March 2022 | As at 31 March 2023 |
|---|---------------------|---------------------|
| Immovable Property not held in name of the Company                      | 1,573.91            | 1,927.44            |
| Less: Title deeds of Immovable Property not held in name of the Company | (404.80)            | (509.97)            |
| Net carrying value  | 1,169.11            | 1,417.47            |

2. There is no intent to sell any of the assets held by the group and hence there is no fixed assets held for disposal.
3. During the year, there is no change in amount of the Property, Plant and Equipment due to business combination, revaluation and other adjustments.
4. During the year, the group has not held any Benami property as defined under the Benami Transactions (prohibition) Act, 1988.
5. Buildings include the building used for in-house, Research and Development work which forms 20% of Total Building Area as certified by the management. Further, other assets used for R & D purpose are shown separately under Other Fixed Assets.
6. Assets with Research and Development includes Building, Plant and Machinery, Computers & Data Processing Units and Office equipments and depreciated as per the useful life of the Companies Act, 2013.

### 3(b). Capital Work-in-Progress

|                                      | As at 31 March 2023 | As at 31 March 2022 |
|--------------------------------------|---------------------|---------------------|
| Balance at the beginning of the year | 288.31              | 55.56               |
| Additions during the year            | 121.06              | 232.74              |
| Capitalisation during the year       | 409.37              | -                   |
| Balance as at end of the year        | -                   | 288.31              |

Notes:

1. Capital work-in-progress includes property, plant and equipment under construction, installation and cost of asset not ready for use as at year end. 2. Ageing for capital work-in-progress as at March 31, 2023, March 31, 2022, is as follows:

| Capital work-in-progress | Year | Amount in capital work-in-progress for a period of |       |             | Total  |
|--------------------------|------|--|-------|-------------|--------|
|                          |      | Less than 1 year                                   | 1 - 2 | 2 - 3 years |        |
| Projects in progress     | 2023 | -  | -     | -           | -      |
|                          | 2022 | 232.74   | 55.56 | -           | 288.31 |

3. The company does not have any capital-work-in-progress whose completion is overdue or has exceeded its cost compared to its original plan.



**4(a). Intangible Assets**

|                                    | Softwares | Trade mark | Total |
|------------------------------------|-----------|------------|-------|
| <b>A. Gross cost amount</b>        |           |            |       |
| As at 1 April 2021                 | 38.47     | 0.13       | 38.60 |
| Additions                          | -         | -          | -     |
| Disposals                          | -         | -          | -     |
| As at 31 March 2022                | 38.47     | 0.13       | 38.60 |
| Additions                          | -         | -          | -     |
| Disposals                          | -         | -          | -     |
| As at 31 March 2023                | 38.47     | 0.13       | 38.60 |
| <b>B. Accumulated depreciation</b> |           |            |       |
| As at 1 April 2021                 | 17.93     | 0.02       | 17.95 |
| Charge for the year                | 4.21      | 0.01       | 4.22  |
| Disposals                          | -         | -          | -     |
| As at 31 March 2022                | 22.14     | 0.03       | 22.17 |
| Charge for the year                | 3.82      | 0.01       | 3.84  |
| Disposals                          | -         | -          | -     |
| As at 31 March 2023                | 25.97     | 0.04       | 26.01 |
| <b>Net carrying value</b>          |           |            |       |
| As at 31 March 2022                | 16.33     | 0.10       | 16.43 |
| As at 31 March 2023                | 12.51     | 0.09       | 12.60 |

**4(b). Intangible assets under development**

|                                      | As at 31 March 2023 | As at 31 March 2022 |
|--------------------------------------|---------------------|---------------------|
| Balance at the beginning of the year | 1.75                | 1.53                |
| Additions during the year            | -                   | 0.22                |
| Capitalisation during the year       | -                   | -                   |
| Balance as at end of the year        | 1.75                | 1.75                |

Notes:

1. Intangible assets under development was patent which was under the process of registration in India and outside India.
2. Ageing for Intangible assets under development as at March 31, 2023, March 31, 2022 is as follows:

| Capital work-in-progress | Year | Amount in capital work-in-progress for a period of |             |                   | Total |
|--------------------------|------|--|-------------|-------------------|-------|
|                          |      | Less   | 2 - 3 years | More than 3 years |       |
|                          | 2023 |  | 1.17        | 0.36              | 1.75  |
| Projects in progress     | 2022 | 0.22   | 0.36        | -                 | 1.75  |

3. The company does not have any capital-work-in progress whose completion is overdue or has exceeded its cost compared to its original plan.
4. There is no intent to sell any of the intangible assets held by the company and hence there is no intangible assets held for disposal.
5. During the year, there is no change in amount of the Intangible Asset due to business combination, revaluation and other adjustments

## 5. Investments

| 5. Non-current investments   | 31 March 2023 | 31 March 2022 |
|--|---------------|---------------|
| <b>Quoted Investments Measured at realisable value</b>                       |               |               |
| 19770.868 (31/03/2022 : 19770.868) each fully paidup SBI Arbitrage           | 5.69          | 5.39          |
| 27.699 (31/03/2022: 27.699) each fully paidup SBI Liquid Fund Regular Growth | 0.97          | 0.92          |
|  | 6.65          | 6.31          |
| <b>Cost of Unquoted Investments</b>  | 8.10          | 32.38         |
| <b>Cost of Quoted Investments</b>  | 6.11          | 6.11          |
| <b>Market Value of Quoted Investments</b>                                    | 6.65          | 6.31          |

## 6 Other financial assets

| 6(a). Non-current other financial assets    | 31 March 2023        | 31 March 2022        |
|---|----------------------|----------------------|
| <b>Unsecured considered good</b>            |                      |                      |
| <b>Security Deposit to related parties</b>  |                      |                      |
| BIJAL DHARMESH DESAI (RENT DEPOSIT)         | 5.00                 | 5.00                 |
| <b>Security Deposit to others</b>           |                      |                      |
| JOSH PETROLEUM                              | 0.10                 | 0.10                 |
| DAKSHIN GUJARAT VIJ COMPANY LIMITED         | 2.78                 | 2.78                 |
| BSNL (TELEPHONE DEPOSIT)                    | 0.03                 | 0.03                 |
| INDIA ITME SOCIETY                          | -                    | 0.25                 |
|   | 7.91                 | 8.16                 |
| <b>6(b). Current other financial assets</b> | <b>31 March 2023</b> | <b>31 March 2022</b> |
| <b>Unsecured considered good</b>            |                      |                      |
| <b>Security Deposit to others</b>           |                      |                      |
| TECHTEXTIL INDIA 2021                       | 0.34                 | 0.34                 |
| <b>Others</b>                               |                      |                      |
| DUTY DRAWBACK INCOME RECEIVABLE             | 3.89                 | 3.57                 |
|   | 4.23                 | 3.91                 |

## 7. Inventories

| Particulars                       | 31 March 2023 | 31 March 2022 |
|-----------------------------------|---------------|---------------|
| <b>Raw Material</b>               |               |               |
| MACHINE DIVISION                  | 543.63        | 345.16        |
| YARN DIVISION                     | 27.27         | 13.50         |
| <b>Finished Goods</b>             |               |               |
| FINISHED GOODS                    | 221.77        | 201.77        |
| SEMI FINISHED GOODS               | 132.76        | 119.68        |
| <b>Work In Progress</b>           |               |               |
| WORK IN PROGRESS                  | 130.37        | 299.22        |
| <b>Others</b>                     |               |               |
| Closing Stock at R & D Department | 10.84         | 12.44         |
|                                   | 1066.65       | 991.76        |

## 8. Trade Receivables

| Particulars                              | 31 March 2023 | 31 March 2022 |
|--|---------------|---------------|
| <b>Secured, considered good</b>          |               |               |
| From Related Parties                     | 1.42          | -             |
| From Others                              | 296.33        | 369.69        |
|  | <b>297.75</b> | <b>369.69</b> |
| Less: Allowance for Expected Credit loss | 43.87         | 46.56         |
|  | <b>253.88</b> | <b>323.13</b> |

| 31 March 2023   | Outstanding for following periods from due date of payment |                 |              |             |                   |               |
|---|--|-----------------|--------------|-------------|-------------------|---------------|
|   | Less than 6 Month  | 6 Months-1 Year | 1-2 Years    | 2-3 Years   | More than 3 Years | Total         |
| (i) Undisputed Trade receivables- considered good                                 | 230.97   | 1.47            | 47.09        | 2.07        | 5.47              | 287.06        |
| (ii) Undisputed Trade receivables- Which have significant increase in credit risk | -  | -               | -            | -           | 10.70             | 10.70         |
| (iii) Undisputed Trade receivables- credit  | -  | -               | -            | -           | -                 | -             |
| (iv) disputed Trade receivables- considered good                                  | -  | -               | -            | -           | -                 | -             |
| (v) disputed Trade receivables- Which have significant increase in credit risk    | -  | -               | -            | -           | -                 | -             |
| (vi) disputed Trade receivables- credit impaired                                  | -  | -               | -            | -           | -                 | -             |
| <b>Total</b>  | <b>230.97</b>  | <b>1.47</b>     | <b>47.09</b> | <b>2.07</b> | <b>16.16</b>      | <b>297.75</b> |
| Less: Allowance for Expected Credit loss  |  |                 |              |             |                   | 43.87         |
| <b>Total</b>  |  |                 |              |             |                   | <b>253.88</b> |

| 31 March 2022   | Outstanding for following periods from due date of payment |                 |              |             |                   |               |
|---|--|-----------------|--------------|-------------|-------------------|---------------|
|   | Less than 6 Month  | 6 Months-1 Year | 1-2 Years    | 2-3 Years   | More than 3 Years | Total         |
| (i) Undisputed Trade receivables- considered good                                 | 303.22   | 28.51           | 12.65        | 5.84        | 8.78              | 359.00        |
| (ii) Undisputed Trade receivables- Which have significant increase in credit risk | -  | -               | -            | -           | 10.70             | 10.70         |
| (iii) Undisputed Trade receivables- credit  | -  | -               | -            | -           | -                 | -             |
| (iv) disputed Trade receivables- considered good                                  | -  | -               | -            | -           | -                 | -             |
| (v) disputed Trade receivables- Which have significant increase in credit risk    | -  | -               | -            | -           | -                 | -             |
| (vi) disputed Trade receivables- credit impaired                                  | -  | -               | -            | -           | -                 | -             |
| <b>Total</b>  | <b>303.22</b>  | <b>28.51</b>    | <b>12.65</b> | <b>5.84</b> | <b>19.47</b>      | <b>369.69</b> |
| Less: Allowance for Expected Credit loss  |  |                 |              |             |                   | 46.56         |
| <b>Total</b>  |  |                 |              |             |                   | <b>323.13</b> |

## 9. Cash and cash equivalents

| Particulars                           | 31 March 2023 | 31 March 2022 |
|---------------------------------------|---------------|---------------|
| CASH ON HAND                          | 4.19          | 6.63          |
| BALANCE WITH BANKS IN CURRENT ACCOUNT | 46.41         | 70.42         |
| BALANCE WITH BANKS IN DOLLAR ACCOUNT  | 1.47          | 13.99         |
|                                       | <b>52.08</b>  | <b>91.04</b>  |

## 10. Loans

| Particulars          | 31 March 2023 | 31 March 2022 |
|----------------------|---------------|---------------|
| Loan considered good |               |               |
| ADVANCE TO EMPLOYEES | 1.34          | 7.73          |
|                      | <b>1.34</b>   | <b>7.73</b>   |

## 11. Current Tax Assets (Net)

| Particulars                  | 31 March 2023 | 31 March 2022 |
|------------------------------|---------------|---------------|
| INCOME TAX REFUND RECEIVABLE | 9.91          | -             |
|                              | <b>9.91</b>   | <b>-</b>      |

## 12. Other current assets

| Particulars                                      | 31 March 2023 | 31 March 2022 |
|--|---------------|---------------|
| CAPITAL ADVANCES                                 | 1.02          | 15.48         |
| PREPAID EXPENSES                                 | 21.77         | 24.03         |
| ADVANCE TO SUPPLIERS OTHER THAN CAPITAL ADVANCES | 129.14        | 212.99        |
| <b>BALANCE WITH STATUTORY AUTHORITIES</b>        |               |               |
| GST CREDIT RECEIVABLE                            | 54.85         | 31.63         |
| IGST REFUND RECEIVABLE                           | 18.13         | -             |
| VAT/CST PAID UNDER PROTEST                       | 1.25          | 1.25          |
|  | <b>226.17</b> | <b>285.38</b> |

### 13. Equity share capital

| Particulars  | 31 March 2023 | 31 March 2022 |
|--|---------------|---------------|
| <b>Authorised share capital</b>                                      |               |               |
| 1,20,00,000 (1,20,00,000) Equity Shares Fully Paidup of Rs.10/- each | 1,200.00      | 1,200.00      |
| <b>Issued</b>  |               |               |
| 1,06,78,796 (1,06,78,796) Equity Shares Fully Paidup of Rs.10/- each | 1,067.88      | 1,067.88      |
| <b>Subscribed</b>  |               |               |
| 1,06,78,796 (1,06,78,796) Equity Shares Fully Paidup of Rs.10/- each | 1,067.88      | 1,067.88      |
| <b>Paidup</b>  |               |               |
| 1,06,78,796 (1,06,78,796) Equity Shares Fully Paidup of Rs.10/- each | 1,067.88      | 1,067.88      |
|  | 1067.88       | 1067.88       |

### Holding more than 5%

| Particulars                   | 31 March 2023    |        | 31 March 2022    |        |
|-------------------------------|------------------|--------|------------------|--------|
|                               | Number of shares | % Held | Number of shares | % Held |
| Bijalben Dharmeshbhai Desai   | 3252811          | 30.46  | 3252811          | 30.46  |
| Dharmeshbhai Vinodkumar Desai | 2865989          | 26.84  | 2865989          | 26.84  |

### Details of Shares for preceding Five years

| Particulars   | 31-03-23 | 31-03-22 | 31-03-21 | 31-03-20 | 31-03-19 |
|---|----------|----------|----------|----------|----------|
| Number of Equity shares bought back   |          |          |          |          |          |
| Number of Preference shares redeemed  |          |          |          |          |          |
| Number of Equity shares issued as bonus share                                       |          |          |          | 6229296  |          |
| Number of Preference shares issued as bonus share                                   |          |          |          |          |          |
| Number of Equity shares allotted for contracts without payment received in cash     |          |          |          |          |          |
| Number of Preference shares allotted for contracts without payment received in cash |          |          |          |          |          |

### Reconciliation

| Particular                        | 31-03-2023       |        | 31 March 2022    |          |
|-----------------------------------|------------------|--------|------------------|----------|
|                                   | Number of shares | Amount | Number of shares | Amount   |
| Number of shares at the beginning | 1,06,78,796.00   | 106.79 | 1,06,78,796.00   | 1,067.88 |
| Add: Issue                        | -                | -      | -                | -        |
|                                   | -                | -      | -                | -        |
| Less: Bought back                 | -                | -      | -                | -        |
| others                            | -                | -      | -                | -        |
| Numbers of shares at the end      | 1,06,78,796.00   | 106.79 | 1,06,78,796.00   | 1,067.88 |

## Shareholding of Promoters

| Shares held by promoters at the end of the year | 31 March 2023 |                   |                           | 31 March 2022 |                   |                           |
|---|---------------|-------------------|---------------------------|---------------|-------------------|---------------------------|
|   | No. of shares | % of total shares | % Changes during the year | No. of shares | % of total shares | % Changes during the year |
| <b>Name of the Promotor</b>                     |               |                   |                           |               |                   |                           |
| Bijalben Dharmeshbhai Desai                     | 3252811       | 30.46             | -                         | 3252811       | 30.46             | -                         |
| Dharmeshbhai Vinodkumar Desai                   | 2865989       | 26.84             | -                         | 2865989       | 26.84             | 0.04                      |

### TERMS / RIGHTS ATTACHED TO EQUITY SHARES

The Company has only one class of equity shares having a par value of Rs 10 each. Each holder of equity shares is entitled to one vote per share. The shares of the company are listed on the SME platform of BSE.

The company not declared interim or final dividend during the financial year.

In the event of liquidation of the Company, the holder 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.

### DETAILS OF CONVERTIBLE SECURITIES:

The company has not issued any securities convertible into equity or preference shares.

### DETAILS OF SHARES RESERVED FOR EMPLOYEES STOCK OPTIONS :

The company has not reserved any shares for employees stock options

## 14. Other Equity

| Particulars  | 31 March 2023   | 31 March 2022   |
|--|-----------------|-----------------|
| Securities Premium Opening   | 734.05          | 734.05          |
| Additions  | -               | -               |
|  | <b>734.05</b>   | <b>734.05</b>   |
| The movement of Currency translation reserve is as follows:                      |                 |                 |
| Balance at the beginning   | -               | -               |
| Exchange differences arising on translating the net assets of foreign            | -2.97           | -               |
| Balance at the end   | <b>-2.97</b>    | <b>-</b>        |
| Profit and Loss Opening  | 813.03          | 674.73          |
| Amount Transferred from Statement of P & L                                       | -137.23         | 267.06          |
| <b>Appropriation and Allocation</b>  |                 |                 |
| Dividend Payment   | -               | -128.14         |
| <b>Items of other other comprehensive income recognised directly in retained</b> |                 |                 |
| Remeasurement costs of Post employment benefits                                  | 5.61            | -0.83           |
| Deferred tax on post employment  | -1.41           | 0.21            |
|  | <b>4.20</b>     | <b>-128.76</b>  |
|  | <b>679.99</b>   | <b>813.03</b>   |
|  | <b>1,411.08</b> | <b>1,547.08</b> |

## 15. Lease liabilities

| Particulars                  | 31 March 2023 |              | 31 March 2022 |              |
|------------------------------|---------------|--------------|---------------|--------------|
|                              | Non - current | Current      | Non - current | Current      |
| Opening Balance              | 100.56        | 24.43        | -             | -            |
| Additions in Lease Liability | -             | -            | 145.64        | -            |
| <b>Add / (Less)</b>          |               |              |               |              |
| Interest Charged             | -             | 8.32         | -             | 9.95         |
| Repayments in current year   | -             | -32.75       | -20.65        | -9.95        |
| Repayment with in one year   | -28.65        | 28.65        | -24.43        | 24.43        |
|                              | <b>71.91</b>  | <b>28.65</b> | <b>100.56</b> | <b>24.43</b> |

### Lease payment to be made in

| Particulars                                       | 31 March 2023 | 31 March 2022 |
|---|---------------|---------------|
| Within one year                                   | 28.65         | 24.43         |
| Later than one year but not later than five years | 71.91         | 100.56        |
| Later than five years                             | -             | -             |
| <b>Total</b>                                      | <b>100.56</b> | <b>124.99</b> |

The Company has lease contracts for its factory and office used in its operations. These lease generally have lease terms 5 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets. The Company is restricted from assigning and subleasing the leased assets.

## 16. Provisions

| Particulars                             | 31 March 2023 |              | 31 March 2022 |              |
|---|---------------|--------------|---------------|--------------|
|   | Non - current | Current      | Non - current | Current      |
| <b>Provisions for Employee Benefits</b> |               |              |               |              |
| BONUS PAYABLE                           | -             | 10.50        | -             | 12.71        |
| GRATUITY                                | 3.97          | -            | 11.22         | -            |
| LEAVE ENCASHMENT                        | 1.46          | 2.05         | 1.46          | 1.98         |
|   | <b>5.43</b>   | <b>12.55</b> | <b>12.68</b>  | <b>14.69</b> |

## 17. Deferred tax liabilities (Net)

The balance comprises temporary differences attributable to:

| Particulars                                       | 31 March 2023 | 31 March 2022 |
|---|---------------|---------------|
| <b>Deferred Tax Asset – [A]</b>                   |               |               |
| Provision for Employee Benefits                   | 4.53          | 6.60          |
| Expenditure disallowed                            | -             | -             |
| Lease Liability                                   | 3.32          | -             |
| Others  | -             | -             |
| <b>Deferred Tax Liability – [B]</b>               |               |               |
| Unrealised loss / gain on investments             | 0.12          | 0.03          |
| Lease Liability                                   | -             | 2.13          |
| Written Down Value of Fixed Assets (depreciation) | 58.18         | 53.80         |
| Others  | -             | -             |
| <b>Net Deferred Tax Liability [B-A]</b>           | <b>50.46</b>  | <b>49.36</b>  |

| Movement in Deferred Tax Liability                | Charge/(Credit) to Statement of P&L |              | Charge/(Credit) to OCI |              |
|---|-------------------------------------|--------------|------------------------|--------------|
|   | 31-03-23                            | 31-03-22     | 31-03-23               | 31-03-22     |
| <b>Deferred Tax Asset – [A]</b>                   |                                     |              |                        |              |
| Provision for Employee Benefits                   | -                                   | 2.00         | -                      | 0.21         |
| Unrealised loss / gain on investments             | -                                   | -            | -                      | -            |
| lease Liability                                   | 5.45                                | -            | -                      | -            |
| Others  | 0.00                                | -            | -                      | -            |
| <b>Deferred Tax Liability – [B]</b>               |                                     |              |                        |              |
| Provision for Employee Benefits                   | 0.66                                | -            | 1.41                   | -            |
| Unrealised loss / gain on investments             | 0.03                                | 0.03         | -                      | -            |
| Expenditure disallowed                            | -                                   | 0.99         | -                      | -            |
| lease Liability                                   | -                                   | 2.13         | -                      | -            |
| Written Down Value of Fixed Assets (depreciation) | 4.38                                | 14.44        | -                      | -            |
| Others  | -                                   | -            | -                      | -            |
| <b>Net Deferred Tax Liability [B-A]</b>           | <b>-0.31</b>                        | <b>15.59</b> | <b>1.41</b>            | <b>-0.21</b> |

## 18. Trade Payables

| Particulars   | 31 March 2023 | 31 March 2022 |
|---|---------------|---------------|
| <b>Non-current</b>  |               |               |
| (I) Trade Payable   |               |               |
| (a) Total outstanding dues of micro enterprises and small enterprises |               |               |
| (b) Total outstanding dues of creditors other than micro enterprises  |               |               |
| <b>Total non-current Trade Payable</b>                                | -             | -             |
| <b>Current</b>  |               |               |
| (I) Trade Payable   |               |               |
| (a) Total outstanding dues of micro enterprises and small enterprises | 89.03         | 76.41         |
| (b) Total outstanding dues of creditors other than micro enterprises  | 541.64        | 423.55        |
| <b>Total current trade payables</b>                                   | <b>630.67</b> | <b>499.96</b> |

### SUNDRY CREDITORS COVERED UNDER MSMED ACT, 2006 :

Sundry creditors covered under MSMED Act, 2006 are those creditors who are outstanding at the balance sheet date. Out of which creditors due for more than 45 days as on the balance sheet date ` 37.47 Lakhs (` 1.32 Lakhs). The company has provided interest on the same as per the provisions of MSMED Act, 2006. Trade Payables covered under MSMED Act, 2006 are those creditors who are outstanding at the balance sheet date. Out of which creditors due for more than 45 days as on the balance sheet date are Rs. 73.67 Lakhs (Rs. 37.47 Lakhs). The company has provided interest on the same as per the provisions of MSMED Act, 2006. Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 :

Amount due to Micro, Small and Medium Enterprises as on 31st March, 2023 (31st March 2022) are disclosed on the basis of information available with the Group regarding status of the suppliers is as follows :

| Particulars  | 31-03-23 | 31-03-22 |
|--|----------|----------|
| Principal Amount due and remaining unpaid                                | 84.47    | 75.06    |
| Interest due on above and the unpaid interest                            | 4.56     | 1.35     |
| Interest paid during the year  | -        | 0.04     |
| Payment made beyond the appointed day during the year                    | 83.66    | 24.59    |
| Interest due and payable for the period of delay                         | -        | 0.00     |
| Interest accrued and remaining unpaid                                    | 4.56     | 1.35     |
| Amount of further interest remaining due and payable in succeeding years | -        | 0.00     |

**Trade Payable ageing as at 31 March 2023 and 31 March 2022**

| 31 March 2023               | Outstanding for following periods from due date of payment |             |          |             |               |
|-----------------------------|--|-------------|----------|-------------|---------------|
|                             | < 1 Year   | 1-2 Year    | 2-3 Year | >3 Year     | Total         |
| (i) MSME                    | 89.03  | -           | -        | -           | 89.03         |
| (ii) Others                 | 539.01   | 1.73        | -        | 0.91        | 541.64        |
| (iii) Disputed dues - MSME  | -  | -           | -        | -           | -             |
| (iv) Disputed dues - Others | -  | -           | -        | -           | -             |
|                             | <b>628.03</b>  | <b>1.73</b> | <b>-</b> | <b>0.91</b> | <b>630.67</b> |

| 31 March 2022               | Outstanding for following periods from due date of payment |             |             |             |               |
|-----------------------------|--|-------------|-------------|-------------|---------------|
|                             | < 1 Year   | 1-2 Year    | 2-3 Year    | >3 Year     | Total         |
| (i) MSME                    | 75.75  | -           | 0.63        | 0.03        | 76.41         |
| (ii) Others                 | 420.91   | 0.52        | 1.89        | 0.17        | 423.49        |
| (iii) Disputed dues - MSME  | -  | -           | -           | -           | -             |
| (iv) Disputed dues - Others | -  | -           | -           | -           | -             |
|                             | <b>496.66</b>  | <b>0.52</b> | <b>2.52</b> | <b>0.20</b> | <b>499.90</b> |

**19. Other financial liabilities**

| Particulars                   | 31 March 2023 |              | 31 March 2022 |              |
|-------------------------------|---------------|--------------|---------------|--------------|
|                               | Non-current   | Current      | Non-current   | Current      |
| CREDITOR FOR CAPITAL ASSETS   | -             | 8.50         | -             | 7.17         |
| AMOUNT PAYABLE                | -             | 3.31         | -             | 62.16        |
| DIRECTOR REMUNERATION PAYABLE | -             | 2.13         | -             | 2.77         |
| TRAVELLING EXPENSES PAYABLE   | -             | 1.09         | -             | 0.00         |
| SALARY AND WAGES PAYABLE      | -             | 22.54        | -             | 27.01        |
|                               | <b>-</b>      | <b>37.58</b> | <b>-</b>      | <b>99.10</b> |

**20. Other Non-current and current liabilities**

| Particulars   | 31 March 2023 |               | 31 March 2022 |               |
|---|---------------|---------------|---------------|---------------|
|   | Non-current   | Current       | Non-current   | Current       |
| <b>STATUTORY DUES PAYABLE</b>                       |               |               |               |               |
| OTHER STATUTORY DUES PAYABLE                        | -             | 3.10          | -             | 3.01          |
| INDIRECT TAXES PAYABLE                              | -             | 0.40          | -             | 5.93          |
| DIRECT TAXES PAYABLE                                | -             | 4.66          | -             | 4.89          |
| SECURITY DEPOSIT RECEIVED AGAINST RECEIVED OF GOODS | 4.79          | -             | -             | -             |
| ADVANCE FROM CUSTOMERS                              | -             | 241.43        | -             | 111.96        |
|   | <b>4.79</b>   | <b>249.60</b> | <b>-</b>      | <b>125.79</b> |

**21. Current Tax Liabilities (net)**

| Particulars   | 31 March 2023 | 31 March 2022 |
|---|---------------|---------------|
| Opening Balance                                       | 56.29         | 7.75          |
| Add Current year provision for income tax             | -             | 94.55         |
| Less : Tax Paid (Advance tax, TDS and TCS receivable) | 56.29         | 46.01         |
| Closing Balance                                       | <b>-</b>      | <b>56.29</b>  |

## 22. Revenue from operation

| Particulars                     | 31 March 2023  | 31 March 2022  |
|---------------------------------|----------------|----------------|
| <b>Sale of products</b>         |                |                |
| <b>Manufactures Goods</b>       |                |                |
| EXPORT SALES                    | 445.93         | 959.32         |
| LOCAL SALES                     | 1526.57        | 2108.20        |
| <b>Sale of Services</b>         |                |                |
| LABOUR INCOME                   | 26.22          | 21.09          |
| <b>Other Operating Revenues</b> |                |                |
| SALE OF MEIS LICENSE            | -              | 12.89          |
| DUTY DRAWBACK INCOME            | 7.78           | 16.22          |
| FREIGHT INCOME                  | 26.71          | 48.57          |
| PACKIING AND FORWARDING CHARGES | 0.55           | -              |
|                                 | <b>2033.76</b> | <b>3166.29</b> |

### Revenue disaggregation by vertical is as follows :

| Particulars                         | 31 March 2023  | 31 March 2022  |
|-------------------------------------|----------------|----------------|
| <b>Sale of products</b>             |                |                |
| MACHINE DIVISION                    | 1368.28        | 2582.60        |
| YARN DIVISION                       | 605.16         | 484.92         |
| <b>Sale of Services</b>             |                |                |
| MACHINE DIVISION                    | 23.33          | 2.82           |
| YARN DIVISION                       | 1.95           | 18.27          |
| <b>Other Operating Revenues</b>     |                |                |
| MACHINE DIVISION                    | 35.04          | 77.67          |
| YARN DIVISION                       | 0.01           | 0.01           |
| <b>Total revenue from operation</b> |                |                |
| MACHINE DIVISION                    | 1405.27        | 2663.09        |
| YARN DIVISION                       | 628.49         | 503.20         |
|                                     | <b>2033.76</b> | <b>3166.29</b> |

### Revenue disaggregation by geography is as follows:

**Revenue disaggregation by geography is as follows:**

| Particulars  | 31 March 2023  | 31 March 2022  |
|--------------|----------------|----------------|
| BANGLADESH   | 20.05          | 63.67          |
| Brazil       | 3.68           | 66.53          |
| Canada       | 35.10          | -              |
| EGYPT        | 24.59          | -              |
| EUROPE       | 58.66          | -              |
| INDONESIA    | 12.58          | 2.51           |
| MEXICO       | 48.50          | -              |
| RUSSIA       | 14.15          | -              |
| Saudi Arabia | 0.76           | -              |
| SOUTH AFRICA | 112.47         | 56.96          |
| SPAIN        | 32.85          | -              |
| THAILAND     | -              | 0.78           |
| TURKEY       | 83.82          | 306.09         |
| TURKMENISTAN | -              | 119.97         |
| UAE          | -              | 169.30         |
| USA          | 258.71         | 351.03         |
| INDIA        | 1327.85        | 2029.45        |
|              | <b>2033.76</b> | <b>3166.29</b> |

**23. Other income**

| Particulars  | 31 March 2023 | 31 March 2022 |
|--|---------------|---------------|
| Interest   |               |               |
| INTEREST ON BANK FD  | 0.39          | 1.89          |
| Profit(Loss) on Redemption / sale of Investment & Fixed Assets (Net) |               |               |
| UNREALISED GAIN ON MUTUAL FUNDS                                      | 0.34          | 0.17          |
| GAIN ON REDEMPTION OF MUTUAL FUNDS                                   | -             | 1.55          |
| PROFIT ON SALE OF FIXED ASSETS                                       | 0.03          | 0.04          |
| Miscellaneous  |               |               |
| INTEREST ON INCOME TAX REFUND  | -             | 2.87          |
| LATE PAYMENT CHARGES   | 0.05          | -             |
| DISCOUNT INCOME (NET)  | 5.35          | 0.55          |
| SUBSIDY / GRANT INCOME   | 4.08          | -             |
| FOREIGN EXCHANGE DIFFERENCE (NET)                                    | 17.15         | 11.03         |
| NET EXCHANGE GAIN OR LOSS ON TANGIBLE ASSETS                         | -             | 4.64          |
|  | <b>27.39</b>  | <b>22.75</b>  |

**24. Cost of material consumed**

| Particulars  | 31 March 2023  | 31 March 2022  |
|--------------|----------------|----------------|
| Raw Material |                |                |
| OPENING      | 358.66         | 529.37         |
| PURCHASE     | 1320.05        | 1789.07        |
| ADJUSTMENT   | -              | -              |
| CLOSING      | 570.90         | 358.66         |
|              | <b>1107.80</b> | <b>1959.79</b> |

### Details of Raw Material

| Particulars      | 31 March 2023 | 31 March 2022 |
|------------------|---------------|---------------|
| MACHINE DIVISION | 529.28        | 1505.17       |
| YARN DIVISION    | 578.52        | 454.61        |
|                  | 1107.80       | 1959.79       |

### 25. Changes in inventories of finished goods, Stock-in-Trade and work-in-progress

| Particulars  | 31 March 2023 | 31 March 2022 |
|--|---------------|---------------|
| <b>Opening</b>                                     |               |               |
| WORK-IN-PROGRESS, SEMI FINISHED AND FINISHED GOODS | 620.65        | 308.75        |
| <b>Closing</b>                                     |               |               |
| WORK-IN-PROGRESS, SEMI FINISHED AND FINISHED GOODS | 484.91        | 620.65        |
| <b>Increase/Decrease</b>                           |               |               |
| WORK-IN-PROGRESS, SEMI FINISHED AND FINISHED GOODS | 135.74        | -311.90       |
|  | 135.74        | -311.90       |

### Details of Changes in Inventory

| Particulars             | 31 March 2023 | 31 March 2022 |
|-------------------------|---------------|---------------|
| <b>MACHINE DIVISION</b> |               |               |
| WORK-IN-PROGRESS        | 168.84        | -151.87       |
| SEMI FINISHED GOODS     | -13.08        | -108.94       |
| FINISHED GOODS          | -20.02        | -51.09        |
|                         | 135.74        | -311.90       |



## 26. Employee benefit expenses

| Particulars                            | 31 March 2023 | 31 March 2022 |
|--|---------------|---------------|
| <b>Salaries, Wages &amp; Bonus</b>     |               |               |
| BONUS                                  | 16.64         | 20.49         |
| SALARY                                 | 162.25        | 180.03        |
| WORKER WAGES                           | 120.50        | 143.19        |
| COMPENSATORY ALLOWANCES                | -             | 0.35          |
| DIRECTORS REMUNERATION                 | 56.40         | 56.40         |
| <b>Contribution to Gratuity</b>        |               |               |
| PROVISION FOR GRATUITY                 | 9.58          | 10.39         |
| <b>Contribution to Provident Fund</b>  |               |               |
| PF CONTRIBUTION                        | 16.21         | 14.75         |
| <b>Staff Welfare Expenses</b>          |               |               |
| STAFF WELFARE EXPENSE                  | 6.77          | 13.97         |
| <b>Leave Encashment Expenses</b>       |               |               |
| PROVISION FOR LEAVE ENCASHMENT         | 0.64          | 0.45          |
| <b>Other employee Related Expenses</b> |               |               |
| ESIC CONTRIBUTION                      | 4.69          | 4.85          |
| LWF CONTRIBUTION                       | 0.03          | 0.04          |
|  | <b>393.70</b> | <b>444.91</b> |

## 27. Finance cost

| Particulars               | 31 March 2023 | 31 March 2022 |
|---------------------------|---------------|---------------|
| <b>Interest expenses</b>  |               |               |
| INTEREST ON LEASE FINANCE | 8.32          | 9.95          |
| <b>Bank Charges</b>       |               |               |
| BANK CHARGES              | 2.07          | 1.56          |
|                           | <b>10.39</b>  | <b>11.51</b>  |

## 28. Depreciation and amortization expenses

| Particulars                            | 31 March 2023 | 31 March 2022 |
|--|---------------|---------------|
| <b>Depreciation &amp; Amortisation</b> |               |               |
| Depreciation Tangible Assets           | 76.22         | 68.39         |
| Amortisation ROU Assets                | 29.13         | 29.13         |
| Amortisation Intangible Assets         | 3.84          | 4.22          |
|  | <b>109.19</b> | <b>101.74</b> |

## 29. Other expenses

| Particulars                                 | 31 March 2023 | 31 March 2022 |
|---|---------------|---------------|
| <b>Manufacturing Service Costs Expenses</b> |               |               |
| <b>Power and Fuel</b>                       |               |               |
| DIESEL EXPENSES                             | 1.09          | 4.49          |
| ELECTRICITY EXPENSES (FACTORY)              | 23.23         | 21.12         |
| <b>Water Charges</b>                        |               |               |
| WATER CHARGES                               | -0.02         | 0.85          |

|  |       |       |
|--|-------|-------|
| <b>Friight And Forwarding Charges</b>                                  |       |       |
| LOADING AND UNLOADING CHARGES  | 1.80  | 3.67  |
| FREIGHT INWARD EXPENSES  | 19.52 | 22.99 |
| PACKING AND FORWARDING EXPENSES  | 11.80 | 16.60 |
| <b>Cost of Taxes and Other Levies by Government, Local Authorities</b> |       |       |
| CUSTOM DUTY ON IMPORT  | 5.10  | 9.01  |
| <b>Other Manufacturing Costs</b>                                       |       |       |
| CONSUMABLES AND SPARES   | 29.29 | 39.78 |
| HANDLING CHARGES (IMPORT)  | -     | 0.07  |
| JOBWORK CHARGES  | 64.08 | 90.48 |
| <b>Administrative and General Expenses</b>                             |       |       |
| <b>Telephone Postage</b>   |       |       |
| TELEPHONE EXPENSES   | 1.13  | 1.07  |
| POSTAGE & COURIER EXPENSES   | 13.36 | 8.84  |
| <b>Printing Stationery</b>   |       |       |
| PRINTING & STATIONERY EXPENSES   | 1.79  | 3.08  |
| <b>Rent Rates And taxes</b>  |       |       |
| GIDC NOTIFIED AREA TAX   | 6.22  | 2.82  |
| SECURITY TRANSACTION TAX / INCOME TAX                                  | 0     | 0.00  |
| TDS PAID   | 0.04  | -     |
| PROFESSIONAL TAX   | 0.10  | -     |
| GST EXPENSES   | -     | 0.03  |
| RENT EXPENSES  | 11.16 | 10.73 |
| PROPERTY TAX   | 0.32  | 0.04  |
| <b>Auditors Remuneration</b>   |       |       |
| AUDITOR REMUNERATION   | 3.50  | 3.50  |
| <b>Directors Sitting Fees</b>  |       |       |
| DIRECTORS SITTING FEES   | 2.00  | 1.95  |
| <b>Repairs Maintenance Expenses</b>                                    |       |       |
| REPAIR AND MAINTENANCE EXPENSES  | 9.98  | 12.23 |
| AMC EXPENSES   | 0.58  | 1.78  |
| <b>Travelling Conveyance</b>   |       |       |
| CONVEYANCE & PETROL EXPENSES   | 1.62  | 2.01  |
| TRAVELLING EXPENSES  | 30.15 | 20.69 |
| <b>Legal and Professional Charges</b>                                  |       |       |
| INTERNAL AUDIT FEES  | 3.00  | 3.00  |
| LISTING EXPENSES.  | 3.00  | 7.37  |
| ISO AUDIT FEE  | 0.56  | 0.40  |
| LEGAL AND PROFESSIONAL FEES  | 13.43 | 9.72  |
| CS AUDIT FEES  | 3.40  | 0.60  |
| <b>Insurance Expenses</b>  |       |       |
| INSURANCE EXPENSES   | 20.11 | 18.89 |
| <b>Vehicle Running Expenses</b>  |       |       |
| VEHICLE RUNNING & MAINTENANCE EXPENSES                                 | 3.34  | 4.74  |
| <b>Donations Subscriptions</b>   |       |       |

|   |               |               |
|---|---------------|---------------|
| CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE       | -             | -             |
| DONATION EXPENSES                                 | 1.12          | 0.90          |
| <b>Safety and Security Expenses</b>               |               |               |
| SECURITY SERVICES EXPENSES                        | 5.32          | 5.09          |
| <b>Information Technology Expenses</b>            |               |               |
| COMPUTER EXPENSES                                 | 0.58          | 0.71          |
| SOFTWARE LICENSE RENEWAL EXPENSES                 | 1.88          | 0.48          |
| INTERNET EXPENSES                                 | 0.47          | 0.45          |
| <b>Subscriptions, Membership Fees</b>             |               |               |
| MEMBERSHIP & SUBSCRIPTION                         | 0.87          | 1.07          |
| <b>Registration and Filing Fees</b>               |               |               |
| ROC EXPENSES                                      | 0.06          | 0.08          |
| <b>Other Administrative and General Expenses</b>  |               |               |
| GARDENING EXPENSES                                | 4.19          | 2.93          |
| OFFICE EXPENSES                                   | 2.51          | 2.60          |
| DOCUMENTATION CHARGES                             | 0.01          | 0.09          |
| AGM EXPENSES                                      | 0.00          | 0.10          |
| CE MARKING CERTIFICATE                            | 0.25          | 0.35          |
| CLEANING EXPENSES                                 | 0.76          | 0.98          |
| CREDIT CARD CHARGES                               | 0.06          | 0.15          |
| LOCKER RENT                                       | -             | 0.11          |
| STOCK EXCHANGE EXPENSES                           | 1.59          | 0.40          |
| REGISTRATION CHARGES                              | 0.01          | -             |
| INTEREST ON INCOME TAX PAID                       | 7.39          | 8.70          |
| INTEREST ON TDS AND TCS PAID                      | 0.02          | 0.24          |
| INTEREST ON LATE PAYMENT                          | 3.20          | 1.30          |
| FACTORY LICENSE                                   | 0.07          | 0.00          |
| DISCOUNT (NET)                                    | -             | 0.03          |
| COMPENSATION AND SETTLEMENT EXPENSE               | -             | 14.50         |
| <b>Selling Distribution Expenses</b>              |               |               |
| <b>Advertising Promotional Expenses</b>           |               |               |
| SALES PROMOTION EXPENSES                          | 2.81          | 3.36          |
| ADVERTISEMENT EXPENSES                            | 3.28          | 0.30          |
| <b>Commission Paid</b>                            |               |               |
| COMMISSION EXPENSES                               | 7.31          | 31.46         |
| <b>Transportation Distribution Expenses</b>       |               |               |
| CLEARING & FORWARDING CHARGES                     | 12.65         | 16.82         |
| FREIGHT OUTWARD EXPENSES                          | 37.53         | 130.43        |
| <b>Other Selling Distribution Expenses</b>        |               |               |
| EXHIBITION EXPENSES                               | 34.63         | 6.23          |
| FOREIGN BUSINESS EXPENSES                         | 0.94          | 0.38          |
| <b>Provisions</b>                                 |               |               |
| NETOFF BAD DEBTS AND BALANCE WRITTEN OFF/EXCEPTED |               |               |
| CREDIT LOSS                                       | -2.69         | 19.81         |
| <b>Research and Development Expenses</b>          |               |               |
| RESEARCH AND DEVELOPMENT EXPENSES                 | 30.35         | 33.27         |
|   | <b>441.87</b> | <b>605.81</b> |

Note: Expense in Nature of Prior period amount was debited in the respective account. The prior period expense includes Professional Tax Rs. 0.08 Lakhs, Stock exchange expenses Rs. 0.19 Lakhs, Repair and Maintenance Rs. 0.46 Lakhs, Clearing and Forwarding Charges Rs. 0.26 Lakhs and Legal and Professional Fees Rs. 5.90 Lakhs.

**29(a) Auditor's remuneration**

| Particulars          | 31 March 2023 | 31 March 2022 |
|----------------------|---------------|---------------|
| As Statutory Auditor | 3.00          | 3.00          |
| As Tax Auditor       | 0.50          | 0.50          |
|                      | <b>3.50</b>   | <b>3.50</b>   |

**29(b) COMPUTATION OF R&D EXPENSES**

| Particulars                                | 31 March 2023 | 31 March 2022 |
|--|---------------|---------------|
| <u>Research and Development Expenses :</u> |               |               |
| Opening Stock of R&D Goods                 | 12.44         | 11.25         |
| <u>Add :</u>                               |               |               |
| Purchase of R&D Goods                      | 7.50          | 6.53          |
| Other R & D Expenses                       | 0.54          | 0.09          |
| Salary and Wages                           | 19.36         | 25.99         |
| Bonus                                      | 1.34          | 1.84          |
|  | <b>28.75</b>  | <b>34.45</b>  |
| Less : Closing Stock of R&D Goods          | 10.84         | 12.44         |
| Scrape Sales                               | -             | -             |
|  | <b>30.35</b>  | <b>33.27</b>  |

**30. Tax expense**

| Particulars                        | 31 March 2023 | 31 March 2022 |
|------------------------------------|---------------|---------------|
| <b>Current Tax</b>                 |               |               |
| PROVISION FOR INCOME TAX           | -             | 94.55         |
| EXCESS OF PROVISION FOR INCOME TAX | -             | -             |
| <b>DEFERRED TAX</b>                | <b>-0.31</b>  | <b>15.59</b>  |
|                                    | <b>-0.31</b>  | <b>110.13</b> |

### 31. Additional information pursuant to the provisions of Schedule III of The Companies Act, 2013 in respect of Consolidation

A) List of Subsidiaries which are included in the consolidation and the Company's effective holdings therein are as under:

| Name of the subsidiary   | Country of Incorporation | % of voting power as at March 31, |      |
|--------------------------|--------------------------|-----------------------------------|------|
|                          |                          | 2023                              | 2022 |
| Meera Industries USA LLC | USA                      | 100%                              | 100% |

B) Additional information, as required under Schedule III of the Act for the entities consolidated as subsidiaries.

| Name of the subsidiary                       | Net Assets (total assets – total liabilities) |         | Share in profit or loss             |          | Share in other comprehensive income             |        | Share in total comprehensive income |          |
|--|---|---------|-------------------------------------|----------|---|--------|-------------------------------------|----------|
|  | As % of consolidated Net assets               | Amount  | As % of Consolidated profit or loss | Amount   | As % of consolidated other comprehensive income | Amount | As % of total comprehensive income  | Amount   |
| <b>Parent</b>                                |   |         |                                     |          |   |        |                                     |          |
| Meera Industries Limited                     | 98.56   | 3519.25 | (134.42)                            | (184.47) | 341.46  | 4.20   | (132.56)                            | (180.28) |
| <b>Indian Subsidiaries</b>                   |   |         |                                     |          |   |        |                                     |          |
| <b>Wholly owned Subsidiary outside India</b> |   |         |                                     |          |   |        |                                     |          |
| Meera Industries USA LLC                     | 2.34  | 83.45   | 44.22                               | 60.68    | Nil   | Nil    | 44.62                               | 60.68    |
| <u>Minority Interest in all subsidiary</u>   | Nil   | Nil     | Nil                                 | Nil      | Nil   | Nil    | Nil                                 | Nil      |
| <u>Eliminations</u>                          | (0.90)  | (32.10) | (9.80)                              | (13.44)  | Nil   | Nil    | (9.88)                              | (13.44)  |
| <u>Exchange difference in translation</u>    | Nil   | Nil     | Nil                                 | Nil      | (241.46)  | (2.97) | (2.18)                              | (2.97)   |
| <b>TOTAL</b>                                 | 100.00  | 3570.60 | 100.00                              | 137.23   | 100.00  | 1.23   | 100.00                              | 136.00   |

C) In respect of the following components of consolidated financial statements, it is not practicable to align the accounting policies followed by the subsidiary company.

| Components of Consolidated Financial Statements | Particulars   | Amount as at March 31, 2023<br>(March 31, 2022) | Proportion of the total component |
|---|---|---|-----------------------------------|
| Deferred tax                                    | There is no timing difference as far as the subsidiary is concerned, since the subsidiary is WOS at USA and not supposed to file income tax return in India. Therefore, while calculating the deferred tax in the consolidated statements, the timing differences arising out of the items appearing in the Holding Company are considered. | NIL<br>(NIL)                                    | NIL<br>(NIL)                      |
| Depreciation                                    | The subsidiary has provided depreciation by taking different useful life of the assets as against the useful life considered by the holding company.  | 0.52<br>(0.48)                                  | 0.48%<br>(0.47%)                  |

### 32. Related Parties Disclosures

As per Ind AS 24, the disclosures of transactions with the related parties are given below:

a. List of Related Parties where Control exists and Relationships:

| Sr. No. | Name of the Related Party | Relationship                    |
|---------|---------------------------|---------------------------------|
| 1.      | Meera Industries USA LLC  | Wholly Owned Subsidiary Company |

b. List of Related Parties where Control exists and Relationships:

| Sr. No. | Name of Personnel                      | Designation                          | Nature of relationship                  |
|---------|--|--------------------------------------|---|
| 1.      | Mr. Dharmesh Vinodbhai Desai           | Chairman and Managing Director       | Key Managerial personnel (KMP)          |
| 2.      | Mrs. Bijal Dharmeshbhai Desai          | Whole Time Director                  | Key Managerial personnel (KMP)          |
| 3.      | Mr. Sanjay Natwarlal Mehta             | Non - Executive Independent Director | Key Managerial personnel (KMP)          |
| 4.      | Mr. Mayank Yashwantrai Desai           | Non - Executive Independent Director | Key Managerial personnel (KMP)          |
| 5.      | Mr. Hetal Mehta                        | Non - Executive Independent Director | Key Managerial personnel (KMP)          |
| 6.      | Mr. Rajendrabhai Vanmalibhai Kalyani   | Non - Executive Independent Director | Key Managerial personnel (KMP)          |
| 7.      | Mr. Vinod Satyanarayan Ojha            | Chief Financial Officer              | Key Managerial personnel (KMP)          |
| 8.      | Mrs. Bhavisha Kunal Chauhan            | Company Secretary                    | Key Managerial personnel (KMP)          |
| 9.      | HD Electric (Prop. Het Dharmesh Desai) | -                                    | Relative of Managerial personnel (RKMP) |

c. Transactions between the company and related parties and the status of outstanding balances as at 31st March 2023 (31st March 2022)

| Sr. No. | Name of the Related Parties            | Nature of balances    | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|---------|--|-----------------------|-----------------------------|-----------------------------|
| 1       | Mr. Dharmesh Vinodbhai Desai           | Director Remuneration | 0.80                        | 1.44                        |
| 2       | Mrs. Bijal Dharmeshbhai Desai          | Director Remuneration | 1.33                        | 1.33                        |
|         |  | Rent                  | 2.95                        | 2.75                        |
|         |  | Rent Deposit          | 5.00                        | 5.00                        |
|         |  | Sitting Fees          | 0.09                        | 0.68                        |
| 3       | Sanjay Natwarlal Mehta                 | Sitting Fees          | 0.09                        | 0.68                        |
| 4       | Mayank Yashwantrai Desai               | Sitting Fess          | NIL                         | 0.41                        |
| 5       | Hetal Mehta                            | Sitting Fees          | 0.09                        | 0.68                        |
| 6       | Rajendrabhai Vanmalibhai Kalyani       | Sitting Fees          | 0.09                        | NIL                         |
| 7       | Mr. Vinod Satyanarayan Ojha            | Salary                | 0.14                        | 0.70                        |
| 8       | Mrs. Bhavisha Kunal Chauhan            | Salary                | 0.51                        | 0.51                        |
| 9       | HD Electric (Prop. Het Dharmesh Desai) | Trade Receivable      | 1.42                        | NIL                         |

## d. Disclosure of significant transactions with related parties:

| Sr. No. | Name of the Related Parties               | Nature of balances    | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|---------|---|-----------------------|-----------------------------|-----------------------------|
| 1       | Mr. Dharmesh Vinodbhai Desai              | Director Remuneration | 33.00                       | 33.00                       |
|         |   | Dividend              | NIL                         | 34.39                       |
| 2       | Mrs. Bijal Dharmeshbhai Desai             | Director Remuneration | 23.40                       | 23.40                       |
|         |   | Dividend              | NIL                         | 39.03                       |
|         |   | Rent                  | 32.75                       | 30.60                       |
| 3       | Sanjay Natwarlal Mehta                    | Sitting Fees          | 0.45                        | 0.75                        |
|         |   | Dividend              | NIL                         | 0.03                        |
| 4       | Mayank Yashwantraai Desai                 | Sitting Fess          | 0.45                        | 0.45                        |
|         |   | Dividend              | NIL                         | 0.72                        |
| 5       | Hetal Mehta                               | Sitting Fees          | 0.55                        | 0.75                        |
| 6       | Rajendrabhai Vanmalibhai Kalyani          | Sitting Fees          | 0.55                        | NIL                         |
| 7       | Mr. Vinod Satyanarayan Ojha               | Salary                | 8.15                        | 9.18                        |
| 8       | Mrs. Bhavisha Kunal Chauhan               | Salary                | 6.61                        | 6.58                        |
| 9       | HD Electric<br>(Prop. Het Dharmesh Desai) | Sale of Goods         | 1.42                        | NIL                         |

### 33. Contingent Liabilities and Commitments.

## d. Disclosure of significant transactions with related parties:

| Particulars  | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|--|-----------------------------|-----------------------------|
| Commitments  | -                           | -                           |
| Contingent Liability   |                             |                             |
| Sales Tax assessment for FY 2006 -07 pending before Gujarat Commercial tax Tribunal, Ahmedabad, refer note below | 13.02                       | 13.02                       |
| Total Contingent Liability   | 13.02                       | 13.02                       |

The Group has filed an appeal before the Appellate authorities in respect of the disputed matter under sales tax and the appeal is pending with the appellate authority. Considering the facts of the matters, no provision is considered necessary by the management because the management is hopeful that the matter would be decided in favour of the group in the light of the legal opinion obtained by the group.

### 34. Capital management.

The group manages its capital to ensure that it will be able to continue as going concern while maximising the return to stakeholders. The capital structure of the group consists of only total equity and no debts. The group is not subject to any externally imposed capital requirements. Net debt to equity ratio or gearing ratio is not applicable since the group has no external debts.

### 35. Financial Instruments

**Fair value measurement of financial instruments**  
When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk

and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

The management assessed that cash and cash equivalents, trade receivables, trade payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

**Fair value hierarchy**

Financial assets and financial liabilities measured at fair value in the balance sheet are categorized into three levels of fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

**Level 1:** Quoted prices (unadjusted) in active markets for financial instruments.

**Level 2:** The fair value of financial instruments that are not traded in an active market is determined using

valuation techniques which maximize the use of observable market data rely as little as possible on entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Valuation process and technique used to determine fair value

(i) The fair value of investments in government securities and quoted equity shares is based on the current bid price of respective investment as at the balance sheet date.

(ii) The fair value of investments in mutual fund units is based on the net asset value (NAV) as stated by the issuers of these mutual fund units in the published statements as at the Balance Sheet date. NAV

represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

(iii) In order to arrive at the fair value of unquoted investments, the company obtains independent valuations. The techniques used by the valuer are as follows:

- a) Asset approach - Net assets value method
- b) Income approach - Discounted cash flows ("DCF") method
- c) Market approach - Enterprise value/Sales multiple method

Derivative financial assets:

The Company has not entered into derivative financial instruments

### Financial instruments by category

The carrying value and fair value of financial instruments by categories as of 31 March 2023 were as follows:

| Particulars                              | Amortised cost | Financial assets / liabilities at fair value through profit or loss |             | Financial assets / liabilities at fair value through OCI |           | Total carrying value | Total fair value |
|--|----------------|---|-------------|--|-----------|----------------------|------------------|
|  |                | Designated upon initial recognition                                 | Mandatory   | Designated upon initial recognition                      | Mandatory |                      |                  |
| <b>Assets:</b>                           |                |   |             |  |           |                      |                  |
| <b>Non-Current</b>                       |                |   |             |  |           |                      |                  |
| i. Investments                           | NIL            |   | 6.65        |  |           | NIL                  | 6.65             |
| ii. Others                               | 7.91           |   |             |  |           | 7.91                 |                  |
| <b>Current</b>                           |                |   |             |  |           |                      |                  |
| i. Investments                           | NIL            |   |             |  |           |                      |                  |
| ii. Trade receivables                    | 253.88         |   |             |  |           | 253.88               |                  |
| iii. Cash and cash equivalents           | 52.08          |   |             |  |           | 52.08                |                  |
| iv. Bank balances other than (iii) above | NIL            |   |             |  |           | NIL                  |                  |
| v. Loans                                 | 1.34           |   |             |  |           | NIL                  |                  |
| vi. Others                               | 4.23           |   |             |  |           | 4.23                 |                  |
| <b>Total</b>                             | <b>319.44</b>  | <b>-</b>  | <b>6.65</b> | <b>-</b>   | <b>-</b>  | <b>318.10</b>        | <b>6.65</b>      |
| <b>Liabilities:</b>                      |                |   |             |  |           |                      |                  |
| <b>Non-Current</b>                       |                |   |             |  |           |                      |                  |
| i. Lease Liability                       | 71.91          |   |             |  |           | 71.91                |                  |
| <b>Current</b>                           |                |   |             |  |           |                      |                  |
| i. Lease Liability                       | 28.65          |   |             |  |           | 28.65                |                  |
| ii. Trade Payable                        | 630.67         |   |             |  |           | 630.67               |                  |
| iii. Other financial liabilities         | 37.58          |   |             |  |           | 37.58                |                  |
| <b>Total</b>                             | <b>768.81</b>  | <b>-</b>  | <b>-</b>    | <b>-</b>   | <b>-</b>  | <b>768.81</b>        | <b>-</b>         |

The carrying value and fair value of financial instruments by categories as of 31 March 2022 were as follows:

| Particulars                              | Amortised cost | Financial assets / liabilities at fair value through profit or loss |             | Financial assets / liabilities at fair value through OCI |           | Total carrying value | Total fair value |
|--|----------------|---|-------------|--|-----------|----------------------|------------------|
|  |                | Designated upon initial recognition                                 | Mandatory   | Designated upon initial recognition                      | Mandatory |                      |                  |
| <b>Assets:</b>                           |                |   |             |  |           |                      |                  |
| <b>Non-Current</b>                       |                |   |             |  |           |                      |                  |
| i. Investments                           | NIL            |   | 6.31        |  |           | NIL                  | 6.31             |
| ii. Others                               | 8.16           |   |             |  |           | 8.16                 |                  |
| <b>Current</b>                           |                |   |             |  |           |                      |                  |
| i. Investments                           | NIL            |   |             |  |           | NIL                  |                  |
| ii. Trade receivables                    | 323.13         |   |             |  |           | 323.13               |                  |
| iii. Cash and cash equivalents           | 91.04          |   |             |  |           | 91.04                |                  |
| iv. Bank balances other than (iii) above | NIL            |   |             |  |           | NIL                  |                  |
| v. Loans                                 | 7.73           |   |             |  |           | NIL                  |                  |
| vi. Others                               | 3.91           |   |             |  |           | 3.91                 |                  |
| <b>Total</b>                             | <b>433.97</b>  | <b>-</b>  | <b>6.31</b> | <b>-</b>   | <b>-</b>  | <b>426.24</b>        | <b>6.31</b>      |
| <b>Liabilities:</b>                      |                |   |             |  |           |                      |                  |
| <b>Non-Current</b>                       |                |   |             |  |           |                      |                  |
| i. Lease Liability                       | 100.56         |   |             |  |           | 100.56               |                  |
| <b>Current</b>                           |                |   |             |  |           |                      |                  |
| i. Lease Liability                       | 24.43          |   |             |  |           | 24.43                |                  |
| ii. Trade Payable                        | 499.90         |   |             |  |           | 499.90               |                  |
| iii. Other financial liabilities         | 99.10          |   |             |  |           | 99.10                |                  |
| <b>Total</b>                             | <b>723.99</b>  | <b>-</b>  | <b>-</b>    | <b>-</b>   | <b>-</b>  | <b>723.99</b>        | <b>-</b>         |

Fair value measurement as at March 31, 2023 :

| Particulars                      | Date of valuation           | Fair value measurement using    |                               |                                 | Total         |
|----------------------------------|-----------------------------|---------------------------------|-------------------------------|---------------------------------|---------------|
|                                  |                             | Quoted prices in active markets | Significant observable inputs | Significant unobservable inputs |               |
|                                  |                             | (Level 1)                       | (Level 2)                     | (Level 3)                       |               |
| <b>Financial Assets</b>          |                             |                                 |                               |                                 |               |
| (i) Investments                  | 31 <sup>st</sup> March 2023 | 6.65                            | -                             | -                               | 6.65          |
| (ii) Loans                       | 31 <sup>st</sup> March 2023 |                                 |                               | 1.34                            | 1.34          |
| (iii) Others                     | 31 <sup>st</sup> March 2023 |                                 |                               | 12.14                           | 12.14         |
| <b>Total</b>                     |                             | <b>6.65</b>                     | <b>-</b>                      | <b>13.48</b>                    | <b>20.13</b>  |
| <b>Financial Liability</b>       |                             |                                 |                               |                                 |               |
| (i) lease Liability              | 31 <sup>st</sup> March 2023 |                                 |                               | 100.56                          | 100.56        |
| (ii) Other financial liabilities | 31 <sup>st</sup> March 2023 |                                 |                               | 37.58                           | 37.58         |
| <b>Total</b>                     |                             |                                 |                               | <b>138.14</b>                   | <b>138.14</b> |

Fair value measurement as at March 31, 2023 :

| Particulars                      | Fair value measurement using |                                 |                               |                                 | Total         |
|----------------------------------|------------------------------|---------------------------------|-------------------------------|---------------------------------|---------------|
|                                  | Date of valuation            | Quoted prices in active markets | Significant observable inputs | Significant unobservable inputs |               |
|                                  |                              | (Level 1)                       | (Level 2)                     | (Level 3)                       |               |
| <b>Financial Assets</b>          |                              |                                 |                               |                                 |               |
| (i) Investments                  | 31 <sup>st</sup> March 2022  | 6.31                            | -                             | -                               | 6.31          |
| (ii) Loans                       | 31 <sup>st</sup> March 2022  |                                 |                               | 7.73                            | 7.73          |
| (iii) Others                     | 31 <sup>st</sup> March 2022  |                                 |                               | 12.07                           | 12.07         |
| <b>Total</b>                     |                              | <b>6.31</b>                     | <b>-</b>                      | <b>19.80</b>                    | <b>26.11</b>  |
| <b>Financial Liability</b>       |                              |                                 |                               |                                 |               |
| (i) lease Liability              | 31 <sup>st</sup> March 2022  |                                 |                               | 124.99                          | 124.99        |
| (ii) Other financial liabilities | 31 <sup>st</sup> March 2022  |                                 |                               | 99.10                           | 99.10         |
| <b>Total</b>                     |                              |                                 |                               | <b>224.09</b>                   | <b>224.09</b> |

The management assessed that security deposits, loan to related parties, other financial assets and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- (i) Long-term fixed-rate and variable-rate receivables are evaluated by the Company based on parameters such as interest rates, individual creditworthiness of the customer and other market risk factors. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.
- (ii) All the other long term borrowing facilities availed by the Company are variable rate facilities which are subject to changes in underlying Interest rate indices. Further, the credit spread on these facilities are subject to change with changes in Company's creditworthiness. The management believes that the current rate of interest on these loans are in close approximation from market rates applicable to the Company. Therefore, the management estimates that the fair value of these borrowings are approximate to their respective carrying values.

### 36. Financial Risk Management Framework

Risk management framework

The Company's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the Company is exposed to and how the Company manages the risk and the related impact in the financial statements.

| Risk                         | Exposure arising from   | Measurement                 | Management  |
|------------------------------|---|-----------------------------|---|
| Credit risk                  | Cash and cash equivalents, trade receivables, financial assets measured at amortised cost | Ageing analysis             | Bank deposits, diversification of asset base, credit limits and collateral.   |
| Liquidity risk               | Borrowings and other liabilities  | Rolling cash flow forecasts | Availability of committed credit lines and borrowing facilities   |
| Market risk - interest rate  | Long-term borrowings at variable rates  | Sensitivity analysis        | Negotiation of terms that reflect the market factors  |
| Market risk - Security price | Investments in equity securities  | Sensitivity analysis        | Company presently does not make significant investments in equity shares, except for entities where it exercises control or joint control or significant influence. |

The Company's risk management is carried out by a central treasury department (of the Company) under policies approved by the board of directors. The board of directors provides written principles for overall risk management, as well as policies covering specific areas, such as interest rate risk, credit risk and investment of excess liquidity.

#### Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investments in debt securities. The carrying amount of financial assets represents the maximum credit exposure.

- cash and cash equivalents,
- trade receivables,

#### Assets under credit risk:

| Description |                           | March 31, 2023 | March 31, 2022 |
|-------------|---------------------------|----------------|----------------|
| A: Low      | Loans                     | 1.34           | 7.73           |
|             | Investments               | 6.65           | 6.31           |
|             | Other financial assets    | 12.14          | 12.07          |
|             | Cash and cash equivalents | 52.08          | 91.04          |
|             | Other bank balances       | -              | -              |
| B: Medium   | Trade receivables         | 253.88         | 323.13         |

#### Trade receivables

Ind AS requires expected credit losses to be measured through a loss allowance. The Group assesses at each date of statements of financial position whether a financial asset or a group of financial assets is impaired. Expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. The Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking

- loans & receivables carried at amortised cost, and
- deposits with banks

#### a) Credit risk management

The Company assesses and manages credit risk based on internal credit rating system, continuously monitoring defaults of customers and other counterparties, identified either individually or by the company, and incorporates this information into its credit risk controls. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

A: Low

B: Medium

C: High

information. Group exposure to customers is towards related parties and not subject to significant credit risk based on past history.

#### Non-Current Investment:

The Company holds non-current investment in mutual funds of at 31 March 2023 and 31 March 2022. The credit risk on mutual funds is limited.

#### Cash and cash equivalents

The Group holds cash and cash equivalents. The credit risk on liquid funds is limited.

Other financial assets measured at amortised cost

Other financial assets measured at amortised cost includes loans and advances to employees, security deposits and others.

Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

### b) Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Company maintains flexibility in funding by maintaining availability under committed facilities.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the company operates.

### Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity of the Company based on their contractual maturities for all non-derivative financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

### Year ended March 31, 2023

| Particulars                 | Balance       | in next 12 months | >1 year <5   | > 5 year | Total         |
|-----------------------------|---------------|-------------------|--------------|----------|---------------|
| Lease Liability             | 100.56        | 28.65             | 71.91        | -        | 100.56        |
| Borrowings                  | -             | -                 | -            | -        | -             |
| Trade payables              | 630.67        | 628.04            | 2.63         | -        | 630.67        |
| Other financial liabilities | 37.58         | 37.58             | -            | -        | 37.58         |
| <b>Total</b>                | <b>768.81</b> | <b>694.27</b>     | <b>74.54</b> | <b>-</b> | <b>768.81</b> |

### Year ended March 31, 2022

| Particulars                 | Balance       | in next 12 months | >1 year <5    | > 5 year | Total         |
|-----------------------------|---------------|-------------------|---------------|----------|---------------|
| Lease Liability             | 124.99        | 24.43             | 100.56        | -        | 124.99        |
| Borrowings                  | -             | -                 | -             | -        | -             |
| Trade payables              | 499.96        | 499.96            | -             | -        | 499.96        |
| Other financial liabilities | 99.10         | 99.10             | -             | -        | 99.10         |
| <b>Total</b>                | <b>724.05</b> | <b>623.49</b>     | <b>100.56</b> | <b>-</b> | <b>724.05</b> |

### Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes.

| Particulars | Liabilities (Foreign currency) |                             | Assets (Foreign currency)   |                             |
|-------------|--------------------------------|-----------------------------|-----------------------------|-----------------------------|
|             | 31 <sup>st</sup> March 2023    | 31 <sup>st</sup> March 2022 | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
| USD         | 0.08                           | 0.07                        | 0.40                        | 1.36                        |
| EURO        | 2.38                           | -                           | 0.42                        | 0.02                        |
| CNY         | -                              | -                           | -                           | 0.04                        |
| GBP         | -                              | -                           | -                           | 0.04                        |
| YEN         | -                              | -                           | -                           | -                           |

| Particulars | Liabilities (INR)           |                             | Assets (INR)                |                             |
|-------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
|             | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
| USD         | 6.93                        | 5.43                        | 33.33                       | 102.77                      |
| EURO        | 201.81                      | -                           | 38.02                       | 1.64                        |
| CNY         | -                           | -                           | -                           | 0.45                        |
| GBP         | -                           | -                           | -                           | 3.54                        |
| YEN         | -                           | -                           | -                           | -                           |

**Sensitivity analysis**

| Particulars                          | 31 <sup>st</sup> March 2023 |          | 31 <sup>st</sup> March 2022 |          |
|--------------------------------------|-----------------------------|----------|-----------------------------|----------|
|                                      | Increase                    | Decrease | Increase                    | Decrease |
| Forex rate fluctuation (1% movement) | 2.80                        | -2.80    | 1.14                        | -1.14    |

**Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rates. The group keeps majority of its borrowings with floating interest rates and group looks out for opportunity for optimization of interest cost, based on prevailing market scenarios and performance of the group.

**c) Price risk**
**Exposure**

The Company's exposure price risk arises from investments held and classified in the balance sheet

either as fair value through other comprehensive income or at fair value through profit or loss. To manage the price risk arising from investments, the Company diversifies its portfolio of assets. The Company does not have any significant investments in equity instruments which create an exposure to price risk.

**37. Earnings per share**

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the group
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

| Particulars  | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|--|-----------------------------|-----------------------------|
| <b>(a) Basic earnings per share</b>  |                             |                             |
| i. Profit (loss) attributable to equity shareholders(basic)                        | (137.23)                    | 267.05                      |
| ii. Weighted average number of equity shares (basic)                               | 10678796                    | 10678796                    |
| Total basic earnings per share attributable to the equity holders of the company   | (1.29)                      | 2.50                        |
| <b>(b) Diluted earnings per share</b>  |                             |                             |
| i. Profit (loss) attributable to equity shareholders(basic)                        | (137.23)                    | 267.05                      |
| ii. Weighted average number of equity shares (basic)                               | 10678796                    | 10678796                    |
| Total diluted earnings per share attributable to the equity holders of the company | (1.29)                      | 2.50                        |

**38. Post Employment benefits.**
**Defined contribution Plans :**

The group makes specified monthly contributions towards employee provident fund to Government administered provident fund scheme which is a defined contribution plan. The group contribution is recognized as an expense in the statement of profit and loss during the period in which the employee renders the related service.

For details about the related employee benefit expenses, see Note 26.

**Defined benefit plan – Gratuity :**
**Description of the Gratuity Plan :**

The group provides for gratuity a defined benefit

retirement plan covering eligible employees. Gratuity plan provides for a lumpsum payment to employees on retirement, death, incapacitation, termination of employment, of amount that are based on salaries and tenure of the employees. 'Gratuity liability is funded with Life Insurance Corporation of India (LIC)'.

**A. Reconciliation of the defined benefit liability**

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset) liability and its components. Reconciliation of present value of defined benefit obligation

| Particulars                           | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|---------------------------------------|-----------------------------|-----------------------------|
| Balance at the beginning of the year  | 62.62                       | 49.38                       |
| Current service cost                  | 8.81                        | 9.70                        |
| Interest cost                         | 4.20                        | 3.11                        |
| Benefits Paid                         | (2.28)                      | (0.66)                      |
| Actuarial (gains) losses recognised   |                             |                             |
| Experience adjustments                | (4.33)                      | 2.82                        |
| Financial Assumption adjustment       | (2.11)                      | (1.73)                      |
| <b>Balance at the end of the year</b> | <b>66.91</b>                | <b>62.62</b>                |

### B. Expense recognised in profit or loss

| Particulars                           | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|---------------------------------------|-----------------------------|-----------------------------|
| Current service cost                  | 8.81                        | 9.70                        |
| Interest on defined benefit Liability | 0.77                        | 0.38                        |
| Past service Cost                     | -                           | -                           |
| <b>Total</b>                          | <b>9.58</b>                 | <b>10.08</b>                |

### Remeasurements recognised in other comprehensive income

| Particulars  | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|--|-----------------------------|-----------------------------|
| Actuarial (gain)/loss on Obligation for the period | 5.61                        | (0.83)                      |
| Actuarial (gain)/loss due to DBO assumption change | -                           | -                           |
| <b>Total</b>                                       | <b>(5.61)</b>               | <b>(0.83)</b>               |

### C. Actuarial assumptions

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

| Particulars                                 | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2023 |
|---|-----------------------------|-----------------------------|
| Discount rate                               | 7.20%                       | 6.70%                       |
| Future salary growth                        | 5.00%                       | 5.00%                       |
| Interest Rate on Net DBO                    | 6.70%                       | 6.30%                       |
| Withdrawal Rate                             | 10.00%                      | 10.00%                      |
| Mortality table                             | IALM 2012-14 (Ult.)         | IALM 2012-14 (Ult.)         |
| Weighted average duration of the obligation | 7 years                     | 7 years                     |

### D. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

| Particulars  | 31 <sup>st</sup> March 2023 |          | 31 <sup>st</sup> March 2022 |          |
|--|-----------------------------|----------|-----------------------------|----------|
|  | Increase                    | Decrease | Increase                    | Decrease |
| Discount rate (1% movement)                          | 3.88                        | 4.36     | 3.98                        | 4.50     |
| Future salary growth (1% movement)                   | 4.41                        | 3.99     | 4.53                        | 4.07     |
| Attrition rate (1% movement)                         | 0.36                        | 0.41     | 0.17                        | 0.22     |
| Mortality (increase in expected lifetime by 1 year)  | -                           | 0.01     | -                           | 0.01     |
| Mortality (increase in expected lifetime by 3 years) | -                           | 0.02     | -                           | 0.02     |

Note : The sensitivity is performed on the DBO at the respective valuation date by modifying one parameter whilst retaining other parameters constant. There are no changes from the previous period to the methods and assumptions underlying the sensitivity analyses.

### 39. Segment informations

The group has disclosed business segment as the primary segment. Segments have been identified taking into account the nature of the product, the differing risks and returns, the organization structure and internal reporting system. The group has identified geographical segment as secondary reportable segments.

The group's operations predominantly relate to manufacturing and sale of textile machineries including servicing of machineries on labour basis and also manufacturing and processing of Yarn in local market as

well as exports.

Segment revenue, segment results, segment assets and segment liabilities include the respective amounts identifiable to each of the segments. Inter-segment transfers have been carried out at mutually agreed prices which are at arm's length price.

The accounting principles consistently used in the preparation of the financial statements are also consistently applied to record income and expenditure in individual segments. These are as set out in the note on significant accounting policies.

#### A. DISCLOUSER OF PRIMARY BUSINESS SEGMENTS

| Sr. No.  | Particulars                    | Year ended 31 Mar 2023 | Year ended 31 Mar 2022 |
|----------|--------------------------------|------------------------|------------------------|
|          |                                | Audited                | Audited                |
| <b>1</b> | <b>Segment Revenue</b>         |                        |                        |
|          | Machine Division               | 1477.26                | 2820.06                |
|          | Yarn Division                  | 628.49                 | 484.92                 |
|          | <b>Total</b>                   | <b>2105.75</b>         | <b>3304.98</b>         |
|          | Less: inter segment revenue    | 71.99                  | 138.69                 |
|          | <b>Revenue from operations</b> | <b>2033.76</b>         | <b>3166.29</b>         |
| <b>2</b> | <b>Segment Results</b>         |                        |                        |
|          | Machine Division               | -170.11                | 324.59                 |
|          | Yarn Division                  | 15.56                  | 41.37                  |
|          | <b>Segment Results</b>         | <b>-154.54</b>         | <b>365.96</b>          |
| <b>3</b> | <b>Unallocable</b>             |                        |                        |
|          | Other Income                   | 27.39                  | 22.75                  |
|          | Finance Cost                   | 10.39                  | 11.51                  |
|          | <b>Profit before Tax</b>       | <b>-137.55</b>         | <b>377.21</b>          |
| <b>4</b> | <b>Tax expense</b>             |                        |                        |
|          | Current tax                    | -                      | 94.55                  |
|          | Deferred tax                   | -0.31                  | 15.59                  |
|          | <b>Profit after Tax</b>        | <b>-137.23</b>         | <b>267.06</b>          |
| <b>5</b> | <b>Segment Assets</b>          |                        |                        |
|          | Machine Division               | 3,298.13               | 3366.96                |
|          | Yarn Division                  | 262.567                | 223.96                 |
|          | Unallocable                    | 9.91                   | 6.90                   |
|          | <b>Segment Assets</b>          | <b>3570.60</b>         | <b>3597.82</b>         |
| <b>6</b> | <b>Segment Liabilities</b>     |                        |                        |
|          | Machine Division               | 863.57                 | 786.06                 |
|          | Yarn Division                  | 177.61                 | 91.15                  |
|          | Unallocable                    | 50.46                  | 105.65                 |
|          | <b>Segment Liabilities</b>     | <b>1091.64</b>         | <b>982.86</b>          |

**B. DISCLOUSER OF GEOGRAPHICAL BUSINESS SEGMENTS**

| Particulars                  | Year ended 31 Mar 2023 |        |         | Year ended 31 Mar 2022 |        |         |
|------------------------------|------------------------|--------|---------|------------------------|--------|---------|
|                              | INDIA                  | USA    | Total   | INDIA                  | USA    | Total   |
| <b>Revenue</b>               |                        |        |         |                        |        |         |
| Segment revenue              | 1799.94                | 233.82 | 2033.76 | 3038.40                | 129.49 | 3167.89 |
| Segment assets               | 3487.14                | 83.46  | 3570.60 | 3422.09                | 175.73 | 3597.82 |
| Capital Expenditure incurred | 170.84                 | NIL    | 170.84  | 612.48                 | NIL    | 612.48  |

**Notes to Segmental Results:**

There are certain fixed assets used in Group's business, liabilities contracted and certain common expenses incurred by the Group have not been identified to any of the reportable segments since the nature of these assets, liabilities and expenses are such that they can be used interchangeably between the segments. The group believes that it is currently not practical to provide segment disclosure, except as disclosed above, relating to total assets, liabilities and expenses having interchangeable use between segments, since a meaningful segregation of the available data is not feasible and hence kept in unallocated items.

**40.** The group objective is to maintain a strong capital base to ensure sustained growth in business. The Company's management focusses to maintain an optimal structure that balances growth and maximizes shareholder value. The group is predominantly equity financed. Further, the Group has sufficient cash and cash equivalents and financial assets which are liquid to meet its financial obligations.

**41. Additional Regulatory information pursuant to the provisions of Schedule III of The Companies Act, 2013**

a. Title deeds of Immovable Property not held in name of the group  
During the year, the group has no immovable property whose title deeds are not in the name of the group.

b. During the year, group has not revalued any Property, Plant and Equipment.

c. Details of Benami Property held and the proceedings under the Benami Transactions (Prohibition) Act, 1988 and Rules made thereunder:.  
During the year, there is no such proceedings have been initiated or pending as on the date of balance sheet, against the group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and Rules made thereunder.

d. Borrowings on security of current asset  
The group has not obtained any long term or short term borrowings during the year from any banks or financial institutions.

e. During the year, the group was not declared as wilful defaulter by any bank or financial Institution or other lender.

f. Based on the information available with the group, there are no transactions with struck off companies.

g. Registration of charges or satisfaction with Registrar of Companies  
The Group does not have any charges or satisfaction which is yet to be registered with registrar of companies beyond the statutory period.

h. The Company has wholly owned Subsidiary at USA. As per the provisions of the proviso the sub-rule(1) of the Companies (Restriction on number of Layers) Rules, 2017 (as amended), the said layer is not to be considered and hence the provisions of clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017 (as amended) are not applicable.

## i. Financial Ratios :

| SR. NO. | RATIO                                   | NUMERATOR   | AS AT MARCH 31, |       | % OF VARIANCE | REASONS FOR VARIANCE IN EXCESS OF 25%  |
|---------|---|---|-----------------|-------|---------------|--|
|         |   | DENOMINATOR   | 2023            | 2022  |               |  |
| A.      | Current Ratio<br>(In times)             | <b>Current assets</b><br>(As per Balance sheet)<br>Inventories + Trade Receivables + Cash and Cash Equivalents + Short term Loans and advances + other current assets | 1.68            | 2.08  | -18.93        | Since the variance in the ratio is less than 25%, reasons for change is not given.   |
|         |   | <b>Current Liabilities</b><br>(As per Balance sheet)<br>Short term borrowings + trade payables + Other current liabilities + Short term provisions                    |                 |       |               |  |
| B.      | Debt - Equity Ratio<br>(In times)       | <b>Total Debts</b><br>(As per Balance sheet)<br>Total long Term Borrowings + Total Short Term Borrowings  | -               | -     | -             | The company does not have debt, hence Debt-Equity Ratio are not applicable.  |
|         |   | <b>Shareholder's Equity</b><br>(As per Balance sheet)<br>Paid up Share Capital + Reserves and surplus   |                 |       |               |  |
| C.      | Debt Service Coverage Ratio (In times)  | Profit before Exceptional items and Tax + Interest Expense + Depreciation and amortization - Current Tax expense  | -               | -     | -             | The company does not have debt, hence Debt-Equity Ratio are not applicable.  |
|         |   | Interest Expense + Principal repayment of long term debt  |                 |       |               |  |
| D.      | Return on Equity Ratio<br>(in %)        | Profit after Tax  | -0.06           | 0.10  | -154.21       | The decrease is mainly due to the fact that during the year under consideration, there is loss whereas in the preceding year there was profit after tax. |
|         |   | Share holder's fund   |                 |       |               |  |
| E.      | Inventory T/O. Ratio<br>(In times)      | <b>Cost of Goods Sold</b><br>(Opening Stock of Inventory + Purchases + Direct Expenses - Closing Inventory)   | 1.21            | 1.79  | -32.37        | The decrease is mainly due to the fact that, during the year the average inventory is more than the preceding year.                                      |
|         |   | <b>Average inventory</b><br>((Opening Inventory + Closing Inventory)/2))  |                 |       |               |  |
| F.      | Trade Receivable T/O Ratio<br>(in Days) | <b>Average Trade receivable * 365 days</b><br>((Opening trade receivable + Closing trade Receivable)/2)   | 51.78           | 42.08 | 23.05         | The increase is mainly due to the fact that during the year the Revenue from operation is decreased as compared to last year.                            |
|         |   | <b>Gross Sales</b><br>(Revenue from operations from Profit & Loss Account)  |                 |       |               |  |

|    |                                   |   |        |       |        |  |
|----|-----------------------------------|---|--------|-------|--------|--|
| G. | Trade payable T/O Ratio (in Days) | <b>Average Trade payable * 365 days</b><br>((Opening trade payable + Closing trade Payable)/2)                                      | 156.31 | 97.48 | 60.35  | The increase is mainly due to the fact that during the year the Average trade payables are increased whereas the purchases are decreased as compared to last year. |
|    |                                   | <b>Gross Purchases</b>  |        |       |        |  |
| H. | Net Capital T/O Ratio (In times)  | <b>Revenue from operations</b><br>(from profit and loss account)  | 2.97   | 3.49  | -14.80 | Since the variance in the ratio is less than 25%, reasons for change is not given.   |
|    |                                   | <b>Working Capital</b><br>(Current Assets as per Balance sheet - Current Liabilities excluding current maturity of long term debts) |        |       |        |  |

j. During the year, no scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

k. A) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the group to or in any other person(s) or entity(ies), including foreign entities ("intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the group (Ultimate Beneficiaries).

B) The group has not received any fund from any party(s) (Funding Party) with the understanding that the group shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the funding party ("Ultimate Beneficiaries") or

o. Earning in Foreign Currency (Accrual Basis) :

| Particulars               | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|---------------------------|-----------------------------|-----------------------------|
| Sale of Goods (FOB value) | 441.22                      | 926.58                      |

p. Value of imports calculated on CIF basis:

| Particulars                | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|----------------------------|-----------------------------|-----------------------------|
| Raw Materials & Components | 66.18                       | 151.92                      |
| Capital Goods              | Nil                         | 121.45                      |

q. Expenditure in Foreign Currency (Accrual Basis)

| Particulars                 | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|-----------------------------|-----------------------------|-----------------------------|
| Foreign Commission Expense  | Nil                         | 12.83                       |
| Machinery Repairing Expense | Nil                         | 0.15                        |
| Exhibition Expense          | 14.78                       | 0.67                        |

provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

l. Undisclosed Income

During the year, there are no transactions which are not recorded in the books of accounts that has been surrendered or disclosed as income in the Tax Assessment under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income-tax Act, 1961).

m. Corporate Social Responsibility (CSR)

During the year, the group is not covered in section 135 of Companies Act, 2013 and hence the group is not required to apply the CSR Rules.

n. Details of Crypto Currency or Virtual Currency  
During the year, the group has not traded or invested in any Crypto Currency or Virtual Currency and hence not applicable.

r.Imported and Indigenous raw materials, components and spare parts consumed :

| Particulars | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|-------------|-----------------------------|-----------------------------|
| Imported    | 61.28                       | 144.83                      |
| Indigenous  | 1046.52                     | 1810.97                     |
| Total       | <b>1107.80</b>              | <b>1955.80</b>              |

#### 42. The Code on Social Security, 2020

The Code on Social Security 2020 ('Code') has been notified in the official Gazette on September 29, 2020. The Code is not yet effective and related rules are yet to be notified. Impact if any of the change will be assessed and recognized in the period in which said Code becomes effective and the rules framed thereunder are notified.

#### 43. Events occurring after the Balance sheet date :

The company evaluates events and transactions that occur subsequent to the balance sheet date but prior to approval of the financial statements to determine the

necessity for recognition and/or reporting of any of these events and transactions in the financial statements. As of May 30, 2023, there are no subsequent events to be recognized or reported except disclosed above in the relevant notes.

#### 44. Approval of Financial Statements

The financial statements were approved for issue by the Board of Directors on May 30, 2023.

45. The figures for the corresponding previous year have been regrouped / reclassified wherever necessary, to make them comparable.

For K A SANGHAVI & CO. LLP.  
Chartered Accountants  
Firm Registration No: 120846W/W100289

For and on behalf of the Board of  
Directors of MEERA INDUSTRIES LIMITED

AMISH ASHVINBHAI SANGHAVI  
Partner  
Membership No: 101413  
ICIA UDIN : 23101413BGQWUC7388

DHARMESH VINDOCHANDRA DESAI  
Director DIN : 00292502  
Place : North Carolina, USA

BIJAL DHARMESHBHAI DESAI  
Director DIN : 00292319  
Place : Surat

Place : Surat  
Date : May 30, 2023

VINOD SATYANARAYAN OJHA  
Chief Financial Officer  
Place : Surat

BHAVISHA CHAUHAN  
Company Secretary  
Place : Surat





## **NOTICE OF 17<sup>th</sup> A.G.M.**

NOTICE IS HEREBY GIVEN THAT 17<sup>TH</sup> (SEVENTEEN) ANNUAL GENERAL MEETING OF THE MEMBERS OF "MEERA INDUSTRIES LIMITED" CIN: L29298GJ2006PLC048627 WILL BE HELD ON FRIDAY, SEPTEMBER 29, 2023 AT 04:00 PM NOON THROUGH VIDEO CONFERENCING / OTHER AUDIO VISUAL MEANS ("VC/OAVM") TO TRANSACT THE FOLLOWING BUSINESS. THE VENUE OF THE MEETING SHALL BE DEEMED TO BE THE REGISTERED OFFICE OF THE COMPANY SITUATED AT 2126, ROAD NO. 2, GIDC, SACHIN, SURAT - 394230.

### **A) ORDINARY BUSINESS:**

1. To receive, consider and adopt the -
  - a) Standalone Audited Financial Statements of the Company for the financial year ended on 31<sup>st</sup> March 2023, along with Report of the Board of Directors & Report of Auditors thereon;
  - b) Consolidated Audited Financial Statements of the Company for the financial year ended on 31<sup>st</sup> March 2023, along with Report of the Board of Directors & Report of Auditors thereon;
2. To appoint a Director in place of Mrs. Bijal Dharmeshbhai Desai (DIN: 00292319), who retires by rotation and being eligible offers, herself for re-appointment.

Explanation: Based on the terms of appointment, Directors (other than Independent Directors) are subject to retire by rotation. Mrs. Bijal Dharmeshbhai Desai (DIN: 00292319), who has been a Director (Category - Non-Executive) and whose office is liable to retire by rotation at this AGM, being eligible, seeks re-appointment. Based on the performance evaluation, the Board recommends her reappointment.

Therefore, the Members of the Company are requested to consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mrs. Bijal Dharmeshbhai Desai (DIN: 00292319), who retires by rotation, be and is hereby re-appointed as a Director (Category - Non-Executive) of the Company, liable to retire by rotation."

#### **Registered Office:**

2126, Road No. 2, GIDC,  
Sachin, Surat - 394230.  
CIN: L29298GJ2006PLC048627  
Tel.: +91-261-2399114  
Email: [info@meeraind.com](mailto:info@meeraind.com)  
Website: [www.meeraind.com](http://www.meeraind.com)

#### **By Order of the Board of Directors**

**Bhavisha Kunal Chauhan**  
Company Secretary & Compliance Officer  
Membership No. FCS-12515

Date: 14/08/2023  
Place: Sachin, Surat

## NOTES:

1. The 17TH Annual General Meeting (AGM) is being held through video conferencing (VC)/ other audio visual means (OAVM) in accordance with the The Government of India, Ministry of Corporate Affairs has allowed conducting Annual General Meeting through Video Conferencing (VC) or Other Audio-Visual Means (OAVM) and dispensed the personal presence of the members at the meeting. Accordingly, the Ministry of Corporate Affairs issued Circular No. 14/2020 dated 8th April, 2020, Circular No. 17/2020 dated 13th April, 2020 and Circular No. 20/2020 dated 5th May, 2020 and Circular No. 02/2021 dated 13th January, 2021 and Circular No. 21/2021 dated December 14, 2021 and 02/2022 dated 5th May 2022 and latest being 10/2022 dated December 28, 2022 ("MCA Circulars") and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and Circular No. SEBI/HO/DDHS/P/CIR/2022/0063 dated 13th May, 2022 and SEBI/HO/CRD/PoD2/P/CIR/2023/4 dated 5th January, 2023 issued by the Securities Exchange Board of India ("SEBI Circular") prescribing the procedures and manner of conducting the Annual General Meeting through VC/OVAM. In terms of the said circulars, the 17th Annual General Meeting ("AGM") of the Members will be held through VC/OAVM. Hence, Members can attend and participate in the AGM through VC/OAVM only. For the purpose of recording the proceedings, the AGM will be deemed to be held at the registered office of the Company at 2126, ROAD NO. 2, GIDC, SACHIN, SURAT - 394230, Gujarat, India.

2. Since the Annual General Meeting (AGM) is being held pursuant to the e-AGM circulars through video conferencing (VC)/ other audio visual means (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, Attendance Slip and route map of the AGM venue are not annexed to this Notice. However, a Member may appoint a representative as per applicable provisions of the Companies Act, 2013 to attend and/or vote.

3. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.

4. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board resolution to the Company, authorizing their representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting.

5. Copies of the Balance Sheet, the Statement of Profit and Loss, the Directors' Report, the Auditor's

Report and every other document required by law to be annexed or attached to the Balance Sheet for the financial year ended March 31, 2023 are annexed/attached.

6. Electronic copy of the Annual Report for 2022-23 including the Notice which includes the process and manner of attending the Annual General Meeting through video conferencing (VC)/ other audio visual means (OAVM), and e-voting is being sent to all the members whose e-mail addresses are registered with the Company/Depository Participants.

7. Printed copy of the Annual Report (including the Notice) is not being sent to the members in view of the e-AGM circulars.

8. Ministry of Corporate affairs and Stock Exchange Board of India have permitted listed companies, in view of the prevailing COVID-19 pandemic situation, to send during calendar year 2022 via e-mail the Notice of the Annual General Meeting and the Annual Report to shareholders whose e-mail IDs are registered in the Company's records. In order to receive the Annual Report, Notice and other communications in electric form, we request our shareholders to register/update their e-mail address and mobile number with their Depository Participant(s) in respect of shares held in electronic form or with the Company's Registrar & Transfer Agent (RTA), at M/s Kfin Technologies Limited, Karvy selenium tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad -500032, e-mail ID: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)

9. The Members may also note that the Notice of the Annual General Meeting and the Annual Report for 2022-23 also available on the website of the Company, [www.meeraind.com](http://www.meeraind.com) which can be downloaded. The electronic copies of the documents which are referred to in this Notice but not attached to it will be made available for inspection. For inspection, the members are requested to send a request through an e-mail on [cs@meeraind.com](mailto:cs@meeraind.com) with Depository participant ID and Client ID or Folio number.

10. The Members desiring any information relating to the accounts or have any questions, are requested to write to the Company on [cs@meeraind.com](mailto:cs@meeraind.com) at least Ten days before the date of the Annual General Meeting (AGM) so as to enable the Management to keep the information ready and provide it at the AGM.

11. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of contracts or



arrangements in which the Directors are interested under Section 189 of the Act and all other documents referred to in this Notice will be available for inspection in electronic mode / at the registered office of the Company during normal business hours, i.e. 10.00 a.m. to 6.00 p.m. on all working days except Saturdays and Sundays, up to and including the date of the AGM.

12. Pursuant to the provisions of Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 23RD September, 2023 to Friday, 29TH September, 2023 (both days inclusive) for the purpose of AGM.

13. Members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date i.e. Friday, 22ND September, 2023, shall be entitled to avail the facility of remote e-voting. Any recipient of the Notice, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only.

14. A person who has acquired the shares and has become a member of the Company after the dispatch of the Notice of the AGM and prior to the Cut-off date i.e. Friday, 22ND September, 2023, shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or e-voting system on the date of AGM by following the procedure mentioned in this part.

15. Once the vote on a resolution is cast by the member, he/she shall not be allowed to change it subsequently or cast the vote again.

16. The Company has appointed CS Chirag Shah, M/s. Chirag Shah & Associates, Practising Company Secretary, to act as the Scrutinizer to scrutinize the voting at the AGM and remote e-Voting process, in a fair

and transparent manner.

## THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING ANNUAL GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on **Tuesday, 26th September, 2023 at 9:00 A.M.** and ends on **Thursday, 28th September, 2023 at 5:00 P.M.** The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 23RD September, 2022 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.

### How do I vote electronically using NSDL e-Voting system?

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

#### Step I: 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> | <p>1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com/">https://eservices.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under “IDeAS” section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>2. If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com/">https://eservices.nsd.com/</a>. Select “Register Online for IDeAS” Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or e-Voting service provider - 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 &amp; voting during the meeting.</p> |
|  | <p>1. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <div data-bbox="986 1870 1284 2045" style="text-align: center;">  </div>  |



|  |   |
|--|---|
| Individual Shareholders holding securities in demat mode with CDSL                                     | <ol style="list-style-type: none"><li>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li><li>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.</li><li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li><li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.</li></ol> |
| Individual Shareholders (holding securities in demat mode) login through their depository participants | <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. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or e-Voting service provider-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 &amp; voting during the meeting.</p>  |

**Important note:**

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

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

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

**B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

| <b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b> | <b>Your User ID is:</b>   |
|---|---|
| a) For Members who hold shares in demat account with NSDL.            | 8 Character DP ID followed by 8 Digit Client ID<br>For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****. |



|   |   |
|---|---|
| <p>b) For Members who hold shares in demat account with CDSL.</p> | <p>16 Digit Beneficiary ID<br/>For example if your Beneficiary ID is 12***** then your user ID is 12*****</p>   |
| <p>c) For Members holding shares in Physical Form.</p>            | <p>EVEN Number followed by Folio Number registered with the company<br/>For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***</p> |

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.nsdl.com](http://www.evoting.nsdl.com).

b) Physical User Reset Password? (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.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](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

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

### How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "EVEN" of company for which you wish to

cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General 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 [ch1118\\_min@yahoo.com](mailto:ch1118_min@yahoo.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on 022 - 4886 7000 and 022 - 2499 7000 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [cs@meeraind.com](mailto:cs@meeraind.com)
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [cs@meeraind.com](mailto:cs@meeraind.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e.

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

3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER:-**



1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/shareholders, who will be present in the EGM/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 EGM/AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

### INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the EGM/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 General 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. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at [cs@meeraind.com](mailto:cs@meeraind.com) The same will be replied by the company suitably.
6. Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.

In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on 022 - 4886 7000 and 022 - 2499 7000 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**Information Pursuant to the Listing Regulations and Secretarial Standards in Respect of Directors Retiring by Rotation**

|   |   |
|---|---|
| 1) Name of Director   | BIJAL DHARMESHBHAI DESAI  |
| 2) Age  | 47 Years  |
| 3) Qualification  | Post Graduate with Master Degree in Science from Veer Narmad South Gujarat University   |
| 4) Date of first Appointment on the Board                         | 5 <sup>th</sup> July, 2006  |
| 5) Experience   | She has more than 17 years of professional experience in the business and industry for handling activities related to operation and administration of the company. She holds a Master's degree in Science from the Veer Narmad South Gujarat University. She is currently heading the human resource, administration and logistics department of our Company. |
| 6) List of Companies in which holds directorship as on 31.3.20 23 | <ul style="list-style-type: none"> <li>Meera Industries Limited</li> </ul>  |
| 7) Chairman/member of the Committee as on 31.03.20 23             | NIL   |

**Registered Office:**  
 2126, Road No. 2, GIDC,  
 Sachin, Surat – 394230.  
 CIN: L29298GJ2006PLC048627  
 Tel.: +91-261-2399114  
 Email: info@meeraind.com  
 Website: www.meeraind.com

**By Order of the Board of Directors**  
**Bhavisha Kunal Chauhan**  
 Company Secretary & Compliance Officer  
 Membership No. FCS-12515

Date: 14/08/2023  
 Place: Sachin, Surat

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**MEERA**<sup>™</sup>  
INDUSTRIES LIMITED

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**MEERA**

**Meera Industries Limited**

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