

November 29, 2022

EFL/BSE/2022-23/59

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai 400001

Scrip Code: 543482
Scrip ID: EUREKAFORBE

Sub: Notice of 13th (Thirteenth) Annual General Meeting (“AGM Notice”) and Annual Report for the Financial Year 2021-22 of Eureka Forbes Limited (formerly Forbes Enviro Solutions Limited) (“the Company”)

Dear Sir/Madam,

Pursuant to Regulation 30 read with Paragraph A of Part A of Schedule III and Regulation 34 of the Securities Exchange of Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform that the 13th (Thirteenth) Annual General Meeting of the Company is scheduled to be held on **Thursday, December 22, 2022 at 04:00 PM IST** through Video Conferencing (“VC”)/Other Audio Visual Means (“OAVM”) in accordance, with the relevant circulars issued by Ministry of Corporate Affairs and Securities and Exchange Board of India. In this regard, we wish to inform the following:

1. The Notice of 13th (Thirteenth) Annual General Meeting and Annual Report for Financial Year 2021- 22 are being sent through electronic mode to all the Members whose email addresses are registered with the Company/Registrar and Transfer Agent (“RTA”)/Depository Participant (“DP”).
2. The Company has provided the facility to its members to cast their vote electronically, through e-voting facility on all the resolutions as set out in the AGM Notice, who are holding shares on the cut-off date i.e. Thursday, December 15, 2022.
3. The remote e-voting will commence on Monday, December 19, 2022 at 09:00 AM IST and end on Wednesday, December 21, 2022 at 05:00 PM IST.
4. The AGM Notice and Annual Report for Financial Year 2021-22 are enclosed herewith as Annexures – A and B respectively.

This is for your information and records.

Thanking You,
For Eureka Forbes Limited
(formerly Forbes Enviro Solutions Limited)

Dattaram P Shinde
Company Secretary, Head – Legal & Compliance Officer

Encl: As above



EUREKA FORBES LIMITED

(formerly Forbes Enviro Solutions Limited)

CIN: L27310MH2008PLC188478

Registered Office: B1/B2, 7th Floor, 701, Marathon Innova, Off Ganpatrao Kadam Marg,
Lower Parel, Mumbai – 400 013.

Phone No.: +91 22 4882 1700 Fax No.: +91 22 4882 1701

Website: www.eurekaforbes.com; E-mail: compliance@eurekaforbes.com

Notice convening 13th Annual General Meeting

NOTICE is hereby given that the **13th (Thirteenth) Annual General Meeting** (“AGM / the meeting”) of the members of Eureka Forbes Limited (formerly Forbes Enviro Solutions Limited) (CIN: L27310MH2008PLC188478) (“the Company”) will be held on **Thursday, December 22, 2022 at 04:00 PM IST** through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”) in conformity with the regulatory provisions and the Circulars issued by the Ministry of Corporate Affairs (MCA) and Securities and Exchange Board of India (SEBI) to transact the following businesses.

The venue of the AGM shall be deemed to be the Registered Office of the Company at B1/B2, 7th Floor, 701, Marathon Innova, Off Ganpatrao Kadam Marg, Lower Parel, Mumbai, Maharashtra – 400 013.

ORDINARY BUSINESS

1. To receive, consider and adopt:
 - a. the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2022 together with the Report of the Board of Directors and the Auditors' thereon; and
 - b. the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2022 together with the Report of the Auditors' thereon.
2. To appoint Mr. Sahil Dilip Dalal (DIN: 07350808) as a Director liable to retire by rotation and being eligible seeks re-appointment.
3. To appoint Statutory Auditors.

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

“Resolved that pursuant to the provisions of Sections 139, 141, 142 and 144 of the Companies Act, 2013 read with Rule 3 of the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any of the Companies Act, 2013 and Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification (s) or re-enactment thereof, for the time being in force) and the recommendations of the Audit Committee and Board of Directors of the Company, M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, having Firm Registration No.: 117366W/W-100018, be and are hereby appointed as Statutory Auditors of the Company who shall hold office

for a term of 05 (Five) consecutive years commencing from the conclusion of 13th (Thirteenth) Annual General Meeting till the conclusion of 18th (Eighteenth) Annual General Meeting to be held in a calendar year 2027 at such remuneration plus Goods and Service Tax, reimbursement of out of pocket expenses as may be approved by the Board of Directors of the Company.

Resolved further that the Board of Directors of the Company, in consultation with Audit Committee, be and are hereby severally authorized to mutually decide the terms of appointment including remuneration payable to M/s. Deloitte Haskins & Sells LLP, Chartered Accountants as Statutory Auditor of the Company.

Resolved further that the Board be and is hereby authorized to do all such acts, deeds and things as it may consider necessary, expedient or desirable, including delegation all or any of its powers herein conferred to any Committee of Directors and / or any person, to give effect to the above resolution.”

SPECIAL BUSINESS

4. To ratify remuneration payable to Cost Auditors.

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

“Resolved that pursuant to the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, and other applicable provisions if any of the Companies Act, 2013 and Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof) as amended from time to time, the remuneration of ₹ 7.00 Lakhs (Rupees Seven Lakhs only) plus applicable taxes and out of pocket expenses payable to M/s. J Chandra & Associates, Cost Accountants, the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost accounts of the Company for the Financial Year ending March 31, 2023 be and is hereby ratified and confirmed.

Resolved further that the Board be and is hereby authorized to do all such acts, deeds and things as it may consider necessary, expedient or desirable, including delegation all or any of its powers herein conferred to any Committee of Directors and / or any person, to give effect to the above resolution.”

5. To appoint Mr. Shashank Shankar Samant (DIN: 09733485) as Non-Executive and Independent Director.

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

“**Resolved that** pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), and Regulations 17(1C), 25(2A) and any other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), as amended from time to time, Mr. Shashank Shankar Samant (DIN: 09733485) who was appointed as an Additional Non-Executive Independent Director of the Company by the Board of Directors w.e.f. October 10, 2022, in terms of Section 161 of the Act and the Articles of Association of the Company and has submitted a declaration confirming that he meets the criteria of independence under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations, whose candidature for the office of Independent Director has been recommended by the Nomination and Remuneration Committee and Board of Directors, and in respect of whom the Company has received a notice in writing under Section 160 of the Act proposing his candidature for the office of Director, be and is hereby appointed as a Non-Executive Independent Director for a term of 05 (Five) consecutive years effective from October 10, 2022 till October 09, 2027 and shall not be liable to retire by rotation.

Resolved further that the Board be and is hereby authorized to do all such acts, deeds and things as it may consider necessary, expedient or desirable, including delegation all or any of its powers herein conferred to any Committee of Directors and / or any person, to give effect to the above resolution.”

6. To pay Commission to Non-Executive Directors.

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

“**Resolved that** pursuant to Sections 197, 198 and other applicable provisions, if any of the Companies Act, 2013 and Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 (including any statutory modification(s) or re-enactment thereof, for the time being in force), approval of the members be and is hereby accorded to the payment of a sum not exceeding ₹ 56.00 Lakhs (Rupees Fifty Six Lakhs only), including ₹ 48.01 Lakhs (Rupees Forty Eight Lakhs and One Thousand only) being more than 1% of the Net Profit of the Company, calculated in accordance with the provisions of Section 197 and 198 of the Companies Act, 2013, by way of commission to, and amongst the Directors of the Company as on March 31, 2022, who are neither in whole-time employment nor Executive Directors of the Company, in such proportion and in such manner as may

be determined by the Board of Directors of the Company in consultation with the Nomination and Remuneration Committee.

Resolved further that the Board be and is hereby authorized to do all such acts, deeds and things as it may consider necessary, expedient or desirable, including delegate all or any of its powers herein conferred to any Committee of Directors and / or any person, to give effect to the above resolution.”

7. Consider and approve payment of Managerial Remuneration and waiver of excess Managerial Remuneration payable to Managing Director & Chief Executive Officer (Managing Director & CEO).

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

“**Resolved that** pursuant to provisions of Sections 197, 198 and Schedule V of the Companies Act, 2013 and Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and on recommendations of Nomination and Remuneration Committee and the Board of Directors of the Company, remuneration as detailed herein below paid/payable to Mr. Marzin R. Shroff, former Managing Director & CEO for the Financial Year ended March 31, 2022 be and is hereby ratified and approved

Particulars	₹ in Lakhs
Salary & Perquisites	26.60
Contribution to retiral benefits	1.99
Commission	25.00
Total	53.59
Remuneration in excess of limits prescribed under Section 197	13.64

Resolved further that the Company hereby waives recovery of excess remuneration, if any paid/payable to Mr. Marzin R. Shroff, former Managing Director & CEO in excess of limits prescribed under Section 197 of the Companies Act, 2013.

Resolved further that the Board be and is hereby authorized to do all such acts, deeds and things as it may consider necessary, expedient or desirable, including delegate all or any of its powers herein conferred to any Committee of Directors and / or any person, to give effect to the above resolution.”

By order of the Board of Directors
for **Eureka Forbes Limited**
(formerly Forbes Enviro Solutions Limited)

Dattaram P. Shinde
Company Secretary,
Head – Legal and Compliance Officer

Place : Mumbai
Dated : October 10, 2022

Notes:

1) In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its General Circular No. 14/2020 dated April 08, 2020, General Circular No. 17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 5, 2020, General Circular No. 20/2020 dated May 05, 2020, General Circular No. 02/2021 dated January 13, 2021, General Circular No. 21/2021 dated December 14, 2021, General Circular No. 2/2022 dated May 05, 2022 (collectively referred to as "MCA Circulars") and SEBI Circular SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 (referred to as "SEBI Circular") and other relevant circulars as maybe issued from time to time has permitted the holding of the AGM through VC/OAVM and has dispensed without the physical presence of the Members at a common venue.

2) The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act") with respect to the business set out in the Notice mentioning the material facts concerning the business Item Nos. 3 to 7 is annexed hereto.

Further, the relevant details pursuant to Regulations 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") Regulations and Secretarial Standards - 2 on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking appointment/re-appointment at this AGM are also annexed.

3) Pursuant to the provisions of the act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the company. Since, this AGM is being held pursuant to the MCA circulars through OAVM, the requirement of physical attendance of members has been dispensed with. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.

Accordingly, in terms of the MCA circulars, the facility for appointment of proxies by the members will not be available for this AGM and hence, the proxy form, attendance slip and route map of the AGM are not annexed to this notice.

4) The Members can join the AGM in the VC/OAVM mode 30 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for at least 1,000 Members on first come first served basis. 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 Companies Act, 2013.

This will not include large Members (Members holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first serve basis.

5) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies

(Management and Administration) Rules, 2014 and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 and the MCA Circulars, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as voting on the date of the AGM will be provided by NSDL.

Corporate Members (i.e. other than individuals, HUF's, NRI's, etc.) who are intending to appoint their authorized representatives pursuant to Sections 112 and 113 of the Act, as the case may be, to attend the AGM through VC or OAVM are requested to send a certified copy of the Board Resolution to the Scrutinizer by e-mail at compliance@eurekaforbes.com / mihenhalani@gmail.com with a copy marked to evoting@nsdl.co.in. latest by Thursday, December 15, 2022 (upto 5:00 PM IST). Corporate Members/ Institutional shareholders (i.e. other than individuals, HUF's, NRI's 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.

6) The Company has appointed, Mr. Mihen Halani, Proprietor of M/s. Mihen Halani & Associates, Practicing Company Secretaries (Membership No. FCS 9926 and CP No. 12015) as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

7) In compliance with the aforesaid MCA and SEBI circulars, Notice of the AGM along with Annual Report 2021-22 is being sent only through electronic mode to those members whose email addresses are registered with the Company / Depositories / Registrar and Share Transfer Agent. Members may note that the Notice and the Annual Report 2021-22 will also be available on the Company's website i.e. www.eurekaforbes.com, website of the stock exchange i.e. BSE Limited at www.bseindia.com and on the website of NSDL i.e. www.evoting.nsdl.com (agency for providing the Remote e-Voting facility).

The members can opt for only one mode of voting i.e. remote e-Voting or e-Voting at the AGM. In case of voting by both the modes, vote cast through remote e-Voting will be considered final and e-Voting at the AGM will not be considered.

8) The Register of Members and the Share Transfer Books of the Company will be closed from Friday, December 16, 2022, to Thursday, December 22, 2022, (both days inclusive) for the purpose of this AGM and for determining the entitlement of members for the Financial Year ended March 31, 2022.

In case of joint holders, the member whose name appears as the first holder in the order of names as per the Register of members of the Company will be entitled to vote during the AGM.

9) The Register of Directors and Key Managerial Personnel's and their shareholding, maintained under Section 170 of the Companies Act, 2013 and Register of Contracts or Arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 and any

other documents as may be referred to in the notice and explanatory statement, will be available for inspection by the members of the Company at Registered Office of the Company during business hours 10:00 AM IST to 06:00 PM IST (except Saturday and Sunday) up to the date of Annual General Meeting and will also be available for e-inspection during the AGM.

- 10) Members are requested to note that, dividends if not encashed for a period of 07 (Seven) years from the date of transfer to the Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends for 07 (Seven) consecutive years are also liable to be transferred to the Demat account of the IEPF Authority.

In view of this, Members/Claimants are requested to claim their unpaid/unclaimed dividends for 07 (Seven) financial years. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an application to the IEPF Authority, in Form No. IEPF-5 as available on www.iepf.gov.in. For details, please refer to the Corporate Governance Report which is a part of this Annual Report, and the investor page on the Company's website www.eurekaforbes.com.

- 11) Members are requested to intimate changes, if any, about their name, postal address, e-mail address, telephone/mobile numbers, PAN, power of attorney registration, Bank Mandate details, etc., to their Depository Participant ("DP") in case the shares are held in electronic form and to the Registrar in case the shares are held in physical form, in prescribed Form No. ISR-1, quoting their folio number and enclosing the self-attested supporting document. Further, Members may note that SEBI has mandated the submission of PAN by every participant in the securities market.
- 12) As per Regulation 40 of the SEBI (Listing Regulations), 2015 as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 01, 2019. Further, the transmission and transposition of securities shall also be effected in dematerialised form only as per the SEBI Circular SEBI/HO/MIRSD/MIRSD RTAMB/P/CIR/2022/8 dated January 25, 2022. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings into dematerialized form. Members can contact the Company or Company's Registrar and Transfer Agent – Link Intime India Private Limited for assistance in this regard.
- 13) Members are requested to join the Company in supporting the Green Initiative taken by Ministry of Corporate Affairs to effect electronic delivery of documents to the members at the e-mail addresses registered for the said purpose. Members are hereby requested to register their e-mail addresses with their Depository Participant or with the Registrar and Share Transfer Agent (RTA) of the Company,

for sending various Notices, Dividend intimation and other documents through e-mail, in case they have not registered the same. Those members who have changed their e-mail ID/ Addresses are requested to update their new e-mail ID / Addresses with RTA, in case the shares are held in physical form and with the Depository Participants where shares are held in demat mode, in case they have not already updated the same.

- 14) As per the provisions of Section 72 of the Act read with Rule 19(1) of the Companies (Share Capital and Debentures) Rules and SEBI Circular, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The same can be downloaded from the Company's website www.eurekaforbes.com.

If a member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/ she may submit the same in Form ISR-3 or SH-14 as the case may be.

Members are requested to submit the said details to their Depository Participants in case the shares are held by them in dematerialised form and to the Company's Registrar and Transfer Agent in case the shares are held in physical form.

- 15) **Instructions for members for remote e-voting and Joining General Meeting are as under:**

The remote e-voting period begins on Monday December 19, 2022 at 09:00 AM IST and ends on Wednesday, December 21, 2022 at 05:00 PM IST 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. Thursday, December 15, 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 Thursday, December 15, 2022.

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 1: Access to NSDL e-Voting system

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

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> 1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: center; gap: 20px;"> <div style="text-align: center;">  App Store </div> <div style="text-align: center;">  Google Play </div> </div> <div style="display: flex; justify-content: center; gap: 20px; margin-top: 10px;">   </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> 1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
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. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL.	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in 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 helpdesk.evoting@cDSLindia.com or contact at toll free no. 1800 22 55 33

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

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:

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

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
 - c) How to retrieve your ‘initial password’?
 - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
 - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
 - a) Click on “**Forgot User Details/Password?**” (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?**” (If you are holding shares in physical mode) option available on 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 mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the 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 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's, NRI's 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 mihenthalani@gmail.com with a copy marked to 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 the "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.nsd.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.nsd.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Pallavi Mhatre at 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 compliance@eurekaforbes.com or rnt.helpdesk@linkintime.co.in.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16-digit beneficiary

ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) email to compliance@eurekaforbes.com or rnt.helpdesk@linkintime.co.in. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**

3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of 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 AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join 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 compliance@eurekaforbes.com atleast 5 days in advance. The same will be replied by the company suitably. In addition to the abovementioned step, the Members may register themselves as speakers for the AGM to pose their queries. Accordingly, the members may visit evoting@nsdl.co.in and click on 'Speaker Registration', the window shall remain active from December 15, 2022. The company reserves the right to restrict the number of

speakers at the AGM and to only those Members who have registered themselves, depending on the availability of time for the AGM.

16) **Scrutinizer's report and declaration of results:**

The Scrutinizer shall, immediately after the conclusion of voting at the AGM, unblock the votes cast through remote e-voting (votes cast during the AGM and votes cast through remote e-voting) and shall make and submit a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairperson or a person authorized by him in writing, who shall countersign the same. The Resolutions shall be deemed to be passed on the date of the AGM subject to receipt of the requisite number of votes in favour of the Resolutions. The Results shall be declared within two working days of the conclusion of the AGM.

The result declared along with the Scrutinizer's Report shall be placed on the Company's website and on the website of stock exchange i.e. www.bseindia.com. and on the website of NSDL www.evoting.nsdl.com immediately.

Explanatory Statement

(Pursuant to Section 102 of the Companies Act, 2013)

Item No. 3:

M/s. Batliboi & Purohit, Chartered Accountants are the Statutory auditors of the Company since Financial Year 2012-13. In terms of the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the term of M/s. Batliboi & Purohit Chartered Accountants, will expire from conclusion of 13th (Thirteenth) Annual General Meeting ("AGM").

After evaluating and considering various factors such as industry experience, competency of the audit team, efficiency in conduct of audit, independence, etc., the Board of Directors of the Company has, based on the recommendation of the Audit Committee proposed the appointment of M/s. Deloitte Haskins & Sells LLP Chartered Accountants, (Firm Registration No. 117366W/W-100018) as Statutory Auditor of the Company who shall hold office from the conclusion of this Annual General Meeting till the conclusion of 18th (Eighteenth) Annual General Meeting.

M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, are registered with the Institute of Chartered Accountants of India (ICAI) with Registration No. 117366W/W-100018 and are part of Deloitte Haskins & Sells & Affiliates being the network of Firms registered with the ICAI and have been engaged in statutory audit of number of large companies based out of India. Deloitte India is a leading professional services firm of the country and has the scale and capacity to serve across locations.

M/s. Deloitte Haskins & Sells LLP, have confirmed that they meet the criteria for independence, eligibility and qualification as prescribed under Section 141 of the Companies Act, 2013 and do not have any pecuniary interest in the Company or its subsidiary and associate companies, and their appointment, if approved by the members, would be within the limits prescribed under the Companies Act, 2013.

The Audit fees paid to M/s. Batliboi & Purohit for the Financial Year 2021-2022 was ₹ 71.85 Lakhs (Rupees Seventy One Lakhs Eighty Five Thousand Only). The fees proposed to be paid to M/s. Deloitte Haskins & Sells LLP is approximately ₹ 65.00 Lakhs (Rupees Sixty Five Lakhs Only) plus Goods & Service Tax and reimbursement of out of pocket expenses, if any.

The Audit fees paid to M/s. Batliboi & Purohit for Financial Year 2021-22 includes fees paid towards special purpose audit conducted in terms of order dated January 25, 2022 by Hon'able National Company Law Tribunal in the matter of Composite Scheme of Arrangement in CP(CAA)/209/MB-IV/2021 in CA(CAA)/55/MB-IV/2021. Hence the audit fees paid to retiring auditors and audit fees paid to M/s. Deloitte Haskins & Sells LLP are not comparable.

None of the Directors, Key Managerial Personnel and their relatives, are in any way, concerned or interested financially or otherwise in the said resolution.

The Board recommends the passing of the Ordinary Resolution at Item No. 3 for approval of members.

Item No. 4:

As per the provisions of Section 148 of the Companies Act read with the Companies (Cost Records and Audit) Rules, 2014, as

amended from time to time, the Company is required to have an audit of its cost records conducted by a cost accountant in practice for products covered under the said rules.

The Board, based on the recommendation of the Audit Committee, has approved the appointment of M/s. J Chandra and Associates, Cost Accountants, as the Cost Auditors to conduct the audit of the cost records of the Company, for the Financial Year ending March 31, 2023, at a remuneration of ₹ 7.00 Lakhs (Rupees Seven Lakhs only) plus applicable taxes and reimbursement of reasonable out-of-pocket expenses.

In accordance with Section 148(3) of the Act, read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors has to be ratified by the Members of the Company.

Accordingly, the consent of the Members is sought for passing an Ordinary Resolution as set out in Item No. 4 of the Notice for ratification of the remuneration payable to the Cost Auditors, for the Financial Year ending March 31, 2023.

None of the Director, Key Managerial Personnel, or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

The Board recommends ratification of remuneration of Cost Auditors, as set out in Item No. 4 of the Notice for approval by the Members as an Ordinary Resolution.

Item No. 5:

Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors had appointed Mr. Shashank Shankar Samant as an Additional Non-Executive Independent Director w.e.f. October 10, 2022, who shall not be liable to retire by rotation.

The Company has received consent from Mr. Shashank Shankar Samant to act as Director and declaration that he is not disqualified from being appointed as a Director of the Company. The Company has also received notice in writing, from member under Section 160 of the Act, proposing his candidature for the appointment as Director of the Company. In terms of the applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has received requisite declarations from Mr. Shashank Shankar Samant.

In terms of Regulation 25 (8) of the Listing Regulations, Mr. Shashank Shankar Samant has confirmed that he is not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact his ability to discharge his duties. In the opinion of the Board, Mr. Samant fulfils the conditions specified in the Act and the Rules made thereunder and the Listing Regulations for his appointment as Independent Director of the Company and is independent of the management of the Company. Having regard to the qualification, knowledge and experience, the appointment of Mr. Samant for the term of five consecutive years as Independent Director will be beneficial and in the interest of the Company.

Except Mr. Shashank Shankar Samant, being an appointee, none of the other Directors, Key Managerial Personnel of the

Company and their relatives are, in any way, concerned or interested (financially or otherwise) in the said resolution.

The Board recommends the passing of the Special Resolution as set out at Item No. 5 for approval of members.

Details pursuant to Regulation 36 (3) of the Listing Regulations and Secretarial Standard on General Meeting (SS – 2) issued by the Institute of Company Secretaries of India has been annexed to this notice.

Item No. 6:

The Company's Non-Executive Directors are leading professionals with high level of expertise and rich experience in functional areas such as business strategy, financial governance, corporate governance, research & innovation amongst others. The Company's Non-Executive Directors have been shaping and steering the long term strategy and make invaluable contributions towards monitoring of risk management and compliances.

Considering their efforts in Financial Year 2021-22, the Board proposed payment of ₹ 56.00 Lakhs (Rupees Fifty Six Lakhs only), including ₹ 48.01 Lakhs (Rupees Forty Eight Lakhs and One Thousand only being more than 1% of the Net Profit of the Company), as commission to Directors who are neither in Whole-time employment of the Company nor Executive Directors out of the net profits of the Company as on March 31, 2022. This will be distributed amongst all or some of the Directors in accordance with the directions given by the Board of Directors in consultation with Nomination and Remuneration Committee and subject to any other applicable requirements under the Act.

Except Mr. Homi Katgara none of the Directors, Key Managerial Personnel and their relatives, are in any way, concerned or interested either (financially or otherwise) in the said resolution.

The Board recommends the Special Resolution as set out in Item No. 6 for approval of the members.

Item No. 7:

Mr. Marzin R. Shroff, former Managing Director & CEO of the Company is a Chartered Marketer from the Chartered Institute of Marketing, UK, and armed with an MBA in Marketing. He started his career as a Brand Manager at Eureka Forbes. In a career spanning over 28 years, he has acquired multi-dimensional experience in Direct Selling, Digital, Advertising, Strategy, Luxury Branding & International Business.

During his tenure as Managing Director & CEO, his responsibility at Eureka Forbes includes thought leadership, category leadership, and market leadership. His key task was to develop for cultivating best in class talent, along with managing high performance teams, building strong leadership and developing succession plans.

He also helped nurture the brands "Aquaguard" and "Euroclean" to their current status of "Superbrands". He had steered several verticals of Eureka Forbes i.e. Direct Sales, Customer Service, Forbes Professional (B2B business) and Marketing.

His contribution to the improvement in water quality (internationally) has been recognised by Water Quality Association USA in 2012 by awarding him with 'International Award of Merit'. He has been rated among the Top 50 Chief Marketing Officers in India to have adopted Technology to enhance Customer Experience and engage with the Market to drive business results (Rated by IBM and Paul Writer).

Considering Mr. Marzin R. Shroff's rich experience it is proposed to pay a sum of ₹ 25.00 Lakhs (Rupees Twenty Five Lakhs only) to Mr. Marzin R. Shroff, former Managing Director & CEO of the Company, out of the Net Profit of the Company calculated in accordance with the provisions of Section 197 and 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 as Commission for the financial year ended March 31, 2022 in addition to the Salary and Perquisites already paid during the financial year 2021-22 under the terms of agreement dated March 29, 2022.

The management of the Company believes that the Commission payable to Mr. Marzin R. Shroff, former Managing Director & CEO is justified in terms of his key role within the Company. Further, the Nomination and Remuneration Committee and the Board have approved the payment of said commission and has also accorded its approval for payment of commission and waiver of the recovery of excess managerial remuneration paid to Mr. Marzin R. Shroff, subject to the approval of the members of the Company.

The Company has not defaulted in payment of dues to any bank or public financial institution or non-convertible debenture holders or other secured creditor, if any.

None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested (financially or otherwise) in the proposed resolution.

The Board recommends the passing of the Special Resolution as set out at Item No. 7 for approval of members.

By Order of the Board of Directors
for **Eureka Forbes Limited**
(formerly Forbes Enviro Solutions Limited)

Dattaram P. Shinde
Company Secretary,
Head – Legal and Compliance Officer

Place : Mumbai
Dated : October 10, 2022

Details of the Director(s) seeking Appointment/Reappointment at the Annual General Meeting of the Company pursuant to Regulation 36 (3) of the Listing Regulations and Secretarial Standard on General Meeting (SS – 2) issued by the Institute of Company Secretaries of India

Sr. No.	Particulars	Mr. Sahil Dilip Dalal	Mr. Shashank Shankar Samant
1.	Date of Birth and Age	July 04, 1980 (41 years)	August 12, 1968 (54 years)
2.	DIN	07350808	09733485
3.	Date of first appointment on the Board	April 26, 2022	October 10, 2022
4.	Qualifications	A BBA with High Distinction from The Ross School of Business at the University of Michigan and an MBA from the Wharton School at the University of Pennsylvania.	BE (Computer Engineering)
5.	Brief resume, experience and nature of expertise in a specific functional area	<p>Mr. Sahil Dilip Dalal joined Advent in 2009. Presently, he is the Managing Director of Advent India PE Advisors Private Limited. Prior to business school, he was an associate with JLL Partners, a New York based private equity firm where he focused on buyout and growth equity transactions. Prior to JLL Partners, Sahil spent three years with Bear Stearns in New York as an analyst in its Investment Banking Division.</p> <p>Mr. Sahil Dilip Dalal has worked on Advent's investments in ASK Investment Managers Private Limited, CAMS, Crompton Greaves Consumer Electricals Limited, DFM Foods, Dixcy Textile Private Limited, QuEST Global, Eureka Forbes and Encora.</p>	<p>Shashank Shankar Samant is currently the Chairman of GlobalLogic, post his retirement as President & CEO on September 30, 2022. GlobalLogic is a leader in Digital Engineering. Since joining in 2008 he has transformed GlobalLogic into a global leader, helping Fortune 1000 companies achieve their digital ambitions. Under Shashank's leadership, GlobalLogic has experienced explosive growth in size, reach, and revenue — all while developing a strong reputation, and a culture that fosters engaged employees. In July 2021, GlobalLogic was acquired by Hitachi Ltd. for \$ 9.6 Bn and continues independent operations as a Hitachi Group Company.</p> <p>Prior to joining GlobalLogic, Shashank was President of Ness Technologies, where he founded and built their product engineering services business and grew it to a successful IPO on the NASDAQ exchange in 2004. Prior to Ness, Shashank was the leader of product engineering for Hewlett-Packard's Verifone line of business, Before HP, Shashank was instrumental in establishing IBM's first India-based software engineering lab, helping globalize IBM's R&D and software engineering. Shashank started his career at Citicorp, where he was part of the core team that developed the FlexCube banking technology that transformed retail banking. In addition to his operating executive role and Board of Directors at GlobalLogic, Shashank also serves as a member of the Board of Directors at Office Depot (NASDAQ: ODP), a \$10B retail leader based in the US, Rackspace Technology, (NASDAQ: RXT), a leading end-to-end multicloud technology solutions company, the Herjavec Group (now called Cyderes), a leader in cybersecurity advisory services and architecture & implementation services.</p>
6.	Skills and capabilities required for the role and the manner in which the proposed Independent Director meets such requirements	NA	Mr. Shashank Shankar Samant has an experience spanning over 35 years in the field of Digital Engineering. The Company believes that his skill, knowledge and experience on the Board will complement the effective functioning of the Company

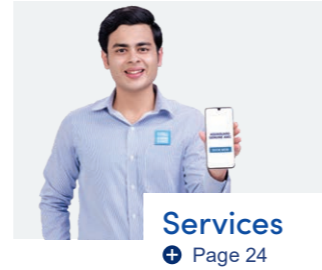
Sr. No.	Particulars	Mr. Sahil Dilip Dalal	Mr. Shashank Shankar Samant
7.	Relationships between Directors inter-se	No relation exists between the Directors inter-se	No relation exists between the Directors inter-se
8.	Terms and conditions of appointment	Terms and conditions of his appointment are specified under resolution at Item No. 2 of this Notice	Terms and conditions of his appointment are specified under resolution at Item No. 5 of this Notice
9.	Proposed remuneration to be paid	NIL (Mr. Sahil Dilip Dalal has waived off his sitting fees, commission and any other remuneration as may be entitled as Director of the Company)	Sitting Fees and Commission as may be approved by the Company in accordance with the applicable provisions of law
10.	Remuneration last drawn (including sitting fees, if any) (Financial Year 2021-22)	NIL	NIL
11.	Number of Board Meeting attended during the year (Financial Year 2021-22)	NIL (Mr. Sahil Dilip Dalal was appointed as Additional Director with effect from April 26, 2022 and hence did not attend any Board Meeting during the financial year 2021-22)	NIL (Mr. Shashank Shankar Samant was appointed as Additional Director with effect from October 10, 2022 and hence did not attend any Board Meeting during the financial year 2021-22)
12.	List of Directorship held in other Public Companies in India (including the entities in which the person has resigned in the past three years and excluding Private and Section 8 Companies)	DFM Foods Limited Crompton Greaves Consumer Electricals Limited (ceased w.e.f. July 23, 2021)	NIL
13.	Membership/Chairmanships of Committees of other Public Companies in India (excluding Private and Section 8 Companies)	DFM Foods Limited – Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee, Risk Management Committee	NIL



New Standards.
Enriched Lives.

About the Company

Eureka Forbes Limited ('Eureka Forbes' or 'EFL' or 'Company') (formerly Forbes Enviro Solutions Limited) is engaged in the business of manufacturing, selling and servicing of water filter-cum-purifiers, vacuum cleaners, air purifiers, water treatment plants, and other household appliances, etc., with a legacy of four decades. EFL also has a strong distribution and after sale service network to maintain health and hygiene across Indian households. The Company has been a pioneer and a trailblazer in direct marketing in India. It is a professionally managed Company, governed by an Independent Board, with 72.56% shareholding by Advent International (among one of the largest global private equity firms with deep sectoral knowledge). It operates across the following business segments:



BSE Scrip Code: **543482**

BSE Scrip ID: **EUREKAFORBE**

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An Important Notice

The shareholders and other stakeholders are generally informed that, the Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench-IV vide its Order dated January 25, 2022 in CP (CAA)/209/MB-IV/2021 in CA(CAA)/55/MB-IV/2021 approved the Composite Scheme of Arrangement between Aquagnis Technologies Private Limited (The Transferor Company 1' for Part II of the Scheme or 'First Applicant Company'), Euro Forbes Financial Services Limited (The Transferor Company 2' for Part II of the Scheme or 'Second Applicant Company'), Eureka Forbes Limited (The Transferee Company 1' for Part II of the Scheme or 'Transferor Company 3' for Part III of The Scheme or 'Third Applicant Company'), Forbes & Company Limited ('FCL' or 'Transferee Company 2' for Part III of the Scheme or 'Demerged Company' for Part IV of the Scheme or 'Fourth Applicant Company') And demerger of the demerged undertaking of FCL into Forbes Enviro Solutions Limited

('FESL' or 'Resulting Company' for Part IV of the Scheme or 'Fifth Applicant Company') and their respective Shareholders ("the Scheme"). Pursuant to the Scheme, the name of the Company was changed from Forbes Enviro Solutions Limited to Eureka Forbes Limited.

The Scheme was made effective from February 1, 2022 being Appointed Date. Further, the Company accounted for Demerger in its books of accounts in accordance with the 'Acquisition Method' of accounting under IndAs 103 (Accounting for Business Combinations) and any other relevant Indian Accounting Standards (Ind-AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013 and other generally accepted accounting principles in India. Hence, we wish to clarify that the Financial Statements for the FY 2021-22 may not be comparable with that of previous year.

In view of the above, the futuristic statements are provided considering the four decades of erstwhile Eureka Forbes Ltd.'s (now demerged/dissolved without winding up) brands and business legacy, etc.

Further, certain statements in the Report regarding business of the Company are forward-looking statements. These include all statements, other than those of performance highlights and historical facts, including those regarding the market and financial position, business strategy, and objectives for future operations. Forward-looking statements are necessarily dependent on projections and trends and constitute current expectations based on reasonable assumptions. Actual results could differ from those projected in any forward-looking statements due to risks and uncertainties, and other external factors.

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Reporting Period

The information pertains to the period from April 01, 2021 to March 31, 2022. We have outlined the historical trends of the data wherever relevant. The shares of the Company were listed and traded with effect from March 16, 2022 and hence the provisions of the Listing Regulations were applicable to the Company with effect from the even date.

Scope and Boundary

This report extends beyond financial reporting and includes non-financial performance, opportunities, risks and outcomes attributable to or associated with our key stakeholders, which have a significant influence on our ability to create value. All the information presented in this report pertains to standalone operations of Eureka Forbes Limited, unless otherwise specified.

Feedback

Feedback from the stakeholders is sought to help address their queries and provide clarifications on material topics that encapsulate their key concerns. Any feedback or suggestions or any stakeholder concerns can be communicated at our email address: compliance@eurekaforbes.com or send to us at Eureka Forbes Limited, B1/B2, 7th Floor, 701, Marathon Innova, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400013, India.

New Standards. Enriched Lives.

Eureka Forbes is an objective-driven organisation inspired by the idea of making a positive difference to the lives of its customers, people, partners, community and the larger society. The Company strives to contribute towards a lifestyle that is clean, hygienic and one that promotes good health.



The past four decades have witnessed the launch of innovative products by EFL, designed to provide healthy water, clean living and pollution-free air.

Powered by a deep understanding of continuously evolving customer needs, the state-of-the-art products and brands of EFL have become synonymous with their respective categories and continue to win the trust of Millions of Indians as their brand of choice.

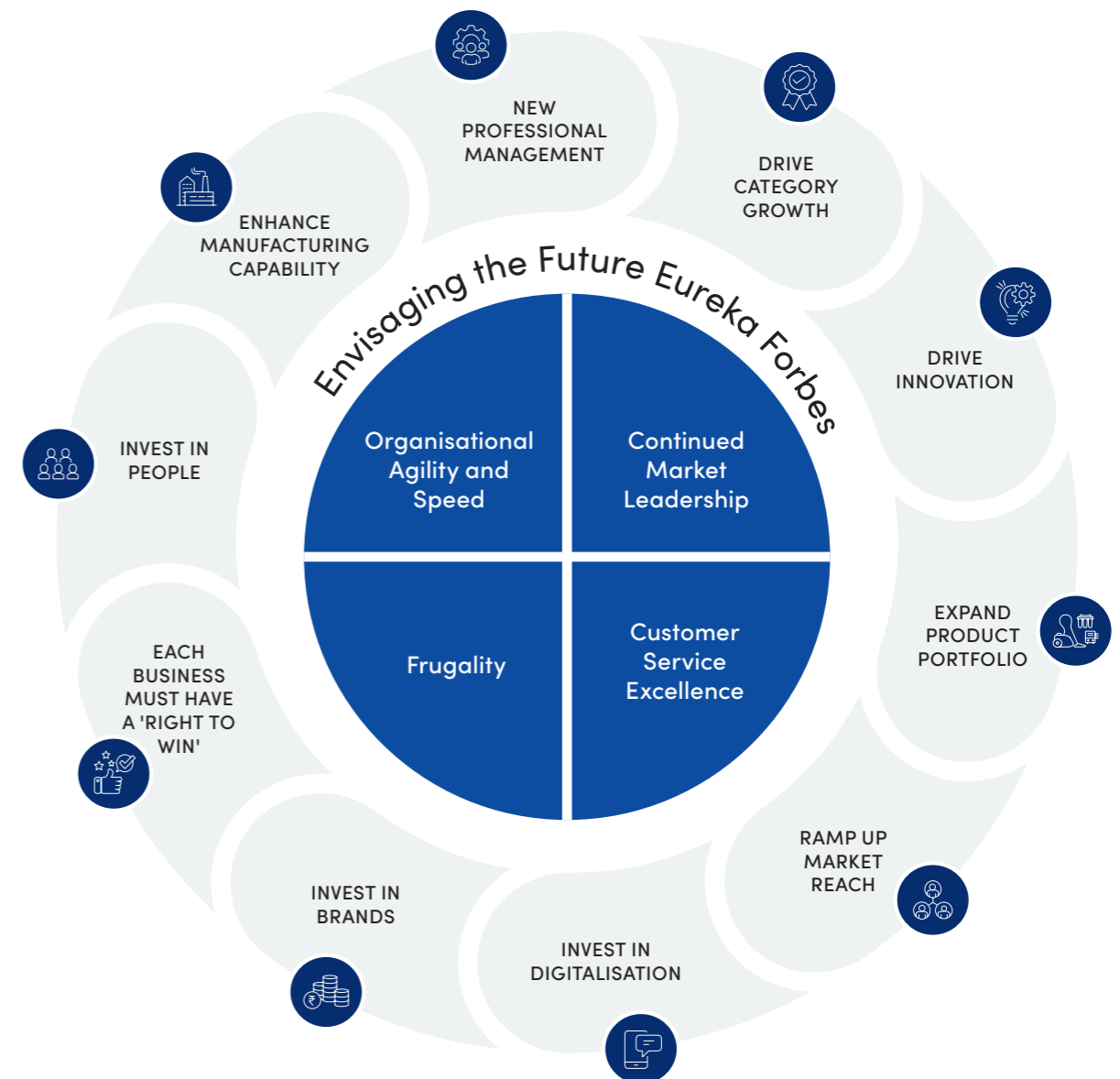
As EFL sets new standards to drive the next phase of its growth journey, aligned with the world's renewed focus on healthy living, the Company is looking to consolidate its market leadership in its core categories and to drive category growth with a strong focus on agility, being extremely responsive to meeting customer needs and becoming future ready. At the same time, innovation and sustainability will become the vehicles to drive this growth grounded in doing more with less, creating a culture of excellence and driving thought leadership.

The EFL team continues its endeavour to do more of what they do best – enriching the lives of Millions.

The Next Phase of Growth

This is a defining moment for the Company as it sends out the message of its transformation to the world. It is on the path of emerging as a stronger organisation with a single-minded focus on creating value for stakeholders. With its unique positioning in the market, EFL is poised for a strong growth in the foreseeable future, backed by significant untapped opportunities.

10 Ways in which EFL is Transforming for the Future



New Standards. Enriched Lives.



Drive Category Growth

The core focus going forward is to drive our category growth. There are significant headroom for growth in each of our categories owing to low penetration of the products across the country.

Moreover, the emphasis on the core business will help contribute towards the intended growth ambition. By exiting non-core business, the single-minded focus of the leadership and management will be on leveraging opportunities in the core businesses.



Ramp Up Market Reach

EFL revolutionised the way consumer appliances were marketed in India. The relationship marketing approach created the potential need for these products and furthered sales with every knock on the door by the company-trained specialists.

There has also been significant expansion in reach to customers through a multi-channel presence including retail, business partners and e-commerce platforms.



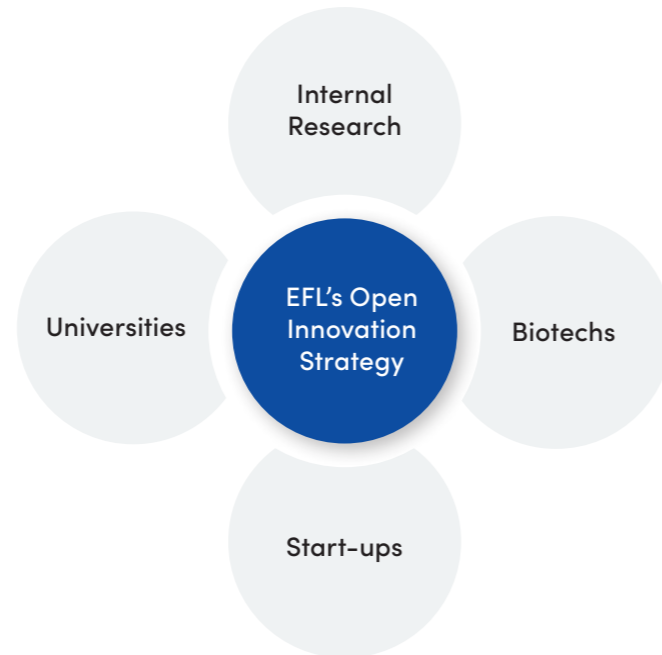
Drive Innovation

EFL is passionate about not just creating products that are relevant today, but also in building platforms that serve the purpose of the future. The Company plans to stay ahead of the curve by investing in upgradation of equipment, technology and innovation of products and processes to meet customer requirements. The dedicated state-of-the-art research and development team constantly seeks to upgrade the quality and reliability of products.

The focus on innovation has led to the launch of several new products, which have contributed to a significant portion of the brand sales in recent years.

The research team focuses diligently on the evolving needs of customers. It is monitoring the water quality across 8,500+ pin codes in India, providing valuable insights that help design appropriate technological solutions.

EFL also invests in strategic partnerships with globally acclaimed organisations whenever necessary to fulfil customer needs.



Expand Product Portfolio

Over several years of operation in the Indian market, EFL has grown to become the market leader* in its areas of operations and is revered as a pioneer and trendsetter in the industry.

However, the Company believes that there is significant headroom for growth in these segments. Underpenetrated markets in the key categories of Water Purification, Clean Homes & Pure Air, with evolving consciousness amongst Indian homes for a healthy living together with appropriate solutions based on consumer insights, would form the backbone of this growth.

EFL is embracing innovation and strengthening its portfolio to fulfil the unmet needs. The Water segment witnessed the infusion of 'traditional Indian' wisdom promising the goodness of copper and zinc in water. In the Cleaning segment, there is increased focus



on automated and efficient cleaning devices with the addition of robotic and upright range of vacuum cleaners and much more. In the Air Purifier segment, awareness and education on the benefits of the product will be of greater importance in times to come.

*Source: Market share as per GFK September 2022 water report and GFK syndicated data for cleaning FY 21

New Standards. Enriched Lives.



Invest in Digitalisation

The Company is continuously investing in digitalisation with a vision to make Eureka Forbes a health-tech powerhouse and improve customer experience, enhance operational efficiency and drive employee experience.

It has access to the data of more than 8 Million customers, helping it provide data-backed customised solutions.

Further, it is leveraging technology to drive product innovation and create a portfolio of high-tech healthcare products.

EFL is driving operational efficiency by digitalising the value-chain. Further, digitalisation has also emerged as a key driver of employee productivity.



Right to Win

It is well known that the Company has emerged as a leader despite the entry of several competitors over the past decade. The 'Right to Win' demonstrates EFL's ability to engage in any competitive market with a better-than-ever chance of success – not just in the short term, but consistently. The success is by virtue of decades-long experience of understanding the behaviour and perspective of Indian families. This has helped in serving their health needs with the right products and making them accessible across diverse marketing channels.

Digitalising for the Future

Learning and Getting to the Next Level

- Invested in strong partnerships with industry leaders and experts
- Health Protect™ – electronic authentication in spares
- IoT and connected devices in water and air
- QA systems and component level traceability built into the system

Decision-making and Executing

- Performance management & development in Alt Life
- Investment in MS Dynamics 365 for customer lifecycle management
- SAP the backbone of ERP systems
- GA 365 and partnerships for campaign effectiveness

Engaging and Motivating

- All employees connected through Eureka TV
- SFA for customer facing Eurochamps
- LMS built on the backbone of lead transfer within 30 seconds
- Infrastructure for processing & validating over 600,000 leads



Invest in Brands

From the start, EFL has made a conscious decision to invest in new categories with a unique D2C approach much ahead of its time.

With continued investment in categories such as water, cleaning and air - Aquaguard & Forbes (previously called Euroclean) have emerged as Superbrands™.



Invest in People

EFL values all its employees highly and sees them as being crucial to creating value and delivering success. The company will continue to invest in building a stronger and more engaged workforce built on a performance driven culture. With strong values of collaboration and ownership, the company is making huge strides to increase productivity and accountability. We believe in empowering leaders and teams, supported by data driven systems to enhance trust and transparency in this journey of transformation.

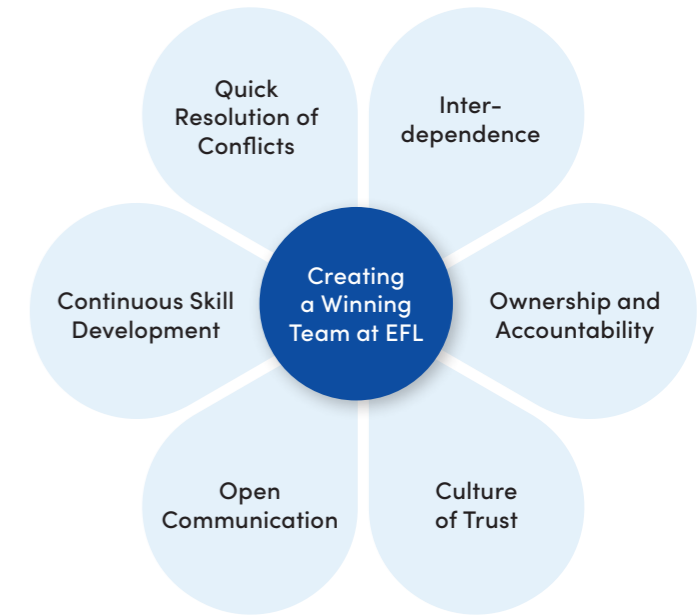


Enhance Manufacturing Capability

To meet the increasing demand for quality products, EFL has made significant investments to enhance its capacity at manufacturing plants. Considerable efforts are made towards ensuring streamlining operations and maintaining the fill rate to meet the customer demand. There is considerable focus on expanding presence in non-metro and semi-rural areas to tap the underpenetrated markets.

Majority of the water purifiers, select models of air purifiers and vacuum cleaners are produced at the in-house manufacturing facilities in India. The facilities consist of integrated assembly lines customised to produce low and high-volume production requirements. Improved automation of these assembly lines has reduced manual labour and lead time in the production process. The Company has also consciously made efforts to adopt sustainable practices in its manufacturing processes.

The implementation of quality assurance management systems and procedures has ensured consistency in the standard of products and services across various product categories. The production facilities are integrated with best-in-class systems and are ISO certified, which allows EFL to deliver products of a quality that is at par with or exceeds that of global brands. All products undergo rigorous testing and inspection in adherence with the highest standards.



New Professional Management

A new story often needs a fresh perspective. EFL is charting the course of its next phase with a new leadership guiding the journey forward. With the aim to transform Eureka Forbes into a technologically driven and customer-centric organisation, the Company has welcomed Mr. Pratik Rashmikan Potl as the new Managing Director & Chief Executive Officer (Managing Director & CEO or MD & CEO). As an experienced leader with a strong commercial acumen, Pratik brings a proven track record of success in driving business transformation and growth across Indian as well as multinational organisations. During his career, he has delivered value and success across diverse industries, including FMCG, Telecom and Quick Service Restaurants (QSR). Further, the leadership has been strengthened with the onboarding of Mr. Gaurav Pradip Khandelwal as the Chief Financial Officer (CFO) and Mr. Shubham Srivastava as the Chief Product and Technology Officer. Gaurav brings with two decades of experience of working in emerging and developed markets. Shubham, as Chief Products Officer, will drive digital transformation at Eureka Forbes and accordingly build the technology platforms and products.

In addition, the Board is now Chaired by Mr. Arvind Uppal, under whose guidance the Company will strive to scale newer heights.

Dedicated to Making India Healthy

Since its inception in 1982, Eureka Forbes has been one of India’s leading providers of health and hygiene products. Its broad range of products and solutions include manufacturing, selling and servicing of water filter-cum-purifiers, vacuum cleaners, water treatment plants and trading in electronic air cleaning systems, among others.

With a unique relationship marketing structure comprising trained company representatives across the country, EFL has also created a robust retail channel network with over 20,000 outlets and an emerging e-commerce reach. Forbes Genuine Service, the service division of Eureka Forbes, has one of the most extensive service networks in India, catering to the needs of domestic and institutional customers.

Our Purpose

Making a Positive Difference.

Our Vision

A Healthy World.
A Protected You.
A Happy Us.

Our Mission

To make a Positive Difference to our Customers as their ‘Friends for Life’ through our...

People

who are Curious, Empowered and Resilient

Partnerships

that are Symbiotic, Collaborative and Built on Trust

Products and Services

that are Meaningful, Innovative and Industry Benchmarks

Culture

which is Caring, Meritocratic and Entrepreneurial

Our Values

Customer Centricity

Don't just satisfy, Delight

Commitment

Once given, always Adhered to

Diversity

Welcoming and Celebrating Differences

Respect

Give it, to Get it

Innovation

If there's a Better Way to do it, it will be Found

Excellence

Forever striving to Learn and Improve

Responsiveness

Moving with the Speed of Right

Responsibility

Not just promise, Deliver

Integrity

Doing the Right Thing, the Right Way

Communication

Transparent, Open and Two-way

Product Segments



Water

- Electric water purifiers across UF, UV, RO, RO+UV technologies
- Non-electric gravity based purifiers
- Water plants
- Over 100 SKUs that cater to over 21 different water conditions and provide the most appropriate technology solution

Key Brands



Cleaning

- Portfolio comprises a range of domestic vacuum cleaners – canister, portable and upright
- Also forayed into robotic vacuum cleaners with resounding success
- Products are sold under Forbes brand and sold through the retail and relationship marketing channels
- More than 75 SKUs across price points
- Industrial & institutional cleaning solutions

Key Brands



Air

- Air purifiers for indoor applications across price range
- The flagship range comprising of FAP 7000, FAP 8000 and FAP 9000 with UV Ray Disinfectant and TiO2 technology was launched in FY 2020-21

Key Brands



Attractively Positioned

Eureka Forbes has been providing innovative products and services that have supported a healthy and conscious lifestyle. The Company's pioneering initiatives have ensured it remains an industry leader over the past four decades.



Trusted

With an established and experience-backed presence in the consumer durables industry, the brand has become synonymous with the product categories it operates in. With customer-centricity at the helm of all decisions, EFL strives to meet evolving needs by continuously upgrading its portfolio and improving its outcomes.

>8 Million
Installed devices across Indian homes

Wide Distribution Network

The established network extends across relationship marketing, retail and e-commerce channels to maximise reach and increase accessibility.

10,500+
Pin codes serviced

Pervasive Service Coverage

After-sales service is a key parameter for overall client satisfaction index. With a strong team of company-trained technicians, EFL has built the capability to support both installation requirements as well as complaint handlings. They operate from service centres, visiting more than 30,000 kitchens every day.

Technological Prowess

Technology has been a core differentiator for the Company and this competence creates a competitive edge and leads to the introduction of advanced and relevant products to satiate the growing demand. The dedicated research and development team endeavours to upgrade products in terms of both quality and reliability.

Category and Brand Synergy Creator

With an aim to create category and brand strategies, EFL continuously monitors the changes in the external market and compiles consumer information. Additionally, the focus is on incorporating new technology into future products that will reflect the trends in consumer choice and preference. Product concepts are created both internally and with hand-picked partners to enable an agile response to rapidly evolving consumer trends.

Strong Financial Foundation

With a disciplined approach, EFL ensures judicious allocation of financial resources while focusing on maximising cash flow to build a robust financial foundation. With a debt-equity of 0.06x, the Company is comfortably positioned to embark on the next phase of growth.

0.06x
Debt-equity ratio as on March 31, 2022

Stringent Quality Monitoring

The quality assurance management systems and procedures aim to ensure consistency in the standard of products and services across various product categories. The investment in world-class technology with water laboratories, is managed by highly qualified and proficient microbiologists.

EFL enjoys the privilege of being the development partner of choice for global technology companies. The facilities operate in strict accordance with ISO certifications and the products are rigorously inspected, tested and certified for quality. Through continuous upgradation, the Company

strives to meet our customers' requirements and creates an edge over competitors with the delivery of quality products. All equipment and technology are regularly upgraded and periodically renewed.

Chairman's Message



Dear Fellow Shareholders,

I am excited to pen my first letter to the stakeholders of Eureka Forbes as the Chairman of the Board. FY 2021-22 was a defining one: on one hand Advent International acquired a majority stake in our Company, and on the other, we got listed on the stock exchange for the first time. We believe that these developments place us in a favourable position to unlock further growth opportunities for a brighter tomorrow.

In addition to this, the newly formed Board and Leadership Team bring together a balanced mix of seasoned professionals and young talents, who will help us transcend on this new journey.

Eureka Forbes started its journey around its purpose of making a positive difference in the lives of people it touches along the way. We carefully focused on products aimed at making the lives of our customers better every single day. Our strong team of Eurochamps understood and created the need for a healthy and clean lifestyle. Our cleaning products democratised household chores in India. For the last 40 years, we have been pioneers of the water purifier and vacuum cleaner segments in the country, as well as direct selling.

Today, we are standing at the cusp of a new journey of growth for Eureka Forbes while continuing to enrich the lives of our stakeholders.

All of us at the newly formed Management and Board are eagerly looking forward to taking Eureka Forbes ahead with pride, vigour and optimism.

Rising High Despite Challenges

The second wave of the pandemic tested us all severely and decades of behavior change have compressed into a few months. This led to an outpouring of innovation, particularly in the health and hygiene industry, as people, businesses and institutions found new and creative ways of dealing with the challenges. Despite the difficulties, Eureka Forbes persisted, responded swiftly and showed exceptional resilience in the face of an unparalleled disaster. It gives me immense relief that the world is finally coming out of the pandemic and recovering to normalcy.

Building a Strong Foundation

Eureka Forbes has an extensive distribution network spanning the length and breadth of India including the remotest areas. In addition to creating a significant physical presence for Eureka Forbes products across the markets, the Company has also built an impressive online footprint with investments in e-commerce.

Underlying a strong business performance is a strong business operation. Alongside taking several initiatives to grow our business, we at Eureka Forbes, took utmost care in boosting our operational efficiencies. We are constantly reviewing long-term supply chain strategy to ensure high availability of raw materials and products despite adversities. We are also taking continuous efforts to improve the quality and efficiency of our products and services. We are expecting advanced technology to ace several processes which will further boost individual and organisational productivity.

Looking Back at FY 2021-22

FY 2021-22 continued to be a challenging one with newer strains of the virus disrupting recoveries and causing supply shortages, especially in semiconductor chips and causing steep price increases. Despite the challenges, we have been able to report solid performance, thanks to the exemplary performance of our strong team.

Our growth from direct to retail to e-commerce helped us touch a wider base of customers despite the disruption caused by the pandemic during the first and the third quarters of the previous financial year and augmented sales. E-commerce emerged as the fastest growing sales channel for the Company. Further, the service division reported strong performance during the year with an increasing Net Promoter Score.

As we gradually came out of the challenging phase of the pandemic, the heightened consumption of health and hygiene products moderated while a demand for discretionary and out-of-home products increased. The consumer trends that we witnessed a year earlier, continued to evolve further. E-commerce continued to grow with more people shopping online; consumers continued to prefer products that enhanced their health and wellbeing; and there was a significant shift towards buying products that they saw as making a positive impact on people and the planet. We constantly build highly satisfied and delighted customers. Our aspirational and health-conscious customers in a post-pandemic era, demand more of our products. Eureka Forbes has expanded its product offerings to encompass needs and wants at all levels and budgets. Our premium and mass premium products are designed to meet the aspirations of all segments of the market; in this, we are second to none!

Looking Forward

As I look into the future, I have never been more optimistic. In the post-pandemic era, people across the world are having a heightened awareness about leading a healthy lifestyle and it is no different in India. The Indian population is still reeling under the burden of water-borne diseases owing to poor water quality index impacting 37.7 Million Indians.

Close to 1.5 Million children are estimated to die from diarrhoea alone¹. Therefore, the need for accessing safe drinking water is critical for the good health of the population.

Further, Indians are increasingly acknowledging the need for having cleaner homes as the pandemic has led people to spend more time indoors. Adopting convenient cleaning devices helps consumers maintain the desired standard of cleanliness and reduces the time required for doing the cleaning activities.

At Eureka Forbes, we have adopted a multi-pronged strategy to drive our next phase of growth with customer centricity at the core of whatever we do. Further, innovation remains a key differentiator for us.

We are cognizant of these realities and believe that there is significant opportunity in the segments in which we are present. Besides, there is significant under penetration in the categories in which we are present in Tier 2 and 3 cities of India. With the increasing income levels and exposure to a better lifestyle, these geographies represent significant growth opportunities.

Further, we are strengthening our sales channel to expand our geographical base. As we progress in our journey, our focus will be on maintaining the quality of our growth and accordingly we are only focusing on our core business segments and exiting the unprofitable ones.

At Eureka Forbes, we have embarked on our digitalisation journey and it will be the key driver of our future growth. For over 40 years, the spirit of Eureka Forbes can be described as one filled with perseverance and confidence as well as hope and courage. The headwinds we have faced have only strengthened our resolve to reach our goals! Ours is an organisation 'Built on Trust' and 'Built to Last,' and for four decades, we have proved this time and again!

I can't think of a better time to be connected with Eureka Forbes. We have the skills, know-how and capacity to achieve great success both now and in the future.

Being on this Board's chair is an honour. I appreciate your trust in Eureka Forbes and the continuous support and advice of my other Directors.

Best

Arvind Uppal
Chairman

¹ www.ncbi.nlm.nih.gov

Eureka Forbes started its journey around its purpose of making a positive difference in the lives of people it touches along the way.

Arvind Uppal
Chairman

A tête-à-tête with the MD & CEO



We will strengthen our leadership by understanding and anticipating the changing needs of our customers and by delighting them with great quality products and service.

Pratik Rashmikan Potra
Managing Director & CEO



Q Considering customers remain at the core of Eureka Forbes, what are the various ways you are driving customer centricity at Eureka Forbes?

A Eureka Forbes has been the leader in its categories for the past 40 years.

Leadership can only be achieved and maintained by having an everlasting bond with our customers, based on shared values, deep understanding of continuously evolving customers' needs and then effectively and efficiently meeting them.

We believe that employees across departments should function with a customer centric focus, hence we celebrate events like Customer Day where more than 1,800 employees, across all departments and functions go on service calls or sales calls. It is through this immersive experience that each employee can introspect on how to improve customer experience.

In the age of quick commerce, the definition and expectation of speed is changing. We are continuously redefining our service experience and delivery timelines to not only be the best in the category, but to also meet the service benchmarks set by other players across industries, especially the new-age companies.

One such initiative we are proud to roll out, is the Digital Service Kit, a discontinuous shift in the service experience in this category. The users will be able to experience contactless digital logic-controlled service wherein services such as membrane cleaning, tank sterilisation and filter cleaning are automated, thus ensuring better quality. This further reinforces the trust of our users in ensuring their health and hygiene.

Even today when we visit customer's homes, we see more than a decadeold Aquaguard and vacuum cleaners working like they were as good as new, which is a testament to our commitment to deliver best-in-class products with minimum failure rate. Rigorous checks, continuous quality improvement,

supplier engagement are just some of the initiatives that we undertake to meet the high standards we have set over the years.

We are fortunate to have the customers' trust and access to their homes and it is this privilege we don't take lightly.

We are continuously using data to solve real life customer problems. In water, consumers are concerned about choosing the right water purifier for their home which is why, we have mapped the water quality in over 8,500 pincodes and help consumers make the right product decision by just entering their pincodes.

At the heart, understanding consumers mean innovating and introducing products which improve health and home hygiene. Whether it's our water purifiers which give the goodness of copper in water, or our upright mop-n-vac range which does both *jhaadu* and *pocha* in one go, our products are designed keeping relevant consumer needs in mind.

Q What is the role of digital in driving the same?

A With consumers expecting personalised and contextual conversations, we at Eureka Forbes, are embracing and driving this cultural change and it will manifest itself in personalised conversations based on consumer input water data and consumption patterns, seamless digital experience across platforms and data mining for customer specific solution.

We have mapped customer journeys across platforms and will soon have contextual conversations with them basis their stage in the product search or service requirement. We also spend a significant amount of our budget on performance campaigns, AB testing, optimising campaigns basis KPI performance, attribution across various channels, etc. are just some of the processes we follow to ensure best in class efficiency.

Our new and improved website will provide a best-in-class UX enabling immersive consumer product experience.

Ultimately digital is a tool but all tools remain ineffective without a mindset change and at Eureka Forbes, we are driving a digital mindset. Every salesperson on ground is encouraged to engage internally and with customers digitally. We are evolving from door knocks to digital door knocks and that is just the start.

Q What is your message to the shareholders?

A We are fortunate to have an incredible legacy and a powerful set of assets – we have one of the strongest brands in the country in Aquaguard with unshakeable consumer trust, an omni-channel GTM including a strong direct sales channel, and one of India's widest and deepest service networks.

We are now starting on an exciting journey of transformation which will allow us to build on these foundational assets and take the business to greater heights. We will drive growth and innovation in our core water category and expand our portfolio through consumer relevant innovations. Customer expectations have changed, and we will deliver a new and re-imagined service experience that will surprise and delight our customers. Our business will evolve and grow into being digital-first that will allow us to be agile, flexible and efficient. In addition to this, we will drive a culture of frugality, cost-consciousness, ownership and accountability.

With this focus, we are driving EFL towards delivering sustained, profitable growth in the years ahead.

A Landscape of Opportunities

The pandemic has accelerated the adoption of smart and effective appliances with increasing consciousness about health and hygiene. In addition, India's economic buoyancy, growing income levels and favourable demography are driving the consumer durables business.

The Demography Continues to Support Growth

With 1.4 Billion people, India is the second most populated country after China. Furthermore, the average age of 29 years makes it one of the world's youngest populations. This unique demographic advantage presents a plethora of opportunities. The diverse and skilled population, changing social dynamics and technological advances will contribute significantly in driving demand for consumer appliances.

Growing Income Levels

There has been steady growth in the per capita income of the country, with the exception of FY 2020-21 owing to pandemic-induced challenges. The per capita net national income grew from ₹ 86,647 in FY 2014-15 to ₹ 1,50,326 in FY 2021-22¹.

Growth in Electrification

Over the past few years, there has been massive push toward electrification across the country. As a result, more than 96% of Indian households now connected with the grid and receive 20.6 hours of daily power supply. This is expected to further push the consumer durables market in India.³

Rising Internet and Smartphone Penetration

Low rates of mobile internet as well as falling smartphone prices have led to an increasing number of Indians buying smartphones and data. This has led to increased access to information, wherein the net-savvy consumer makes conscious purchases that are well researched.

829 Million²
Smartphone users expected in India by end of 2022

¹ The Economic Survet 2021-22
² <https://tech.hindustantimes.com/tech/news/india-to-get-829-million-smartphone-users-by-2022-says-icea-71594296028237.html>
³ India Residential Energy consumption Survey (IRES) 2020. New Delhi: Council on Energy, Environment and Water

Growing Prevalence of e-commerce

Growing smartphone usage, increasing internet penetration and the pandemic have boosted the adoption of e-commerce in India. E-commerce platforms are working closely with appliance companies to streamline the online purchase of appliances. They are currently focusing on sales of major appliances through free delivery, seamless returns and flexible consumer credits.

\$ 74.8 Billion⁵
Size of India's e-commerce market in 2022, registering 21.5% growth over 2021



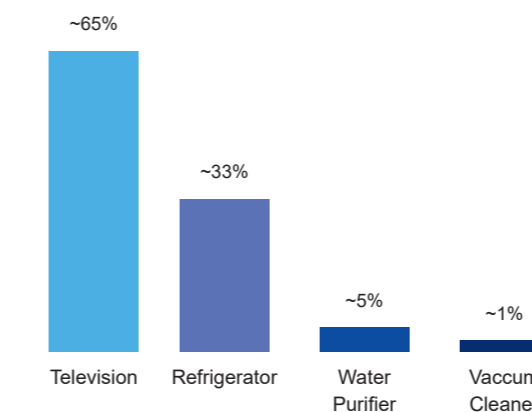
Availability and Access to Piped Water

The Government of India's Jal Jeevan Mission now covers 40 Million households across the country, driving accessibility to water.⁴

Multiple Payment Options

Multiple payment options have made the purchase of consumer appliances easy with faster and convenient payment options. The popularity of the 'Buy Now, Pay Later' (BNPL) model has enabled the consumers to pay for their purchase with an instalment plan. For high-priced consumer electronic products, implementing this model provides flexibility for customers to purchase items that would not have been possible otherwise.

Low penetration provides significant opportunity for water purifier and vacuum cleaner segments



⁴ www.mygov.in
⁵ www.globaldata.com

Growing Focus on Sustainability

Sustainability has emerged as one of the key factors for consumer appliances in not only India but across the world. Companies are focusing more on aspects including optimising use of energy in long-term operations, sustainable packaging and relying more on local suppliers.



Solutions for Pressing Issues

At Eureka Forbes, the teams are working relentlessly to identify issues concerning health and hygiene in India and to explore and provide solutions that are effective in addressing these concerns.



Ensuring a Clean Home

Poor indoor cleanliness is often the reason for various diseases. Majority of Indians spend countless hours in various ways of cleaning houses with traditional means.

Eureka Forbes was the first company in the country to introduce vacuum cleaners and revolutionised the way indoor spaces are cleaned. The Company's solutions include wet and dry cleaners as well as the recently launched robo mops.



Bringing Water Back to Life

It is estimated that close to 38 Million Indians are affected by water-borne diseases every year, causing an annual loss of 73 Million¹ working days. Further, it is estimated that less than 50% of the Indian population has access to safely managed drinking water².

With its range of water purifiers under the flagship brand Aquaguard, EFL offers safe drinking water to millions of Indian homes. The brand is synonymous with healthy and safe drinking water for over 21 water conditions.

¹ <https://www.indiatoday.in/india/story/clean-drinking-water-taps-india-survey-water-borne-diseases-2292481-2022-11-02>

² <https://www.unicef.org/india/what-we-do/clean-drinking-water#:~:text=Less%20than%2050%20per%20cent,present%20in%201.96%20million%20dwellings.>



Breathing Clean Indoor Air

Household air quality has emerged as significant threat over the years. WHO estimates that household air pollution was responsible for an estimated 3.2 Million² deaths per year in 2020, globally. Household air pollution is generated by the use of inefficient and polluting fuels and technologies in and around the home and contains a range of health-damaging pollutants, including small particles that causes several lung diseases.

Extending the commitment to providing a healthy lifestyle to Indians, EFL introduced a range of air purifiers in India. The products come with filters that eliminate 99.97% of bacteria and viruses and provide clean indoor air to breathe.

² <https://www.who.int/news-room/fact-sheets/detail/household-air-pollution-and-health>

Aiming at Value Creation

EFL's business model focuses on creating customer-focused products and solutions that are efficient in delivery and quality. The emphasis on service promptness and excellence has made its brands a household name.

Key Input Resources

Business

Process

Creating Value for Stakeholders

Brands & Products

The Company takes pride being category creators in the segments it caters to. The diverse range of products and solutions helped in gaining leading market share.

Reach

The multiple distribution channels help expand the reach of the Company. The strong online presence that has been driving sales, is supported by the widespread distribution network.

Innovation

The dedicated research and innovation team gathers rich consumer insights, studies evolving trends and introduces products with cutting-edge technology and longer shelf lives.

People

The dedicated team of Eurochamps is driven by the culture of innovation and is committed to playing its part in achieving the overall organisational goals.

Manufacturing

The manufacturing units, equipped with advanced technology, help in the delivery of high-quality products which is in line with market expectations.



- Direct
- Retail
- E-commerce
- Institutional Selling

Business segments

Water

Cleaning

Air

Services

Our Governance

Mechanism

Shareholders and Investors

Focused growth strategies adopted by the Company helped unlock significant value for its shareholders and investors

Customers

With category-leading products, the Company has expanded its reach to more than 8 Million homes in India.

Dealers and Distributors

Established, nurtured and maintained long-term relationships with dealers and partners who are integral to business success.

Sustainability

Integrated sustainability across business operations through various resource conservation and energy optimisation efforts.

Business Review



Water

Since its launch, Aquaguard has become synonymous with quality drinking water and is trusted by millions of households. The range of products is categorised under electric, non-electric and on-the-go with SKUs catering to more than 21 different water conditions in India and more than 21 technological solutions to combat them. With 38 patents for water purifiers, the products are certified by over 135 national and international laboratories. EFL has invested in multiple water labs manned by quality microbiologists and monitoring the quality of water across 8,500 pin codes of India to develop appropriate technology solutions.

The products are manufactured in Bengaluru and Dehradun with in-house membrane manufacturing capabilities.

Beyond homes, solutions are also being developed for rural communities. AquaSure Rural Community Drinking Water Plants provide healthy and safe drinking water plants customised to remove local chemical/micro-biological contaminants. Besides, the skid mounted RO plants provide water purification solutions to industries and institutions.

Sectoral Growth Drivers

The Indian water purifier market is demonstrating strong growth, driven largely by the increasing cases of water-borne diseases. There has been a growing consciousness driving the demand for water purifiers. Increasing health awareness among people, an exponentially rising population and growing water contamination are other crucial aspects projected to propel the demand for water purifiers and drive the market.



120

India's ranking for quality of water based on evaluation of 122 countries globally¹

50%

Indian hospital beds acquired by patients suffering from water-borne diseases²

~37.7 Million

Indians are affected by water-borne diseases annually³

<50%

People lack access to safe drinking water⁴

¹ www.teriin.org ² www.unicef.org ³ www.ncbi.nlm.nih.gov ⁴ www.unicef.org



Cleaning

Starting its journey with direct marketing and selling strategy, Eureka Forbes today, has emerged as a leading household name and undisputed leader for its range of vacuum cleaners and cleaning solutions that include more than 75 SKUs across canister and Upright, Mop and Vac, Wet & Dry, Handheld, Cordless & Corded, Steam Cleaners and more. The thorough research and understanding of the Indian conditions has helped the Company build and customise its products to suit Indian homes.

EFL has also developed a range of vacuum cleaners, scrubber, driers, sweepers, polishers, road sweepers for workplaces and institutions.



Sectoral Growth Drivers

The Indian vacuum cleaner market is estimated to grow owing to increased awareness among the Indian population about the various benefits of vacuum cleaners for effectively cleaning the environment to reduce the risks of allergies.

With the emergence of new technologies like automation in home appliances, there has been a plethora of growth opportunities for manufacturers to introduce new products into their portfolio and expand Indian customer base.

The household sector dominates the market owing to the rapidly increasing working population and their hectic work-life. Additionally, the demand for household cleaning equipment is being fueled by the growing percentage of working women and the decreasing availability of domestic help. Further, the growing popularity of convenient cleaning is also driving demand for these equipment.



Business Review

Air

In this segment, EFL has launched air purifiers for homes, workspaces and on-the-go applications.

Sectoral Growth Drivers

New WHO data shows that more than 99%¹ of the global population breathes unhealthy air. People in cities are breathing harmful amounts of fine particulate matter and nitrogen dioxide, with those in low- and middle-income nations experiencing the highest exposures. In India, air pollution is not just restricted to winter, but throughout the year across the country. There has been growing prevalence of respiratory and airborne diseases owing to the deteriorated air quality, which is driving demand. Increasing construction activities are also a contributing cause for the rise in need for air purifiers. With online channels making deeper inroads beyond the major cities, air purifiers as a segment is gaining traction to meet demand in those regions. India's air purifier market is expected to grow at a CAGR of 17.2% during 2022-2028².

Key Developments

The previous year witnessed the launch of a range of Air Purifiers from EFL across price range and across channels. The smart range of Forbes Air Purifiers (optional with humidifiers) are now made in India and offered to the world and have unique differentiated features. There is an increasing focus on educating the market on the importance of air quality and the effectiveness of the Company's products.



Services

Eureka Forbes offers after-sales service to its customers, comprising installation, routine services and breakdown repairs. Its team of trained technicians, backed by franchise service centres, visits thousands of kitchens daily. Through continuous upskilling exercises, EFL ensures that the technicians can address the concerns and queries of customers as well as provide satisfactory solutions.

¹ www.indiatoday.in ² www.6wresearch.com

Fulfilling Aspirations

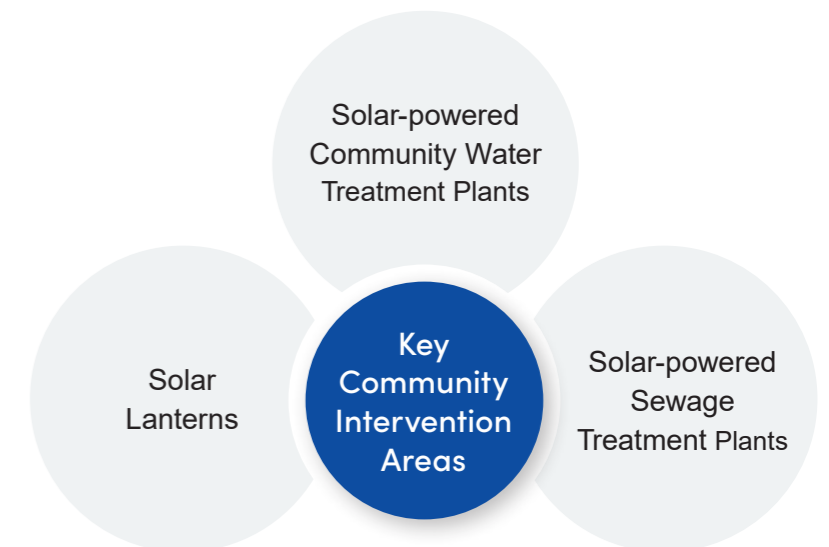
At Eureka Forbes, community betterment is at the core of whatever we do. The Company believes in empowering individuals and groups of people by providing the solution and skills they need to affect change in their own communities.

The community projects are designed to involve local people as key stakeholders of the project and empower the local communities with an aim to create a self-sustainable and scalable community engagement model. EFL has been working along with people, corporates, NGOs and likeminded partners and building a relationship with every individual who thrives to bring a holistic change.

Objective of Community Intervention Projects

EFL strives to promote public awareness, government initiative and individual dedication to environmental protection and the provision of safe drinking water for all people. By visiting people in their homes and changing the way they clean their houses, EFL has endeavoured to protect families and helped purify the air they breathe. In this quest, a variety of approaches have been adopted to guarantee that both the urban and rural Indian communities have access to clean, potable water.

The most recent endeavour involves a rural channel that aims to provide customised community water systems and clean, inexpensive drinking water to those at the base of the pyramid, while also producing rural entrepreneurs and non-agrarian employment.



EuroAble – A Unique Initiative

Through this initiative, which aims to drive workforce inclusion, EFL has created a programme called EuroAble. It is India's only call centre for the differently abled and is a state-of-the-art facility manned and operated entirely by people with special needs. Data-entry processes are carried out by hearing and speech-impaired individuals. It facilitates their integration into the value chain and mainstream society. Currently, more than 108 members form the strong EuroAble team.

Ensuring Highest Level of Ethical Standards

Eureka Forbes is committed to operating sustainably and generating stakeholder value through the highest level of ethical and governance standards. The Company is guided by an experienced Board of Directors and a robust governance structure, which has helped build a value-based culture of integrity.

The diverse and experienced Board of Directors comprises professionals with a diverse set of skills that impact of the business and strategy such as finance, product development, technology, innovation and marketing. The Board has the necessary committees as per the mandated guidelines to oversee the overall functioning of the organisation.

The Board Committees are generally chaired by Independent Directors who works as per the prescribed guidelines. The Board is actively involved in supervising and integrating the relevant policies of the Company including the ESG-driven protocols.

Board of Directors



Arvind Uppal
(DIN: 00104992)
Chairman (Non-Executive)
(w.e.f. April 26, 2022)



Pratik Rashmikanth Pota
(DIN: 00751178)
Managing Director & CEO
(w.e.f. August 16, 2022)



Sahil Dilip Dalal
(DIN: 07350808)
Director (Non-Executive)
(w.e.f. April 26, 2022)



Gurveen Singh
(DIN: 09507365)
Independent Director
(w.e.f. April 26, 2022)



Vinod Rao
(DIN: 01788921)
Independent Director
(w.e.f. April 26, 2022)



Homi Adi Katgara
(DIN: 00210338)
Independent Director
(w.e.f. January 31, 2022)



Shashank Shankar Samant
(DIN: 09733485)
Independent Director
(w.e.f. October 10, 2022)

Former Board of Directors

*Rajagopalan Sambamoorthy
(DIN: 02706251)

*Ashu Khanna
(DIN: 06693193)

*Indu Ranjit Shahani
(DIN: 00112289)

*Jai Laxmikant Mavani
(DIN: 05260191)

*Suresh Redhu
(DIN: 06607351)

*Shapoorji Pallonji Mistry
(DIN: 00010114)

*Anil Vasudev Kamath
(DIN: 00015706)

*Shankar Krishnan Subramanian
(DIN: 03316009)

*Vikram Surendran
(DIN: 07322381)

*Pallon Shapoorji Mistry
(DIN: 05229734)

*Sivanandhan Dhanushkodi
(DIN: 03607203)

@Marzin R. Shroff
(DIN: 00642613)

*Resigned as Director w.e.f. January 31, 2022, *Resigned as Director w.e.f. April 26, 2022, @Resigned as Managing Director & CEO w.e.f. August 16, 2022

Key Managerial Personnel



Pratik Rashmikanth Pota
Managing Director & CEO
(w.e.f. August 16, 2022)



Gaurav Pradip Khandelwal
Chief Financial Officer
(w.e.f. August 16, 2022)

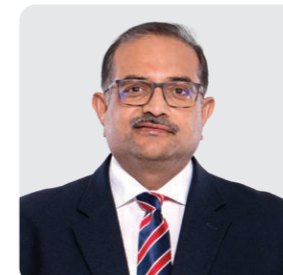


Dattaram P Shinde
Company Secretary, Head Legal & Compliance Officer
(w.e.f. January 31, 2022)

Core Leadership Team



Pratik Rashmikanth Pota
Managing Director & CEO



Vikram Surendran
President



Gaurav Pradip Khandelwal
Chief Financial Officer



Binaifer Khanna
Chief People Officer



Shubham Shrivastava
Chief Product & Technology Officer



Suresh Redhu
Chief Technical Officer – R&D and Manufacturing

Management Discussion and Analysis

One word that describes the world we live in today is 'volatile'. The last couple of years were demanding with the pandemic causing significant humanitarian and economic disruption and highlighting challenges such as social inequity. Furthermore, the unpredictability in business continuity and geopolitical tensions between nations resulted in the disruption of global supply chains and hyper-volatility in commodity costs. However, despite the uncertain operating environment, Eureka Forbes has prioritised the health and safety of its people and other stakeholders. Further, it continues to meet the evolving demand of its consumers and protect its business model.

The Company also implemented changes during the year to emerge stronger and achieve its mission to enrich the lives of customers.

The Indian Economy

The Indian economy witnessed a rebound after a pandemic-hit FY 2020-21. It registered a growth of 8.7% in FY 2021-22 against the 6.6% degrowth in the previous financial year. However, the outbreak of the Delta variant early in the year presented issues like localised restrictions and disruptions of social and economic activities. To counter this, the Government of India rolled out the largest vaccination drive to curb the spread of the virus. Furthermore, various policy measures were taken by the Government to boost economic activities. The Reserve Bank of India continued its accommodative stance during the year and this helped maintain the growth rate. The latter part of the year saw the emergence of the Omicron variant but it was not damaging as a large part of the population was vaccinated. Inflation, however, on the back of rising crude oil and commodity prices, was indicative of impeded growth prospects. The surge in crude oil prices was also triggered by the Russia-Ukraine conflict, continuing the spell of high inflation.

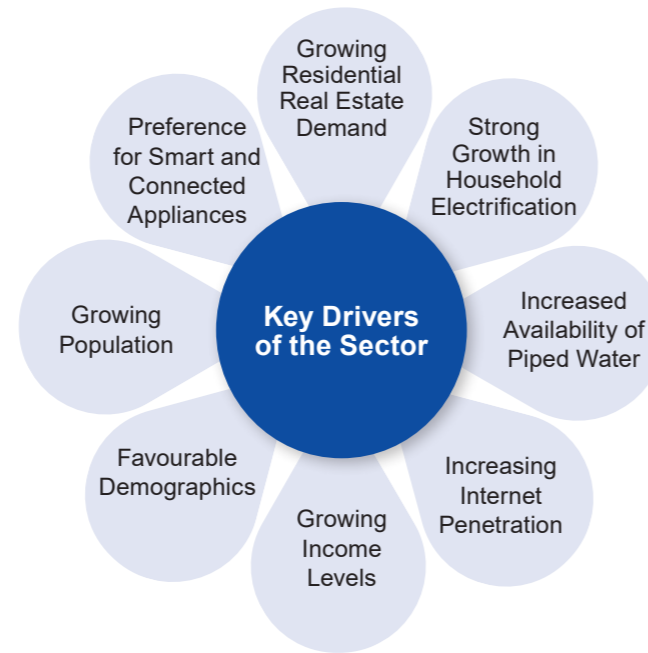
After months of decline, the Index of Industrial Production (IIP) got back on the growth trajectory and registered a 11.3% growth in FY 2021-22 against 8.4% in FY 2020-21.

The total Foreign Direct Investments (FDI) inflow in India between April 2000 and March 2022 stood at \$ 847,400 Million, with \$ 58,773 being the inflow in FY 2021-22. The services sector (including financial, banking, insurance, non-financial / business, outsourcing, R&D, courier, tech, testing and analysis, other) attracted the highest share of FDI in the year, followed by computer software and hardware and telecommunications.

[Source: DIPP]

Consumer Durables Industry: Household Appliances and Consumer Electronics

The consumer durables industry is one of the largest and fastest-growing industries in India and comprises two primary categories: home and household appliances and consumer electronics. Growth has been buoyant in the industry as consumption remained stable despite unprecedented challenges. It was largely driven by increasing household income levels, increasing access to multiple retail channels like malls, rising internet and smartphone penetration and strengthening consumer confidence.



India's consumer durables sector (excluding phones and IT equipment) is valued at ₹75,000 Crores. The sector is estimated for a robust growth in the coming year, owing to a strong demand from the premium categories of appliances.

With an aim to encourage domestic manufacturing and to establish India as a global hub for Electronics System Design and Manufacturing (ESDM) under the National Policy of Electronics, the Government of India announced a production-linked incentive (PLI) scheme for the manufacturing of mobile phones and specified electronic components, including Assembly, Testing, Marking and Packaging (ATMP) units.

Union Budget 2022-23 saw the Government allocate ₹ 60,000 Crores for 'Nal se Jal' scheme which will see 3.8 Crores households have access to potable water in 2022-23. This is expected to benefit the country's water purifier sector.

Water Purifier Market in India

The water purifier market in India is one of the largest in the Southeast Asian region. Limited access to potable water and water contamination caused by high levels of fluoride and arsenic, drive the demand for water purifiers in the country. India's water purifier market is expected to register a CAGR of 15% between 2021-2026.

Source: MarkNtel Advisors

Vacuum Cleaner Market in India

The vacuum cleaner market in India demonstrated strong growth over the past few years due to an increase in income levels and the need for better lifestyle. COVID-19 also accelerated the need for a modern way of cleaning. According to 6W Research, India's vacuum cleaner market's size is projected to grow at a CAGR of 9.2% between 2020-2026.

The Future of Shopping

Evolving Consumer Trends: The pandemic exposed consumers to unprecedented health risks, leading them to reassess their habits. There has been a shift to healthier food habits and fitness regimes while prioritising wellbeing. This is driving consumer preferences for:

- Being aware of ingredients used
- Avoiding packaged food alternatives
- Focusing on hygiene

Information-based Shopping: For consumers, especially those in urban India, information gathering is an integral part of the shopping experience. Urban consumers check at least two data points (beyond prices and discounts) before buying something and roughly half of them do online research including scanning reviews, manufacturing methods and considering alternatives.

Digitalisation: India saw digital transformation pick up pace during the pandemic, thanks to consumers adopting new habits such as online shopping and food delivery apps. The last two years also accelerated digitalisation across payments, online commerce, internet banking, among others.

With the rise in education and opportunity, there has been an improvement in social mobility. There is also a realisation that old-fashioned templates can often hamper progress. People are now looking to break these stereotypes of societal prejudice of appearances and origins to move forward. In the year gone by, we were successful in driving premiumisation and category leadership through our shopper insight. We were also able to upskill through learning and improve penetration by white-space mapping.

Outlook

Despite inflationary pressures, the consumer durables market is expected to witness robust demand, owing to the increasing need for premium products. Flexible working is also expected to drive the sale of goods that enhance personal convenience at home. Also, rural demand could outpace that of urban markets given the increase in incomes and Government initiatives surrounding rural electrification.

About the Company

Eureka Forbes Limited is one of the leading health and safety solution providers in the country. In over four decades of its presence, the Company has successfully created categories and brands generic to the segment. The Company has been a pioneer in promoting direct marketing for consumer durables and now has multiple customer engagement channels that ensure the strongest brand recall. Backed by a superior network of service centres, the Company has built a strong relationship with its customers over the years.

Performance Review

Against this challenging backdrop, the results for the FY 2021-22 reflect the sheer strength of our brands, our execution ability and resilience. EFL made tremendous progress with its multi-channel play even in a COVID-19-impacted Q1 and Q3, and e-commerce was the fastest-growing channel.

The needs of the Indian consumer evolve rapidly. The pandemic introduced several trends that are still followed by the Indian consumer today, such as prioritising holistic health and wellbeing, a massive shift in the adoption of digital technology and more importantly, a heightened consciousness for social equity.

India has nearly 800 Million internet users and sees the highest mobile data consumption per user in the world. With consumers shifting to online modes, the market landscape is bound to change. The Company continues to work with its retail and service business partners and EuroSathis to ensure future-readiness and can attend to the changing needs of its customers and help them embrace technology in this digitisation journey.

Eureka Forbes is leveraging data, harnessing the latest technologies and exploring business models to redefine how the Company engages with consumers, potential customers, and handles its operations. The Company has partnered with Microsoft Dynamics 365 to build an ecosystem that will enable it to create a tech-powered yet human-centric solution that fits the complexity of the business and emerging consumer needs. This will enable the core business to become more efficient through data-led processes and create platforms that will help deliver differentiated customer value.

Keeping in mind the well-being of customers and the environment, the Company takes pride in its ability to address the needs of changing water composition and consumption as it builds markets for the future. In the last two years, it has launched several products delivering higher-order benefits. Having witnessed a growing consumer need for health and hygiene during the pandemic, Eureka Forbes innovated with speed and launched several new products including the Aquaguard Edge with Stainless Steel, Aquaguard Edge with Alkaline technology and Aquaguard Astor in the water purifier category. In the cleaning category, the Company is building a portfolio that caters to the evolving consumer preferences including the Drift, Robotics range LVAC VOICE, Lvac, iVac and eVac; while in Air Purifiers, - FAP 7000i and FAP 8000i were introduced.

Key Financial performance, Operational Information and Ratio Analysis Financial Performance.

Revenue

During the year Standalone revenue is ₹ 38,100.13 Lakhs (previous year ₹ 784.63 Lakhs). Consolidated revenue is ₹ 38,175.01 Lakhs (previous year ₹ 784.63 Lakhs)

Earning Before interest, Depreciation, Taxation and Amortisation (“EBIDTA”)

During the year, Standalone EBIDTA is ₹ 2,021.50 Lakhs (previous year loss of ₹ 128.21 Lakhs) and Consolidated EBIDTA is ₹ 2,066.39 Lakhs (previous year loss of ₹ 128.21 Lakhs).

Profit / (Loss) Before Tax (“PBT”)

During the year Standalone PBT is ₹ 689.52 Lakhs (previous year loss ₹ 162.24 Lakhs) Consolidated PBT profit/loss is ₹ 706.23 Lakhs (previous year profit/loss ₹ 162.24 Lakhs).

Fixed Assets

As on March 31, 2022 the Standalone Net block is ₹ 27,339.72 Lakhs (previous year ₹ 14.83 Lakhs), Consolidated Net block is ₹ 27,652.64 Lakhs (previous year ₹ 14.83 Lakhs).

Profit / (Loss) during the Year

During the year Standalone profit is ₹ 272.47 Lakhs (previous year loss of ₹ 161.40 Lakhs), Consolidated profit/loss is ₹ 252.96 Lakhs (previous year loss ₹ 161.40 Lakhs).

Loan Funds

As on March 31, 2022 the standalone loan is ₹ 23,956.53 Lakhs (previous year ₹ 150.00 Lakhs). Consolidated loan is ₹ 24,280.00 Lakhs (previous year ₹ 150.00 Lakhs).

The table below depicts the financial ratios of the Company for the year ended March 31, 2022.

Key Ratios/ Indicators	Standalone		Explanation for change of 25% or more
	FY 21-22	FY 20-21	
Debtors Turnover (in days)	143	120	The above ratios for the year ended March 31, 2022 include the impact of the business combination (refer Note 30 of the financial Statement) and hence are not comparable with previous year. The Impact of the said business combination on the ratio for the current year as not been annualised
Inventory Turnover Ratio (times)	0.56	1.35	
Interest Coverage Ratio	2.59	-7.17	
Current Ratio (times)	0.53	0.75	
Debt Equity Ratio	0.06	10.91	
Operating Profit Margin %	1.59%	-18.88%	
Net Profit Margin %	0.74%	-20.78%	
Return on Net Worth	0.07%	-172.40%	

Key Ratios/ Indicators	Consolidated		Explanation for change of 25% or more
	FY 21-22	FY 20-21	
Debtors Turnover (in days)	141	120	The above ratios for the year ended March 31, 2022 include the impact of the business combination (refer Note 30 of the financial Statement) and hence are not comparable with previous year. The Impact of the said business combination on the ratio for the current year as not been annualised
Inventory Turnover Ratio	0.62	1.35	
Interest Coverage Ratio	2.60	-7.17	
Current Ratio	0.55	0.75	
Debt Equity Ratio	0.06	10.91	
Operating Profit Margin %	1.55%	-18.88%	
Net Profit Margin %	0.69%	-20.78%	
Return on Net Worth	0.06%	-172.40%	

Risk Management

The risk management system at Eureka Forbes encompasses the entire organisation, including all essential operations, functional areas, and business segments. The Company's Enterprise Risk Management framework lays down the processes of identifying assessing and undertaking mitigating measures for the risks associated with the business functions. The Board, through the Risk Management Committee, regularly reviews the risk management process of the Company. The following are the major risks identified and the mitigation measures:

Key Risks	Mitigation Measures
Economic Slowdown A slowdown in the economic activities could impact consumer demand which could adversely impact the offtake of the Company	The Indian economy, after the disruption by the pandemic, has rebounded and posted strong growth. With favourable consumer confidence, the consumer durables industry is slated for good growth. On the other hand, the Company, being generic in the sector, has strong brand recall.
Innovation Risk Inability to understand consumer preferences and introduce latest technology product may impact our market share	A dedicated research and innovation team constantly analyses consumer trends and technologies and works on bringing products that meet requirements. Continuous feedback from consumers help improve the products that go out into the market.
Quality Risk Inability to maintain the quality standards of the products could adversely impact business	Stringent quality control measures have been instated and ensure that products will meet the customer's quality standard. The Company's strong service network offers the support customers require post purchase.
Marketing Risk Inability to reach customers effectively could impact business growth	A multi-channel network of direct distributors, retail outlets and e-commerce platforms are available to the clients. Besides this, the website also serves as a retail platform and provides important information about the product portfolio.
Competition Risk Increasing competition could contract market share and impact the profitability of the business	Over the last 40 years, Eureka Forbes Limited has enjoyed market leadership in the categories it has forayed into. The Company is valued as category creators and have brands generic to the segment.
Operational Risk Inability to maintain seamless operations could adversely impact business performance	The Company's multi-location manufacturing units ensures seamless operations and proximity to customers. Strict conformance to SOPs ensure effective operations.
Inventory Risk Inability to maintain inventory levels could drag working capital and impact profitability	Optimum inventory at the outlets of retail partners and warehouses to control costs and working capital requirements. To maintain an optimal inventory, inventory levels are monitored based on the projections of demand as well as on a real-time basis.
Talent Risk Inability to attract and retain talents could adversely impact business	Thanks to the Company's empowering work culture, it has been able to attract and retain the best talents that helps achieve its strategic goals.

Human Resource

Human capital is a key resource of the organisation and nurturing a skilled team of people is necessary in achieving the Company's strategic objectives. The Company has fostered a work environment that encourages continuous learning for the workforce. Moreover, the Company has employed 4,150 employees. The culture at the Company is one of diversity and inclusivity, free of any kind of discrimination, with specially-abled people hired to manage the support centre, EuroAble.

The Company's internal controls are commensurate with its size and the nature of its operations. They have been designed to provide reasonable assurance with regard to all the above stated IFC elements.

Internal Control

The Company's current systems of Internal Financial Controls (IFC) are aligned with the requirement of Section 134(5)(e) of the Companies Act, 2013 (Act). As stipulated under the said provisions, the IFC framework established by the Company encompasses the following elements:

- Orderly and efficient conduct of business
- Safeguarding its assets
- Adherence to the Company's policies
- Prevention and detection of frauds and errors
- Accuracy and completeness of the accounting records and timely preparation of reliable financial information

Cautionary Statement

Certain statements in the report regarding business of the Company are forward-looking statements. These include all statements, other than those of performance highlights and historical facts, including those regarding the market and financial position, business strategy, and objectives for future operations. Forward-looking statements are necessarily dependent on projection and trends and constitute Management's current expectations based on reasonable assumptions. Actual results could differ from those projected in any forward-looking statements due to risks and uncertainties, and other external factors.

Board's Report

Dear Member,

The Directors are pleased to present to you the report of the business and operations of the Company along with the Audited Financial Statements of the Company for the Financial Year ended March 31, 2022.

1. Financial Highlights

	Figures in ₹ Lakhs			
	Standalone		Consolidated	
	FY 21-22	FY 20-21	FY 21-22	FY 20-21
Revenue and Other Income (Total Revenue)	38,337.71	788.53	38,407.66	788.53
Earnings before Finance Cost, Depreciation, Share of Net Profit of Joint ventures Exceptional Item & Tax	2,021.50	(128.21)	2,066.39	(128.21)
Profit / (Loss) after Finance Cost, Depreciation, Share of Net Profit of Joint ventures and before Exceptional Items & Tax	689.52	(162.24)	706.23	(162.24)
Profit before Tax (PBT)	689.52	(162.24)	706.23	(162.24)
Profit/(Loss) after tax for the year from continuing operations	280.30	(163.03)	261.52	(163.03)
Tax Expense	409.22	0.79	444.71	0.79
Profit/(Loss) for the year	280.30	(163.03)	261.52	(163.03)
Other Comprehensive Income (net of tax)/ (Loss)	(7.83)	1.63	(8.56)	1.63
Total Comprehensive Income/(loss)	272.47	(161.40)	252.96	(161.40)
Earnings Per Share - Basic and Diluted (₹) (continuing operations)	0.77	(3.38)	0.72	(3.38)

The Consolidated and Standalone Financial Statements of the Company for the year ended March 31, 2022 have been prepared in accordance with Indian Accounting Standards (IND-AS), the relevant provisions of sections 129 and 133 of Companies Act, Regulation 33 of Listing Regulations, which have been reviewed by the Statutory Auditors.

2. Reclassification of the Promoters

The Company has filed application with BSE Ltd. for re-classification on July 10, 2022 under Regulation 31A(10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, pursuant to the open offer made by Lunolux Limited (“Acquirer”) under SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (“SEBI SAST Regulations”).

The Acquirer on April 25, 2022 acquired from Shapoorji Pallonji and Company Private Limited (“SPCPL”), 63.86% of the total issued and paid-up share capital of the Company represented by 123,555,843 equity shares of ₹ 10 each in accordance with Regulation 22 of the SEBI SAST Regulations, along with control over the Company, and became a ‘promoter’ of the Company in accordance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, the Acquirer issued letter of offer for the Open Offer on

June 2, 2022 and acquired the remaining shareholding of SPCPL represented by 16,833,552 equity shares of ₹ 10 each of the Company constituting 8.70% of the equity share capital of the Company. Thus, the total shares held by the Acquirer are 14,03,89,639 equity shares of ₹ 10 each constituting 72.56% of the equity share capital of the Company. Post the above transactions, SPCPL does not hold any equity shares in the Company and accordingly cease to be the Promoter of the Company.

3. Management Discussion & Analysis Report

Management Discussion and Analysis Report as stipulated under the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR) is presented in a separate section forming part of this Annual Report. It provides details about the overall industry structure and development, opportunities and threats, performance of various products, outlook, risks and concerns.

4. Transfer to Reserves and Dividend

The Directors of your Company do not recommend any dividend for the year ended March 31, 2022. Further, No amount has been transferred to the general reserves during the year.

According to Regulation 43A of the Listing Regulations, the top 1000 listed entities based on market capitalisation, calculated as on March 31, of every financial year are required to formulate a dividend distribution policy which shall be disclosed on the website of the listed entity and a web-link shall also be provided in their annual reports. Accordingly, the Dividend Distribution Policy of the Company is available at www.eurekaforbes.com.

5. Unclaimed Dividend to Investor Education and Protection Fund (IEPF)

In-line with the provisions of the Act read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, all unpaid or unclaimed dividends are required to be transferred to the IEPF Authority, after completion of seven years.

Further, according to the said Rules, the shares on which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to the IEPF Authority. However, there has been no declaration of dividend so far, therefore the transfer of unpaid dividend and the shares on which dividend has not been paid or claimed, to Investor Education and Protection Fund (IEPF) is not applicable to the Company.

6. Material Changes and Commitment if any affecting the Financial Position of the Company occurred during the financial year and between the end of the Financial Year to which this Financial Statements relate and the Date of the Report

Composite Scheme of Arrangement (the Scheme)

The shareholders and other stakeholders are generally informed that, the Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench-IV vide its Order dated January 25, 2022 in CP (CAA)/209/MB-IV/2021 in CA(CAA)/55/MB-IV/2021 approved the Composite Scheme of Arrangement between Aquaignis Technologies Private Limited (The Transferor Company 1' for Part II of the Scheme or 'First Applicant Company'), Euro Forbes Financial Services Limited (The Transferor Company 2' for Part II of the Scheme or 'Second Applicant Company'), Eureka Forbes Limited (The Transferee Company 1' for Part II of the Scheme or 'Transferor Company 3' for Part III of The Scheme or 'Third Applicant Company'), Forbes & Company Limited ('FCL' or 'Transferee Company 2' for Part III of the Scheme or 'Demerged Company' for Part

IV of the Scheme or 'Fourth Applicant Company') And demerger of the demerged undertaking of FCL into Forbes Enviro Solutions Limited ('FESL' or 'Resulting Company' for Part IV of the Scheme or 'Fifth Applicant Company') and their respective Shareholders ("the Scheme"). Pursuant to the Scheme, the name of the Company was changed from Forbes Enviro Solutions Limited to Eureka Forbes Limited.

The Scheme was made effective from February 1, 2022 being Appointed Date. Further, the Company accounted for Demerger in its books of account in accordance with the 'Acquisition Method' of accounting under IndAs 103 (Accounting for Business Combinations) and any other relevant Indian Accounting Standards (Ind-AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013 and other generally accepted accounting principles in India. Hence, we wish to clarify that the Financial Statements for the FY 2021-22 may not be comparable with that of previous year.

7. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future

No significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

8. Subsidiary Companies

As on March 31, 2022, the Company has 4 subsidiaries. The Company does not have any associates or joint ventures.

Pursuant to Section 129 of the Companies Act, details of subsidiary companies are set out in the statement in Form AOC-1 is attached herewith as **Annexure – 1**. Financial Statements of these subsidiaries are available on the website of the Company, www.eurekaforbes.com.

The policy for determining material subsidiaries of the Company has been provided on the website of the Company at www.eurekaforbes.com.

9. Particulars of Loans, Guarantees or Investments

Loans, guarantees and investments covered under section 186 of the Act form part of the notes to the financial statements which forms part of the Annual Report.

10. Board of Directors and Key Managerial Personnel

Sr. No.	Name	Designation	Date of Appointment	Date of Cessation
1	Mr. Rajagopalan Sambamoorthy	Refer Note 1		
2	Mr. Suresh Redhu	Director	19-02-2016	31-01-2022
3	Mr. Vikram Surendran	Director	28-10-2015	31-01-2022
4	Mr. Ashu Khanna	Director	19-02-2016	31-01-2022
5	Mr. Homi Adi Katgara	Refer Note 2		
6	Mr. Marzin R. Shroff	Refer Note 3		
7	Mr. Shapoorji Pallonji Mistry	Director	31-01-2022	26-04-2022
8	Mr. Pallon Shapoorji Mistry	Director	31-01-2022	26-04-2022
9	Dr. (Mrs.) Indu Ranjit Shahani	Independent Director	31-01-2022	26-04-2022

Sr. No.	Name	Designation	Date of Appointment	Date of Cessation
10	Mr. Anil Vasudev Kamath	Independent Director	31-01-2022	26-04-2022
11	Mr. Sivanandhan Dhanushkodi	Independent Director	31-01-2022	26-04-2022
12	Mr. Jai Laxmikant Mavani	Director	31-01-2022	26-04-2022
13	Mr. Shankar Krishnan Subramanian	Director	31-01-2022	26-04-2022
14	Mr. Arvind Uppal	Chairman	26-04-2022	-
15	Mrs. Gurveen Singh	Independent Director	26-04-2022	-
16	Mr. Vinod Rao	Independent Director	26-04-2022	-
17	Mr. Sahil Dilip Dalal	Director	26-04-2022	-
18	Mr. Pratik Rashmikant Pota	Managing Director & CEO	16-08-2022	-
19	Mr. Shashank Shankar Samant	Independent Director	10-10-2022	-
20	Mr. Gaurav Pradip Khandelwal	Chief Financial Officer	16-08-2022	-
21	Mr. Dattaram P. Shinde	Company Secretary	31-01-2022	-

Notes:

1. Mr. Rajagopalan Sambamoorthy was appointed as Director of the Company w.e.f. 19-02-2016 and he resigned as Director of the Company w.e.f. 31-01-2022. Further, he was appointed as Chief Financial Officer (CFO) of the Company w.e.f. 31-01-2022 and retired as such w.e.f. 10-09-2022.
2. Mr. Homi Katgara was appointed as Independent Director and elected as Chairman of the Board w.e.f. 31-01-2022. Mr. Katgara resigned as Chairman of the Board w.e.f. 26-04-2022 and continues to be Independent Director of the Company till date.
3. Mr. Marzin R. Shroff was appointed as Director of the Company w.e.f. 19-02-2016. Mr. Shroff was further appointed MD & CEO w.e.f. 31-01-2022 and resigned as such w.e.f. 16-08-2022.
4. Mr. Pratik Rashmikant Pota is appointed as Managing Director & CEO of the Company w.e.f. 16-08-2022
5. Mr. Gaurav Pradip Khandelwal is appointed as Chief Financial Officer of the Company w.e.f. 16-08-2022

None of the Directors are disqualified for being appointed as the Director of the Company in terms of Section 164 of the Act. During the year under review, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission, perquisites and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board / Committees of the Company.

Key Managerial Personnel (KMP)

Following were the Key Managerial Personnel as on March 31, 2022 pursuant to Sections 2(51) and 203 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Sr.	Name	Designation
1	Mr. Marzin R. Shroff	Managing Director & CEO
2	Mr. Rajagopalan Sambamoorthy	Chief Financial Officer
3	Mr. Dattaram P. Shinde	Company Secretary, Head - Legal & Compliance Officer

We invite your attention to the changes in the composition of the KMP's of the Company, during and post Financial Year and as on the date of the Annual Report:

Sr.	Name	Designation
1	Mr. Pratik Rashmikant Pota	Managing Director & CEO
2	Mr. Gaurav Pradip Khandelwal	Chief Financial Officer
3	Mr. Dattaram P. Shinde	Company Secretary, Head - Legal & Compliance Officer

a. Declaration by an Independent Director(s)

The Board confirms that based on the written affirmations from each Independent Director, all Independent Directors fulfil the conditions specified for independence as stipulated in the Regulation 16 of the Listing Regulations, as amended, read with Section 149(6) of the Act along with rules framed thereunder and are independent of the Management. Further, the Independent Directors have also registered their names in the Databank maintained by the Indian Institute of Corporate Affairs ("IICA"), Manesar, Gurgaon as mandated in the Companies (Appointment and Qualification of Directors), Rules, 2014. They have also given the online self-assessment proficiency test and cleared the same within the timelines as prescribed by the Ministry of Corporate Affairs ("MCA"), to whomsoever it was applicable. None of the Independent Directors have any other material pecuniary relationship or transaction with the Company, its Promoters, or Directors, or Senior Management which, in their judgement, would affect their independence. In terms of Regulation 25(8) of the Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence. Further, none of the Directors are related to each Other.

b. Number of Meetings of Board

During the year under review, 07 (Seven) meetings of the Board of Directors were held. The details of such meetings held and attended by the Directors during the financial year 2021-22 are given in the Corporate Governance Report which forms part of this Annual Report.

The maximum interval between any two meetings did not exceed 120 days, as prescribed by the Act and the Listing Regulations.

c. Annual Evaluation of the Board

Evaluation of the directors is done on an annual basis. The process is led by the Nomination and Remuneration Committee with specific focus on the performance vis-à-vis the plans, meeting, challenging situations, performing leadership role within, and effective functioning of the Board. The evaluation process also involves Self-Evaluation by the Board Member and subsequently assessment by the Board of Directors and also considers the time spent by each of the directors, accomplishment of specific responsibilities and expertise, conflict of interest, integrity of director, active participation and contribution during discussions.

d. Policy on directors' appointment and remuneration and other details

The Company has a Nomination and Remuneration Policy for Directors and Senior Managerial Personnel in compliance with the provisions of Section 178 of the Act and Regulation 19 of Listing Regulations and as approved by the Nomination and Remuneration Committee and the Board. The policy is available at the website of the Company at www.eurekaforbes.com. The purpose of the Remuneration Policy is to establish and govern the procedure applicable:

- To evaluate the performance of the members of the Board.
- To ensure remuneration payable to Directors KMP's and other senior Management strike appropriate balance and commensurate among others with the functioning of the Company and its long-term objectives.
- To retain motivate and promote talent within the Company and to ensure long term sustainability of the managerial persons and create a competitive advantage.

e. Familiarisation Programme for Independent Directors

Pursuant to Regulation 25(7) of the Listing Regulations, the Company has put in place a system to familiarise its Independent Directors. The familiarisation program aims to provide the Independent Directors their roles, responsibilities in the Company, nature of the industry, business model, processes, policies and the technology and the risk management systems of the Company, the operational and financial performance of the Company, significant development so as to enable them to take well informed decisions in timely manner. During the financial year 2021-22, the Independent Directors were updated from time to time on continuous basis on the significant changes in the regulations, duties and responsibilities of Independent Directors under the Companies Act, 2013 and SEBI LODR. The Company conducted 1 program during the financial year 2021-22 and the time spent by Independent Directors was in the range

of 2 hours. The policy on Company's familiarisation program for Independent Directors is hosted on the Company's website at www.eurekaforbes.com

f. Opinion of the Board with regard to integrity, expertise and experience (including the proficiency) of the Independent Directors appointed during the year

Four Independent Directors were appointed in the Company during the year. The Board after taking their respective declarations/ disclosures on record and acknowledging the veracity of the same, is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience, expertise, hold highest standards of integrity and are Independent of the Management of the Company.

11. Deposits

The Company has not accepted any public deposit and as such no amount on account of principal or interest on public deposit under section 73 and 74 of the Act, read together with the Companies (Acceptance of Deposits) Rules, 2014 was outstanding as on the date of the Balance Sheet.

12. Committees of the Board

The Committees constituted by the Board focus on specific areas and take informed decisions within the framework of delegated authority, and make specific recommendations to the Board on matters within their areas or purview. The decisions and recommendations of the Committees and minutes of meeting of committee are placed before the Board for information and/or for approval, as required. During the year under review, all recommendations received from its committees were accepted by the Board.

The details of the Board and its Committees along with their composition, meetings held during the year are given under Corporate Governance Report forming part of this Annual Report.

13. Risk Management Policy and Internal Financial Control

a. Pursuant to section 134 of the Act, the Company has put in place comprehensive Risk Management Policy which inter alia, includes identification of elements of those risks which in the opinion of the Board may threaten the existence of the Company. Further, the Company has adequate risk management mechanism and same is periodically reviewed by the Audit Committee and Board. The major risks identified by the business are systematically addressed through mitigating actions on a continuing basis and cost-effectively risks are controlled to ensure that any residual risks are at an acceptable level.

b. The Company has a defined system of internal controls for financial reporting of transactions and compliance with relevant laws and regulations commensurate with its size and nature of business. The Company also has a well-defined process for ongoing management reporting and periodic review of businesses.

There is an active internal audit function carried out partly by the internal resources and the balance activity outsourced to Chartered Accountants firms. As part of the efforts to evaluate the effectiveness of the internal control systems, the internal audit department reviews the control measures on a periodic basis and recommends improvements, wherever appropriate.

The internal auditor reports directly to the Audit Committee of the Board. The Audit Committee regularly reviews the audit findings as well as the adequacy and effectiveness of the internal control measures. Based on their recommendations, the Company has implemented a number of control measures both in operational and accounting related areas, apart from security related measures.

14. Corporate Social Responsibility (“CSR”)

The CSR Policy outlines the Company’s contribution to Mother Earth by helping the Planet become Safer, Healthier and Pollution free. Further the policy elaborates about the contribution towards the Society by making the world a happier place to live in and leave the right legacy for children.

The focus area of the Policy includes;

1. Hunger, poverty, malnutrition and health,
2. Education
3. Rural development projects
4. Gender equality and empowerment of women
5. Environmental sustainability
6. National heritage, art and culture
7. Research and development projects
8. Disaster management
9. Benefit of armed forces veterans
10. Rural sports
11. Development projects

Disclosures as required under Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 are annexed to this Report as **Annexure – 2**. The CSR Policy is hosted on the website of the Company at “www.eurekaforbes.com”.

15. Auditors and Auditors’ Report

Statutory Auditors

Pursuant to provisions of Section 139 of the Companies Act, read with the Companies (Audit and Auditors) Rules, 2014, M/s. Batliboi & Purohit, (ICAI Firm Registration No. 101048W) were appointed as Statutory Auditors of the Company to hold office till the conclusion of the ensuing Annual General Meeting of the Company. Accordingly, the company is required to appoint New Statutory Auditor who shall hold office till the conclusion of Eighteenth (18th) Annual General Meeting.

The Board of Directors, on recommendation of Audit Committee, in its Meeting held as on August 12, 2022 has considered the appointment of M/s. Deloitte Haskins & Sells LLP, Chartered Accountants for the term of Five (5) years commencing from the conclusion of Thirteenth (13th)

Annual General Meeting till the conclusion of Eighteenth (18th) Annual General Meeting of the Company.

M/s. Deloitte Haskins & Sells LLP, Chartered Accountants have expressed their willingness to be appointed as Statutory Auditors of the Company and have submitted a certificate confirming that their appointment is in accordance with Section 139 read with Section 141 of the Act and that they have not been disqualified in any manner from appointment as Statutory Auditors.

The Audit Report forms part of the Annual Report. The Auditors have referred to certain matters in their report on Financial Statements to the shareholders, which read with relevant notes forming part of the accounts, is self-explanatory.

There is no fraud in the company during Financial Year April 1, 2021 to March 31, 2022. This is also stated by the auditors of the Company as no fraud has been described in their audit report for the Financial Year ended March 31, 2022.

Secretarial Auditors

Pursuant to the provisions of Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s. Mihen Halani & Associates, Practicing Company Secretaries were appointed as Secretarial Auditor of the Company for the Financial Year 2021-22.

A Secretarial Audit Report provided by M/s. Mihen Halani & Associates is attached herewith as **Annexure – 3** and forms part of this Report. There are no qualifications, reservations or adverse remarks made by Secretarial Auditors in its Report.

Further, the subsidiaries of the Company as mentioned above are not material subsidiaries. Therefore, the provisions regarding the Secretarial Audit as mentioned in Regulation 24A of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, do not apply to such subsidiaries.

Cost Auditors:

The Company is required to maintain cost accounting records as specified under Section 148(1) of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 and have them audited every year and accordingly, such accounts and records are made and maintained in the prescribed manner.

The Board of Directors of the Company have, on the recommendation of Audit Committee, appointed M/s J. Chandra & Associates, Cost Accountants, as Cost Auditors for the Financial Year 2022-23.

Accordingly, the matter relating to the ratification of the remuneration payable to the Cost Auditors for the Financial Year 2022-23 will be placed at the ensuing Annual General Meeting. Your Company has received consent and eligibility certificate from M/s. J. Chandra & Associates.

Internal Auditor

Pursuant to the provisions of Section 138 of the Companies Act, 2013, the Board, based on the recommendation of the Audit Committee at its meeting

held on January 31, 2022, had approved the appointment of Mr. Vaibhav Yelekar as Chief Internal Auditor of the Company.

16. Share Capital

- a. **Buy Back of Securities:** The Company has not bought back any of its securities during the year under review.
- b. **Sweat Equity:** The Company has not issued any Sweat Equity Shares during the year under review.
- c. **Bonus Shares:** No Bonus Shares were issued during the year under review.
- d. **Employees Stock Option Plan:** During the year under review, the Company has not granted any Stock Option Plan to the employees.
- e. **Shares with differential rights -** During the year under review, the Company does not has not issued any equity shares with differential rights.
- f. During the year under review, the Company has not made any provision of money for the purchase of, or subscription for, shares in your Company or its holding company, to be held by or for the benefit of the employees of the Company and hence the disclosure as required under Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014 is not required.

17. Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace as per the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules thereunder for prevention and redressal of complaints of sexual harassment at workplace. Internal Compliant Committee (ICC) has been setup to redress complaints received regarding sexual harassment as per Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the ICC includes external member.

During Financial Year 2021-2022, no complaints on sexual harassment were received by the Company.

18. Compliance with Secretarial Standards

The Company has complied with all the applicable provisions of Secretarial Standards on Meetings of Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

19. Share Registrar and Transfer Agent

M/s. Link Intime India Private Limited (SEBI Registration No.: INR000004058) & Transfer Agent (“RTA”) has been appointed as the Company’s RTA for shares. The details of Link Intime are mentioned in the Report of Corporate Governance.

20. Listing of Shares

The equity shares of your Company were listed on BSE Limited (BSE) on March 16, 2022.

BSE Scrip Code : 543482
BSE Scrip ID : EUREKAFORBE
ISIN No. : INE0KCE01017

21. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo

The information in accordance with the provisions of Section 134(3)(m) of the Companies Act, 2013 regarding conservation of energy, technology absorption, and foreign exchange earnings and outgo is attached herewith as **Annexure – 4** and forms part of this Directors’ Report.

22. Particulars of contracts or arrangements with related parties

In accordance with the requirements of the Companies Act, 2013 and SEBI Listing Regulations, 2015, the Company has a Policy on Related-Party Transactions which is available on the website of the Company at www.eurekaforbes.com.

This policy deals with the review and approval of related party transactions. The Board of Directors of the Company have approved the criteria to grant omnibus approval by the Audit Committee within the overall framework of the policy on related party transactions. Prior omnibus approval is obtained for related party transactions which are of repetitive nature and entered in the ordinary course of business and at arm’s length.

All Related Party Transactions during the Financial Year ended March 31, 2022 were reviewed and approved by the Audit Committee and were also placed before the Board. There were no materially significant transactions with related parties (i.e. transactions exceeding 10% of the annual consolidated turnover) during the year as per the last audited financial statements. Accordingly, the disclosure of transactions entered into with related parties pursuant to the provisions of Section 188(1) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts), Rules 2014 in Form AOC-2 is not applicable.

23. Directors’ Responsibility Statement:

Pursuant to Section 134 of the Companies Act, 2013, the Board of Directors, to the best of its knowledge and ability, confirm that –

- a. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b. they 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 at the end of the financial year and of the profit and loss of the Company for that period;

- c. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. they have prepared the annual accounts on a going concern basis;
- e. proper internal financial controls as laid down by the Directors were followed by the Company and that such internal financial controls are adequate and operating effectively; and
- f. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

24. Human Resource Development & Industrial Relations:

The Human Resources (HR) Function has significantly supported the business requirements to fuel organisational growth. The employees have been trained during the course of the year on behavioral and functional skills. The HR Department has worked shoulder to shoulder with the Business in Reorganisation initiatives and helped smooth transition of leaders into new roles. The department also spearheads employment engagement activities across all business verticals and functions thereby promoting teamwork and comradery as well as contributing to the external community.

The HR leaders have actively partnered with Business Heads on manpower management and reorganisation initiatives, and worked on upskilling employees to perform in their new roles.

Thus, the Human Resource function contributes to the accomplishment of the organisation-wide business plan and objectives by building the right capability and helping in making EFL future ready.

25. Annual Return

Pursuant to Section 92 of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return is available on the website of the Company on the following link: www.eurekaforbes.com

26. Particulars of Employees and Remuneration

There are 11 (Eleven) employees who were in receipt of remuneration of not less than ₹ 102.00 Lakhs (Rupees One Crore Two Lakh only) if employed for the full year or not less than ₹ 8.50 Lakhs (Rupees Eight Lakh Fifty Thousand only) per month if employed for any part of the year.

Disclosures concerning the remuneration of Directors, KMPs and employees as per Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies

(Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in **Annexure – 5** to this Report. Your Directors affirm that the remuneration paid to Directors, KMP and employees is as per the remuneration policy of the Company.

Details of employees as required under provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) & 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are available for inspection at the Registered Office of your Company during working hours. The Annual Report and Accounts are being sent to the shareholders excluding the aforesaid exhibit. Any member interested in obtaining such information may write to the Company Secretary at the Registered Office of the Company.

27. Whistle Blower Policy / Vigil Mechanism

In Compliance with Section 177(9) of the Act and Regulation 22 of SEBI Listing Regulation, the Company has adopted a Whistle Blower Policy. The Audit Committee oversees the functioning of this policy. The Company's vigil mechanism/ Whistle blower Policy aims to provide the appropriate platform and protection for Whistle Blowers to report instances of fraud and mismanagement, if any, to promote reporting of any unethical or improper practice or violation of the Company's Code of Conduct or complaints regarding accounting, auditing, internal controls or suspected incidents of violation of applicable laws and regulations including the Company's code of conduct or ethics policy or Code of Conduct for Prevention of Insider Trading in the Company, Code of Fair practices and Disclosure.

The Vigil Mechanism provides a mechanism for employees of the Company to approach the Chairman of the Audit Committee of the Company for redressal. Details of the Vigil Mechanism and Whistleblower policy are covered in the Corporate Governance Report, which forms part of this Annual Report and are made available on the Company's website www.eurekaforbes.com

28. Business Responsibility Statement

In terms of the requirements of Regulation 34(2)(f) of the SEBI LODR a report on Business Responsibility forms part of this Annual Report in the format prescribed by SEBI and is annexed herewith as **Annexure – 6**.

29. Corporate Governance

Pursuant to Regulation 34(3) read with Schedule V of the SEBI Listing Regulations, a separate section on Corporate Governance practices followed by the Company, together with a Certificate from Practicing Company Secretary confirming compliance conditions, as required under Regulation 27 of the Listing Regulations is annexed herewith as **Annexure - 7** and forms an integral part of this Board's Report.

30. Code of Conduct:

The Company has adopted a Code of Conduct for Prevention of Insider Trading including policies and procedures for inquiry in case of leak or suspected leak of unpublished price sensitive information, Code for Fair Disclosure and Code of Conduct to regulate, monitor and report trading in securities by the Directors, designated persons and immediate relatives of designated persons of the Company ('Code') in compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015 ('Insider Trading Regulations').

Pursuant to above, the Company has put in place adequate and effective system of internal controls to ensure compliance with the requirements of Insider Trading Regulations. The transactions by designated persons above threshold approved by Board is subject to preclearance by compliance officer. Company Secretary has been appointed as the Compliance Officer for purpose of Insider Trading Regulations.

The Code is available on website of the Company at web link: www.eurekaforbes.com

31. Chief Executive Officer & Chief Financial Officer Certification:

The Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") have certified to the Board about compliance by the Company in accordance with Regulation 17(8) read with Part B of Schedule II of the Listing Regulations for the financial year ended March 31, 2022 and the same forms part of this Annual Report.

32. Appreciation & Acknowledgements:

Your Directors take this opportunity to thank sincerely and acknowledge with gratitude, the contribution, co-operation and assistance received from customers, vendors, dealers, suppliers, investors, business associates, bankers, Government Authorities and other stakeholders for their continued support during the year.

Further, the Board places on record its deep appreciation for the enthusiasm, co-operation, hard work, dedication and commitment of the employees at all levels. The enthusiasm and unstinting efforts of the employees have enabled the Company to remain an industry leader.

**On behalf of the Board of Directors of
Eureka Forbes Limited**
(formerly Forbes Enviro Solutions Limited)

Arvind Uppal
Chairman
(DIN : 00104992)

Place : Mumbai
Dated : October 10, 2022

Annexure – 1

Form AOC - 1

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

Part “A” : Subsidiaries

1	Sr. No.	1	2	3		4	
2	Name of Subsidiary	Forbes Aquatech Limited	Infinite Water Solutions Private Limited	Euro Forbes Limited, Dubai		Forbes Lux FZE, Dubai	
		INR - Lakhs	INR - Lakhs	USD - Lakhs	INR - Lakhs	USD - Lakhs	INR - Lakhs
3	Reporting Period of Subsidiary concerned, if different from the holding Company's reporting period.	31-03-2022	31-03-2022	31-12-2021		31-12-2021	
4	Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries	-	-	1 USD = INR 74.3032		1 USD = INR 74.3032	
5	Share Capital	56.51	700.00	513.07	34,732.26	444.60	30,173.42
6	Reserves & Surplus*	1,050.66	1,556.65	(512.91)	(34,720.05)	(444.45)	30,161.97
7	Total Assets **	1,255.03	2,915.57	0.31	23.41	6.95	576.76
8	Total Liability	147.87	658.93	0.15	11.20	6.80	505.31
9	Investments	-	0.71	0.15	11.52	-	-
10	Turnover	1,189.30	4,579.43	-	-	11.97	885.12
11	Profit Before Taxation	6.43	754.41	(19.65)	(1,296.16)	(24.57)	1,806.63
12	Provision for Taxation	(0.04)	201.24	-	-	-	-
13	Profit After Taxation	6.47	553.17	(19.65)	1,296.16	(24.57)	1,806.63
14	Other Comprehensive Income	0.04	(0.59)	-	-	-	-
15	Proposed Dividend	-	-	-	-	-	-
16	% of Shareholding	88.49%	100%	100%		100%	

The above numbers are taken from the respective audited financial statements.

* Net of Debit balance of Profit & Loss Accounts and Foreign exchange transaction Reserve, where applicable

** Includes Investments

Part “B” : Associate Companies/Joint Ventures

Not Applicable as there are no associates and joint ventures

Annexure – 2

Annual Report on Corporate Social Responsibility (CSR) Activities for the Financial Year 2021-22

[Pursuant to Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended.]

1. Brief outline on CSR Policy of the Company.

The CSR Committee in its meeting held on March 29, 2022, approved projects/activities in following areas;

- Eradicating hunger, poverty and malnutrition, promoting preventive healthcare and sanitation and making available safe drinking water;
- Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;
- Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for other senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water.

2. Composition of CSR Committee as on March 31, 2022:

Sl. No.	Name of Director	Designation	Nature of Directorship	Number of meetings of CSR Committee attended during the year
1	Dr. (Mrs.) Indu Shahani	Chairperson	Independent Director	1
2	Mr. Marzin R. Shroff	Member	Managing Director & CEO	1
3	Mr. Homi Katgara	Member	Independent Director	1
4	Mr. D Sivanandhan	Member	Independent Director	1

Number of meetings held during the year: 1 (one) on March 29, 2022

3. Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the company : www.eurekaforbes.com

4. Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is Not applicable.

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: ₹ 1,727/-

6. Average net profit of the company as per section 135(5): ₹ 56,96,22,128/-

7. (a) Two percent of average net profit of the company as per section 135(5): ₹ 1,13,92,443/-

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL

(c) Amount required to be set off for the financial year, if any: ₹ 1,727/-

(d) Total CSR obligation for the financial year 7(a)+7(b)-7(c): ₹ 1,13,90,716/- (Refer Note - 1 below)

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (₹ in Lakh.)	Amount Unspent (in ₹)			
	Total Amount transferred to Unspent CSR Account as per Section 135(6).	Amount	Date of transfer	Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).
114	NIL			NIL

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

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

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act	(4) Local area (Yes/ No).		(5) Location of the project. State District	(6) Amount spent for the project (₹ Lakh)	(7) Mode of implementation - Direct (Yes/No)	(8) Mode of implementation - Through implementing agency.	
			Yes	No				Name	CSR Registration number
1	Jal Daan	Making available safe drinking water			Pan-India	104	No	Tandarust Bharat Foundation	CSR00006624
2	Medical Project	Provision of medical instrument			Sub-District Hospital, Raigad, Maharashtra	10	No		

(d) Amount spent in Administrative Overheads: NIL

(e) Amount spent on Impact Assessment, if applicable: Not Applicable

(f) Total amount spent for the Financial Year 8(b)+8(c)+8(d)+8(e): ₹ 1,14,00,000/-

(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	1,13,92,443
(ii)	Total amount spent for the Financial Year	1,14,00,000
(iii)	Excess amount spent for the financial year [(ii)-(i)]	7,557
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	1,727
(v)	Amount available for set off in succeeding financial years [(iii)+(iv)]	9,284

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

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

10. In case of creation or acquisition of capital asset, the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details): NIL

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Not Applicable

Place : Mumbai
Dated : May 30, 2022

sd/-
Surveen Singh
Chairperson, CSR Committee
(DIN : 09507365)

sd/-
Marzin R. Shroff
Managing Director & CEO
(DIN : 00642613)

On behalf of the Board of Directors

Arvind Uppal
Chairman
(DIN : 00104992)

Place : Mumbai
Dated : May 30, 2022

Note - 1 : The members are informed that as the Health, Hygiene, Safety & Security Division of Forbes & Company Ltd. has demerged and merged into the Company w.e.f. February 01, 2022 vide the NCLT Order dated 25-01-2022, the liability of the said demerged undertaking has been transferred and discharged by the Company.

Annexure – 3

Secretarial Audit Report Form MR-3

[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,
Eureka Forbes Limited
CIN: L27310MH2008PLC188478
B1/B2, 7th Floor, 701, Marathon Innova,
Ganpatrao Kadam Marg, Lower Parel,
Mumbai – 400 013, MH, IN.

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

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on March 31, 2022, (the “Audit Period”) 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 March 31, 2022 according to the provisions of:

- The Companies Act, 2013 (“the Act”) and the rules made there under;
- The Securities Contracts (Regulation) Act, 1956 (“SCRA”) and the Rules made thereunder;
- The Depositories Act, 2018 and the Regulations and Bye-laws framed there under;
- Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings - **Not applicable to the Company during the Audit period;**
- The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (“SEBI Act”);

- The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

- The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 - **Not applicable to the Company during the Audit period;**
- The Securities and Exchange Board of India (Issue and Listing Of Non-Convertible Securities) Regulations, 2021 - **Not applicable to the Company during the Audit period;**
- 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;
- The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - **Not Applicable to the Company during the Audit Period,** and
- The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - **Not Applicable to the Company during the Audit Period;**

- We have relied on the representations made by the Company and its officers for systems and mechanism formed by the Company for compliances under other various applicable Acts, Laws, Rules and Regulations to the Company.

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

- the Secretarial Standards issued by The Institute of Company Secretaries of India (“ICSI”);
- SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

To the best of our knowledge and belief, 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:

- During the year under review, the Board of Directors of the Company was duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

The committees of the Board are duly constituted. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

- b) Adequate notice is given to all directors to schedule the Board Meetings and Committee Meetings, agenda and notes on agenda were sent at least seven days in advance or with due consents for shorter notice from the directors and adequate system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- c) All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

- Pursuant to the scheme, the Company has issued and allotted 19,34,79,240 (Nineteen Crore Thirty-Four Lakh Seventy-Nine Thousand Two Hundred and Forty) Equity Shares of face value ₹ 10/- each to the shareholders of Forbes & Company Limited and the name of the Company was changed from Forbes Enviro Solutions Limited to Eureka Forbes Limited and consequently altered the respective clauses of MOA and adopted new set of AOA of the Company;
- Pursuant to the order of Hon'ble NCLT, the Company has made an application to Bombay Stock Exchange Limited ("BSE") as Designated Stock Exchange for listing securities of the Company. Subsequently, the Company received in-principle listing approval from BSE Limited vide letter DCS/AMAL/TL/IP/2244/2021-22 dated March 2, 2022 and received relaxation from SEBI vide letter SEBI/HO/CFD/DIL2/AN/OW/2022/8961 dated March 2, 2022. Further, the Company received trading approval from BSE Limited vide its letter DCS/AMAL/TP/PB/2264/2021-22 dated March 14, 2022 and the trading in shares of the Company commenced w.e.f. March 16, 2022 on BSE Limited.

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

We further report that during the audit period, the following event/action has taken place having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above;

- The Company has increased its Authorised Share Capital from ₹ 5,00,00,000/- (Rupees Five Crore only) divided into ₹ 50,00,000/- (Fifty Lakh only) equity shares of ₹ 10/- (Rupees Ten only) each to ₹ 200,00,00,000/- (Rupees Two Hundred Crore only) divided into ₹ 20,00,00,000/- (Twenty Crore only) equity shares of ₹ 10/- (Rupees Ten only) in accordance with the Composite Scheme of Arrangement entered into by the Company and consequently altered capital clause of Memorandum of Association ("MOA") and Article 3 of the Articles of Association (AOA) vide special resolution passed by members at Extra Ordinary General Meeting held on Monday, January 17, 2022;
- Hon'ble National Company Law Tribunal, Mumbai ("NCLT") Bench-IV vide its Order dated January 25, 2022 in CP (CAA)/209/MB-IV/2021 in CA(CAA)/55/MB-IV/2021 has approved the Composite Scheme of Arrangement between Aquaignis Technologies Private Limited, Euro Forbes Financial Services Limited, Eureka Forbes Limited, Forbes & Company Limited and Forbes Enviro Solutions Limited and their respective Shareholders ('the Scheme') fixing Tuesday, February 1, 2022 as the Appointed Date for the purpose of the Scheme;

We further report that during the audit period, the Company has co-operated with us and have produced before us all the required forms information, clarifications, returns and other documents as required for the purpose of our audit.

For Mihen Halani & Associates
Practicing Company Secretaries

Mihen Halani
(Proprietor)
UDIN: **F009926D000431611**
Place : Mumbai CP No: 12015
Dated : 30.05.2022 FCS No:9926

Place : Mumbai
Dated : 30.05.2022

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

Annexure – A to Annexure - 3

To,
The Members,
Eureka Forbes Limited
CIN: L27310MH2008PLC188478
B1/B2, 7th Floor, 701, Marathon Innova,
Ganpatrao Kadam Marg, Lower Parel,
Mumbai – 400 013, MH, IN.

Our report of even date is to be read along with this letter.

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

For Mihen Halani & Associates
Practicing Company Secretaries

Mihen Halani
(Proprietor)
UDIN: **F009926D000431611**
Place : Mumbai CP No: 12015
Dated : 30.05.2022 FCS No:9926

Place : Mumbai
Dated : 30.05.2022

Annexure – 4

Information under Section 134(3)(m) of the Companies Act, 2013 and Rule 8(3) of the Company (Accounts) Rules, 2014 made thereunder forming part of the Directors' Report for the year ended 31st March, 2021.

(A) Conservation of Energy-

(i) Steps taken or impact on conservation of energy and Capital investment on energy equipments:

Green Features of Dehradun Plant:

As part of the e-journey of Eureka Forbes Limited, the Dehradun plant is the landmark which incorporates a list of eco-friendly features viz:

LEED Gold Certified: The Dehradun Plant is first LEED Gold Certified manufacturing facility for water purification systems in India.

Pre-fabricated Steel Structure: The pre-fabricated steel structure is a unique feature of this building. The building was developed with a minimum site disturbance and the materials were effectively used by adopting the design specification based on the internal load requirements thereby optimising the use of natural resources.

Fly Ash Based Bricks & Hollow blocks: The construction was made with fly ash based bricks, cement and concrete blocks. This reduces the burden of earths and increases the life of spend materials. In addition, the fly ash materials act as a better thermal insulation and increase the physical comfort of the people and environment friendly.

Natural Light Harvesting: The building is designed with 90% daylight view and adequate day light harvesting in the factory area. This saves energy for light requirements.

Thermal Comfort at Factory Premises: The building is insulated with fly ash based bricks, cement and hollow blocks thus resisting the external temperature influences. In addition, the roof is insulated with special media and to maintain the air circulation Turbo ventilators are installed in strategic locations.

Turbo Ventilators: Unlike the traditional ventilation methods, Turbo vents works up the hot air from inside the building by natural convection. This roof-top wind driven ventilator is cost-effective and run without electricity.

Exemplary Performance on Water Efficiency: The building is fitted with water efficient gadgets that can save upto 70% on usage. The tap fittings are designed with preset flow and timer. Once you press, the water flows for 6 seconds and stops automatically. The Water taps are automated and use contactless sensor based technology which helps in further conservation of water and contactless hand-wash considering COVID-19 pandemic.

Rain Water Harvesting: The roof top water is harvested for collection in a tank for 'Use When Available' and excess is used for bore well recharge. The roof top water from south-western side (distant from bore well) is recharged

into the ground through recharge pits. In this way most of the roof water would be trapped either in the tank or underground.

Introduction of Green Packaging: Environmental Protection and care for environment has always been our motto and guiding principle. The product packaging has been made of recyclable environment friendly material. We have already eliminated thermocol buffer and promoting use of recyclable pulp buffers and converted around 60% of our product packaging to environment friendly, recyclable Paper pulp type of packaging. Pulp packaging offers a wide range of benefits compared to traditional plastic and EPS (expandable polystyrene/Styrofoam) packaging. Environmental benefits are - 100% post-industrial raw material, chemical free, open air drying, no waste water - all water evaporates or is reused in the pulping process, zero manufacturing waste, packaging is 100% recyclable, unaffected by extreme temperatures, water resistant, electrically neutral, low storage and shipping cost etc.

(ii) Steps taken for utilising alternate sources of energy:

EFL's Dehradun manufacturing facility is India's first Green plant in the sector and World's largest Ultra Violet (UV), Reverse Osmosis (RO) and RO+UV based, water purification manufacturing unit. EFL is the only water purification manufacturer in India to go Green, incorporating several features that are environment friendly. At present all manufacturing plants are GC Mark (Green Company) and certified by DQS.

(iii) Steps taken towards conservation of Environment:

EFL has been constantly innovating ways to reduce usage of plastics and other material that could pollute environment and follow the EHS norms, following activities have been taken under this initiative:

1. The User manuals have been converted to Digital mode, using QR code technology to reduce paper usage further.
2. Conversion of colour carton to Brown carton in Direct division products – thereby saving printing INK which is not environment friendly and elimination of lamination plastic layer sheet .
3. The size of certain stickers and labels has been further reduced through optimisation, which resulted in lesser usage of Paper / PVC sheet
4. With a new innovative technology of using "Q fit connectors" we could eliminate bigger plastic connectors at pipe junction points, thereby reducing plastic consumption

5. We are promoting use of recyclable Plastic cartons which can be used multiple times by our vendors for shipping raw material. This would mean less usage of corrugated cartons.
6. We are getting registered under Government's EPR (Extended producer responsibility) scheme, to ensure proper waste management of plastic packaging material.
7. Further we have been disposing E-waste, and Used Oil as per the protocols only through Government approved handlers.
8. We have installed STP and ETP plants at Dehradun and STP plant at Bengaluru plant to treat the waste water and zero wastage of water
9. We have installed Peizo meter at Dehradun plant to measure and monitor ground water level
10. We have installed IOT based Borewell water flow meter to measure daily water extraction and based on many other initiatives for water conservation, we have observed reduction in water consumption to the tune 40% at Dehradun plant.
11. Company has made plans to replace older Air conditioners with new Air conditioners which are environment friendly.

(B) Technology absorption-

(i) Efforts made towards technology absorption:

Research and Development (R & D)

At Eureka Forbes, we don't just make products, but focus on the entire life cycle of how these products are perceived and used by our consumers.

We believe in providing innovative solutions for real life consumer issues by leveraging internal research and development, coupled with external ideas, competences, and resources.

We believe in creating value for society, the consumer, and our company through a spirit of Open Innovation. To catalyse this, we collaborate with technology partners across the value chain, universities, innovators and leading research institutes. Through these partnerships, and our spirit of Open Innovation, Eureka Forbes continuously strives to deliver new/ improved technologies and creates business and market opportunities.

The R&D team of the Company has developed new technologies and introduced new innovative features in its products. The Company introduced following innovations and technologies, designed to address the specific needs in the market and are first of their kind in the market:

Active Copper with Zinc Booster Cartridge: Following the success of Active copper technology introduced

couple of years back, it was upgraded with fortification of Zinc boosting technology. This novel innovation brought health benefits to the consumers. Micro nutrient deficiency among Indian population is evident & well documented. This innovation helps to compensate of these deficiency in certain some extent. Post COVID there is a very good awareness among public on Zinc requirements and its role in maintaining / improving the immunity.

Alkaline Water – RO: Low-cost retrofitable alkaline cartridge with pH increase under BIS limits in standard conditions was developed. This helped in implementing the technology across all the categories of water purifier models.

Combination Cartridge – UV: A combination cartridge with the focus on space reduction in the models was introduced. This is a combination of sediment and carbon block developed in the existing i-filter housing thereby readily retro-fittable in existing SKUs.

Carbon Block: Reduction of carbon block size by about 40% was achieved through improved carbon technology. Surface altered catalytic carbon was used to achieve the same.

High-Recovery RO Membrane: Awareness on water-wastage in RO systems had become higher and it is slowly becoming a important criteria for the consumers to buy an RO model. The company has introduced some variants in market with high recovery claim to study the traction of the technology. Based on the acceptance, it is planned to widen the range with other models too.

Ayur: The consumers are in constant search for additional features / benefits from water purifier apart for safe drinking water. From COVID times awareness among public on increasing / maintaining the immunity through natural sources is on a high. The company had worked on Ayurvedic water with natural spices without any artificial additives.

ROBO Vac: Introduced Robotic Vacuum cleaners which is a growing trend in the country. Different variants with add-on features have been introduced to meet the consumer needs.

During the year under review the following patents were granted and filed.

Water Softner: Eureka Forbes introduced higher capacity water softner to cater the need of the large families in India.

International Market: The models for international markets were standardised to bring in a commonality for the exports that will ease the production. New markets and partners were explored in Nepal, Cambodia, Kenya and Latin America. The Electronic Authentication technology was introduced in exports models.

(ii) Benefits derived like product improvement, cost reduction, product development:

During the financial year, introduction of Active Copper with Zinc Booster Technology throughout the Dr. Aquaguard and Aquaguard series helped the company to make an impact in the market with a differentiation. Implementation of cost optimised technologies like carbon block, Combination cartridge and resulted in cost savings to the company in big way considering the volumes of the same. Technologies helped in not only assuring safe and genuine spares to the consumers but also generating long-term recurring revenue to the company.

(iii) Imported technology;

The Company imported Alkaline Ionizer technology from a Korean partner. Alkaline Ionizer is slowly getting increased traction among consumers.

The Company believes that delivering the 'right product to the right consumer at the right price' is the ultimate objective to achieve.

The Company monitors the process and technology upgradation taking place in advance countries and to offer similar products through in-house R&D as well as through progressive manufacturing activities.

(iv) Expenditure on Research and Development:

a. Capital	₹ 6.47 lakh
b. Recurring	₹ 300.98 lakh
c. Total	₹ 307.45 lakh

(C) Foreign Exchange Earnings and Outgo:

(i) Activities relating to exports; initiatives taken to increase exports; development of new export markets for products and services; and export plans;

The Company has initiated the process of developing new international markets to increase its export business.

(ii) Total Foreign Exchange used and earned

Earnings in foreign exchange during the year under review were ₹ 208.63 lakh and the outgo was ₹ 2,702.38 lakh.

On behalf of the Board of Directors

Sd/-
Arvind Uppal
Chairman

Place : Mumbai
Dated : October 10, 2022

Annexure – 5

Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the year ended March 31, 2022.

a. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Year

The median remuneration of employees of the Company for the Year and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year is provided in the table below:

Sr. No.	Name of Director	Designation	Remuneration of Director for 2021-22 (₹ Lakhs) (Refer Note - i)	Ratio of the Remuneration of each Director to Median Remuneration of the employees for 2021-22
1.	Rajagopalan Sambamoorthy (Refer Note - ii)	Director	-	
2.	Suresh Redhu	Director	-	
3.	Vikram Surendran	Director	-	
4.	Ashu Khanna	Director	-	
5.	Homi Adi Katgara (Refer Note - iii)	Chairman	8.50	
6.	Marzin R. Shroff (Refer Note - iv)	MD & CEO	53.60	Refer Note - i
7.	Shapoorji Pallonji Mistry	Director	7.00	
8.	Pallon Shapoorji Mistry	Director	7.00	
9.	Indu Ranjit Shahani	Independent Director	9.00	
10.	Anil Vasudev Kamath	Independent Director	8.50	
11.	Sivanandhan Dhanushkodi	Independent Director	9.00	
12.	Jai Laxmikant Mavani	Director	7.40	
13.	Shankar Krishnan Subramanian	Director	7.20	

Notes:

- As the Health, Hygiene, Safety Products & Services Undertaking (Demerged Undertaking) of erstwhile Eureka Forbes Ltd. was merged w.e.f. 01-02-2022, the ratio of the remuneration of each Director to the median remuneration of the employee of the Company for FY 2021-22 is not comparable and hence not provided. Also, percentage of increase in the median remuneration and percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year etc. could not be provided.
- Mr. Rajagopalan Sambamoorthy / R S Moorthy was appointed as Director of the Company w.e.f. 19-02-2016 and he resigned as Director of the Company w.e.f. 31-01-2022. Further, he was appointed as Chief Financial Officer (CFO) of the Company w.e.f. 31-01-2022 and retired as such w.e.f. 10-09-2022.
- Mr. Homi Katgara was appointed as Independent Director and elected as Chairman of the Board w.e.f. 31-01-2022. Mr. Katgara resigned as Chairman of the Board w.e.f. 26-04-2022 and continues to be Independent Director of the Company till date.
- Mr. Marzin R. Shroff was appointed as Director of the Company w.e.f. 19-02-2016. Mr. Shroff was further appointed MD & CEO w.e.f. 31-01-2022 and resigned as such w.e.f. 16-08-2022.
- The Remuneration of Directors consists of sitting fees and commission.

b. The percentage increase in the remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager, if any, in the Financial Year:

The percentage increase/ decrease in the remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager, if any, in 2021-22 is provided in the table below:

Sr. No	Name of the Director/KMP	Designation	% Increase in Remuneration in 2021-22 #
1.	Mr. Marzin R. Shroff	Managing Director & CEO	4.2
2.	Mr. Rajagopalan Sambamoorthy	Chief Financial Officer	67.1
3.	Mr. Dattaram P. Shinde	Company Secretary, Head – Legal & Compliance Officer	17.5

c. The percentage increase in the median remuneration of employees in the financial year : Refer Note- i. to para a. here in above

d. The number of permanent employees on the rolls of the Company :

There were 4,150 permanent employees on the rolls of the Company as on March 31, 2022.

e. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration : Refer Note- i to (a) hereinabove

f. Affirmation that the remuneration is as per the Remuneration Policy of the Company:

It is hereby affirmed that the remuneration paid is as per the Nomination and Remuneration Policy of the Company.

Annexure – 6

Business Responsibility Report (BRR)

[under Regulation 34(2)(f) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015]

Section A: General Information about the Company

Sr. No.	Particular	Particulars						
1.	Corporate Identity Number (CIN) of the Company	L27310MH2008PLC188478						
2.	Name of the Company	Eureka Forbes Limited (formerly Forbes Enviro Solutions Limited)						
3.	Year of incorporation	2008						
4.	Registered Office	B1/B2, 7th Floor, 701, Marathon Innova, Ganpatrao Kadam Marg, Lower Parel. Mumbai – 400013						
5.	Website	www.eurekaforbes.com						
6.	E-mail Id	compliance@eurekaforbes.com						
7.	Financial Year Reported	2021-22						
8.	Sector(s) that the Company is engaged in (industrial activity code-wise)	<table border="1"> <thead> <tr> <th>Code</th> <th>Description</th> </tr> </thead> <tbody> <tr> <td>27501</td> <td>Manufacture of domestic electric appliances</td> </tr> <tr> <td>28195</td> <td>Manufacture of filtering and purifying machinery or apparatus for liquids and gases</td> </tr> </tbody> </table>	Code	Description	27501	Manufacture of domestic electric appliances	28195	Manufacture of filtering and purifying machinery or apparatus for liquids and gases
Code	Description							
27501	Manufacture of domestic electric appliances							
28195	Manufacture of filtering and purifying machinery or apparatus for liquids and gases							
9.	List three key products/services that the Company manufactures/provides (as in balance sheet)	Water Purifier, Vacuum Cleaner, Air Purifier						
10.	Total number of International locations where business activity is undertaken by the Company (Provide details of major 5)	NA						
11.	Total number of National locations where business activity is undertaken by the Company	118 Branch offices, 2 Factories, 6 Regional offices						
12.	Markets served by the Company – Local/State/National/ International	The Company's products are sold throughout India						

Section B: Financial Details of the Company

Sr. No.	Particular	Particulars
1.	Paid up Capital (₹)	₹ 19,347.92 Lakhs divided into 19,34,79,240 Equity Shares of ₹ 10/- each
2.	Total Turnover (₹)	₹ 38,100.13 Lakhs
3.	Total profit after taxes (₹)	₹ 272.47 Lakhs
4.	Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	₹ 114 Lakhs (Refer Note - 1 of Annexure -2)
5.	List of activities in which expenditure mentioned above has been incurred	Water Project and provision of medical equipment

Section C: Other Details

1. Does the Company have any Subsidiary Company/ Companies?

Yes, the Company has 04 (Four) Subsidiaries as on March 31, 2022. Please refer to Annexure – 1 of the Board Report for details of the Subsidiary Companies.

2. Do the Subsidiary Company/Companies participate in the Business Responsibility Initiatives (BR) Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)

The Company takes all active measures to include its subsidiaries in the BR initiatives.

3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]

The Company maintains healthy relationship with all its key stakeholders and has aligned, its policies and guidelines on sustainability accordingly. The Company regularly interacts with various stakeholders to seek inputs.

Section D: Other Details

1. Details of the Directors responsible for BR

Sr. No.	Particular	Details
1.	DIN	00751178
2.	Name	*Pratik Rashmikant Pota
3.	Designation	Managing Director & CEO

*Marzin R. Shroff, Managing Director & CEO during the Financial Year 2021-22 resigned as such w.e.f August 16, 2022 and Mr. Pratik Rashmikant Pota has been appointed as Managing Director & CEO w.e.f August 16, 2022 and since then, he is responsible for BR.

2. Details of the BR head

Sr. No.	Particular	Details
1.	DIN (if applicable)	00751178
2.	Name	Pratik Rashmikant Pota
3.	Designation	Managing Director & CEO
4.	Telephone Number	022 4882 1700
5.	e-mail id	compliance@eurekaforbes.com

3. Principle wise BR Policy/Policies

The nine (9) principles outlined in the National Voluntary Guidelines are as follows:

Principle 1	(P1) Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
Principle 2	(P2) Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
Principle 3	(P3) Businesses should promote the well-being of all employees
Principle 4	(P4) Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised
Principle 5	(P5) Businesses should respect and promote human rights
Principle 6	(P6) Businesses should respect, protect and make efforts to restore the environment
Principle 7	(P7) Businesses when engaged in influencing public and regulatory policy, should do so in a responsible manner
Principle 8	(P8) Businesses should support inclusive growth and equitable development
Principle 9	(P9) Businesses should engage with and provide value to their customers and consumers in a responsible manner

Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?

Sr. No.	Particular	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy/policies for:	✓	✓	✓	✓	✓	✓	✓	✓	✓
2.	Has the policy being formulated in consultation with the relevant stakeholders?	✓	✓	✓	✓	✓	✓	✓	✓	✓
3.	Does the policy conform to any national /international standards? If yes, specify? (50 words)	Yes, the Company policy/practice conforms to the National Voluntary Guidelines ('NVGs') issued by the Ministry of Corporate Affairs, Government of India								
4.	Has the policy been approved by the Board? If yes, has it been signed by MD/Owner/CEO/ appropriate Board Director?	Yes, the Board of Directors approves all the statutory policies.								
5.	Does the Company have a specified committee of the Board / Director / Official to oversee the implementation of the policy?	The implementation of the policies are overseen by various Board Committees and Functional Heads.								

Sr. No.	Particular	P1	P2	P3	P4	P5	P6	P7	P8	P9
6.	Indicate the link for the policy to be viewed online	All the human resource related policies have been hosted on the employee portal of the Company for the seamless communication and transparency. Other statutory policies have been hosted on the website of the Company at http://www.eurekaforbes.com								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	✓	✓	✓	✓	✓	✓	✓	✓	✓
8.	Does the Company have in-house structure to implement the policy/policies	✓	✓	✓	✓	✓	✓	✓	✓	✓
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	✓	✓	✓	✓	✓	✓	✓	✓	✓
10.	Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	✓	✓	✓	✓	✓	✓	✓	✓	✓

4. Governance related to BR

a. Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. (Within 3 months, 3-6 months, Annually, More than 1 year)

The Board of Directors and its Committees reviews the BR on quarterly basis.

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

The Company is listed w.e.f. March 16, 2022 and hence the current Annual Report only includes the articulation of the 9 NVG 2011 principles. The same shall be available on our website <http://www.eurekaforbes.com>

The Company has laid down a Vigil Mechanism/Whistle Blower and encourages to report concerns on any unethical behaviour, actual or suspected fraud or any violation of the Company's Code of Conduct. The Whistle Blower Policy facilitates employees and vendors to report without fear, any wrongdoings, unethical or improper practice.

The Company is committed to promote ethics, transparency and accountability which encompasses all its internal as well as external stakeholders.

b. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide the details thereof, in about 50 words or so.

During the year of review, the Company did not receive any complaints.

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

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

The Company's water purifiers, vacuum cleaners and air purifiers are:

- Introduced Green RO Products
- Gradually started using Pulp and Paper honey comb packaging in the products instead of Thermocole buffer
- The User manuals have been converted to Digital mode, using QR code technology to reduce paper usage further.
- Converted colour carton to Brown carton thereby saving printing INK which is not environment friendly and elimination of lamination plastic layer sheet.
- The size of certain stickers and labels has been further reduced through optimisation, which resulted in lesser usage of Paper / PVC sheet.

Section E: Principle wise performance

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

a. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs /Others?

The Company is committed to adhere to the highest standards of ethical, moral, and legal code of conduct for business operations.

The Company has formalised the Code of Conduct for Directors and all employees of the Company. It reflects the business practice and principles of behaviour that support this commitment. The Board of Directors and Senior Management Personnel being responsible for setting the standards of conduct contained in the Code and for updating these standards as appropriate to reflect legal and regulatory developments. The Code is intended to provide guidance and help in recognising and dealing with ethical issues and to help foster a culture of honesty and accountability.

- With a new innovative technology of using “Q fit connectors” we could eliminate bigger plastic connectors at pipe junction points, thereby reducing plastic consumption
- Promoting use of recyclable Plastic cartons which can be used multiple times by vendors for shipping raw material. This would mean less usage of corrugated cartons.

b. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

Details of the measure in relation to energy conservation, technology absorption are mentioned in the Annual Report under conservation of energy section.

c. Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide the details thereof, in about 50 words or so.

Yes

d. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

Eureka Forbes has further adopted various practices to ensure that both the urban and the rural Indian communities get access to clean potable water. A fairly recent approach has been a rural channel that strives to bring safe, affordable drinking water to people at the bottom of the pyramid. Our solution-based community water systems generate non-agrarian employment and create rural entrepreneurs.

Our community projects are designed to empower each community and involve local people as stakeholders in the project, facilitating a sustainable and scalable community engagement model. This is what Eureka Forbes Believes in.

The Company encourages the procurement of goods and services from local and small producers surrounding its plant locations. The contractors, engaged in the plants, mostly employ workmen from the nearby villages. In addition to this, the Company widely promotes vocational skills, development, and training programmes to improve the livelihood of the neighboring community.

e. Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as 10%). Also, provide the details thereof, in about 50 words or so

The installation of Effluent Treatment Plant (20 KLD) and Sewage treatment plant (30 KLD) at Dehradun factory started last year and commissioned this year, Meanwhile STP of 40 KLD installed and commissioned in Bangalore factory last year to remove contaminants from waste water or sewage and same is collected in a storage tank and reused in gardening and recharge the ground water level. The entire waste water is being treated through these plants.

Principle 3: Businesses should promote the well-being of all employees

The Company believes that our Eurochamps are the backbone of our organisation. It is due to their consistent commitment to execute, perform, excel and succeed that our Company is one of the successful omnichannels in the world.

The Company continuously strives to positively influence the employees to remain engaged and committed as follows:

1. Better every day in every way
2. Dare to care
3. Relationships of trust
4. Ready for tomorrow
5. Growing together

a. Please indicate the Total number of employees

The Company has 4150 employees.

b. Please indicate the Total number of employees hired on temporary/contractual/casual basis

The total number of employees hired on temporary/contractual/casual basis during the year was 6726.

c. Please indicate the Number of permanent women employees

The Company has 179 permanent women employees.

d. Please indicate the Number of permanent employees with disabilities

The Company does not have permanent employees with disabilities.

e. Do you have an employee association that is recognised by management

There are no employee association recognised by the Management of the Company.

f. What percentage of your permanent employees is members of this recognised employee association-

The Company does not have any permanent employees as a member of a recognised employee association.

g. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

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

h. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

- a) Permanent Employees - 33%
- b) Permanent Women Employees - 5%
- c) Casual/Temporary/Contractual Employees - 27%
- d) Employees with Disabilities - NIL

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

a. Has the company mapped its internal and external stakeholders?

Yes, the Company ensures a thorough stakeholders mapping exercise which includes the following key stakeholders:

- a. Employees
- b. Government
- c. Members
- d. Investors
- e. Suppliers
- f. Vendors
- g. Local Community

The afore-mentioned key stakeholders were mapped in the past in consultation with a third party.

b. Out of the above, has the company identified the disadvantaged, vulnerable & marginalised stakeholders.

Yes, the Company has duly identified the disadvantaged, vulnerable & marginalised stakeholders including but not limited to rural communities, and persons from economically challenged backgrounds in and near the Company's operations.

Our community projects are designed to empower each community and involve local people as stakeholders in the project, facilitating a sustainable and scalable community engagement model. Our vision is to work with people, corporates, NGOs, and like-minded partners while building a relationship with every individual to bring about a holistic makeover to the needs of the hour.

c. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalised stakeholders? If so, provide details thereof, in about 50 words or so

Differently abled, marginalised, rural populations, and those from economically disadvantaged backgrounds are all given equal opportunity by the Company. Equal opportunities for advancement are provided to all employees.

Eureka Forbes has further adopted various practices to ensure that both the urban and the rural Indian communities get access to clean potable water. A fairly recent approach has been a rural channel that strives to bring safe, affordable drinking water to people at the bottom of the pyramid. Our solution-based community water systems generate non-agrarian employment and create rural entrepreneurs.

EuroAble - India's 1st call centre manned and operated by people with special needs Euroable was started with the sole purpose of providing gainful employment to differently- abled youth of our country. It follows the mantra: "Disability is a matter of perception. If you can do just one thing well, you're needed by someone."

Principle 5: Businesses should respect and promote human rights

a. Does the policy of the company on human rights cover only the company or extend to the Group/ Joint Ventures/Suppliers/Contractors/NGOs/Others?

The Code of Conduct applies to all Company employees.

The Company is committed to an organisational culture that recognises the importance of Human Rights and has adopted some of the best practices. It seeks to promote fulfillment of Human Rights by improving economic, environmental and social conditions and by serving as a positive influence in communities in which it operates. The policies framed here under include all its internal stakeholders.

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

The Company did not receive any complaints.

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

a. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/others.

Eureka Forbes believes in building relationships that value the community and environment, just the way the organisation values its customers. Each initiative is aimed at creating harmony in society. The Company is always striving and concentrating its efforts to benefit the environment, not only by making optimal use of existent resources but also by augmenting natural resources.

Its policies and efforts are focused toward addressing the issues posed by climate change, such as energy reduction, water conservation, renewable energy use, waste minimisation, and greenery expansion. Sustainable management at all levels of the value chain and throughout the full life cycle of the goods is now an integral aspect of the Company's concept, in addition.

The policies framed here under include all its internal stakeholders.

b. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

Company has taken initiatives to localise suppliers nearby factory to minimise emission and energy uses. Also, as a green initiatives using R134a refrigerant in water purifier having cooling feature.

As a part of their e-waste recycling initiative, Eureka Forbes has also identified partners who are India's leading electronic asset management and disposal companies. Under this partnership, Eureka Forbes will provide e-waste drop-off centres and ensure environmentally safe management of electronics that have reached their end of life phase. The recycling and disposal of e-waste by the recyclers will help ensure the protection of the environment from any hazardous substances.

- c. Does the company identify and assess potential environmental risks? Y/N**
Yes, Aspect, impact and risk assessment list is available in the manufacturing plants
- d. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?**
As a part of their e-waste recycling initiative, Eureka Forbes has also identified partners who are India's leading electronic asset management and disposal companies. Under this partnership, Eureka Forbes will provide e-waste drop-off centres and ensure environmentally safe management of electronics that have reached their end of life phase. The recycling and disposal of e-waste by the recyclers will help ensure the protection of the environment from any hazardous substances.
- e. Has the company undertaken any other initiatives on –clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.**
Using Solar street lighting system in Dehradun in four places and three places in Bangalore factory.
The Dehradun factory building is designed with 90% daylight view and adequate day light harvesting. This saves energy for light requirements. Turbo ventilators are also installed to extract inside hot air from inside the building by natural convection. This roof-top wind driven ventilator is cost-effective and run without electricity.
However, these features are in place but not linked with webpage
- f. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?**
The Company is complying with the emission norms, filling timely returns and periodic reports are submitted to CPCB and SPCB, as per statutory requirements.
- g. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**
The Company did not receive any show cause/legal notices from CPCB/SPCB during the financial year under review.

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

- a. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**
Eureka Forbes Limited is a member of the Confederation of Indian Industry (CII), Associated Chambers of Commerce and Industry of India (ASSOCHAM), Federation of Indian Chambers of Commerce & Industry (FICCI) and Indian Merchants Chamber Association (IMC)
- b. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**
The Company has advocated governance and administration, economic reforms and inclusive development policies.

Principle 8: Businesses should support inclusive growth and equitable development

- a. Does the company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.**
Eureka Forbes' purpose, powered by the spirit of the POSIBOL (Positive- Symbol), is to positively impact not only the health and lifestyle of people and its community but also the environment and society at large. With constant innovation and growing expertise, Eureka Forbes has made the health of the environment a priority by contributing to our increasing Green Scorecard. 2589.77 M Litres of water purified and 8414831.54 Tonnes of CO2 saved. Eureka Forbes believes in building relationships that value the community and environment, just the way the organisation values its customers. Each initiative is aimed at creating harmony in society.
Moreover, the Corporate Social Responsibility (CSR) Policy, inter alia, deals with the objectives of the Company's CSR initiatives, the guiding principles, the responsibilities of the CSR Committee, the implementation plan and reporting framework. The key areas of the Company's initiative are highlighted in the Annual Report.
- b. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/ government structures/any other organisation?**
Eureka Forbes undertakes the projects through CSR Registered/Recognised NGOs.

- c. Have you done any impact assessment of your initiative?**
The Company does extensive due diligence of our partners and monitor and evaluate progress/outcomes during the course of the program. Furthermore, as part of the Corporate Social Responsibility mandate, the Company expects to continue to assess the impact of its various activities in the following years.
- d. What is your company's direct contribution to community development projects-Amount in INR and the details of the projects undertaken.**
During the year under review, the Company spent ₹ 114 Lakhs as CSR. Details of the projects undertaken as CSR are mentioned in the Annual Report on CSR activities in the Board's Report.
- e. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**
The community projects undertaken by the Company are designed to empower each community and involve local people as stakeholders in the project, facilitating a sustainable and scalable community engagement model. Our vision is to work with people, corporates, NGOs, and like-minded partners while building a relationship with every individual to bring about a holistic makeover to the needs of the hour. The Company has installed over 1300 Community drinking water solutions installed in urban and rural areas across 22 states with over 4 plants operated by women entrepreneurs.
- Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner**
- a. What percentage of customer complaints/consumer cases are pending as on the end of financial year.**
The Company has in place a well-established system to handle customer complaints and feedback. There were 262 consumer related legal cases pending as on March 31, 2022.
We would have some customer related commercial disputes in the normal course of business.

- b. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information)**
All the Company's products carry the information required under the Legal Metrology Act, 2009 as may be applicable.
- c. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.**
NIL
- d. Did your company carry out any consumer survey/ consumer satisfaction trends?**
Yes, the Company uses multiple channels to gather feedback of the consumers and to re-assess its product portfolio so as to meet their requirements. The Company conducts various surveys encompassing brand related surveys, consumer understanding surveys and product development surveys, communication effectiveness surveys, feedback on the new launch of products to name a few.
The Company goes an extra mile by tracking the consumer satisfaction trends and feedbacks through various online platforms. The Company has a proactive and dedicated Research and Development segment that is in conscience with the consumer sentiments. Thus in turn ensures that the brand moves onwards and upwards.

Annexure – 7

Corporate Governance Report

The Company's Report on Corporate Governance for the period ended March 31, 2022 pursuant to Regulation 34(3) and Clause (C) of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is presented as follows:

1. Company's philosophy on Corporate Governance

Our philosophy on the concept of corporate governance is backed by our value systems that promote transparency, fairness and accountability thus ensuring sustainable success and substantial contribution towards corporate responsibility. The vision of the Company and its leaders imbuing the sense of purpose beyond profit, adopt a holistic approach that embraces the perspective of all stakeholders.

In line with this philosophy, the Company has taken efforts to put in place a comprehensive framework that ensures timely disclosures and accurate dissemination of information. Our philosophy is supplemented by various code of conducts and charters that governs the functioning of the Board of Directors, Board Committees and senior level management and when read in conjunction with the constitutional documents of the Company are in compliance with various applicable laws, rules, regulations and guidelines.

The Corporate Governance philosophy of the Company is driven by the interest of stakeholders and business needs of the organisation. Corporate Governance is essential for the growth, profitability and stability of any business. Aligning itself to this philosophy, the Company has placed Corporate Governance on a high priority.

The highlights of the Company's Corporate Governance policy are:

- The Company believes that an active, well-informed and independent Board is necessary to ensure high standards of Corporate Governance. The Company has appropriate mix of Executive and Non-Executive Directors including Woman Director.
- Constitution of various committees for focused attention and proactive flow of information enables the Company to ensure expedient resolution of diversified matters.
- Emphasis on ethical business conduct by the Board, management and employees.
- Established Code of Conduct for Directors and employees along with the Code of Conduct for Prevention of Insider Trading.
- Detailed Policy for Disclosure of Material Events and Information.

- Established Whistle Blower Mechanism which act as a neutral and unbiased forum for Directors, Employees and Business Partners of the Company and its subsidiaries.
- Endeavor to continuously contribute to social and environmental spheres through various CSR programs creating shared values.
- Robust and effective framework for online reporting of statutory compliances and review on a periodic basis.
- Timely, transparent and regular disclosures.

2. Board of Directors

(a) Board Composition

The Company has a professional Board with the right mix of knowledge, skills and expertise in diverse areas with an optimum combination of Executive and Non-Executive Directors including Independent Directors and Woman Director. Besides having financial literacy, vast experience, leadership qualities and the ability to think strategically, the Directors are committed to ensure highest standards of Corporate Governance.

The Board meets at least 4 (Four) times a year and more often if Company needs merit additional oversight and guidance. During the financial year 2021-22, the time gap between any two Board Meetings did not exceed 120 (One Hundred and Twenty) days. The Board of Directors periodically reviews compliance reports pertaining to all laws applicable to the Company. All statutory and other matters of significance including information as mentioned in Part A of Schedule II to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations) are informed to the Board to enable it to discharge its responsibility of strategic supervision of the Company.

As on March 31, 2022 the Board consists of 09 (Nine) Directors including 01 (One) Independent Woman Director. Out of 09 (Nine) Directors, 01 (One) is Managing Director and Chief Executive Officer, 04 (Four) are Non-Executive and Independent Directors and 04 (Four) are Non-Executive Directors. The Company has a Non-Executive Independent Chairman who is not a Promoter and is not related to the Managing Director and Chief Executive Officer. The composition of the Board is in conformity with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 read with Section 149 of the Companies Act, 2013.

The Board has constituted five committees – Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Risk Management Committee and Corporate Social Responsibility Committee.

The composition of the Board and the directorship and committee positions held by the Directors as on March 31, 2022 is as follows:

Sr. No.	Name	Category	Relationship Inter-se	No. of directorships in other companies*	No. of committee position(s) held in other public companies#	
					Chairman	Member
1.	Mr. Homi Adi Katgara	Non-Executive-Independent Director (Chairman)	None	1	-	-
2.	Mr. Shapoorji Pallonji Mistry	Non-Executive Director	Refer Note 1	3	-	-
3.	Mr. Anil Vasudev Kamath	Non-Executive-Independent Director	None	1	1	-
4.	Dr. (Mrs.) Indu Ranjit Shahani	Non-Executive-Independent Director	None	5	1	7
5.	Mr. Sivanandhan Dhanushkodi	Non-Executive-Independent Director	None	8	3	6
6.	Mr. Marzin R. Shroff	Managing Director & CEO	None	1	-	2
7.	Mr. Shankar Krishnan Subramanian	Non-Executive Director	None	4	-	-
8.	Mr. Pallon Shapoorji Mistry	Non-Executive Director	Refer Note 1	4	-	1
9.	Mr. Jai Laxmikant Mavani	Non-Executive Director	None	4	-	1

Note 1: Mr. Shapoorji Pallonji Mistry and Mr. Pallon Shapoorji Mistry are related as Father and Son respectively.

*including Directorships in Public Companies, but excluding private companies, foreign companies, companies incorporated under Section 8 of the Act and alternate directorships, including Eureka Forbes Limited (formerly Forbes Enviro Solutions Limited).

#includes only Audit Committee and Stakeholders Relationship Committee in all public companies including, including Eureka Forbes Limited (formerly Forbes Enviro Solutions Limited).

Prior to January 31, 2022 the Board comprised Mr. Marzin R Shroff, Mr. Rajagopalan Sambamoorthy, Mr. Suresh Redhu, Mr. Vikram Surendran and Mr. Ashu Khanna. All of the Directors were Non-executive and Non-independent Director.

Further with effect from January 31, 2022 the Chairman, Mr Homi Katgara was a Non-Executive and Independent Director. Mr. Marzin R Shroff is Managing Director & CEO. Mr. Anil Vasudev Kamath, Dr. (Mrs.) Indu Ranjit Shahani and Mr. Homi Adi Katgara were Independent Directors. Mr. Shapoorji Pallonji Mistry, Mr. Shankar Krishnan Subramanian, Mr. Sivanandhan Dhanushkodi, Mr. Pallon Shapoorji Mistry and Mr. Jai Laxmikant Mavani were Non-Executive, Non-Independent Director.

As on the date of this report, the Board has 7 (seven) directors. Mr. Arvind Uppal (Non-Executive Director) was appointed as Chairman of the Board, Mr. Pratik Rashmikant Pota is Managing Director & CEO. Mr. Sahil Dilip Dalal is the Non-Executive Director. Mrs. Gurveen Singh, Mr. Homi Katgara, Mr. Vinod Rao and Mr. Shashank Shankar Samant are Non-Executive and Independent Directors.

As per Regulation 17A of the Listing Regulations, all Directors meet the criteria of maximum number of Directorships. Further, the Managing Director of the Company does not serve as an Independent Director in any other listed entity.

None of the Directors is a member of more than ten committees or Chairman/Chairperson of more than five committees across all the public companies in which he/she is a Director. The limit of the Board Committees, Chairpersonship and membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1)(b) of the Listing Regulations.

(b) Board Meetings and attendance records

The Company has in place a pre-scheduled and tentative annual calendar of the Board and Committee Meetings that is circulated to the Directors well in advance to facilitate them to plan their schedule and to ensure meaningful participation in the meetings. However, in case of urgent business and exigencies requisite approvals have been taken through the process of circular resolution as permitted by the law. Subsequently, the resolutions passed through circulation are noted and confirmed in the immediate successive Board Meeting.

Further, bearing in mind the COVID-19 pandemic and various relaxations that have been provided by the Ministry of Corporate Affairs and the Securities and Exchange Board of India, the Board and Committee meetings were conducted through Video Conferencing/ other audio visual means ('VC/OAVM').

The Notice convening the Board and Committee Meeting alongwith detailed agenda, setting out the business to be transacted at such Meetings and relevant documents in order to facilitate understanding are circulated at least seven (07) days before the date of the Board and Committee Meeting except for the meetings called at a shorter notice.

With a view to leverage technology, reducing paper consumption and looking after the environmental aspect of the triple bottom line, the Company dispatches notice, agenda papers, presentations, minutes and other relevant correspondences through electronic form. Draft minutes are circulated to the Directors for their comments and further noted in the subsequent Meetings.

The Board also, inter alia, periodically reviews strategy and business plans, annual operating and capital expenditure budget(s), investment and exposure limit(s), compliance report(s) of all laws applicable to your Company, as well

as steps taken by your Company to rectify instances of non-compliances, review of major legal issues, minutes of the Committees of the Board and of Board Meetings of your Company's subsidiary companies, significant transactions and arrangements entered into by the unlisted subsidiary companies, approval of quarterly/half-yearly/annual results, safety and risk management, transactions pertaining to purchase/disposal of property(ies), sale of investments, remuneration of Key Managerial Personnel, major accounting provisions and write-offs, corporate restructuring, details of any joint ventures or collaboration agreement, material default in financial obligations, if any, fatal or serious accidents, any material effluent or pollution problems, transactions that involve substantial payment towards goodwill, brand equity or intellectual property, any issue that involves possible public or product liability claims of substantial nature, including judgement or order which may have passed strictures on the conduct of your Company, quarterly details of foreign exchange exposures and the steps taken by Management to limit the risks of

adverse exchange rate movement and information on recruitment of Senior Officers just below the Board level.

The Board sets annual performance objectives, oversees the actions and results of the management, evaluates its own performance, the performance of its Committees and individual Directors on an annual basis and monitors the effectiveness of the Company's governance practices for enhancing the stakeholders' value. The Company has established a framework for the Meetings of the Board and its Committees which seeks to systematise the decision-making process at the Meetings in an informed and efficient manner.

The meetings are generally held at the Company's Registered & Corporate Office at B1/B2, 7th Floor, 701, Marathon Innova, Ganpatrao Kadam Marg, Lower Parel, Mumbai – 400013.

There were seven (7) Board Meetings held during Financial year 2021-22.

Attendance Record of the Directors for the year 2021-22:

Date of Meeting	Mr. Marzin R. Shroff	*Mr. Rajagopalan Sambamoorthy	*Mr. Suresh Redhu	*Mr. Vikram Surendran	*Mr. Ashu Khanna	*Mr. Homi Adi Katgara	*Mr. Shapoorji Pallonji Mistry	*Mr. Anil Vasudev Kamath	*Dr. (Mrs.) Indu Ranjit Shahani	*Mr. Sivanandhan Dhanushkodi	*Mr. Shankar Krishnan Subramanian	*Mr. Pallon Shapoorji Mistry	*Mr. Jai Laxmikant Mavani
04/06/2021	✓	✓	✓	✓	✓	-	-	-	-	-	-	-	-
02/08/2021	✓	✓	✓	✓	✓	-	-	-	-	-	-	-	-
19/08/2021	✓	✓	✓	✓	✓	-	-	-	-	-	-	-	-
30/10/2021	✓	✓	✓	✓	✓	-	-	-	-	-	-	-	-
23/12/2021	✓	✓	✓	✓	✓	-	-	-	-	-	-	-	-
31/01/2022	-	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
29/03/2022	-	-	-	-	-	✓	No	✓	✓	✓	✓	No	✓
Last AGM 13/09/2021	✓	✓	✓	✓	✓	-	-	-	-	-	-	-	-

*Ceased to be Director w.e.f January 31, 2022

#appointed w.e.f January 31, 2022

(c) List of Directorship held by the Directors in other Listed Companies as on March 31, 2022

Name of the Director	Name of the Listed Companies	Category of Directorship
Mr. Shapoorji Pallonji Mistry	Forbes & Company	Non-Executive Director
Dr. (Mrs.) Indu Ranjit Shahani	United Spirits Limited Clariant Chemicals (India) Limited Colgate- Palmolive (India) Limited Bajaj Electricals Limited	Independent Director Independent Director Independent Director Independent Director
Mr. Sivanandhan Dhanushkodi	United Spirits Limited Forbes & Company Limited Indistar Capital Limited Kirtoskar Industries Limited	Independent Director Independent Director Independent Director Independent Director
Mr. Pallon Shapoorji Mistry	Sterling and Wilson Renewable Energy Limited	Non Executive and Non-Independent Director
Mr. Jai Laxmikant Mavani	Forbes & Company Limited	Non Executive Director

Note: As on March 31, 2022, Mr. Homi Adi Katgara, Mr. Marzin R Shroff, Mr. Anil Vasudev Kamath, Mr. Shankar Krishnan Subramanian, do not hold Directorships in other listed entities except Eureka Forbes Limited (formerly Forbes Enviro Solutions Limited)

(d) Shareholding of Directors as on March 31, 2022

Name of Director	No. of Shares held
Mr. Homi Adi Katgara	2,25,000

No other Director holds any shares in the Company.

(e) Succession planning

The Nomination and Remuneration Committee works with the Board on the leadership succession plan to ensure orderly succession in appointments to the Board and to senior management positions. The Company strives to maintain an appropriate balance of skills and experience within the organisation and the Board in an endeavor to introduce new perspectives while maintaining experience and continuity.

All new Non-Executive Directors inducted to the Board are introduced to our Company culture through orientation sessions. Executive directors and senior management provide an overview of operations, and familiarise the new non-executive directors on matters related to our values and commitments. They are also introduced to the organisation structure, services, Group structure and subsidiaries, constitution, Board procedures, matters reserved for the Board, major risks and risk management strategy. The details of the training programs attended by the Board members as on March 31, 2022 in Financial Year 2021-22 are as follows:

Sr. No.	Name of the Director	No. of training hours attended during the Financial Year 2021-22
i.	Mr. Homi Adi Katgara	2
ii.	Mr. Shapoorji Pallonji Mistry	2
iii.	Mr. Anil Vasudev Kamath	2
iv.	Dr. (Mrs.) Indu Ranjit Shahani	2
v.	Mr. Sivanandhan Dhanushkodi	2
vi.	Mr. Marzin R. Shroff	2
vii.	Mr. Shankar Krishnan Subramanian	2
viii.	Mr. Pallon Shapoorji Mistry	2
ix.	Mr. Jai Laxmikant Mavani	2

Note: The training has been imparted between the period March 16, 2022 to March 31, 2022

(f) Matrix setting out Core Competencies of the Board of Directors

The Company ensures the composition of the Board is a thoughtful combination of various skills, competencies and experience that in turn facilitates Board Diversity.

The following set of skills/expertise/competencies are identified by the Board as a parameter to nominate a candidature on the Board:

1. Industry knowledge and experience
2. Financial and risk Management skills
3. Leadership and Management skills
4. Corporate Governance
5. Technical aspects

Tabled below are the key skills, expertise and competence of the current and past Board of Directors in the context of the Company's business for effective functioning and as available with the Board have been highlighted.

Name of Director	Mr. Homi Adi Katgara	Mr. Arvind Uppal	Mr. Marzin R. Shroff	Mr. Rajagopalan Sambamoorthy	Mr. Suresh Redhu	Mr. Vikram Surendran	Mr. Ashu Khanna	Mr. Shapoorji Pallonji Mistry	Mr. Anil Vasudev Kamath	Dr. (Mrs.) Indu Ranjit Shahani	Mr. Sivanandhan Dhanushkodi	Mr. Shankar Krishnan Subramanian	Mr. Pallon Shapoorji Mistry	Mr. Jai Laxmikant Mavani	Mr. Vinod Rao	Mr. Sahil Dilip Datal	Mr. Gurveen Singh	Mr. Shashank Shankar Samant
Industry knowledge and experience	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Financial and risk Management skills	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Leadership and Management skills	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Corporate Governance	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Technical aspects	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

Confirmation as regards Independence of Independent Director and Meeting of Independent Directors

The Board confirms that based on the written affirmations from each Independent Director, all Independent Directors fulfil the conditions specified for independence as stipulated in the Regulation 16(1)(b) of the Listing Regulations,

as amended, read with Section 149(6) of the Act along with rules framed thereunder and are independent of the Management. Further, the Independent Directors have also registered their names in the Databank maintained by the Indian Institute of Corporate Affairs as mandated in the Companies (Appointment and Qualification of Directors), Rules, 2014, as amended. They have also given the

online self-assessment proficiency test and cleared the same within the timelines as prescribed by the Ministry of Corporate Affairs ("MCA").

None of the Independent Directors have any other material pecuniary relationship or transactions with the Company, its Promoters, or Directors, or Senior Management which, in their judgement, would affect their independence. In terms of Regulation 25(8) of the Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

The following Independent Directors on the Board of the Company have resigned with effect from April 26, 2022:

1. Mr. Anil Kamath
2. Mr. Sivanandhan Dhanushkodi
3. Dr. (Mrs.) Indu Ranjit Shahni

The reason for tendering the resignation by the aforementioned Independent Directors is due to the Board reorganisation being initiated by the Board of Directors. Further, the resigning Director through written communication confirm that there is no other material reason other than as mentioned above for their resignation from the Board and the committees of the Company.

During the year under review, a meeting of the Independent Directors was held on March 29, 2022. All Independent Directors were present at the meeting to discuss risks, performance of the Company, strategy, leadership and the performance of the Non-Independent Directors and the Board and Chairman and assess information flow from management to the Board that is necessary for the Board to effectively and reasonably perform its duties. During the year under review your Company has digitalised the Board Evaluation process to maintain confidentiality & anonymity of the responses.

Pursuant to Regulation 25(7) of the Listing Regulations, the Company conducted various familiarisation programmes for its Directors including review of Industry Outlook at the Board Meetings Regulations, framework for Related Party Transactions, etc. Pursuant to Regulation 46 of the Listing Regulations, the details required are available on the website of your Company at the web link at www.eurekaforbes.com

3. Committees of the Board

i. Audit Committee

Introduction

The Audit Committee acts as a link between the statutory and internal auditors and the Board of Directors where they are primarily responsible for accurate financial reporting and strong internal controls. The Audit Committee plays a major role in assisting the Board in fulfilling its oversight responsibilities of monitoring financial reporting processes, reviewing the Company's established systems and processes for internal financial controls, governance and reviewing the Company's statutory and internal audit activities.

The Committee is governed by a Charter that is in line with the regulatory requirements mandated by the Act and SEBI Regulations. The composition, quorum, powers, role and

scope are in accordance with Section 177 of the Act and the provisions of Regulation 18 of the Listing Regulations.

The members of the Audit Committee consist of financially literate and the Chairperson of the Audit Committee has accounting and financial management expertise. The Audit Committee also meets the Auditors without the presence of the management.

The Audit Committee also receives the report on compliance under the SEBI (Prohibition of Insider Trading) Regulations, 2015. Further Compliance Reports under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Whistle Blower Policy are also placed before the Committee. None of recommendations made by the Audit Committee were rejected by the Board.

Terms of reference

The terms of reference of is stipulated by the Board of Directors to the Audit Committee are as contained under Regulation 18 read with Part C of Schedule II of the SEBI Listing Regulations and Section 177 of the Companies Act, 2013.

Composition

As on March 31, 2022 the Committee consisted of:

- i. Mr. Anil Kamath (Chairman)
- ii. Mr. Marzin R Shroff (Managing Director & CEO)
- iii. Dr. (Mrs.) Indu Shahani
- iv. Mr. Sivanandhan Dhanushkodi

Consequent to the change in promoters and directors, the Board of Directors of the Company was reconstituted w.e.f. April 26, 2022. Post the reconstitution of the board, following directors constitute the Committee:

- i. Mr. Vinod Rao (Chairman)
- ii. Mrs. Gurveen Singh
- iii. Mr. Sahil Dilip Dalal

Further, Mr. Dattaram P Shinde, Company Secretary, Head – Legal & Compliance Officer acts as Secretary to the Committee

Meeting Details

During the period February 1, 2022 to March 31, 2022 (the applicable reporting period), the Committee had 1 (one) meeting and the attendance record is as follows:

Director	Category	March 29, 2022
Mr. Anil Kamath	Chairman - Independent Director	Yes
Mr. Marzin R Shroff	Managing Director & CEO	Yes
Dr. (Mrs.) Indu Shahani	Independent Director	Yes
Mr. Sivanandhan Dhanushkodi	Independent Director	Yes

ii. Nomination and Remuneration Committee

Introduction

The Nomination and Remuneration Committee is responsible for formulating evaluation policies and

reviewing all major aspects of Company's HR processes relating to hiring, training, talent management, succession planning and compensation structure of the Directors, KMP and Senior Management. The Committee also anchored the performance evaluation of the Individual Directors. None of recommendations made by the Committee were rejected by the Board.

Terms of reference

- Determine the criteria for appointment including qualifications, positive attributes and independence of Director;
- Identify candidates who are qualified to become Directors and who may be appointed in senior management and recommend to the Board their appointment and removal;
- Recommend to the Board policy concerning the remuneration for the Directors, Key Managerial Personnel and other employees;
- Evaluate the performance of each Director and performance of the Board as a whole; Carrying out any other function contained in the Listing Agreement/ Listing Regulations, as amended from time to time; and
- To perform such other functions as may be necessary under any statutory or other regulatory requirements to be performed by the Committee and as delegated by the Board from time to time

Composition

As on March 31, 2022 the Committee consisted of :

- i. Dr. (Mrs.) Indu Shahani, Chairperson
- ii. Mr. Shapoorji Pallonji Mistry
- iii. Mr. Homi Adi Katgara

Consequent to the change in promoters and directors, the Board of Directors of the Company was reconstituted w.e.f. April 26, 2022. Post the reconstitution of the board, following directors constitute the Committee :

- i. Mrs. Gurveen Singh (Chairperson)
- ii. Mr. Sahil Dilip Dalal
- iii. Mr. Vinod Rao
- iv. Mr. Homi Katgara

Further, Mr. Dattaram P Shinde, Company Secretary, Head – Legal & Compliance Officer acts as Secretary to the Committee

Meeting Details

During the period February 1, 2022 to March 31, 2022 (the applicable reporting period), the Committee had 1 (one) meeting and the attendance record is as follows:

Director	Category	March 29, 2022
Dr. (Mrs.) Indu Shahani	Chairperson - Independent Director	Yes
Mr. Shapoorji Pallonji Mistry	Non-Executive Director	-
Mr. Homi Katgara	Independent Director	Yes

Remuneration Policy

Your Company's Nomination and Remuneration Policy for Directors and Senior Managerial Personnel approved by the Nomination and Remuneration Committee and the Board. It is driven by the success and performance of the individual employees and the Company. Through its compensation programme, the Company endeavors to attract, retain, develop and motivate a high-performance workforce. The purpose of the Remuneration Policy is to establish and govern the procedure applicable.

- a) To evaluate the performance of the members of the Board.
- b) To ensure remuneration payable to Directors, KMP's & other Senior Management strike appropriate balance and commensurate among others with the functioning of the Company and its long-term objectives.
- c) To retain motivate and promote talent within the Company and to ensure long term sustainability of the managerial persons and create competitive advantage.

The policy inter-alia covers the Directors' appointment and remuneration, Key Managerial Personnel and other senior management appointment and remuneration.

The Remuneration Policy as required under Section 178 of the Companies Act, 2013, is available on the website of the Company and can be accessed at web link www.eurekaforbes.com.

Performance Evaluation of the Board and its criteria

Pursuant to the provisions of the Act, Listing Regulations and Performance Evaluation Policy, the Board has carried out annual evaluation of its performance, its Committee(s) and of each Director. A structured questionnaire was prepared and circulated to the Directors for each of the evaluation who submitted their response to the Chairperson of Nomination & Remuneration Committee.

Performance of the Board as whole was evaluated by each Director on the parameters such as its roles and responsibilities, contribution to the development of strategy and effective risk management, understanding of business operations, availability of quality information in a timely manner etc. and submitted

Board Committees were evaluated by the respective Committee members on the parameters such as its role and responsibilities, effectiveness of the Committee vis-a-vis assigned role, appropriateness of Committee composition, timely receipt of information by the Committee, upgrading knowledge by the Committee members, effectiveness of communication by the Committee with the Board, Senior Management and Key Managerial Personnel etc.

Performance of the Chairperson was evaluated by the Independent Directors on the parameters such as demonstration of effective leadership, contribution to the Board's work, communication with the Board, use of time and overall efficiency of Board Meetings, quality of discussions at the Board Meetings etc.

Directors were evaluated individually by all other Directors (except the Director himself/herself), Non-executive Directors evaluated Independent Directors and vice

versa on various parameters. Independent Directors were additionally evaluated for their performance and fulfilment of criteria of independence and their independence from the Management.

Meeting of Independent Directors without the attendance of Non-Independent Directors and members of the management of the Company was held on March 29, 2022. The Independent Directors, inter-alia, evaluated performance of Non-Independent Directors, the Chairperson of the Company and the Board as a whole. They also assessed the quality, content and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

The Chairman briefed the outcome of the performance evaluation to the Board. The Directors expressed their satisfaction with the entire evaluation process.

iii. Stakeholders' Relationship Committee (SRC)

Introduction

The SRC oversees the various aspects of interests of security holders of the Company. The Committee also monitors the performance of the Registrar & Share Transfer Agent and recommends measures for overall improvement of the quality of investor services as and when the need arises. None of recommendations made by the Committee were rejected by the Board.

Terms of reference

- Resolving the grievances of security holders of the Company including Investors' complaints;
- Approval of transfer or transmission of shares, debentures or any other securities;
- Issue of duplicate certificates and new certificates on split/consolidation/renewal etc.;
- Redress the complaints regarding non-receipt of declared dividends, balance sheets of the Company, etc.;
- Carrying out any other function contained in the Listing Agreement/Listing Regulations, as amended from time to time; and
- To perform such other functions as may be necessary under any statutory or other regulatory requirements to be performed by the Committee and as delegated by the Board from time to time

Composition

As on March 31, 2022 the Committee consisted of :

- Mr. Sivanandhan Dhanushkodi, Chairman
- Mr. Marzin R Shroff
- Mr. Jai Laxmikant Mavani

Consequent to the change in promoters and directors, the Board of Directors of the Company was reconstituted w.e.f. April 26, 2022. Post the reconstitution of the board, following directors constitute the Committee :

- Mr. Arvind Uppal, Chairman
- Mr. Pratik Rashmikant Pota
- Mr. Vinod Rao
- Mrs. Gurveen Singh

Further, Mr. Dattaram P Shinde, Company Secretary, Head – Legal & Compliance Officer acts as Secretary to the Committee

Meeting Details

During the period February 1, 2022 to March 31, 2022 (the applicable reporting period), the Committee had 1 (one) meeting and the attendance record is as follows:

Director	Category	February 14, 2022
Mr. Sivanandhan Dhanushkodi	Chairman - Independent Director	Yes
Mr. Jai Laxmikant Mavani	Non-Executive Director	Yes
Mr. Marzin R Shroff	Managing Director & CEO	-

The status of investor grievance redressal mechanism as required under the SEBI (LODR) Regulations, 2015 is filed with the Stock exchange within twenty-one days from the end of each quarter, a statement giving the number of investor complaints pending at the beginning of the quarter, those received during the quarter, disposed of during the quarter and those remaining unresolved at the end of the quarter and the statement is placed before the Committee and the Board periodically.

Details of the complaints from shareholders during Financial Year 2021-22 are as follows:

Number of complaints received	Number of complaints resolved	Number of pending complaints
NIL	NIL	NIL

During the year, nil complaint was received from the shareholders, which has been attended/resolved to the satisfaction of the shareholder. The details of the complaints are:

iv. Corporate Social Responsibility Committee

Introduction

The role of CSR Committee includes formulating and recommending to the Board the CSR Policy and activities to be undertaken by the Company, recommending the amount of expenditure to be incurred on CSR activities of the Company, reviewing the performance of Company and in the areas of CSR.

Terms of reference

- To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as per the Act;
- To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the Company under the CSR Policy;
- To monitor the CSR policy of the Company from time to time;
- Adhere to the applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modifications, amendments or re-enactments thereto for the time being in force);
- Carrying out any other function contained in the Companies Act, 2013, as amended from time to time; and

- To perform such other functions as may be necessary under any statutory or other regulatory requirements to be performed by the Committee and as delegated by the Board from time to time.

Composition

As on March 31, 2022 the Committee consisted of :

- Dr. (Mrs.) Indu Shahani, Chairperson
- Mr. Marzin R Shroff
- Mr. Sivanandhan Dhanushkodi
- Mr. Homi Katgara

Consequent to the change in promoters and directors, the Board of Directors of the Company was reconstituted w.e.f. April 26, 2022. Post the reconstitution of the board, following directors constitute the Committee :

- Mrs. Gurveen Singh, Chairperson
- Mr. Pratik Rashmikant Pota
- Mr. Vinod Rao
- Mr. Homi Adi Katgara

Further, Mr. Dattaram P. Shinde, Company Secretary, Head – Legal & Compliance Officer acts as Secretary to the Committee

Meeting Details

During the period February 1, 2022 to March 31, 2022 (the applicable reporting period), the Committee had 1 (one) meeting and the attendance record is as follows:

Director	Category	March 29, 2022
Dr. (Mrs.) Indu Shahani	Chairperson - Independent Director	Yes
Mr. Marzin R Shroff	Managing Director & CEO	Yes
Mr. Sivanandhan Dhanushkodi	Independent Director	Yes
Mr. Homi Adi Katgara	Independent Director	Yes

v. Risk Management Committee

Introduction

The Risk Management Committee inter alia formulate the Risk Management Policy and review the same periodically, monitor and oversee implementation of the Policy, including evaluating the adequacy of risk management systems, ensuring appropriate methodology, processes and systems are in place to monitor and evaluate business risks, inform the Board about its discussions, recommendations and actions to be taken, appointment including terms of remuneration of the Chief Risk Officer. The Risk Management Committee also safeguards the shareholders' interests and Company's assets, review reports from the Company's internal audit function relating to risk management and all other matters specified under the Act, Listing Regulations or any other role as may be prescribed by law or by the Board of Directors from time to time.

Terms of reference

The terms of reference stipulated by the Board of Directors to the Risk Management and Project Monitoring Committee

are as contained under Regulation 21 read with Part D of Schedule II of the SEBI Listing Regulations, 2015.

Composition :

As on March 31, 2022 the Committee consisted of :

- Mr. Marzin R Shroff, Chairman
- Mr. Anil Kamath
- Dr. (Mrs.) Indu Shahani
- Mr. Sivanandhan Dhanushkodi
- Mr. Vikram Surendran, President (Sr. Executive Employee of the Company)
- Mr. Rajagopalan Sambamoorthy, Chief Financial Officer (Sr. Executive Employee of the Company)

Consequent to the change in promoters and directors, the Board of Directors of the Company was reconstituted w.e.f. April 26, 2022. Post the reconstitution of the board, following directors constitute the Committee :

- Mr. Vinod Rao, Chairman
- Mr. Arvind Uppal
- Mrs. Gurveen Singh
- Mr. Sahil Dilip Dalal

Further, Mr. Dattaram P. Shinde, Company Secretary, Head – Legal & Compliance Officer acts as Secretary to the Committee

Meeting Details

During the period February 1, 2022 to March 31, 2022 (the applicable reporting period), the Committee had 1 (one) meeting and the attendance record is as follows:

Director	Category	March 29, 2022
Mr. Marzin R Shroff	Chairman	Yes
Mr. Anil Kamath	Independent Director	Yes
Dr. (Mrs.) Indu Shahani	Independent Director	Yes
Mr. Sivanandhan Dhanushkodi	Independent Director	Yes
Mr. Vikram Surendran	President	Yes
Mr. Rajagopalan Sambamoorthy	Chief Financial Officer	Yes

4. Directors' Remuneration

Remuneration paid to Mr. Marzin R. Shroff, former Managing Director & CEO:

The remuneration of the former Managing Director & CEO for the Financial Year 2021-22 comprises a fixed salary component in addition to allowances and variable pay component as approved by the Nomination & Remuneration Committee and the Board of Directors from time to time. The details of the remuneration paid to the former Managing Director & CEO is reproduced below:

Particulars	₹ In Lakhs
Salary & Perquisites	26.60
Contribution to retiral benefits	1.99
Commission	25.00
Total	53.59

Notes:

- The Appointment of the Managing Director & CEO is contractual in nature. He may resign by giving 03 (Three) months written notice without assigning any reason whatsoever. The Company can terminate the appointment by giving 03 (Three) months written notice without assigning any reason whatsoever.
- The Company shall be entitled to terminate the employment forthwith by giving 03 (Three) months' salary in lieu of the notice.

Remuneration to Non-Executive Directors:

Non-Executive Directors are remunerated by way of sitting fees for attending the meetings and Commission. The criteria for making payment to Non-Executive Directors and Interdependent Directors are available on website of the company at www.eurekaforbes.com

Details of the Sitting Fees and Commission to Non-Executive Directors for the Financial Year 2021-22 is mentioned below:

Sr. No	Name of the Director	Sitting Fees	Commission Payable	Total
1	Mr. Homi Adi Katgara	1,50,000	7,00,000	8,50,000
2	Mr. Shapoorji Pallonji Mistry	NIL	7,00,000	7,00,000
3	Mr. Anil Vasudev Kamath	1,50,000	7,00,000	8,50,000
4	Dr. (Mrs.) Indu Ranjit Shahani	2,00,000	7,00,000	9,00,000
5	Mr. Sivanandhan Dhandushkodi	2,00,000	7,00,000	9,00,000
6	Mr. Shankar Krishnan Subramanian	20,000	7,00,000	7,20,000
7	Mr. Pallon Shapoorji Mistry	NIL	7,00,000	7,00,000
8	Mr. Jai Laxmikant Mavani	40,000	7,00,000	7,40,000

Other terms

During the year under review, there were no other pecuniary transactions or relationships of Non-Executive Directors with the Company. The Company has not granted any stock options of the Company to its Non-Executive Directors.

5. General Body Meetings

Details in respect of the past three Annual General Meetings of the Company:

Date of the meeting (year)	Venue	Time	Special Resolution passed
September 13, 2021	B1/B2, 701, Marathon Innova, Off Ganpatrao Kadam Marg, Lower Parel, Mumbai 400013	10 AM IST	-
September 23, 2020	B1/B2, 701, Marathon Innova, Off Ganpatrao Kadam Marg, Lower Parel, Mumbai 400013	10 AM IST	-
August 22, 2019	B1/B2, 701, Marathon Innova, Off Ganpatrao Kadam Marg, Lower Parel, Mumbai 400013	3:30 PM IST	-

Further, No resolution passed through postal ballot during the year under review

6. Means of Communication

Website, News & Events

A separate dedicated section under 'Investors' at www.eurekaforbes.com gives information on applicable policies including policy on dealing with related-party transactions which is at www.eurekaforbes.com along with news and events held during the year of the Company.

A separate dedicated section under 'Investors' section on the Company's website at www.eurekaforbes.com gives information on policy for determining material subsidiary at www.eurekaforbes.com.

The quarterly, half-yearly and yearly results (unaudited or audited, as the case may be) prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind-AS Rules) in the format prescribed under Regulation 33 of the Listing Regulations read with Circular Ref No. CIR/CFD/FAC/62/2016 dated July 05, 2016 issued by SEBI are sent to the Stock Exchanges where the shares of the Company are listed i.e. BSE Limited and

National Stock Exchange of India Limited. The results are normally published in "Financial Express" (English Daily) and "Mumbai Lakshadeep" (Marathi Daily) within 48 hours of the conclusion of the meeting of the Board in which they are approved.

The results are displayed on the Company's website www.eurekaforbes.com

The required disclosures were made to the Stock Exchanges and were uploaded on the website of the Company.

SEBI processes investor complaints in a centralised web-based complaints redressal system i.e. SCORES. Through this system a shareholder can lodge a complaint against the Company for redressal of his grievance. The Company uploads the action taken report on the complaint which can be viewed by the shareholder. The Company and shareholder can seek and provide clarifications online through SEBI.

7. Shareholders Information

13th (Thirteenth) Annual General Meeting (through Other Audio Visual means)

Day & Date : Thursday, December 22, 2022

Time : 04:00 PM IST

Venue : Deemed to be held at Registered Office of the Company situated at B1/B2, 7th Floor, 701, Marathon Innova, Ganpatrao Kadam Marg, Lower Parel. Mumbai – 400013

Book Closure Date: The books of the Company shall be closed from December 16, 2022 to December 22, 2022.

Dividend Payment Date: Not Applicable

Financial year

The financial year of the Company is from 1st April to 31st March.

Listing on Stock Exchanges & Stock Code

Pursuant to the Scheme of arrangement, the name of the Company was changed from Forbes Enviro Solutions Limited to Eureka Forbes Limited. Subsequently, the Company received in-principle listing approval from BSE Limited vide letter DCS/AMAL/TL/IP/2244/2021-22 dated

March 02, 2022 and received relaxation letter from SEBI vide letter SEBI/HO/CFD/DIL2/AN/OW/2022/8961 dated March 02, 2022. Further, the Company received trading approval from BSE Limited vide its letter DCS/AMAL/TP/PB/2264/2021-22 dated March 14, 2022 and the trading in shares of the Company commenced w.e.f. March 16, 2022 on BSE Limited.

Name of the Stock Exchange: BSE Ltd.

Address of the Stock Exchange: Phiroze Jeejabhoy Towers, Dalal Street, Fort, Mumbai 400 001

BSE Scrip ID: 543482

BSE Scrip Code: EUREKAFORBE

ISIN No.: INE0KCE01017

Your Company has paid the Listing fees to the Stock Exchange for the F.Y.2021-22 and F.Y. 2022-23 for Equity Shares.

Market price data- high, low during each month in last financial year:

Month	BSE Limited		
	High (₹)	Low (₹)	Volume Traded
March 2022	495	358.2	17,04,964

Eureka share price performance on monthly closing basis with S&P BSE Sensex, for the year 2021-22

Month	S & P BSE SENSEX			Eureka Forbes Limited		
	High	Low	Close	High	Low	Close
March 2022	58,890.92	52,260.82	58,568.51	495	358.2	391.30

Registrar & Transfer Agents (For both shares held in physical and dematerialised mode)

Link Intime India Private Limited
C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400 083
Phone: +91 22 4918 6000
E-mail: info@linkintime.co.in
Contact Person: Mr. Ishwar Suvarna

Share Transfer System

All share transfer and other communications regarding share certificates, change of address, dividends, etc. should be addressed to the Registrar and Transfer Agent (RTA).

In terms of the SEBI Listing Regulations, effective from 01st April, 2019, securities of listed companies can only be

transferred in dematerialised form except where the claim is lodged for transmission or transposition of shares or where the transfer deed(s) was lodged prior 1st April, 2019 and returned due to deficiency in the documents. SEBI vide its Circular No. SEBI/HO/MIRSD/RTAMB/CIR/P/2020/166 dated September 7, 2020 has instructed companies to not accept transfer requests in physical form with effect from March 31, 2021. Hence, the Company has not accepted any document for transfer of shares in physical form post 31st March, 2021. Shareholders are advised to dematerialise their shares held by them in physical form at the earliest. Requests for dematerialisation of shares are processed by RTA and confirmation thereof is given to the respective depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) within the statutory time limit from the date of receipt of share certificates, provided the documents are complete in all respects.

Distribution of Shareholding as on March 31, 2022					
Sr. No	Category (Shares)	Number of Shareholders	% to total Shareholders	Number of Shares	% to the total no. of Shares
1	Upto 500	7512	54.7921	1132457	0.5853
2	501 to 1000	2698	19.6791	1958479	1.0122
3	1001 to 2000	1867	13.6178	2436376	1.2592
4	2001 to 3000	629	4.5879	1607678	0.8309
5	3001 to 4000	172	1.2546	604878	0.3126
6	4001 to 5000	183	1.3348	827051	0.4275
7	5001 to 10000	356	2.5966	2548529	1.3172
8	10001 and above	293	2.1371	182363792	94.2551
Total :		13710	100	193479240	100

Shareholding Pattern as on March 31, 2022

Sr. No	Category	Number of Shareholders	% of Shareholding
A	Promoter Holding		
1	Promoter & Promoter Group	142885365	73.85
	Sub- Total (A)	142885365	73.85
B	Non-Promoter Holding		
1	Institutional Investor		
1.1	Mutual Fund	1105140	0.57
1.2	Alternate Investment Funds	18255	0.01
1.3	Foreign Portfolio Investor	22314285	11.53
1.4	Financial Institutions / Banks	192900	0.10
1.5	Foreign Bank	1950	0.00
2	Central / State Government(s)	1655145	0.86
	Sub Total (B)	25287675	13.07
	Non- Institutions		
1	Bodies Corporate/LLP	464409	0.24
2	Non Resident Indians	422145	0.21
3	Individuals/HUF/Trust/Others	24419646	12.63
	Sub Total (C)	25306200	13.08
	Grand Total (A+B+C)	193479240	100.00

Dematerialisation & Liquidity of Shares

As on March 31, 2022, 97.85% of the total issued share capital was held in dematerialised form with NSDL and CDSL.

Plant locations:

Dehradun

Khasra Number 3946,3961 & 3962, Lal Tappar Industrial Area, Majri Grant, Dehradun-Haridwar Highway, Tehsil – Rishikesh, Dist. – Dehradun, Uttarakhand- 248140

Bangalore

Plot No.143, C-4, Bommasandra Industrial Area, Husur Road, Bangalore - 560099

Address for correspondence

Mr. Dattaram P Shinde is the Company Secretary, Head – Legal & Compliance Officer of the Company.

The correspondence address of the Company is:

Registered Office – B1/B2, 7th Floor, 701, Marathon Innova, Off Ganpatrao Kadam Marg, Lower Parel, Mumbai, Maharashtra – 400013, India.

Phone: +91 22 4882 1700 **Fax:** +91 22 4882 1701

Website: www.eurekaforbes.com; **E-mail:** compliance@eurekaforbes.com

The Company welcomes all the members to communicate with the Company as per the above details or through the Company's Registrar and Share Transfer Agent, whose particulars are given earlier in this report.

Credit ratings

The Company does not have any outstanding global depository receipts or american depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity.

The Company's Credit Rating by CARE has been improved from CARE BBB- to CARE A.

8. Other Disclosures

(i) Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large

During the financial year 2021-22, there was no materially significant related party transaction that may have potential conflict with the interests of the Company at large. For reference, the details of related party transactions in accordance with IND AS-24 are given in Note No. 29 of Other Notes on Accounts of the Annual Report. The Policy on Materiality of RPTs and dealing with RPTs as approved by the Board is uploaded on the Company's website at the web link www.eurekaforbes.com

(ii) Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years

The Company has not been penalised, nor have the stock exchanges, SEBI or any statutory authority imposed any strictures, during the last three years, on any matter relating to capital markets.

(iii) Details of establishment of vigil mechanism / whistle blower policy, and affirmation that no personnel has been denied access to the audit committee

The Company has adopted a Whistle Blower Policy which means alert/ vigilant empowering any person associated with the organisation to file a grievance if he/ she notices any irregularity. The Policy is available on the website of the Company at www.eurekaforbes.com. No person has been denied access to the Audit Committee for any grievance. The said policy has been uploaded on the website of the Company at the web link www.eurekaforbes.com

(iv) Web link where policy for determining 'material' subsidiaries is disclosed

The policy for determining 'material' subsidiaries is available on the website of the Company under "Codes & Policies" in the Corporate Governance section and can be accessed at www.eurekaforbes.com.

(vi) Disclosure of commodity price risks and commodity hedging activities

In order to manage the Company's Foreign Exchange exposure, the Company has in place a Board approved Policy on Foreign Exchange Management for the management of corporate foreign exchange risk by defining its exposures, measuring them and defining appropriate actions to control the risk. The intent of this Policy is to minimise the financial statement impact of fluctuating foreign currency exchange rates. Policy on Foreign Exchange Risk and Commodity Price Risk alongwith Foreign Currency exposure is given under Note No. 10 of Other Notes on Accounts of the Annual Report.

(v) Details of utilisation of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A)

The Company did not raise any funds through preferential allotment or qualified institutions placement during the year.

(vi) Certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board/Ministry of Corporate Affairs or any such statutory authority.

On the basis of written representations/ declaration received from the directors, as on March 31, 2022, M/s Mihen Halani & Associates, Company Secretaries (Membership No. FCS9926, CP No. 12015), have issued a certificate, confirming that none of the Directors on Board of the Company has been debarred or disqualified from being appointed or continuing as Director of companies by SEBI/ MCA or any such authority and the same also forms part of this Report.

(j) Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof

The Board accepted the recommendations of its Committees, wherever made, during the year.

(k) 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

The details of total fees for all services paid by the Company 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, are as follows:

Sr. No.	Type of Services	Amount
1	Audit Fee*	66.06
2	Tax Audit Fee	-
3	Other Certification Fee	4.80
4	Reimbursement of expenses	-
5	Total	70.86

*The Audit Fees include Statutory Audit for FY 2021-22, Special Audit in terms of NCLT Order under Composition Scheme of Arrangement.

Note: Out of Pocket expenses are reimbursed on actual basis.

(l) Disclosure of the extent to which the Discretionary Requirements as specified in part e of schedule ii have been adopted

(a) The Board: The Chairman of the Company is an Executive Chairman, hence the provision on entitlement of chairperson's office at the expense of the Company in case of a non-executive chairperson is not applicable.

(b) Shareholder Rights: Quarterly financial statements are published in leading newspapers and uploaded on Company's website www.eurekaforbes.com

(c) Modified opinion(s) in audit report: Auditors have raised no qualification on the financial statements.

(d) Separate posts of Chairperson and CEO: Presently, Mr. Arvind Uppal is the Non-Executive Chairman and Mr. Pratik Rashmikant Pota is the Managing Director & CEO of the Company.

(e) Reporting of Internal Auditor: The Company has appointed Chief Internal Auditor who has direct access to the Chairman, Audit Committee.

(m) Disclosures of the compliance with Corporate Governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub regulation (2) of Regulation 46

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub – regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Further, the certificate by Practicing Company Secretary with respect to compliance with Regulation 17 to 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 relating to Corporate Governance, has been annexed to this Report.

(o) Policy for Prevention of Sexual Harassment of Women at Workplace

The Company values the dignity of individuals and is committed to provide an environment, which is free of discrimination, intimidation and abuse.

As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('POSH Act') and Rules made thereunder, your Company has constituted Internal Complaint Committee

(ICC) and has a well-defined policy. The Company has in place an effective mechanism for dealing with complaints relating to sexual harassment at workplace. During the year, the Company has not received any complaint under the Policy.

- a. number of complaints filed during the financial year – NIL
- b. number of complaints disposed off during the financial year – NIL
- c. number of complaints pending as on end of the financial year – NIL

(p) Dividend Policy

The Company has adopted a Dividend Policy which has been displayed on the Company's website and can be accessed at www.eurekaforbes.com.

(q) Legal Compliance Reporting

The Board of Directors reviews, on a quarterly basis, the report of compliance with respect to all applicable laws and regulations.

(r) Demat Suspense Account

Company does not have any shares in Demat suspense account/unclaimed suspense account.

Parameters of Statutory compliances evidencing the standards expected from a listed entity have been duly observed and a Report on Corporate Governance as well as the Certificate from Statutory Auditors confirming compliance with the requirements of SEBI Listing Regulations forms part of the Annual Report.

(s) Code of Conduct

The Company has formulated and adopted Code of Conduct for members of the board of directors and senior management personnel (which incorporates the duties of Independent Directors as laid down in Schedule IV of the Act ('Code for Independent Directors') in accordance with Regulation 17(5) of the Listing Regulations) which is available on the website www.eurekaforbes.com. The Company has received confirmation from all members of the Board of Directors and Senior Management Personnel regarding compliance of the Code for the year under review. The declaration signed by Mr. Pratik Rashmikant Pota, Chief Executive Officer 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 personnel is forming part of this report.

Declaration Regarding Compliance with the Code of Conduct of the Company by the Board Members and Senior Managerial Personnel

[Pursuant to Regulation 34(3) and Schedule V of the SEBI Listing Regulations]

I, Mr. Pratik Rashmikant Pota, Managing Director & CEO of Eureka Forbes Limited, hereby declare that all the members of the Board of Directors and the Senior Management personnel have affirmed compliance with the Code of Conduct of Board of Directors and Senior Management Personnel, applicable to them as laid down by the Board of Directors in terms of Regulation 26(3) of the SEBI Listing Regulations for the year ended March 31, 2022

On behalf of the Board of Directors of Eureka Forbes Ltd.
(formerly Forbes Enviro Solutions Ltd.)

Sd/-
Pratik Rashmikant Pota
Managing Director & CEO
DIN 00751178

Place : Mumbai
Date : October 10, 2022

Mihen Halani & Associates
Practicing Company Secretaries

A-501/L, Jaswanti Allied Business Centre, Next to Hotel Khwaishh Presidency, Kachpada, Ramchandra Lane Extn. Road, Malad (West), Mumbai – 400 064
Phone: 022 – 6236 0279 **Email:** mihenhalani@gmail.com

Certificate of Non-Disqualification of Directors

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

To,
The Members,
EUREKA FORBES LIMITED
CIN: L27310MH2008PLC188478
B1/B2, 7th Floor, 701, Marathon Innova,
Ganpatrao Kadam Marg, Lower Parel,
Mumbai – 400 013, MH, IN

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Eureka Forbes Limited bearing CIN - L27310MH2008PLC188478 and having registered office at B1/B2, 7th Floor, 701, Marathon Innova, Ganpatrao Kadam Marg, Lower Parel, Mumbai – 400 013, MH, IN (hereinafter referred to as "the Company"), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal of the Ministry of Corporate Affairs at "www.mca.gov.in") as considered necessary and explanations furnished to us by the Company and 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, 2022 have been debarred or disqualified from being appointed or continuing as Director 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	Designation	Date of appointment in Company
1	Marzin R. Shroff	00642613	Managing Director	26-11-2008
2	Shapoorji Pallonji Mistry	00010114	Non-Executive - Non Independent Director	31-01-2022
3	Shankar Krishnan Subramanian	03316009	Non-Executive - Non Independent Director	31-01-2022
4	Pallon Shapoorji Mistry	05229734	Non-Executive - Non Independent Director	31-01-2022
5	Jai Laxmikant Mavani	05260191	Non-Executive - Non Independent Director	31-01-2022
6	Anil Vasudev Kamath	00015706	Non-Executive - Independent Director	31-01-2022
7	Indu Ranjit Shahani	00112289	Non-Executive - Independent Director	31-01-2022
8	Homi Adi Katgara	00210338	Non-Executive - Independent Director	31-01-2022
9	Sivanandhan Dhanushkodi	03607203	Non-Executive - Independent Director	31-01-2022

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

Note: The Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench-IV vide its Order dated January 25, 2022 in CP (CAA)/209/MB-IV/2021 in CA(CAA)/55/MB-IV/2021 approved the Composite Scheme of Arrangement between Aquaignis Technologies Private Limited, Euro Forbes Financial Services Limited, **Eureka Forbes Limited**, Forbes & Company Limited and Forbes Enviro Solutions Limited and their respective Shareholders ("the Scheme"). Pursuant to the Scheme, the name of the Company was changed from Forbes Enviro Solutions Limited to Eureka Forbes Limited. Subsequently, the Company received in-principle listing approval from BSE Limited vide letter DCS/AMAL/TL/IP/2244/2021-22 dated March 2, 2022 and received relaxation from SEBI vide letter SEBI/HO/CFD/DIL2/AN/OW/2022/8961 dated March 2, 2022. Further, the Company received trading approval from BSE Limited vide its letter DCS/AMAL/TP/PB/2264/2021-22 dated March 14, 2022 and the trading in shares of the Company commenced w.e.f. March 16, 2022 on BSE Limited.

For Mihen Halani & Associates
Practicing Company Secretaries

Mihen Halani
(Proprietor)

UDIN: **F009926D000431237**
CP No: 12015
FCS No:9926

Place : Mumbai
Dated : 30.05.2022

Mihen Halani & Associates
Practicing Company Secretaries

A-501/L, Jaswanti Allied Business Centre, Next to Hotel Khwaishh Presidency,
Kachpada, Ramchandra Lane Extn. Road, Malad (West), Mumbai – 400 064
Phone: 022 – 6236 0279 **Email:** mihenhalani@gmail.com

Certificate of Practicing Company Secretary on Corporate Governance

To
The Members of EUREKA FORBES LIMITED
CIN: L27310MH2008PLC188478

We have examined the compliance of conditions of Corporate Governance by Eureka Forbes Limited ("**the Company**"), for the year ended on March 31, 2022, as stipulated in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedure and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations as given to us, we certify that the Company, to the extent applicable, has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We state that in respect of investor's grievance received during the year ended March 31 2022, the Registrar and Transfer Agent of the Company have certified that as at March 31, 2022, there were no investors' grievances remaining unattended / pending to the satisfaction of the investor.

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.

Note: The Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench-IV vide its Order dated January 25, 2022 in CP (CAA)/209/MB-IV/2021 in CA(CAA)/55/MB-IV/2021 approved the Composite Scheme of Arrangement between Aquaignis Technologies Private Limited, Euro Forbes Financial Services Limited, **Eureka Forbes Limited**, Forbes & Company Limited and Forbes Enviro Solutions Limited and their respective Shareholders ("the Scheme"). Pursuant to the Scheme, the name of the Company was changed from Forbes Enviro Solutions Limited to Eureka Forbes Limited. Subsequently, the Company received in-principle listing approval from BSE Limited vide letter DCS/AMAL/TL/IP/2244/2021-22 dated March 2, 2022 and received relaxation from SEBI vide letter SEBI/HO/CFD/DIL2/AN/OW/2022/8961 dated March 2, 2022. Further, the Company received trading approval from BSE Limited vide its letter DCS/AMAL/TP/PB/2264/2021-22 dated March 14, 2022 and the trading in shares of the Company commenced w.e.f. March 16, 2022 on BSE Limited.

For Mihen Halani & Associates
Practicing Company Secretaries

Mihen Halani
(Proprietor)

UDIN: **F009926D000430654**
CP No: 12015
FCS No:9926

Place : Mumbai
Dated : 30.05.2022

Independent Auditors' Report

To the Members of Eureka Forbes Limited (formerly known as Forbes Enviro Solutions Ltd.)

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Eureka Forbes Limited ("the Company") formerly known as Forbes Enviro Solutions Ltd, which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 ("Ind AS"), as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, the profit and the other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that in our professional judgement were of most significance in our audit of the standalone financial statements of the current period. Those matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

a) Identification, valuation and recognition of intangible assets arising from the acquisition of Health, Hygiene Safety Products and Services Undertaking ('the Undertaking').

Description of Key Audit Matter

Pursuant a Scheme of Arrangement approved by the Hon'ble National Company Law Tribunal on January 25, 2022 (Refer Note 29 VI for detailed description of the Scheme), the Company acquired the Undertaking on February 01, 2022, as a running business, for consideration of 19,34,79,240 fully paid equity shares of the Company having face value of Rs. 10 each. The fair value of the Consideration transferred by the Company is determined to be Rs. 4,06,596.62 lakhs. The acquisition of the Undertaking included identifiable tangible and intangible assets acquired and liabilities assumed.

The Management engaged a third party (Management's fair valuation expert) to assist in the process to identify and determine the fair value of these assets and liabilities.

In addition to recognition of Goodwill of Rs. 1,22,411.14 lakhs (which is further adjusted for the effect of deferred tax liabilities of Rs. 83170.53 lakhs), the management has identified intangible assets relating to Brand and Distribution Networks of Rs. 3,15643.33 lakhs.

Our audit focused on this area because significant judgement and estimates are involved in identifying and determining the fair value of the intangible assets (including goodwill) acquired.

Our response and procedures applied:

In responding to the significant judgements and estimates involved in identifying and valuing the intangible assets (including goodwill) acquired and their income tax treatment, our audit procedures included:

- Reviewing the Scheme of Arrangement, the agreements and other documents related to the acquisition to obtain an understanding of the transaction;
- Understanding the process followed by the Company for assessment of the accounting treatment for the Scheme of Arrangement, including the identification of assets and liabilities and determination of their fair values and also evaluation of work of management experts;
- Testing the completeness of the identified assets acquired and liabilities assumed as per the Scheme of Arrangement, through discussions with the Company and their external valuation experts;

- Assessing the appropriateness of assets identified and the valuation methodology applied by managements expert and considering whether identification and recognition of intangible assets was consistent with the requirements of the accounting standards;
- Evaluating the appropriateness of the valuation methodologies applied and also, test the inputs to the valuation models used to determine the value of the intangible assets;
- Challenging the reasonableness of the key assumptions, including discount rate, near and long-term revenue growth rate and projected margins for indefinite life intangible asset based on future business prospects and external industry growth rate;
- Evaluating the recognition of deferred tax liability for all temporary differences on date of acquisition including those arising as a result of uncertainty over tax treatment of intangible assets.

b) Existence and valuation of inventories

Description of Key Audit Matter:

As indicated in note 12 of the standalone financial statements, the aggregate value of inventories at the year end was Rs. 28,308.56 lakhs representing significant value of Company's total assets. The existence of inventory is a key audit matter due to the involvement of risk element, basis the nature of consumer goods industry, wherein high volumes are involved which are stored across different point of sales and warehouses.

Our response and procedures applied:

Our procedures in relation to the existence and valuation of the inventories included:

- Evaluation of the design and testing the operating effectiveness of the internal controls relating to physical inventory counts at the offices and the warehouses;
- Evaluation of the design and testing the operating effectiveness of the internal controls relating to purchases, sales and inventories including automated controls;
- For a representative sample, verification that the raw materials, spares and stock in trade inventories were correctly measured, using a recalculation of the measurement of those inventories based on the cost of acquiring them from suppliers and considering the costs directly attributable to such goods;
- Assessed the key estimates used by the Management to determine the net realisable value and the consistency thereof with the Company's policy on provision for non-moving /slow moving Inventory.

c) Provisions and contingent liabilities relating to taxation, litigations and claims:

Description of Key Audit Matter:

The provisions and contingent liabilities relate to ongoing litigations and claims with various authorities and third parties. These relate to direct tax, indirect tax, transfer pricing arrangements, claims, general legal proceedings, and other eventualities arising in the regular course of business.

As at the year end, the amounts involved are significant. The determination of a provision or contingent liability requires significant judgement by the Company because of the inherent complexity in estimating future costs. The amount recognised as a provision is the best estimate of the expenditure. The provisions and contingent liabilities are subject to changes in the outcomes of litigations and claims and the positions taken by the Company. It involves significant judgement and estimation to determine the likelihood and timing of the cash outflows and interpretations of the legal aspects, tax legislations and judgements previously made by authorities.

Our response and procedures applied:

Our procedures in relation to the provisions and contingent liabilities relating to taxation, litigations and claims included:

- Understanding the process followed by the Company for assessment and determination of the amount of provisions and contingent liabilities relating to taxation, litigations and claims;
- Evaluating the design and implementation and testing operating effectiveness of key internal controls around the recognition and measurement of provisions and re-assessment of contingent liabilities;
- Assessing of the value of significant provisions and contingent liabilities relating to taxation matter, on sample basis, in light of the nature of the exposures, applicable regulations and related correspondence with the authorities;
- Inquiring the status in respect of significant provisions and contingent liabilities with the Company's internal tax and legal team, including challenging the assumptions and critical judgements made by the Company which impacted the computation of the provisions and inspecting the computation;
- Assessing the assumptions used and estimates of outcome and financial effect, including considering judgement of the Company, supplemented by experience of similar decisions previously made by the authorities and, in some cases, relevant opinions given by the Company's advisors;
- Review of data and documents for completeness and accuracy;
- Evaluating judgements made by the Company by comparing the estimates of prior year to the actual outcome;
- Evaluating the Company's disclosures in the standalone financial statements in respect of provisions and contingent liabilities.

Information other than the financial statements and auditor's report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis and Board's Report including Annexures to Board's Report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

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

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

The Director's report was not made available to us as at the date of this Auditor's report. We have nothing to report in this regard.

Management's responsibility for the standalone financial statements

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

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

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

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

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

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

- a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement

of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

- d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS prescribed under Section 133 of the Act.
- e) On the basis of the written representations received from the directors of the Company as on March 31, 2022 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the auditor's report in accordance with the requirements of section 197(16), as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the Company to its directors during the year is in excess of the limits laid down under section 197 of the Act. Details of remuneration paid in excess of the limit laid down under this section are given below:

Financial year	Amount of excess remuneration (Rs. in lakhs)	Remarks
2021-22	13.64	Remuneration payable to Mr. Marzin R Shroff (Managing Director and CEO) as per the agreement with erstwhile Eureka Forbes Ltd exceeds the limit prescribed under section 197 by Rs. 13.64 lakhs and is subject to shareholders approval. The Company has charged off the excess remuneration payable in the Statement of Profit and Loss for the year ended March 31, 2022.
2021-22	48.01	Remuneration /commission payable to Directors (other than whole-time Director) exceeds the limit prescribed under section 197 by Rs. 48.01 lakhs and is subject to shareholders approval. The Company has charged off the excess remuneration payable in the Statement of Profit and Loss for the year ended March 31, 2022.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on audit procedures performed, nothing has come to our attention that causes us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided in (a) and (b) above, contain any material misstatement.

- v. The Company has not declared or paid any dividend during the year.

For **BATLIBOI & PUROHIT**
Chartered Accountants
ICAI Firm Reg. No.101048W

Kaushal Mehta
Partner
Membership No. 111749

Place: Mumbai
Date : May 30, 2022
ICAI UDIN: 22111749AJXQRP7553

Annexure – A to the Independent Auditors' Report

(Referred to under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Eureka Forbes Limited (formerly known as Forbes Enviro Solutions Ltd.) of even date)

- (i) (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-to-use assets.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a program of verification of property, plant and equipment and right of use assets to cover all the items of property, plant and equipment in a phased manner over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program the management has physically verified certain items of property, plant and equipment during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) With respect to immovable properties, comprising of land and buildings, as disclosed in the standalone financial statements which were acquired in a business combination (Refer Note 30 of the standalone financial statements) having net carrying amount of Rs. 21044.20 lakhs, according to the information and explanations given to us and based on the examination of the registered sale deed / title deed provided to us, we report that, the title deeds of the aforesaid immovable properties are held in the name of erstwhile Eureka Forbes Limited, the details of which are provided in a Sub-Annexure ('Title deeds of immoveable properties as on March 31, 2022') to this Report.
- The Company does not have any immoveable properties other than those mentioned above and properties where the Company is the lessee and the lease agreements are duly executed in favour 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. Accordingly, paragraph 3(i)(d) of the Order is not applicable.
- (e) According to the information and explanations given to us, no proceedings have been initiated, or were pending, during the year against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) (a) The management has conducted physical verification of inventory during the year. In our opinion, with regards to the nature and size of its inventories, the frequency is reasonable and the coverage and procedure of such physical verification carried out during the year were appropriate. Discrepancies noted during such physical verification were less than 10% of respective inventory classes. All discrepancies noted during the year were properly dealt with in the books of account.
- (b) During the last quarter of the year, the Company acquired existing sanctioned working capital limits in a business combination in excess of five crore rupees, in aggregate, from various banks on the basis of security of its current assets. The statements in respect of the quarter ended March 31, 2022 have not been filed by the Company with the respective banks till the date of this Report. Accordingly, comments under paragraph 3(ii)(b) of the Order is not applicable.
- (iii) During the year, the Company has not made any investments, or provided any loans or provided any advance in the nature of loans or stood guarantee or provided any security to any other entity during the year. Accordingly, reporting under paragraph 3(iii) of the Order is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, made investments or given guarantees in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable. Accordingly, reporting under paragraph (iv) of the Order is not applicable.
- (v) According to information and explanations given to us, the Company has not accepted any deposits from the public in accordance with the provisions of section 73 to 76 or any relevant provisions of the Act and rules framed thereunder. Accordingly, paragraph 3(v) of the Order is not applicable.
- (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, we are of the opinion that, prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Income-tax, Sales Tax, Service Tax, duty of Custom, Duty of Excise, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable except the following:

Name of statute	Nature of dues	Amount (Rs. in lakhs)	Period to which amount relates	Due date	Date of subsequent payment
The Employee Provident funds and Miscellaneous Provisions Act, 1952	Employer contribution to pension scheme	1.51	2017-18	Various	Not yet paid
The Employee Provident funds and Miscellaneous Provisions Act, 1952	Employer contribution to pension scheme	4.68	2018-19	Various	Not yet paid
The Employee Provident funds and Miscellaneous Provisions Act, 1952	Employer contribution to pension scheme	8.76	2019-20	Various	Not yet paid
The Employee Provident funds and Miscellaneous Provisions Act, 1952	Employer contribution to pension scheme	10.76	2020-21	Various	0.30 (Paid in the month of May, 2022)
The Employee Provident funds and Miscellaneous Provisions Act, 1952	Employer contribution to pension scheme	5.59	2021-22	Various	1.11 (paid in the month of May, 2022)

(b) According to the information and explanations given to us, dues of Income tax, Excise duty and Goods and Service tax which have not been deposited by the Company on account of disputes are given below:

Name of the Statute	Nature of Dues	Forum where dispute is pending	Period to which the amount relates	Amount unpaid (Rs. in lakhs)*
Central Excise Act, 1944	Excise Duty	Appellate Tribunal	AY 2001-03	56.51
		Principal Commissioner of Central Excise	AY 2001 to 2006 and AY 2014-2017	570.00
		CESAT, Bangalore	AY 2014-15	741.42
Income Tax Act, 1961	Income Tax	Tribunal	AY 2008-09	84.68
		CIT (A)	AY 2016-17, AY 2017-18, AY 2018-19, AY 2019-20, AY 2020-21	1621.61
Sales Tax Act	Sales Tax	Deputy Commissioner of Appeals Commercial Taxes	AY 2006-07, AY 2008-09, AY 2010-11	75.55
		Deputy Commissioner of Commercial Taxes	AY 2002-03, AY 2003-04, AY 2006-07 to AY 2013-14, AY 2015-16, AY 2016-17	275.81
		Joint Commissioner of Commercial Taxes	AY 2013-14	0.71
		Assistant Commissioner of Sales Tax- Appeals	AY 2015-16, AY 2016-17	3.64
		Assistant Commissioner (Assessment) Special Circle-II	AY 1998-99 to AY 2004-05, AY 2007-08, AY 2012-13	1498.00
		Assessing Authority	AY 1994-95, AY 1996-97, AY 1998-99, AY 2000-01, AY 2003-04, AY 2004-05, AY 2005-06, AY 2017-18	3.68
		Joint Commissioner (Appeals) Trade Tax	AY 2003-04	4.21
		Assessing Authority Circle "P" Jammu	AY 2016-17	0.02
		Assistant Commissioner (ST)	AY 2016-17, AY 2017-18	26.94
		The Appellate Deputy Commissioner	AY 2016-17	1.40
		Joint Commissioner of Sales Tax	AY 2007-08 to 2011-12	651.87
		Telangana VAT Appellate Tribunal	AY 2001-02	234.18
		Deputy Commissioner of Sales Tax (Appeal)	AY 2002-03, AY 2004-05, AY 2011-12, AY 2013-14	11.73
Chapter V, Finance Act, 1994	Service Tax	Custom, Central Excise and Service Tax Appellate Tribunal	AY 2014 to 2019	847.12
		The Commissioner of Central Tax	AY 2006 to 2013	1087.64

Name of the Statute	Nature of Dues	Forum where dispute is pending	Period to which the amount relates	Amount unpaid (Rs. in lakhs)*
Central Goods & Service Tax Act, 2017	Goods & Service Tax	High Court of Karnataka	AY 2018-19, AY 2019-20	42.68
		Additional Commissioner of State tax, Appellate Authority, Kolkata	AY 2018-19	32.57
		Appeal pending to be filed due to non-constitution of GST tribunal- (West Bengal)	AY 2019-20	7.08
		Assistant Commissioner, Sitapur Uttar Pradesh	AY 2019-20	5.34
		Assistant Commissioner of Sales Taxes and Excise Baddi I Shimla, Himachal Pradesh	AY 2018-19, AY 2019-20	1.58
		The Joint Commissioner of Central Tax, Bangalore	AY 2018-19	348.89
		Deputy Commissioner, Uttarakhand	AY 2018-19, AY 2019-20	5.64
		Superintendent, Madhya Pradesh	AY 2018-19, AY 2019-20, AY 2020-21, AY 2021-22	3.25
		Superintendent, Orissa	AY 2018-19, AY 2019-20	4.36
		Commissioner (Central Tax), Karnataka	AY 2018-19	34.32

* Net of amounts paid under dispute

- (viii) According to the information and explanations given to us, there were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix) (a) The Company has not defaulted in repayment of loans to any lender during the year. There were no outstanding loans from any financial institution or government during the year.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) According to the information and explanations given to us and based on our examination of the records of the Company, no term loans were obtained or utilised during the year by the Company. Accordingly, paragraph 3(ix)(c) of the Order is not applicable.
- (d) In our opinion and according to the information and explanations given to us and based on the audit procedures performed by us, funds raised on short term basis have not been utilised for long term purposes by the Company.
- (e) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, joint ventures or associate companies.
- (f) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not raised loans during the year on pledge of securities held in subsidiaries. The Company did not have any joint ventures or associate companies during the year.
- (x) (a) According to the information and explanations given to us and based on the audit procedures performed by us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3(ix)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partly or optionally) during the year.
- (xi) (a) According to the information and explanations given to us, no fraud by the Company or any fraud on the Company has been noticed or reported during the year.
- (b) According to the information and explanations given to us and to the best of our knowledge no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government during the year and upto the date of this Report.
- (c) As represented to us by the management, no whistle blower complaints were received by the Company during the year.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a 'nidhi' company and it has not accepted any deposits. Accordingly, paragraph 3(xii)(a), paragraph 3(xii)(b) and paragraph 3(xii)(c) of the Order is not applicable.

- (xiii) According to the information and explanations given to us and based on the audit procedures performed by us, the Company is in compliance with sections 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the company issued till the date of this Report, for the period under audit.
- (xv) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, provisions of section 192 of the Act and paragraph 3(xv) of the Order is not applicable.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, paragraph 3(xvi)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and based on audit procedures performed by us, the Company has not conducted any Non-Banking Financial or Housing Finance activities during the year. Accordingly, paragraph 3(xvi)(b) of the Order is not applicable.
- (c) In our opinion and according to the information and explanations given to us, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, paragraph 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us, the Group (as defined the Core Investment Companies (Reserve Bank) Direction 2016) had 2 Core Investment Companies (CICs) as part of the Group.
- (xvii) According to the information and explanations given to us and based on audit procedures performed by us, the Company has not incurred cash losses in the current financial year. The Company has incurred cash losses of Rs. 131.19 lakhs in the immediately preceding financial year.

- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, paragraph 3(xviii) of the Order is not applicable.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
- We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) (a) According to the information and explanations given to us and based on audit procedures performed by us, the Company was not required to spend any amount in terms of Section 135 of the Act during the year. Accordingly, second proviso to sub-section (5) of section 135 of the said Act and paragraph 3(xx)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and based on audit procedures performed by us, the Company did not have any ongoing project in terms of Section 135 of the Act during the year. Accordingly, provision of sub-section (6) of section 135 of the said Act and paragraph 3(xx)(b) of the Order is not applicable.

For **BATLIBOI & PUROHIT**
Chartered Accountants
ICAI Firm Reg. No.101048W

Kaushal Mehta
Partner
Membership No. 111749

Place : Mumbai
Date : May 30, 2022
ICAI UDIN: 22111749AJXQRP7553

Sub-Annexure – Title deeds of Immoveable Properties as on March 31, 2022

(Refer paragraph i (c) of the Annexure - A to the Independent Auditors' Report on Standalone Financial Statements)

Sr. No.	Description of the property	Gross carrying value as at Balance sheet date	Carrying value in Financial statements as at Balance sheet date	held in the name of	whether promoter, Director, or their relative or employee	period held since
1	B1/B2 701 Marathon Innova, Marathon NextGen, Off. Ganpatrao Kadam Marg, Lower Parel, Mumbai 400 013	5,886.47	5,124.67	erstwhile Eureka Forbes Ltd	No	February 01, 2022
2	Flat No. 701, 7th Floor, Sterling Sea Face, "A" Wing, Dr. Annie Besant Road, Worli, Mumbai – 400 018.	992.08	914.69	erstwhile Eureka Forbes Ltd	No	February 01, 2022
3	Flat No. 1103, 11th Floor, Sterling Sea Face, "B" Wing, Dr. Annie Besant Road, Worli, Mumbai – 400 018.	988.04	914.78	erstwhile Eureka Forbes Ltd	No	February 01, 2022
4	Sarkar Castle Co-op. Hsg. Soc. Ltd., Flat No. 501, 5th Floor, 43 Chimbai Road, Bandra (west) Mumbai – 400 050	267.51	254.64	erstwhile Eureka Forbes Ltd	No	February 01, 2022
5	Eden Wood "Cedar House" Co-op. Hsg. Society Ltd., Flat No. 8C, Eden Woods, Village Chitalsar, Manpada, Smt. Gladys Alvares Marg, Thane (West) – 400 061.	309.05	298.68	erstwhile Eureka Forbes Ltd	No	February 01, 2022
6	Eden Wood "Cedar House" Co-op. Hsg. Society Ltd., Flat No. 8D, Eden Woods, Village Chitalsar, Manpada, Smt. Gladys Alvares Marg, Thane (West) – 400 061.			erstwhile Eureka Forbes Ltd	No	February 01, 2022
7	Eden Wood "Cedar House" Co-op. Hsg. Society Ltd., Flat No. 9C, Eden Woods, Village Chitalsar, Manpada, Smt. Gladys Alvares Marg, Thane (West) – 400 061.			erstwhile Eureka Forbes Ltd	No	February 01, 2022
8	D-28/3, TTC Indl. Area Behind, Turbhe Telephone Exchange, Turbhe, Navi Mumbai - 400 705.	74.25	40.86	erstwhile Eureka Forbes Ltd	No	February 01, 2022
9	201 B, 2nd Floor, The Orion 5, Koregaon Road, Pune – 411 001.	754.92	705.56	erstwhile Eureka Forbes Ltd	No	February 01, 2022
10	Shop No. 201, 2nd Floor, South End Cnclave, R. B. Connector, EKADP, Kolkata 700 078.	419.35	388.28	erstwhile Eureka Forbes Ltd	No	February 01, 2022
11	Vedic Village Unit No. L – F8, Shikharpur, P. S. Rajarhat North 24 Parganas, Kolkata 700 135	139.87	121.99	erstwhile Eureka Forbes Ltd	No	February 01, 2022
12	3rd floor, Nikhlesh Palace, Opp. Jawahar Nagar, 164/ 17-4, Ashpk Marg, Lucknow – 226 001	283.95	263.53	erstwhile Eureka Forbes Ltd	No	February 01, 2022
13	Shop No. 203 & 204, 2nd Floor, The Guman _ II, "A" Block, Opp. Tagore Public School, Vaishali Nagar, Jaipur – 302 021.	373.49	357.69	erstwhile Eureka Forbes Ltd	No	February 01, 2022
14	Unit No. 402-408, 4th Floor, Sapphire heights, Plot No. 12, Agra - Bombay Road, Indore – 452 010.	128.28	117.58	erstwhile Eureka Forbes Ltd	No	February 01, 2022

Sr. No.	Description of the property	Gross carrying value as at Balance sheet date	carrying value in Financial statements as at Balance sheet date	held in the name of	whether promoter, Director, or their relative or employee	period held since
15	2nd & 3rd Floor, CLOUD-9, 81/1, The Swastik Co. Op. Hsg. Soc. Ltd., Navrangpura, Ahmedabad- 380 009.	340.69	318.83	erstwhile Eureka Forbes Ltd	No	February 01, 2022
16	Shop No. 2, 2nd Floor, Shiv Pooja Shopping Centre, City Light Main Road, Surat – 395 007.	350.36	322.16	erstwhile Eureka Forbes Ltd	No	February 01, 2022
17	Office NO. 102, 1st Floor, Ivory Terrace, R. C. Dutta Road, Alkapuri, Baroda – 390 005.	223.92	205.85	erstwhile Eureka Forbes Ltd	No	February 01, 2022
18	Ground Floor, Bharati Tower, A- Block, Forest Park, Bhubaneswar – 751 009	335.19	307.62	erstwhile Eureka Forbes Ltd	No	February 01, 2022
19	Shop No. B4 on 2nd Floor, B5, C5 & D5 on 3rd Floor, "Anmol Palani", No.88, G. N. Chetty Road, T. Nagar, Chennai – 600 017	578.22	520.24	erstwhile Eureka Forbes Ltd	No	February 01, 2022
20	Shop No. B5 on 3rd Floor, "Anmol, Palani", No.88, G. N. Chetty Road, T. Nagar, Chennai – 600 017			erstwhile Eureka Forbes Ltd	No	February 01, 2022
21	Shop No. C5 & D5 on 3rd Floor, "Anmol Palani", No.88, G. N. Chetty Road, T. Nagar, Chennai – 600017			erstwhile Eureka Forbes Ltd	No	February 01, 2022
22	Unit No. 506.5th Floor,Pavani Prestige, Commercial Building Complex, 6-3-789,Ammerpet, Hyderabad – 500 016.	90.77	85.62	erstwhile Eureka Forbes Ltd	No	February 01, 2022
23	Unit No. 506.507 & 508, 5th Floor,Pavani Prestige, Commercial Building Complex, 6-3-789,Ammerpet, Hyderabad – 500 016.	353.80	327.36	erstwhile Eureka Forbes Ltd	No	February 01, 2022
24	4th Floor, Tutus Tower, NH –47, Bye-Pass Road, Padivattom, Cochin -682 024.	317.20	284.99	erstwhile Eureka Forbes Ltd	No	February 01, 2022
25	Khasra No.3946,3961-62, Lal Tappar Industrial Area, Majri Grant, Dehradun-248140	4049.94	3350.23	erstwhile Eureka Forbes Ltd	No	February 01, 2022
26	No. 143, C-4,Bommasandra Industrial Area,Off Hosur Road,Bangalore - 560099	6302.33	5818.35	erstwhile Eureka Forbes Ltd	No	February 01, 2022

Note : Reason for all the above properties not being held in the name of the Company: The title deeds of the immovable properties were held in the name of erstwhile Eureka Forbes Ltd ("the EFL"). Due to the scheme of arrangement EFL was amalgamated in to Forbes & Co Ltd and the Undertaking as defined in the scheme was demerged in to Forbes Enviro Solutions Ltd, which has been renamed as Eureka Forbes Ltd. (refer note 29 VI)

Annexure – B to the Independent Auditors’ Report

(Referred to in paragraph (f) under ‘Report on Other Legal and Regulatory Requirement’s section of our report to the members of Eureka Forbes Limited (formerly known as Forbes Enviro Solutions Ltd) of even date)

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

Opinion

We have audited the Internal Financial Controls over financial reporting of Eureka Forbes Limited (“the Company”) [formerly known as Forbes Enviro Solutions Ltd] as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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 March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’).

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s Internal Financial Controls over Financial Reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by the ICAI and deemed to be prescribed under section 143(10) of the Act, 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 ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal Financial Controls 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 of the Company.

Meaning of Internal Financial Controls over Financial Reporting

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

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.

For **BATLIBOI & PUROHIT**
Chartered Accountants
ICAI Firm Reg. No.101048W

Kaushal Mehta
Partner
Membership No. 111749

Place : Mumbai
Date : May 30, 2022
ICAI UDIN: 22111749AJXQRP7553

Standalone Statement of Cash Flows

for the year ended March 31, 2022

Particulars	₹ in Lakhs	
	Year ended March 31, 2022	Year ended March 31, 2021
Cash flows from operating activities		
Profit/ (Loss) before tax	689.52	(162.24)
Adjustments for:		
Finance costs recognised in profit and loss	412.00	19.46
Interest on Lease Liabilities	22.48	0.41
(Gain)/ Loss on Investment recognised in profit and loss	-	(1.02)
Interest Income	(25.57)	(2.00)
(Gain)/ Loss on disposal of property, plant and equipment and Intangible	(50.87)	0.92
Remeasurements of the defined benefit plans	(10.46)	1.63
Provision/write-off of doubtful debts, advances and other current assets	27.36	24.82
Depreciation and amortisation expenses	731.18	5.23
Depreciation and amortisation expenses on Right of use assets	166.32	8.92
Fair value of Investment at FVTPL	(37.14)	-
Net foreign exchange (gain)/loss - unrealised	22.94	1,258.24
Operating Profit/(loss) before Working capital Changes	1,947.76	(103.87)
Movements in working capital:		
(Increase)/decrease in trade and other receivables	(1,451.13)	20.41
(Increase)/decrease in inventories	1,631.31	95.02
(Increase)/decrease in loans and advances	401.02	-
(Increase)/decrease in Other Assets	(472.97)	53.82
(Increase)/decrease in Other Financial Assets	262.20	3.96
Increase/(decrease) in trade and other payables	4,142.10	(52.40)
Increase/(decrease) in provisions	(20.54)	(0.73)
Increase/(decrease) in other liabilities	(2,662.83)	1,829.16
Cash generated from operations	3,776.92	(13.64)
Less : Income taxes (paid) / refund received	(60.06)	23.02
Net cash generated by operating activities	3,716.86	9.38
Cash flows from investing activities		
Interest received	25.57	2.16
Payments for property, plant and equipment	(540.17)	-
Proceeds from disposal of property, plant and equipment	139.30	-
Movement in Bank Balance other than Cash & Cash equivalents	1.07	14.43
Net cash used from investing activities	(374.23)	16.59

Standalone Statement of Cash Flows (Contd.)

for the year ended March 31, 2022

Particulars	₹ in Lakhs	
	Year ended March 31, 2022	Year ended March 31, 2021
Cash flows from financing activities		
Expenses paid for increase in Authorised Share Capital	(185.25)	-
Net increase / (decrease) in working capital borrowings	(2,307.13)	-
Payment of lease liabilities	(193.39)	(9.18)
Interest paid	(409.97)	(19.46)
Net cash used in financing activities	(3,095.74)	(28.64)
Net Increase / (Decrease) in cash and cash equivalents	246.89	(2.67)
Cash and cash equivalents at the beginning of the year	19.81	22.48
Cash and cash equivalents acquired in business combination	1,075.09	-
Cash and cash equivalents at the end of the year	1,341.79	19.81
Net Increase / (Decrease) in cash and cash equivalents as disclosed above	246.89	(2.67)

Note :

The above Statement of Cash Flow has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7) Statement of Cash Flow

In terms of our report of even date

For Batliboi & Purohit
Chartered Accountants
Firm Registration No: 101048W

Kaushal Mehta
Partner
Membership No: 111749

Place: Mumbai
Dated : May 30, 2022

For and behalf of the Board of Directors of Eureka Forbes Limited
(formerly Forbes Enviro Solutions Limited)

Homi Adi Katgara
Director
(DIN-00210338)

Dattaram Shinde
Company Secretary

Place: Mumbai
Dated : May 30, 2022

Marzin R. Shroff
Managing Director & CEO
(DIN-00642613)

R S Moorthy
Chief Financial Officer

Standalone Statement of Changes in Equity

for the year ended March 31, 2022

A. Equity share capital

(i) Current Reporting Period

	₹ in Lakhs
Balance at April 1, 2021	482.73
Changes in equity share capital due to prior period error	-
Restated Balance at April 1, 2021	482.73
Less: Shares cancelled pursuant to scheme of arrangement	(482.73)
Add: Shares issued on account of business combination (Refer Note 30)	19,347.92
Balance at March 31, 2022	19,347.92

(ii) Previous Reporting Period

	₹ in Lakhs
Balance at April 1, 2020	482.73
Changes in equity share capital due to prior period error	-
Restated Balance at April 1, 2020	482.73
Add: Issued during the year	-
Balance at March 31, 2021	482.73

B. Other Equity

(i) Current Reporting period

Particulars	Reserves and Surplus			Total Other Equity
	Retained earnings	Securities Premium	Capital Reserve	
As at April 1, 2021*	(468.86)	-	-	(468.86)
Add:				
Profit/ (Loss) for the year	280.30	-	-	280.30
Add: On account of Scheme of Arrangement			482.73	482.73
Other comprehensive Income for the year, net of income tax	(7.83)	-	-	(7.83)
On Issue of equity shares on account of business combination (Refer note 30)		3,87,248.70		3,87,248.70
Less: Cost for increase in Authorised Share Capital		(185.27)		(185.27)
Total comprehensive Income/(Loss) for the year	272.47	3,87,063.43	482.73	3,87,818.63
Balance at March 31, 2022	(196.39)	3,87,063.43	482.73	3,87,349.77

Standalone Statement of Changes in Equity (Contd.)

for the year ended March 31, 2022

B. Other Equity (Contd.)

(ii) Previous Reporting period

Particulars	Reserves and Surplus			Total Other Equity
	Retained earnings	Securities Premium	Capital Reserve	
As at April 1, 2020*	(307.46)	-	-	(307.46)
Add:				
Profit/ (Loss) for the year	(163.03)			(163.03)
Other comprehensive Income for the year, net of income tax		-	-	-
Cumulative gain/(loss) reclassified to retained earnings on sale of Equity Instrument designated as at FVTOCI	1.63	-	-	1.63
Total comprehensive Income/(Loss) for the year	(161.40)	-	-	(161.40)
Balance at March 31, 2021	(468.86)	-	-	(468.86)

* There are no changes in other equity due to change in accounting policy or prior period errors

In terms of our report of even date

For Batliboi & Purohit
Chartered Accountants
Firm Registration No: 101048W

Kaushal Mehta
Partner
Membership No: 111749

Place: Mumbai
Dated : May 30, 2022

For and behalf of the Board of Directors of Eureka Forbes Limited
(formerly Forbes Enviro Solutions Limited)

Homi Adi Katgara
Director
(DIN-00210338)

Dattaram Shinde
Company Secretary

Place: Mumbai
Dated : May 30, 2022

Marzin R. Shroff
Managing Director & CEO
(DIN-00642613)

R S Moorthy
Chief Financial Officer

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

Background

Eureka Forbes Limited (formerly Forbes Enviro Solutions Limited) is a limited company incorporated and domiciled in India with its registered office situated at B1/B2, 701, Marathon Innova, Off Ganpatrao Kadam Marg, Lower Parel, (West), Mumbai – 400 013.

Prior to acquisition of the Health, Hygiene Safety Products and Services Undertaking ('the Undertaking') pursuant a Scheme of Arrangement approved by the Hon'ble National Company Law Tribunal on January 25, 2022 (Refer Note 29(VI)) for detailed description of the Scheme), as a running business with effect from February 01, 2022, the Company was engaged in manufacturing and trading water and waste water treatment plants and related operation and maintenance contracts. Subsequent to the acquisition of the said Undertaking, the Company is also engaged in the business of manufacturing, trading, selling, renting and servicing of vacuum cleaners, water filter cum purifiers, electronic air cleaning systems and similar products.

Based on the approval received from BSE Ltd., the equity shares of the Company were listed on BSE Limited on March 16, 2022.

Note 1: Basis of preparation of Financial statements

This note provides a list of significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented unless otherwise stated.

(a) Compliance with Indian Accounting Standards (Ind AS)

These standalone financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

(b) Historical Cost convention

The financial statements have been prepared on a historical cost basis, on accrual basis of accounting except for certain financial assets and liabilities (including derivative instruments) that are measured at fair value.

(c) Functional and presentation currency

These financial statements are presented in Indian Rupees (₹), which is also the Company's functional currency.

(d) Use of estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes :

Note 2(g) and 3(a) – Useful lives of Property, plant and equipment

Note 2(h) and 4 – Useful and indefinite lives of Intangible assets

Note 2(i) and 24– Employee Benefit Expense

Note 19 and 29(I)(a)– Provisions and Contingent liabilities

Note 5 (a) – Estimated Fair Values of Unlisted Securities

Note 19– Estimation for provision of Warranty Claims

Note 6– Impairment of Trade Receivables

Note 10 and 28 and Note 2(n) – Income taxes

Note 9 and 28 and Note 2(n)– Recognition of Deferred taxes

Note 2(m)– Refund Liabilities

Note 29(IX) - Impact of Covid-19

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the next year is included in the note below.

Note 29(1) (a) and 29 (XI) – Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources.

Impairment

Assets are tested for impairment on an annual basis and whenever there is an indication that the recoverable amount is less than its carrying amount based on a number of factors including operating results, business plans, future cash flows and economic conditions. The recoverable amount is determined based on higher of value-in-use and fair value less cost to sell.

Market related information and estimates are used to determine the recoverable amount. Key assumptions on which management has based its determination of recoverable amount include estimated long term growth rates, weighted average cost of capital and estimated operating margins. Cash flow projections take into account past experience and represent management's best estimate about future developments.

(e) Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial assets and liabilities.

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2022

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 assets or liability

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy that categorises into three levels, described as follows, the inputs to valuation techniques used to measure value. the fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and lowest priority to unobservable inputs (Level 3 inputs).

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

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

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in Note 33 – Financial instruments.

Note 2: Significant Accounting Policies

(a) Foreign currency transactions

Transactions in currencies other than company's functional currency i.e. Indian Rupee are recognised at the exchange rate prevailing at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate prevailing at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are not translated. Exchange differences are recognised in profit or loss not retranslated, except exchange differences arising from the translation of the equity investments which are recognised at fair value through OCI (FVOCI) are recognised in other comprehensive income.

(b) Financial Instruments

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

(i) Financial Assets

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.

Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Investment in equity instruments of subsidiary, associates and joint ventures are measured at cost less impairment. All other financial assets are subsequently measured at fair value.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument 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 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 debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2022

Financial assets at fair value through profit or loss (FVTPL)

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement 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 and is included in the 'Other income' line item.

Investments in equity instruments at fair value through other comprehensive income (FVTOCI)

On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the reserve for 'equity instruments through other comprehensive income'.

(ii) Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by a 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 subsequently measured at amortised cost using the effective interest method or at FVTPL. 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.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Company are measured at their fair values.

(c) Derecognition

Financial Assets

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.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial Liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(d) Impairment

(i) Impairment of financial instruments

The Company recognises loss allowances for expected credit loss on financial assets measured at amortised cost, trade receivables, other contractual rights to receive cash or other financial assets and financial guarantee not designated as FVTPL.

The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses :

- bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2022

- Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. The Company follows 'simplified approach' for recognition of impairment loss allowance for trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime expected credit loss at each reporting date, right from its initial recognition.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

(ii) Impairment of non-financial assets

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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 CGU (or the asset).

The Company's corporate assets do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of assets other than goodwill for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(e) Cash and cash equivalents

For the purpose of presentation in the statement of cash flow, cash and cash equivalents including cash on hand, deposits held at call with financial institutions, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

(f) Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the weighted average method, and includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

The comparison of cost and net realisable value is made on an item-by-item basis.

The Net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2022

Raw Materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

(g) Property plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Property, plant and equipment acquired in a business combination are recognised at fair value at the acquisition date.

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

Depreciation methods, estimated useful lives and residual value

Depreciation has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes etc.

The estimated useful lives of property, plant and equipment for the current and comparative periods are as follows -

Type of Assets	Period
Plant & Machinery for cleaning services	5 years
Plant & Machinery on rent	6 years
Motor Cycles	3 years
Motor Cars	5 years
Office Equipment's	3 - 5 years

(h) Intangible assets

Intangible assets are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

Amortisation

Intangible assets acquired in a business combination are recognised at fair value at the acquisition date. Subsequently, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

The useful lives of intangible assets are assessed as finite or indefinite. Finite-life intangible asset are amortised on a Straight line basis over the period of their estimated useful lives. Estimated useful lives by major class of finite life Intangible assets are as follow:

Type of Assets	Period
Technical Knowhow	5 years
Computer Software	5 years
Distributor network-Service	10 years
Distributor network-Product	10 years

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

Indefinite - life intangible assets comprises trademark and brands for which there is no foreseeable Limit to the period over which they are expected to generate net cash inflows. These are considered to have an indefinite life, given the strength and durability of the brands and the level of marketing support

For Indefinite life intangible assets, the assessment of indefinite life is reviewed annually to determine whether it continues, if not, it is impaired or changed prospectively basis revised estimates

Goodwill is initially recognised based on the accounting policy for Business combination and is tested for impairment annually

(i) Employee Benefits

(i) Short Term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

(ii) Defined Contribution Plans

Defined contribution plans are employee state insurance scheme and Government administered pension / provident fund scheme for all applicable employees and superannuation scheme for eligible employees. The Company's contribution to defined contribution plans are recognised in the Statement of Profit and Loss in the financial year to which they relate.

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2022

The Company makes specified monthly contributions towards Employee Provident Fund scheme to a separate trust administered by the Company. The minimum interest payable by the trust to the beneficiaries is being notified by the Government every year. The Company has an obligation to make good the shortfall, if any, between the return on investments of the trust and the notified interest rate.

(iii) Defined Benefit Plans

Gratuity Scheme

The Company operates a defined benefit gratuity plan for employees. The Gratuity plan for the existing employee of the company is funded through a policy of Life Insurance Corporation. In respect of the employee of the business undertaking acquired during the year, the Company contributes to a separate trust administered by the Company towards meeting the Gratuity obligation. The Company's liability is determined on the basis of an actuarial valuation. Remeasurements of the net defined benefit liability as per the actuarial valuation report, which comprise actuarial gains and losses are recognised in OCI.

Other long term employee benefits

Entitlements to annual leave are recognised when they accrue to employees. The Company determines the liability for such accumulated leaves using the Projected Accrued Benefit method with actuarial valuations being carried out at each Balance Sheet date.

(j) Research and Development

- (a) Capital Expenditures are shown separately under respective heads of fixed assets.
- (b) Revenue expenses are included under the respective heads of expenses.

(k) Lease Accounting

Ind AS 116 sets out principles for the recognition, measurement, presentation and disclosure of leases. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. For all leases except as noted above, a lessee is required to recognise a right-of-use asset (ROU Asset) representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments in the balance sheet. Lessee will recognise depreciation of right-of-use assets and interest on lease liabilities in the statement of profit and loss.

The Company as a lessee

The Company's lease asset classes primarily consist of leases for Premises. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases.

The lease payments that are not paid at the commencement date are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments) payable during the lease term and under reasonably certain extension options, less any lease incentives;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2022

The amount recognised as provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period taking into account the risk and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Contingent Liabilities are not recognised in the financial statements but are disclosed in the notes.

Contingent assets are disclosed where inflow of economic benefit is probable.

(q) Investment in Subsidiaries

The Company has elected to recognise its investments in subsidiaries at cost in accordance with the option available in IND AS 27, 'Separate Financial Statement'. The details of such investments are given in Note 5. Impairment policy applicable on such investments is explained in note 2 (d) above.

(r) Borrowing Cost

Borrowing Cost includes interest, amortisation of ancillary cost incurred in connection with the arrangement of borrowings and exchange difference arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing cost, if any, 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, if any. All other borrowing costs are expensed in the period in which they occur.

(s) Derivatives

The Company enters into certain derivative contracts to hedge risks which are not designated as hedge. Such contracts are accounted for at fair value through the Statement of Profit and Loss

(t) Assets Classified as held for sale

Noncurrent assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. These assets are measured at lower of their carrying amount and fair value less costs to sell. Non current assets (or disposal group) are presented separately from the other assets in the balance sheet. The liabilities of disposal group, if any, are presented separately from the other liabilities in the balance sheet.

(u) Business Combination

Business combinations are accounted for using the acquisition accounting method as at the date of the acquisition. The consideration transferred in the acquisition and the identifiable assets acquired and liabilities assumed are recognised at fair values on their acquisition date. Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred over the net identifiable assets acquired and liabilities assumed. Consideration transferred does not include amounts related to settlement of pre-existing relationships. Such amounts are recognised in the Statement of Profit and Loss.

Transaction costs are expensed in the standalone statement of profit and loss as incurred, other than those incurred in relation to the issue of debt or equity securities which are directly adjusted in other equity.

(v) Segment Reporting

The company is primarily engaged in the business of Health, Hygiene & Safety products and its services. As the basic nature of these activities are governed by the same set of risk and returns, there is no primary segment identified as per Indian Accounting Standards (Ind AS) 108 "Operating Segments" notified under section 133 of the Companies Act 2013. The company has identified geographical segment as its secondary segment.

(w) Standards issued but not yet effective

On March 23, 2022, Ministry of Corporate Affairs ('MCA') amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 01, 2022, as below:

Ind AS 103 – Business Combinations

The amendment clarifies that while applying the acquisition method for recognition, the assets and liabilities taken over, in a business combination, must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. The Company does not expect the amendment to have any impact in its financial statements.

Ind AS 16 – Property, Plant and Equipment

The amendment requires that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The Company does not expect the amendment to have any significant impact in its financial statements.

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2022

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets

The amendment clarifies in relation to onerous contracts that the cost of fulfilling a contract comprises the costs that relate directly to the contract which consist of incremental costs of fulfilling that contract (examples would be direct labour, materials) and an allocation of other costs that relate directly to fulfilling contracts. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 41 – Agriculture

The amendment relates to recognition and measurement of biological assets or agricultural produce. These amendments will not have any impact on the Company's financial statements.

Ind AS 109 – Financial Instruments

The amendment clarifies that while determining the fees paid (net of fees received) when a borrower applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability, the borrower to include only fees paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. The Company does not expect the amendment to have any significant impact in its financial statements.

Notes to the financial statements (Contd.)

for the year ended March 31, 2022

Note 3(a) - Property, plant and equipment

Gross Block #	₹ in Lakhs									
	Land - Freehold [®]	Buildings ^{**@}	Plant and Machinery [§]	Electrical Installation & Equipment	Laboratory Equipment	Office Equipment	Furniture and Fixtures	Vehicles	Computers	Total
As at April 1, 2020	-	-	-	8.54	-	13.68	33.87	-	15.01	71.10
Additions	-	-	-	-	-	-	-	-	-	-
Deletions	-	-	-	(1.72)	-	(2.88)	-	-	(3.36)	(7.96)
As at March 31, 2021	-	-	-	8.54	-	11.96	30.99	-	11.65	63.14
Additions through business combination (Refer Note:30)	6,405.00	14,573.46	3,879.77	204.65	94.36	59.14	192.73	865.63	690.49	26,965.23
Additions	-	137.07	429.53	15.83	18.94	7.81	9.73	77.56	33.75	730.22
Deletions	-	-	(43.81)	(11.11)	-	(1.55)	(12.93)	(39.12)	(8.59)	(117.11)
As at March 31, 2022	6,405.00	14,710.53	4,265.49	217.91	113.30	77.36	220.52	904.07	727.30	27,641.48
₹ in Lakhs										
Depreciation	Land - Freehold	Buildings	Plant and Machinery	Electrical Installation & Equipment	Laboratory Equipment	Office Equipment	Furniture and fixtures	Vehicles	Computers	Total
As at April 1, 2020	-	-	-	6.17	-	10.42	19.52	-	14.16	50.27
Charge for the year	-	-	-	0.90	-	0.78	3.39	-	0.10	5.17
Deletions	-	-	-	-	-	(1.63)	(2.31)	-	(3.19)	(7.13)
As at March 31, 2021	-	-	-	7.07	-	9.57	20.60	-	11.07	48.31
Charge for the year	-	71.32	75.97	6.27	3.52	4.15	8.17	63.37	49.58	282.35
Deletions	-	-	(0.51)	(7.55)	-	(1.27)	(9.87)	(1.54)	(8.16)	(28.90)
As at March 31, 2022	-	71.32	75.46	5.79	3.52	12.45	18.90	61.83	52.49	301.76
Net Block	-	-	-	1.47	-	2.39	10.39	-	0.58	14.83
As at March 31, 2021	6,405.00	14,639.21	4,190.03	212.12	109.78	64.91	201.62	842.24	674.81	27,339.72

** Includes a property for which co-op society is yet to be formed and also includes building given on lease
 @ The Title Deeds in respect of freehold land and Buildings which has been acquired in business combination (refer Note 30), are held in the name of erstwhile Eureka Forbes Limited. The company is in the process of transferring the above freehold land and Buildings in its own name.

§ Includes moulds given on Lease has a useful life of 15 years and depreciated accordingly.

Refer note 35 for assets pledged as security
 No proceeding has been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2022

Note 3(b) - Right of Use Assets

Gross Block	₹ in Lakhs		
	Land - Leasehold	Buildings	Total
As at April 1, 2020	-	10.46	10.46
Additions	-	8.24	8.24
Deletions	-	-	-
As at March 31, 2021	-	18.70	18.70
Additions through business combination (Refer Note:30)	345.01	1,284.44	1,629.45
Additions	-	95.96	95.96
Deletions	-	-	-
As at March 31, 2022	345.01	1,399.10	1,744.11

Depreciation	₹ in Lakhs		
	Land - Leasehold	Buildings	Total
As at April 1, 2020	-	8.51	8.51
Charge for the year	-	8.92	8.92
Deletions	-	-	-
As at March 31, 2021	-	17.43	17.43
Charge for the year	0.86	165.46	166.32
Deletions	-	-	-
As at March 31, 2022	0.86	182.89	183.75
Net Block	-	1.27	1.27
As at March 31, 2021	-	1.27	1.27
As at March 31, 2022	344.15	1,216.21	1,560.36

Note 4(a) - Goodwill

Gross Block	Goodwill on business Combination	
		Total
As at April 1, 2020	-	-
Additions	-	-
Deletions	-	-
As at March 31, 2021	-	-
Additions through business combination (Refer Note:30)	2,05,581.67	2,05,581.67
Additions	-	-
Deletion	-	-
As at March 31, 2022	2,05,581.67	2,05,581.67
Impairment	-	-
As at April 1, 2020	-	-
Charge for the year	-	-
Deletions	-	-
As at March 31, 2021	-	-
Charge for the year	-	-
Deletion	-	-
As at March 31, 2022	-	-
Net Block	-	-
As at March 31, 2021	-	-
As at March 31, 2022	2,05,581.67	2,05,581.67

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2022

Note 4(b) - Other Intangible Assets

₹ in Lakhs						
Gross Block	Computer Software	Distributor network-Service	Distributor network-Product	Technical Knowhow	Brand Name / Trademarks #	Total
As at April 1, 2020	15.23	-	-	-	-	15.23
Additions	-	-	-	-	-	-
Deletions	(1.67)	-	-	-	-	(1.67)
As at March 31, 2021	13.56	-	-	-	-	13.56
Additions through business combination (Refer Note:30)	118.07	20,557.83	3,966.24	19.79	2,91,119.26	3,15,781.19
Additions	-	-	-	-	-	-
Deletion	(4.90)	-	-	-	-	(4.90)
As at March 31, 2022	126.73	20,557.83	3,966.24	19.79	2,91,119.26	3,15,789.85
Amortisation						
As at April 1, 2020	14.31	-	-	-	-	14.31
Charge for the year	0.07	-	-	-	-	0.07
Deletions	(1.59)	-	-	-	-	(1.59)
As at March 31, 2021	12.79	-	-	-	-	12.79
Charge for the year	20.31	342.63	66.10	19.79	-	448.83
Deletion	(4.66)	-	-	-	-	(4.66)
As at March 31, 2022	28.44	342.63	66.10	19.79	-	456.96
Net Block						
As at March 31, 2021	0.77	-	-	-	-	0.77
As at March 31, 2022	98.29	20,215.20	3,900.14	-	2,91,119.26	3,15,332.89

Refer Note 35 for assets pledged as security

Note 5(a) - Non Current Investments

Investments in Subsidiaries at Cost

₹ in Lakhs		
Particulars	As at March 31, 2022	As at March 31, 2021
Unquoted Investments (all fully paid)		
Investments in Equity Instruments		
3,57,765 (previous year NIL) equity shares of AED 1000/- fully paid up in Euro Forbes Limited. (Includes 3,16,150 shares issued at discount)	34,732.26	-
500,000 (previous year Nil) equity shares of ₹10/- fully paid up in Forbes Aquatech Limited	50.00	-
70,00,000 (previous year Nil) equity shares of ₹10/- fully paid up in Infinite Water Solutions Private Limited	2,474.15	-
Total Unquoted Investments	37,256.41	-
Less : Aggregate amount of impairment in value of investments in Euro Forbes Limited	34,732.26	-
Investments in Subsidiaries at Cost (Net)	2,524.15	-

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2022

Note 5(a) - Non Current Investments # (Contd.)

Other investments

₹ in Lakhs		
Particulars	As at March 31, 2022	As at March 31, 2021
Unquoted Investments (all fully paid)		
Investments in Equity Instruments - Other Company at FVOCI		
7,143 (previous year NIL) equity shares of ₹10/- fully paid up in Water Quality Association. (Refer Note:-1 below)	0.71	-
Total Investments in Equity Instruments and Debentures	0.71	-
Less : Aggregate amount of impairment in value of investments	-	-
Unquoted Investment at cost	0.71	-
Equity Component in Fair value of Financial Guarantees		
Euro Forbes Limited	415.78	-
	415.78	-
Less : Aggregate amount of impairment in value of investments in Subsidiary Companies	415.78	-
Equity Component in Fair value of Financial Guarantees	-	-
Total Non Current Investment	2,524.86	-
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	2,524.86	-
	2,524.86	-

Acquired on business combination (refer Note 30)

Note 1:- The Company has invested in 7143 shares of face value ₹10 /- each in a non profit making organisation hence the fair value has been considered same as the carrying value

Note 5(b) - Current Investments

₹ in Lakhs		
Particulars	As at March 31, 2022	As at March 31, 2021
Unquoted Investments in Mutual Funds (at FVTPL)		
Nippon India - Growth Plan Growth Option - 357.86 (Previous Year 357.86)	2.93	2.40
Tata Liquid Fund - Regular Plan - Growth - 1,23,049.196 units (Previous Year - NIL)	4,101.31	-
HDFC Liquid Fund - Growth - 49,754.72 units (Previous Year - NIL)	2,065.71	-
Total Current Investment	6,169.95	2.40
Aggregate amount of unquoted investments and NAV thereof	6,169.95	2.40

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2022

Note 6 - Trade receivables

Particulars	₹ in Lakhs			
	Non Current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Trade receivables				
Unsecured, considered good	332.81	-	14,705.97	75.08
Unsecured, Debts due from related parties (refer note 29 VII)	-	-	623.40	160.52
Unsecured, which have significant increase in credit risk	-	-	-	-
Unsecured, credit impaired	28.94	-	787.73	44.70
Unsecured, credit impaired from related parties (refer note 29 VII)	-	-	-	-
	28.94	-	787.73	44.70
Less: Allowance for doubtful debts	28.94	-	787.73	44.70
Total	332.81	-	15,329.37	235.60

Trade receivables

Ageing for trade receivables from the due date of payment for each of the category as at March 31, 2022

Outstanding for following periods from due date of payment	₹ in Lakhs			
	Undisputed Trade Receivables - Considered good	Undisputed Trade Receivables - Credit impaired	Disputed Trade Receivables - Considered good	Disputed Trade Receivables - Credit impaired
Not due	3,685.92	-	-	-
Less than 6 months	11,624.80	316.60	-	-
6 months - 1 year	122.26	2.37	-	-
1-2 years	75.45	23.35	-	-
2-3 years	16.30	13.65	-	-
More than 3 years	137.45	460.70	-	-
Total (A)	15,662.18	816.67	-	-
Less: Allowance for expected credit loss- (B)	-	816.67	-	-
Total [(A)- (B)]	15,662.18	-	-	-

Ageing for trade receivables from the due date of payment for each of the category as at March 31, 2021

Outstanding for following periods from due date of payment	₹ in Lakhs			
	Undisputed Trade Receivables - Considered good	Undisputed Trade Receivables - Credit impaired	Disputed Trade Receivables - Considered good	Disputed Trade Receivables - Credit impaired
Not due	108.44	-	-	-
Less than 6 months	1.76	-	-	-
6 months - 1 year	7.14	-	-	-
1-2 years	35.88	-	-	-
2-3 years	61.28	-	-	-
More than 3 years	21.10	44.70	-	-
Total (A)	235.60	44.70	-	-
Less: Allowance for expected credit loss- (B)	-	44.70	-	-
Total [(A)- (B)]	235.60	-	-	-

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2022

Note 6 - Trade receivables (Contd.)

Trade receivables (Contd.)

Ageing for trade receivables from the due date of payment for each of the category as at March 31, 2021 (Contd.)

- Transactions with firms/Private Companies in which a Directors are interested:
Trade Receivable include ₹13.93/- Lakhs (Previous Year ₹76.08 Lakhs) due from a Private Company Shapoorji Pallonji and Company Pvt Limited, in which a Director of the Company is a Director.
- The Company's exposure to credit risk and loss allowances related to trade receivables are disclosed in Note 34 (a)
- The Company uses simplified approach for trade receivable for calculating expected credit loss. Accordingly the company does not track changes in credit risk of individual trade receivable
- Refer note 35 for receivables pledged as security against borrowings

Note 7 - Loans

Particulars	₹ in Lakhs			
	Non Current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Loans to Employees				
-Unsecured, considered good	-	-	7.92	-
Less : Allowance for bad and doubtful loans	-	-	-	-
	-	-	7.92	-
	-	-	7.92	-

Note 8 - Other financial assets

Particulars	₹ in Lakhs			
	Non Current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Bank deposits with more than 12 months maturity	26.49	1.50	-	-
Deposit with Banks held as Margin Money	966.56	-	-	-
Security deposits - unsecured considered good	643.57	9.77	127.35	-
Interest Accrued - on fixed deposits with Banks	-	-	-	0.06
	1,636.62	11.27	127.35	0.06

Note 9 - Deferred tax balances

Particulars	₹ in Lakhs	
	As at March 31, 2022	As at March 31, 2021
Deferred tax liabilities	83,959.17	-
Deferred tax assets	(1,218.69)	-
Net	82,740.48	-

Refer note 36 for detailed components of Deferred taxes

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2022

Note 10 - Income tax assets and liabilities

Particulars	₹ in Lakhs			
	Non Current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Income tax assets (Net)				
Advance income-tax (Net of provision for taxation)	2,345.77	42.72	-	-
Total	2,345.77	42.72	-	-
Income tax Liabilities				
Provision for Taxation (Net of Advance Tax)	-	-	528.01	2.61
	-	-	528.01	2.61

Note 11 - Other Assets

Particulars	₹ in Lakhs			
	Non Current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Unsecured considered good, unless stated otherwise				
Capital Advances	151.10	-	-	-
Prepaid expenses/contribution	86.61	-	1,117.22	6.57
Right to Recover Returned Goods (Refer Note: 1 below)	-	-	90.00	-
Balance with statutory/ government authorities	1,097.48	117.22	2,201.69	19.32
Advances recoverable in cash or kind - considered good	-	-	732.67	6.48
Advances recoverable in cash or kind - considered doubtful	-	-	3,521.42	11.51
	-	-	4,254.09	17.99
Less: Provision for doubtful advances	-	-	3,521.42	11.51
	-	-	732.67	6.48
Total	1,335.19	117.22	4,141.58	32.37

Note 1:- A return right gives the company a contractual right to recover the goods from a customer (return assets) if the customer exercises his right to return the goods and the right to recover returned goods is accounted for the products that are expected to be returned

Note 12 - Inventories

Particulars	₹ in Lakhs	
	As at March 31, 2022	As at March 31, 2021
Inventories (lower of cost and net realisable value)		
Raw Materials, Components and Packing Material {Includes in transit ₹528.09/-Lakhs (Previous Year ₹ NIL Lakhs)}	4,752.20	147.42
Finished Goods {includes in transit:₹7.76/- Lakhs (Previous year: ₹ NIL Lakhs)}	7,100.21	-
Stock in Trade {includes in transit ₹1,112.4/- Lakhs (Previous year: ₹ NIL Lakhs)}	9,664.58	-
Spares & Accessories {includes in transit ₹22.07/- Lakhs - (Previous year: ₹ NIL Lakhs)}	6,791.57	56.62
	28,308.56	204.04

* Refer note 35 for inventories pledged as security against borrowing

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2022

Note 13 - Cash and cash equivalents and other bank balances

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and in banks, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the reporting period as shown in the cash flows statement can be reconciled to the related items in the balance sheet as follows:

Particulars	₹ in Lakhs	
	As at March 31, 2022	As at March 31, 2021
(a) Cash & cash equivalents		
Balances with Banks in current accounts	1,180.30	19.27
Cheques, drafts on hand	74.38	-
Cash on hand	77.74	0.54
Deposits with original maturity of less than 3 Months	9.37	-
Total Cash & cash equivalents	1,341.79	19.81
(b) Bank Balances other than cash & cash equivalents		
Deposits with original maturity of more than 12 months *	4.35	31.98
Deposits with original maturity of more than 3 months but less than 12 months *	94.90	-
Total Bank Balances other than cash & cash equivalents	99.25	31.98
Cash and cash equivalents as per cash flow statement	1,341.79	19.81

* Deposits lodged as security with Government authorities

Note 14 - Equity Share Capital

Particulars	₹ in Lakhs	
	As at March 31, 2022	As at March 31, 2021
Equity share capital	19,347.92	482.73
Total	19,347.92	482.73

Authorised Share capital :

Particulars	₹ in Lakhs	
	Number of shares	Share capital ₹ in Lakhs
As at April 1, 2020	50,00,000	500.00
Increase during the year	-	-
As at April 1, 2021	50,00,000	500.00
Increase during the year	19,50,00,000	19,500.00
Balance at March 31, 2022	20,00,00,000	20,000.00
Issued and subscribed capital comprises:		
19,34,79,240 fully paid equity shares of ₹10 each (as at March 31, 2021: 48,27,263)	19,347.92	482.73
	19,347.92	482.73

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2022

Note 14 - Equity Share Capital (Contd.)

Movement in equity share capital :

Particulars	Number of shares	₹ in Lakhs
		Share capital ₹ in Lakhs
Balance at April 1, 2020	48,27,263	482.73
Less: Bought back during the year	-	-
Balance at March 31, 2021	48,27,263	482.73
Add: Shares issued on account of business combination (Refer Note 30)	19,34,79,240	19,347.92
Less: Shares cancelled pursuant to scheme of arrangement	(48,27,263)	(482.73)
Balance at March 31, 2022	19,34,79,240	19,347.92

I. Fully paid equity shares have a par value of ₹10. Each holder of equity shares is entitled to one vote per share with a right to receive per share dividend declared by the Company. In the event of liquidation, the equity shareholders are entitled to receive remaining assets of the Company (after distribution of all preferential amounts) in the proportion of equity shares held by the shareholders.

II. Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates

Particulars	Fully paid ordinary shares	
	As at March 31, 2022	As at March 31, 2021
Erstwhile Eureka Forbes Limited (Holding Company)	-	48,27,263
Shapoorji Pallonji and Company Private Limited (Holding Company)	14,03,89,395	-
Total as at the end of the year	14,03,89,395	48,27,263

III. Details of shares held by each shareholder holding more than 5% shares

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of shares held	% holding	Number of shares held	% holding
Fully paid equity shares				
Shapoorji Pallonji and Company Private Limited	14,03,89,395	72.56%	-	-
India Discovery Fund Limited	1,72,23,825	8.90%	-	-
Erstwhile Eureka Forbes Limited	-	-	48,27,263	100%
Total	15,76,13,220	81.46%	48,27,263	100%

IV. Details of shareholdings by the Promoters of the Company

Promoter Name	As at March 31, 2022		As at March 31, 2021		% Change in the year
	Number of shares	% of total shares	Number of shares	% of total shares	
Shapoorji Pallonji and Company Private Limited (Through erstwhile Eureka Forbes Limited for March 2021)	14,03,89,395	72.56%	48,27,263	100%	-27.44%

Note i: Prior to approval of Scheme of Arrangement approved by the Hon'ble National Company Law Tribunal on January 25, 2022 (Refer Note 29(VI)) for detailed description of the Scheme), Shapoorji Pallonji and Company Private Limited were holding 100% of the shares of the company through erstwhile Eureka Forbes Limited.

Note ii: Pursuant to the Share Purchase Agreement dated September 19, 2021 ("SPA") executed between inter alia erstwhile Forbes Enviro Solutions Limited and now renamed Eureka Forbes Limited, Lunolux Limited ("Acquirer"), Shapoorji Pallonji and Company Private Limited ("Seller"), Forbes Campbell Finance Limited ("FCFL"), Forbes & Company Limited and erstwhile Eureka Forbes Limited for the acquisition by the Acquirer of a majority stake in the Health, Hygiene & Safety products and its services represented by up to 72.56% of the total issued and paid-up share capital of the Company from the Seller, the Acquirer has acquired 123,555,843 equity shares representing 63.86% of the total issued and paid-up share capital of the Company on April 25, 2022.

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2022

Note 14 - Equity Share Capital (Contd.)

Movement in equity share capital : (Contd.)

- V. For the period of five years immediately preceding the date as at which the Balance Sheet is prepared:
- Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash:
19,34,79,240 Equity shares of ₹10 each allotted as fully paid-up pursuant to Scheme of Arrangement approved by the Hon'ble National Company Law Tribunal on January 25, 2022 (Refer Note 29(VI)) for detailed description of the Scheme) without payment being received in cash
 - Aggregate number and class of shares allotted as fully paid up by way of bonus shares: Nil
 - Aggregate number and class of shares bought back: Nil

Note 15 - Other equity

Particulars	₹ in Lakhs	
	As at March 31, 2022	As at March 31, 2021
1) Retained earnings		
Balance at beginning of year	(468.86)	(307.46)
Add/ (less): Profit/ (Loss) for the year	280.30	(163.03)
Other comprehensive income/(loss) arising from re-measurement of defined benefit obligation, net of tax	(7.83)	1.63
Balance at end of the year	(196.39)	(468.86)
2) Capital reserve		
Balance at beginning of the year	-	-
Add: On account of Scheme of Arrangement	482.73	-
Balance at end of the year	482.73	-
3) Security Premium		
Balance at beginning of the year	-	-
Add: Addition during the year on account of Business combination	3,87,248.70	-
Less: Cost for increase in Authorised Share Capital	(185.27)	-
Balance at end of the year	3,87,063.43	-
Total	3,87,349.77	(468.86)

Description of nature and purpose of reserves

1) Retained Earnings

This reserve represents the cumulative profits of the company and the effects of remeasurement of defined benefit obligations. The reserve can be utilised in accordance with the provision of the Companies Act, 2013

2) Capital Reserve

The Capital reserve has been created on cancellation of shares held by then existing shareholders of the company as per the composite scheme of arrangement approved by the national company Law tribunal on January 25, 2022

3) Securities premium

Securities premium is used to record the premium on issue of shares. The reserve can be utilised in accordance with the provisions of the Companies Act, 2013

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2022

Note 16 - Borrowings

Particulars	₹ in Lakhs			
	Non-current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Secured – at amortised cost				
Term loans from				
Banks - Rupee Term loan	4,935.56	-	2,500.00	-
Loans repayable on demand				
- from Related Party	-	-	-	-
- from banks (Cash credit/ Buyers credit) (refer Note (c) below)	-	-	15,031.28	-
Unsecured - at amortised cost				
Loans repayable on demand				
- from banks (refer Note (b) below)	-	-	1,489.69	-
- from Related Party	-	-	-	150.00
Total Borrowings	4,935.56	-	19,020.97	150.00

Summary of borrowing arrangements

Note a. Rupee Term loan (RTL) from ICICI Bank amounting to ₹10,000.00 Lakhs (Outstanding as on March 31, 2022 ₹7,500.00 Lakhs) carries interest rate of 1 year MCLR + Spread and secured against pari pasu charge on tangible assets and brand name/ trade marks (Excluding vehicles and two wheelers purchased under Employee Benefit Scheme). The outstanding amount is payable 12 equal quarterly instalment starting from June 18, 2022.

Note b. Unsecured short term borrowing from banks carries interest @ 8.95% p.a.

Note c. Short term borrowing from banks is secured by pari-passu charge on hypothecation of stock-in-trade & book debts and carries interest @ 8.50% to 10.50% p.a.

Note d. No amount are pending to be utilised from the borrowings outstanding as on March 31, 2022

Note e. The Company has not been declared wilful defaulter by any bank or financial institution or other lender.

Note 17 - Trade payables

Particulars	₹ in Lakhs			
	Non-current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Trade and other payables				
Total outstanding dues of micro enterprises and small enterprises	-	-	6,112.59	23.42
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	15,660.59	447.37
(Refer note below for dues to Micro and Small Enterprises)				
Trade payables to related parties (Refer note 29 VII)	-	-	2,615.61	6.49
Total	-	-	24,388.79	477.28

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2022

Note 17 - Trade payables (Contd.)

Ageing for trade payables from the due date of payment for each of the category as at March 31, 2022

Outstanding for following periods from due date of payment	₹ in Lakhs			
	Undisputed dues-MSME	Undisputed dues - Others	Disputed dues-MSME	Disputed dues - Others
Not due	6,091.22	14,508.53	-	-
Less than 1 year	15.70	3,741.52	-	-
1-2 years	-	6.58	-	-
2-3 years	5.67	0.11	-	-
More than 3 years	-	19.46	-	-
Total	6112.59	18,276.20	-	-

Ageing for trade payables from the due date of payment for each of the category as at March 31, 2021

Outstanding for following periods from due date of payment	₹ in Lakhs			
	Undisputed dues-MSME	Undisputed dues - Others	Disputed dues-MSME	Disputed dues - Others
Not due	16.82	172.93	-	-
Less than 1 year	6.60	202.14	-	-
1-2 years	-	62.53	-	-
2-3 years	-	10.32	-	-
More than 3 years	-	5.94	-	-
Total	23.42	453.86	-	-

Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 under the Chapter on delayed payments to Micro and Small Enterprises

Particulars	₹ in Lakhs	
	As at March 31, 2022	As at March 31, 2021
(i) Principal amount remaining unpaid to MSME suppliers as on year end	6,096.89	23.22
(ii) Interest due on unpaid principal amount to MSME suppliers as on year end	15.70	0.20
(iii) The amount of interest paid along with the amounts of the payment made to the MSME suppliers beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year (without adding the interest under MSME Development Act)	-	-
(v) The amount of interest accrued and remaining unpaid as on year end	15.70	0.20
(vi) The amount of further interest remaining due and payable even in the succeeding year	15.70	0.20

Note 18 - Other financial liabilities

Particulars	₹ in Lakhs			
	Non-current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
(a) Interest accrued but not due on borrowings				
- From banks	-	-	-	3.90
- From related Parties (Refer note 29 VII)	-	-	-	-
(b) Interest free trade deposits	-	-	4,601.89	6.32
(c) Others :-				
- Dues to employees	-	-	4,758.42	19.74
- Dues on account of customer rebate schemes and other contractual liabilities	-	-	2,964.53	15.28
Total	-	-	12,324.84	45.24

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2022

Note 19 - Provisions

Particulars	₹ in Lakhs			
	Non-current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Employee benefits - Compensated absences	154.47	2.19	88.22	0.66
Gratuity payable	-	-	205.87	-
Other provisions (Refer Note 29XI)	-	-	-	-
Warranties	-	-	1,786.61	0.43
Others	-	-	51.25	-
Total	154.47	2.19	2,131.95	1.09

Note 20 - Other Liabilities

Particulars	₹ in Lakhs			
	Non-current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Contract Liabilities - Income received in advance (Refer Note 29 XIII)	12,867.49	-	40,405.01	4.99
Others - Deductions from employees for company's assets	648.33	-	1,181.42	-
Advance from customers	-	-	681.01	-
Contract Liabilities - Others (Refer Note (a) below)	-	-	137.04	-
Refund Liabilities (Refer Note (b) below)	-	-	1,722.40	-
Statutory liabilities (Contributions to PF, Pension, ESIC, withholding Taxes, VAT, GST etc.)	-	-	1,638.50	15.73
Total	13,515.82	-	45,765.38	20.72

Note a: Contract liability pertains to deferred revenue arising as a separate performance obligation.

Note b: The company recognises a refund liability for the amount of consideration received when a customer has a right to return products within a given period. Refund liabilities also include amount recognised for various discounts and incentives payable to customers.

Note 21 - Revenue from operations

Particulars	₹ in Lakhs	
	Year ended March 31, 2022	Year ended March 31, 2021
Sale of products	27,684.99	719.03
Sale of services	10,324.17	65.60
Other operating revenues	-	-
Scrap sales	48.01	-
Other	42.96	-
Total	38,100.13	784.63

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2022

Note 22 - Other Income and other gains/ (losses)

Other Income	₹ in Lakhs	
	Year ended March 31, 2022	Year ended March 31, 2021
Interest income earned on financial assets that are not designated as at fair value through profit or loss:		
Bank deposits (at amortised cost)	25.44	2.01
Interest Others	0.04	-
Interest income on financial assets at amortised cost	0.08	-
Rental Income from Operating Lease	6.80	-
Others	89.05	1.77
Total (A)	121.41	3.78

Other gains/(losses) - Net	₹ in Lakhs	
	Year ended March 31, 2022	Year ended March 31, 2021
Gain/(loss) on disposal of property, plant and equipment	50.87	(0.92)
Gain/(loss) on disposal of Investments at FVTPL	-	1.02
Net foreign exchange gains/(losses)	28.16	0.02
Net gain/(loss) arising on financial assets measured at FVTPL	37.14	-
Total (B)	116.17	0.12
Total (A+B)	237.58	3.90

Note 23 - Cost of Goods Sold

Raw Materials, Components and Packing Materials -	₹ in Lakhs	
	Year ended March 31, 2022	Year ended March 31, 2021
Inventory at the beginning of the year	147.42	160.06
Add : Inventory on Acquisition	5,748.95	-
Add : Purchases	9,283.72	581.55
	15,180.09	741.61
Less : Inventory at the end of the year	4,752.20	147.42
Cost of Raw Materials, Components and Packing Materials consumed	10,427.89	594.19
Purchases of stock-in-trade	5,279.57	4.73
Changes in inventories of finished goods, Spares, work-in-progress and stock-in-trade.	499.41	82.39
Total	5,778.98	87.12

Note 24 - Employee benefits expense

Particulars	₹ in Lakhs	
	Year ended March 31, 2022	Year ended March 31, 2021
Salaries and Wages	4,555.77	131.34
Contribution to provident and other funds	254.26	6.31
Staff Welfare Expenses	68.22	0.07
Total	4,878.25	137.72

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2022

Note 25 - Finance costs

Particulars	₹ in Lakhs	
	Year ended March 31, 2022	Year ended March 31, 2021
Interest on bank overdrafts and loans	404.63	19.46
Interest on Lease Liabilities	22.48	0.41
Exchange differences regarded as an adjustment to borrowing costs	-	-
Other borrowing costs	7.37	-
Total	434.48	19.87

Note 26 - Depreciation and amortisation expense

Particulars	₹ in Lakhs	
	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation of property, plant and equipment	282.35	5.17
Depreciation of right of use assets	166.32	8.92
Amortisation of intangible assets	448.83	0.07
Total	897.50	14.16

Note 27 - Other expenses

Particulars	₹ in Lakhs	
	Year ended March 31, 2022	Year ended March 31, 2021
Electricity Power and fuel	33.78	2.71
Rent	148.66	9.30
Repairs and Maintenance -		
Building	11.50	-
Machinery	29.46	-
Others	107.47	0.75
Insurance	79.04	3.80
Advertisement	276.82	-
Selling and Sales Promotion	3,083.30	-
Freight, Forwarding and Delivery	1,216.96	7.72
Wages to contractual workers	182.36	-
Payment to Auditors (Refer details Below)	81.03	4.73
Printing and Stationery	21.95	0.46
Communication cost	194.56	3.00
Travelling and Conveyance	274.36	7.70
Legal and Professional Fees	1,339.77	4.99
Vehicle Running Expenses	23.76	0.05
Rates and taxes, excluding taxes on income	59.81	6.33
Conference Expenses	55.54	-
Service Charges	6,181.42	14.24
Information Technology Expenses	892.83	-
Logistics Expenses	372.60	-
Other Establishment Expenses	448.15	7.11
Directors' Sitting Fees	7.60	-
Bad Debts/Advances Written-Off	92.68	
Less: Adjusted against provision	(36.30)	
	56.38	-

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2022

Note 27 - Other expenses (Contd.)

Particulars	₹ in Lakhs	
	Year ended March 31, 2022	Year ended March 31, 2021
Provision for Doubtful Debts / Advances	(29.02)	24.82
Commission to Directors	81.00	-
Total	15,231.09	97.71

Particulars	₹ in Lakhs	
	Year ended March 31, 2022	Year ended March 31, 2021
Payments to auditors		
Statutory auditor		
For Audit fee (Includes limited review fees)	71.85	3.55
For other services	4.53	1.18
For reimbursement of expenses	-	-
Cost auditor	4.65	-
	81.03	4.73

Note 28 - Income tax recognised in statement of profit and loss

Particulars	₹ in Lakhs	
	Year ended March 31, 2022	Year ended March 31, 2021
Current tax		
In respect of the current year	207.63	-
In respect of prior years	10.75	0.79
	218.38	0.79
Deferred tax		
In respect of the current year	190.84	-
	190.84	-
Total income tax expense recognised in the current year	409.22	0.79

Note 29 - Additional information to the financial statements

I Contingent liabilities and commitments (to the extent not provided for)

(a) Contingent liabilities:

- Disputed Income Tax Demands - ₹1706.29 lakhs (previous year ₹ NIL Lakhs)
- Disputed Central Excise Demands - ₹1,442.81 lakhs (previous year ₹ NIL lakhs)
- Disputed Sales Tax demands - ₹3,692.88 lakhs (previous year ₹0.86 lakhs)
- Disputed Service Tax demands - ₹1,945.68 lakhs (previous year ₹ Nil lakhs)
- Disputed civil suit - ₹33.73 lakhs (previous year - ₹ Nil lakhs)
- Disputed claims against the company not acknowledged as debt ₹42.85 lakhs (Previous Year ₹ Nil Lakhs)
- Disputed Goods and Services Tax Demand - ₹486.33 Lakhs (previous year ₹ Nil Lakhs)

(b) Commitments:

- Estimated amount of contracts remaining to be executed on capital account and not provided for - ₹163.06 Lakhs (previous year ₹ NIL).
- Towards product performance ₹359.65 Lakhs (previous year ₹12.21 Lakhs)
- Towards service performance ₹373.30 Lakhs (previous year ₹ NIL)

In respect of all items mentioned in (a) above, till the matter are finally decided, the timing of outflow of economic benefit cannot be ascertained.

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2022

Note 29 - Additional information to the financial statements (Contd.)

II a.) The company has given certain office / factory premises and moulds on operating lease basis. Details of which are as follows -

Particulars	₹ in Lakhs			
	Building		Plant and Machinery (Moulds)	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Gross Amount	481.49	-	35.66	-
Accumulated Depreciation	139.92	-	28.10	-
Depreciation for the year	3.17	-	0.27	-

b.) The company has given commercial premises under cancellable operating lease. Lease rental income included in the statement of profit and loss for the year is ₹6.80/- Lakhs (Previous Year ₹ NIL Lakhs) for Premises.

III The Company is primarily engaged in the business of Health, Hygiene & Safety Products and Services. Information reported to and evaluated regularly by chief operating decision maker for the purpose of resource allocation and assessing performance focuses on the business as a whole. accordingly there is no other separate segment as per Indian Accounting Standard 108 dealing with "Operating Segment". The geographical segmentation is insignificant as the export turnover is less than 10% of the total turnover and also company's Non Current assets (other than Financial Instrument, deferred tax, post employment benefits) are located in India.

Revenue from transactions with a single external customer did not amount to 10% or more of the Company's revenue from external customers for current and previous year.

Revenue from External Customers:

	₹ in Lakhs	
	Year ended March 31, 2022	Year ended March 31, 2021
India	37,931.50	783.88
Outside India	168.63	0.75
Total Revenue	38,100.13	784.63

IV The Company did not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 during the current year and previous year.

V No funds have been advanced or loaned or invested by the Company to/in any intermediary with the understanding that the intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries. Further, no funds have been received from any person or entity ('Funding parties') with the understanding that the Company 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 or provide any guarantee, security or the like on behalf of the Funding Party.

VI The Board of Directors of Eureka Forbes Limited (Formerly known as Forbes Enviro Solutions Ltd) ("the Company") and erstwhile Eureka Forbes Ltd at their Board Meeting held on September 08, 2020, had inter alia, approved the Composite Scheme of Arrangement ("the scheme") under Section 230 to 232 and other applicable provisions of the Companies Act, 2013 and the rules and regulations made thereunder.

The Scheme, inter alia, provided for amalgamation and vesting of erstwhile Aquaignis Technologies Private Limited ("ATPL"), erstwhile Eureka Forbes Limited and erstwhile Euro Forbes Financial Services Limited ("EFFSL") with and into erstwhile Eureka Forbes Limited. Further, upon the above part of the scheme becoming effective, amalgamation and vesting of Erstwhile Eureka Forbes Limited with and into Forbes and Company Limited (FCL).

Further, upon the above part of the scheme becoming effective, demerger and vesting of Demerged Undertaking (Health, Hygiene, Safety Products and Services Undertaking, as defined in the scheme) of FCL into the Company on a going concern basis.

The Hon'ble National Company Law Tribunal ("the NCLT"), Mumbai vide its order dated January 25, 2022 approved/sanctioned the aforesaid Composite Scheme of Arrangement. Upon receipt of the certified copy of the order, the scheme was made effective by filing Form INC 28 with the Registrar of Companies on February 1, 2022. Further, the name of the company has been changed to Eureka Forbes Ltd, vide Fresh Certificate of Incorporation dated February 11, 2022.

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2022

Note 29 - Additional information to the financial statements (Contd.)

Pursuant to the Share Purchase Agreement dated September 19, 2021 ("SPA") executed between inter alia the Company Lunolux Limited ("Acquirer"), Shapoorji Pallonji and Company Private Limited ("Seller"), Forbes Campbell Finance Limited ("FCFL"), Forbes & Company Limited and erstwhile Eureka Forbes Limited for the acquisition by the Acquirer of a majority stake in the health and safety solutions business represented by up to 72.56% of the total issued and paid-up share capital of the company from the Seller, the Acquirer has acquired 123,555,843 equity shares representing 63.86% of the total issued and paid-up share capital of the Company on April 25, 2022.

Consequent to such transfer, the Acquirer has become a promoter of the company with effect from April 25, 2022. The Company has also received request letters from the Seller and FCFL along with necessary documents, under the provisions of Regulation 31A of the SEBI (LODR) Regulations for their de-classification as "promoter/promoter group".

VII As required under Indian Accounting Standard 24 on "Related Party Disclosures" the list of related parties and their transactions is attached. (Annexure 'A' & 'B').

VIII ₹300.98 Lakhs (Previous year ₹ Nil Lakhs) revenue expenses incurred during the year on Research and Development has been charged to the respective heads of accounts.

IX Impact of Covid-19:

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 in the preparation of these financial statements including the recoverability of carrying amounts of financial and non-financial assets. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the Company has, at the date of approval of these financial statement, used internal and external sources of information and expects that the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements.

X During the last quarter of the year, the Company acquired existing sanctioned working capital limits in a business combination (refer Note 30) in excess of five crore rupees, in aggregate, from various banks on the basis of security of its current assets. The statements in respect of the quarter ended March 31, 2022 have not been filed by the Company with the respective banks till the date of approval of this financial Statements.

XI Disclosures required by Indian Accounting Standard 37 "Provisions, Contingent Liabilities and Contingent Assets"

A) Particulars	₹ in Lakhs			
	Year ended March 31, 2022		Year ended March 31, 2021	
	Excise Duty	Sales Tax	Excise Duty	Sales Tax
At the beginning of the year	-	-	-	-
Add: On Business Combination	49.96	1.29	-	-
Additional provision during the year	-	-	-	-
Provision utilised during the year	-	-	-	-
Write back during the Year	-	-	-	-
At the end of the year	49.96	1.29	-	-

B) Warranty provision

The company gives warranty on certain products, towards satisfactory performance of products during the warranty period. Warranty provisions are made for expected future outflows where no reimbursements are expected and estimated based on using historical information on the nature frequency and average cost of warranty claims. The table given below gives information about movement in warranty provisions:

Particulars	₹ in Lakhs	
	Year ended March 31, 2022	Year ended March 31, 2021
At the beginning of the year	0.43	0.78
Add: On Business combination	1,618.68	0.43
Add: Additions during the year*	1786.61	-
Less: Utilisation during the year	1,214.01	-
Less: Unused amount reversed / (additional utilisation) during the year	405.10	0.78
At the end of the year	1,786.61	0.43

* Included in Service Charges under other Expenses

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2022

Note 29 - Additional information to the financial statements (Contd.)

XII Disclosures required under Indian Accounting Standard 116 on "Leases" refer attached Annexure 'C'.

XIII Remaining performance obligation towards rendering of maintenance contracts as at the year end is recognised as "Income received in advance" and presented in "Other liabilities". This obligation pertains to maintenance services that would be carried out over the contract period for which company has received the advance. The service period ranges from 1 year to 4 years. Management believes that 76% pertaining to remaining obligation as of the year ended March 31, 2022 will be recognised as revenue during the next financial year 21% will be recognised as revenue in FY 23-24 and 3% will be recognised in FY 24-25

Reconciliation of Revenue Recognised with contract price:

Particulars	₹ in Lakhs	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Contract Price *	40,695.87	789.62
Adjustment for		
Less:		
Refund Liabilities Promotion Items	-	
Refund Liabilities - Sales Return estimate	200.00	
Performance Liabilities	137.04	
Add: Unperformed performance obligation at the end the year	53,272.50	4.99
Less: Unperformed On Acquisition	(51,008.81)	
Less: Unperformed performance obligation at the beginning of the year	(4.99)	
Revenue from continuing operations	38,100.13	784.63

* Net of Taxes

XIV The disclosures required under Indian Accounting Standard 19 "Employee Benefits" the details of post employment benefit is attached. Annexure D

XV Corporate social responsibility expenditure:-

Section 138 relating to Corporate social responsibility was not applicable to the Company in the previous and the current financial year, however the below Corporate social responsibility liability of erstwhile Eureka Forbes Limited was taken over on business combination and the Company has discharged the liability.

Particulars	For the year ended March 31, 2022		
	Paid in cash	Yet to be paid	Total
a) Gross amount required to be spent by the company on business combination	₹113.92 Lakhs		
b) Amount spent during the year on			
(i) Construction/acquisition of any asset	-	-	-
(ii) Purposes other than (i) above	113.92	-	113.92

XVI The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year or previous financial year.

XVII No transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 which was not recorded in the books of account.

XVIII Figures for the previous year are re-arranged/regrouped, wherever necessary, to correspond with the current year disclosure. Further on account of the acquisition of the Health, Hygiene, Safety Products and Services Undertaking (Refer Note 30), the figures for the previous year are not comparable.

XIX The Financial statement were approved for issue by the board of directors on May 30, 2022.

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2022

Note 29 - Additional information to the financial statements (Contd.)

29(VII) Additional information to the financial statements

Related Party Disclosures

Particulars	Annexure 'A'
	Country
A Holding Companies	
Shapoorji Pallonji and Company Private Limited - Ultimate Holding Company (upto November 22, 2021)	India
Forbes & Company Limited - Intermediate Holding Company (upto November 22, 2021)	India
*Erstwhile Eureka Forbes Limited - Holding Company (upto November 22, 2021)	India
*Merged with Forbes & Company Limited w.e.f February 1, 2022	
B Entities with joint control of, or significant influence over, the entity	
Shapoorji Pallonji and Company Private Limited - Ultimate Holding Company (w.e.f. November 23, 2021)	India
Forbes & Company Limited - Intermediate Holding Company (w.e.f. November 23, 2021)	India
Erstwhile Eureka Forbes Limited - Holding Company (w.e.f. November 23, 2021 upto January 31, 2022)	India
Lunolux Limited (w.e.f. November 23, 2021)	Cyprus
C Subsidiaries	
Forbes Aquatech Limited (w.e.f. February 01, 2022)	India
Infinite Water Solutions Limited (w.e.f. February 01, 2022)	India
Forbes Lux FZCO - Dubai (w.e.f. February 01, 2022)	Dubai
Euro Forbes Ltd - Dubai (w.e.f. February 01, 2022)	Dubai
D Key Managerial Personnel	
1 Mr. Homi Katgara -Non - Executive Chairman	
2 Mr. Marzin R. Shroff - Managing Director & CEO	
3 Mr. Shapoor P Mistry	
4 Mr. Pallon Shapoor Mistry	
5 Dr. (Mrs.) Indu Shahani	
6 Mr. Jai Mavani	
7 Mr. Shankar Krishnan	
8 Mr. D Sivanandhan	
9 Mr. Anil Kamath	
E Other related parties (under the control of, or significant influence by the parties in A to D above) with whom there were transaction	
Forbes Facility Services Pvt Limited	India
Lux International AG	Switzerland
Afcons Infrastructure Limited	India
Relationship Properties Pvt. Limited	India
SD Corporation Private Limited	India
Shapoorji Pallonji Oil & Gas co Pvt Ltd	India
Sterling & Wilson Pvt. Limited	India
Eureka Forbes Institute of Environment (Trust)	India

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2022

Note 29 - Additional information to the financial statements (Contd.)

(II) Transactions with Related Parties for the year ended March 31, 2022

Nature of Transaction	₹ in Lakhs													
	Forbes & Company Ltd.	Shapoorji Pallonji and Company Private Ltd	Erstwhile Eureka Forbes Limited	Forbes Aquatech Limited	Infinite Water Solutions Private Ltd	Forbes Lux FZE	Lux International AG	Forbes Facility Services Pvt Ltd.	Atcons Infrastructure Pvt. Ltd.	Relationship Properties Pvt. Ltd.	SD Corporation Private Limited	Shapoorji Pallonji Oil & Gas co Pvt Ltd	Sterling & Wilson Pvt. Ltd.	Eureka Forbes Institute of Environment (Trust)
Purchases														
Goods and Materials	-	-	89.58	87.94	815.13	-	-	-	-	-	-	-	-	-
Job work charges	-	-	-	31.19	-	-	-	-	-	-	-	-	-	-
Services Received	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fixed Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sales (Sales Return)														
Goods and Materials	0.34	11.07	849.48	19.50	0.22	114.70	39.68	32.00	1.15	-	-	-	0.12	57.57
Services Rendered	0.19	1.04	-	-	-	-	-	-	0.69	-	1.97	0.06	-	28.63
Fixed Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Expenses														
Rent	-	-	8.76	-	-	-	-	-	-	-	-	-	-	-
Repairs & Other Expenses	-	-	-	0.38	-	-	-	54.60	-	-	-	-	-	-
Finance charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest on ICD Taken	-	-	14.84	-	-	-	-	-	-	-	-	-	-	-
Bad Debts/Advances written off	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Recovery of Expenses	-	-	0.64	-	-	-	-	-	-	-	-	-	-	-
Management Fees/ IT expenses	-	145.06	-	-	-	-	-	-	-	-	-	-	-	-
CSR contribution	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	145.06	24.24	0.38	-	-	-	54.60	-	-	-	-	-	-

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2022

Note 29 - Additional information to the financial statements (Contd.)

Nature of Transaction	₹ in Lakhs													
	Forbes & Company Ltd.	Shapoorji Pallonji and Company Private Ltd	Erstwhile Eureka Forbes Limited	Forbes Aquatech Limited	Infinite Water Solutions Private Ltd	Forbes Lux FZE	Lux International AG	Forbes Facility Services Pvt Ltd.	Atcons Infrastructure Pvt. Ltd.	Relationship Properties Pvt. Ltd.	SD Corporation Private Limited	Shapoorji Pallonji Oil & Gas co Pvt Ltd	Sterling & Wilson Pvt. Ltd.	Eureka Forbes Institute of Environment (Trust)
Impairment in value of investments														
Provision for Doubtful Debts	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Allowance for bad and doubtful loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Income														
Rent and other services	-	-	-	0.05	5.99	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bad Debts/Advances written back	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Income	-	0.25	-	-	-	-	-	-	-	-	-	-	-	-
	-	0.25	-	0.05	5.99	-	-	-	-	-	-	-	-	-
Other Receipts														
Other Reimbursements	-	-	-	-	4.33	-	-	-	-	-	-	-	-	-
Finance														
Inter-corporate deposits given	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Repayment of Deposit given	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividend paid														
Outstanding														
Trade Payables	-	67.61	-	539.66	1,979.26	10.61	-	18.47	-	-	-	-	-	-
Advances Received/ Deposits received	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trade Receivables	0.52	13.93	-	-	-	491.32	9.64	-	0.66	0.90	0.13	0.08	0.23	105.99
Inter-corporate deposits receivable	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Inter-corporate deposits payable	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Accrued	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Deposits Receivable	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Deposits Payable	-	-	-	0.10	7.48	-	-	-	-	-	-	-	-	-
Advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2022

Note 29 - Additional information to the financial statements (Contd.)

(II) Transactions with Related Parties for the year ended March 31, 2022

Parties in D : Key Managerial Personnel Remuneration

Managing Director & CEO

Particulars	₹ in Lakhs	
	March 31, 2022	March 31, 2021
Short-term employee benefits	51.60	-
Post-employment benefits *	1.60	-
Long-term employee benefits	1.99	-
Total	55.19	-

*The above amounts do not include expenses for gratuity and leave encashment since actuarial valuation is carried out at an overall level.

Company has provided for managerial remuneration which exceeds the limits / approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013 aggregating ₹13.64 Lakhs as at March 31, 2022. The excess remuneration is subject to the approval of shareholders.

Directors Sitting Fees and Commission

Name	₹ in Lakhs	
	March 31, 2022	March 31, 2021
Mr. Shapoor P Mistry	7.00	-
Dr. (Mrs.) Indu Shahani	9.00	-
Mr. Jai Mavani	7.40	-
Mr. Shankar Krishnan	7.20	-
Mr. Homi Katgara	8.50	-
Mr. D Sivanandhan	9.00	-
Mr. Anil Kamath	8.50	-
Mr. Pallon Mistry	7.00	-

Company has provided for remuneration payable to Non whole time directors which exceeds the limits / approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013 aggregating ₹48.01 Lakhs as at March 31, 2022. The excess remuneration is subject to the approval of shareholders.

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2022

Note 29 - Additional information to the financial statements (Contd.)

29(VII) Related party transaction

Annexure 'A'

(I) Name of related Party and nature of relationship where control exists are as under :

A. Enterprises having more than one half of Voting Powers -

Shapoorji Pallonji and Company Pvt. Ltd. - Ultimate Holding Company

Eureka Forbes Limited Holding Company

B. Enterprises under Common Control -(where there are transactions)

Afcon Infrastructure Ltd

Sterling and Wilson Ltd

Eureka Forbes Institute of Environment

Forbes Facility Services Private Limited

(II) Transactions with Related Parties for the year ended March 31, 2021

Annexure 'B'

	₹ in lakhs						
	Erstwhile Eureka Forbes Limited	Shapoorji Pallonji and Company Private Ltd	Forbes Facility Services Private Limited	Afcon Infrastructure Ltd.	Sterling & Wilson Pvt. Ltd.	Forbes Lux FZCO	Eureka Forbes Institute of Environment
Purchases							
Goods and Materials	46.71	-	-	-	-	-	-
Job work charges	-	-	-	-	-	-	-
Services Received	1.46	-	5.14	-	-	-	-
	48.17	-	5.14	-	-	-	-
Sales							
Goods and Materials	639.34	1.10	-	-	-	0.75	-
Services Rendered	18.77	22.99	-	-	-	-	-
	658.11	24.09	-	-	-	0.75	-
Expenses							
Rent	11.53	0.20	-	-	-	-	-
Repairs & Other Expenses	-	-	-	-	-	-	-
Finance charges	-	-	-	-	-	-	-
Interest on ICD Taken	17.10	-	-	-	-	-	-
Bad Debts/Advances written off	-	-	-	-	-	-	-
Recovery of Expenses	-	-	-	-	-	-	-
Management Fees/ IT expenses	-	-	-	-	-	-	-
CSR contribution	-	-	-	-	-	-	-
	28.63	0.20	-	-	-	-	-
Outstanding							
Trade Payables	-	-	6.48	-	-	-	-
Trade Receivables	83.38	76.08	-	0.19	0.12	0.76	-
Inter-corporate deposits receivable	-	-	-	-	-	-	-
Inter-corporate deposits payable	150.00	-	-	-	-	-	-
Interest Accrued	3.90	-	-	-	-	-	-
Other Deposits Receivable	0.10	-	-	-	-	-	-

Terms and conditions:-

- 1.) All outstandings balances are unsecured and are repayable as per terms of credit and settlement occurs in cash.
- 2.) All related party transactions entered during the year were in ordinary course of business and on arms length basis.
- 3.) The Company has not recorded any impairment of receivables related to amounts owed by related parties except as stated above.

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2022

Note 29 - Additional information to the financial statements (Contd.)

Annexure 'C'

29 (XII) Leases:

The break-up of current and non-current lease liabilities as at March 31, 2022 is:

Particulars	₹ in Lakhs	
	As at March 31, 2022	As at March 31, 2021
Current lease liabilities	698.91	1.34
Non-current lease liabilities	612.79	0.00
Total	1,311.70	1.34

The following is the movement in lease liabilities during the year ended March 31, 2022:

Particulars	₹ in Lakhs	
	Year ended March 31, 2022	Year ended March 31, 2021
Balance at the beginning	1.34	1.87
Addition on Account of Business Combination	1,385.31	-
Additions	95.96	8.24
Finance cost accrued during the year	22.48	0.41
Deletions	-	-
Gain/(Loss) on Modification/Disposal of Right of use assets	-	-
Payment of lease liabilities	(193.39)	(9.18)
Balance at the end	1,311.70	1.34

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2022 on an undiscounted basis:

Particulars	₹ in Lakhs	
	As at March 31, 2022	As at March 31, 2021
Less than one year	782.20	1.34
One to five years	550.69	-
More than five years	38.97	-
Total	1,371.86	1.34

Rental expense recorded for short-term leases was ₹148.66 Lakhs for the year ended March 31, 2022. (Previous Year: ₹9.30 Lakhs)

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to the company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the company has concluded that no changes are required to lease period relating to the existing lease contracts

Amounts recognised in profit and loss

Particulars	₹ in Lakhs	
	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation expense on right-of-use assets	166.32	8.92
Interest expense on lease liabilities	22.48	0.41
Expense relating to short-term leases	148.66	9.30

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2022

Note 29 - Additional information to the financial statements (Contd.)

Annexure 'D'

29 XIV Employee benefit plans

(a) Provident Fund

The details of Eureka Forbes Limited Employees' Provident Fund and planed assets position as at 31.03.2022 is given below

Particulars	₹ in Lakhs	
	As at March 31, 2022	As at March 31, 2021
Present value of benefit obligation at year end	15,412.69	-
Planned Assets at the year end	17,469.33	-
Discounting Rate	7.23%	-
Expected Guaranteed interest rate	8.10%	-
Average Expected Future Service	13 years	-
Average Term To Maturity Of Assets	5.08 Years	-

(b) Gratuity Fund

The principal assumptions used for the purposes of the actuarial valuations were as follows.

Particulars	₹ in Lakhs	
	As at March 31, 2022	As at March 31, 2021
Discount rate(s)	7.23%	6.57%
Expected rate(s) of salary increase	4.00%	5.00%
Mortality rates	Indian Assured lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08) Ult

Amounts recognised in statement of profit and loss/ other comprehensive income in respect of these defined benefit plans are as follows.

Particulars	₹ in Lakhs	
	Year ended March 31, 2022	Year ended March 31, 2021
Service cost:		
Current service cost	24.91	1.06
Past service cost and (gain)/loss from settlements	2.79	-
Expected Returns on plan assets	-	-
Net interest expense	2.59	-0.11
Components of defined benefit costs recognised in profit or loss	30.29	0.95
Remeasurement on the net defined benefit liability:		
Return on plan assets (excluding amounts included in net interest expense)	(44.46)	(1.13)
Actuarial (gains) / losses arising from changes in demographic assumptions	-0.88	-
Actuarial (gains) / losses arising from changes in financial assumptions	-1.42	-0.01
Actuarial (gains) / losses arising from experience adjustments	57.22	-0.49
Others	-	-
Adjustments for restrictions on the defined benefit asset	-	-
Components of defined benefit costs recognised in other comprehensive income	10.46	-1.63
Total	40.75	(0.68)

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2022

Note 29 - Additional information to the financial statements (Contd.)

Annexure 'D'

29 XIV Employee benefit plans (Contd.)

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the statement of profit and loss.

The remeasurement of the net defined benefit liability is included in other comprehensive income.

The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows.

Particulars	₹ in Lakhs	
	As at March 31, 2022	As at March 31, 2021
Present value of funded defined benefit obligation	(2,058.58)	(14.84)
Fair value of plan assets	1,864.43	19.62
Funded status	(194.15)	4.78
Restrictions on asset recognised	-	-
Others	-	-
Net liability arising from defined benefit obligation*	(194.15)	4.78

* Net of advances of ₹11.71 Lakhs included under Note No 11

Movements in the present value of the defined benefit obligation are as follows.

Particulars	₹ in Lakhs	
	As at March 31, 2022	As at March 31, 2021
Opening defined benefit obligation	14.82	15.62
Current service cost	24.91	1.06
Interest cost	23.91	1.02
Remeasurement (gains)/losses:	-	-
Actuarial gains and losses arising from changes in demographic assumptions	(0.88)	-
Actuarial gains and losses arising from changes in financial assumptions	(1.42)	(0.01)
Actuarial gains and losses arising from experience adjustments	57.22	(0.49)
Past service cost, including losses/(gains) on curtailments	2.79	-
Liabilities Transferred In/Acquisition	2,035.96	-
Benefits paid	(91.81)	(2.38)
Others [benefits paid directly by employer]	(6.93)	-
Closing defined benefit obligation	2,058.57	14.82

Movements in the fair value of the plan assets are as follows.

Particulars	₹ in Lakhs	
	Year ended March 31, 2022	Year ended March 31, 2021
Opening fair value of plan assets	19.64	17.36
Interest income	21.32	1.14
Remeasurement gain (loss):	-	-
Return on plan assets (excluding amounts included in net interest expense)	44.47	1.14
Contributions from the employer	20.00	-
Assets Transferred In/Acquisition	1,850.83	-
Benefits paid	(91.81)	-
Other	-	-
Closing fair value of plan assets	1,864.45	19.64

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2022

Note 29 - Additional information to the financial statements (Contd.)

Annexure 'D'

29 XIV Employee benefit plans (Contd.)

The fair value of the plan assets at the end of the reporting period for each category, are as follows.

Particulars	₹ in Lakhs	
	Fair Value of plan asset as at	
	As at March 31, 2022	As at March 31, 2021
Government Of Indian Assets	744.20	-
State Government Securities	185.70	-
Special Deposit Scheme	41.03	-
Debt Instrument	542.69	-
Corporate Bond	276.54	-
Others	20.96	19.64
Mutual Funds	53.33	-
Total	1,864.45	19.64

Maturity Analysis of the Benefits Payments from the Fund

Particulars	₹ in Lakhs	
	As at March 31, 2022	As at March 31, 2021
Projected Benefits payable in future years from the date of reporting		
1st Following Year	260.52	-
2nd Following Year	138.99	-
3rd Following Year	173.39	-
4th Following Year	332.84	-
5th Following Year	183.91	-
Sum of years 6 to 10	829.10	-
Sum of years 11 and above	1,888.92	-

Sensitivity Analysis

Particulars	₹ in Lakhs	
	Year ended March 31, 2022	Year ended March 31, 2021
Presented benefit obligation on current assumptions	2,058.58	14.84
Discount rate (1% increase)	(127.07)	(0.52)
Discount rate (1% decrease)	145.05	0.59
Future salary growth (1% increase)	148.35	0.59
Future salary growth (1% decrease)	(131.95)	(0.53)
Attrition movement (1% increase)	35.62	0.05
Attrition movement (1% decrease)	(40.00)	(0.06)

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2022

Note 30 - Acquisition of Health, Hygiene, Safety Products and Services Undertaking

Under the scheme approved by the NCLT as described in Note 29(VI), the basis of accounting used for the merger of the Health, Hygiene, Safety Products and Services Undertaking is "acquisition method" of accounting under Ind AS 103 (Business combination). Fair Value consideration amounting to ₹406,596.62 Lakhs has been allocated to the respective fair values of tangible, intangible assets and all liabilities and residual value has been recognised as goodwill.

(A) Details of net assets acquired:

The fair values of assets acquired and liabilities assumed as at the date of acquisition (February 1, 2022) were:

Particulars	₹ In Lakhs	
	Amount	
A Specified Tangible Asset		
Property Plant and Equipment		26,965.23
B Identified Intangible Asset		
Brand - Aquaguard	2,86,125.46	
Brand - Forbes	4,993.80	
Distribution network - Services	20,557.83	
Distribution network - Products	3,966.24	
Specified Intangible Asset		
Computer Software		118.07
Technical Know how		19.79
Other Assets		
Capital Advances	341.13	
Right of Use Assets	1,629.45	
Investments	8,655.28	
Cash and Cash Equivalents	1,075.09	
Other Bank balances	68.34	
Inventories	29,735.82	
Sundry Debtors	14,003.69	
Loans and Advances	408.94	
Income Tax Asset	2,314.27	
Deferred tax Asset	620.89	
Other Current Assets	6,717.96	
Total Identifiable Assets (i)		4,08,317.28
C Specified Liabilities		
Long term debt	26,107.16	
Lease Liabilities	1,385.30	
Trade Payables	19,747.35	
Provisions	3,337.54	
Other current liabilities	73,554.45	
Total Identifiable liabilities (ii)		1,24,131.80
Net assets acquired (i) - (ii)		2,84,185.48
Goodwill (before Deferred tax Adjustments)		1,22,411.14
Total Fair Value Consideration		4,06,596.62

(B) Impact of acquisition on the Financial Statements:

The acquired business contributed revenue of ₹37,013.67 Lakhs, Earning before Interest, tax depreciation and Amortisation (EBITDA) of ₹2,215.53 Lakhs and Earning Before interest and tax (EBIT) of ₹903.85 Lakhs for the period from the date of acquisition till March 31, 2022. If the acquisition had taken place from April 1, 2021 the acquired business would have contributed an additional turnover of ₹1,65,500.92 Lakhs. With this the total turnover of the company for the year ended March 31, 2022 would have been ₹2,03,601.05 Lakhs.

The acquired goodwill has been further adjusted to the effect of deferred tax liabilities recognised on acquisition in respect of recognising identified intangibles assets

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2022

Note 31 - Financial instruments

Capital management

The Company's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may return capital to shareholders, issue new shares or sell assets to reduce debt.

Subsequent to acquisition of business during the year (refer note 30) the capital structure has undergone significant change. Consistent with the industry, the Company, primarily, uses the gearing ratio to monitor and maintain the capital structure which is as follows:

Net debt (total borrowings net of cash and cash equivalents) divided by total 'equity' (as shown in the balance sheet).

The gearing ratios were as follows:

	₹ in Lakhs	
	As at March 31, 2022	As at March 31, 2021
Borrowings	23,956.53	150.00
Less: Cash and cash equivalents	1,341.79	21.31
Adjusted net debt	22,614.74	128.69
Total equity	4,06,697.69	13.87
Adjusted net debt to equity ratio	5.56%	927.83%

Note 32 - Earnings per share

The calculations of profit attributable to equity shareholders and weighted average number of equity shares outstanding for purposes of basic and diluted earnings per share calculation are as follows:

	₹ in Lakhs	
	Year ended March 31, 2022	Year ended March 31, 2021
Profit/(Loss) for the year attributable to equity share holders	280.30	(163.03)
Face value per equity shares	10	10
Weighted average number of equity shares used in the calculation of basic and diluted earnings per share (Nos.)	3,62,69,259	48,27,263
Basic and diluted earnings per share (₹)	0.77	(3.38)

Basic Earnings per share

The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows.

	₹ in Lakhs	
	Year ended March 31, 2022	Year ended March 31, 2021
Profit for the year attributable to owners of the Company	280.30	(163.03)
Weighted average number of equity shares for the purposes of basic earnings per share (Quantity in numbers)	3,62,69,259	48,27,263

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2022

Note 33 - Financial instruments – Fair values

Accounting classification and fair values

	₹ in Lakhs					
	March 31, 2022			March 31, 2021		
	FVTPL*	FVTOCI**	Amortised Cost	FVTPL*	FVTOCI**	Amortised Cost
Financial assets						
Cash and Bank Balances	-	-	1,441.04	-	-	51.79
Long-term loans and advances***	-	-	-	-	-	-
Short-term loans and advances	-	-	7.92	-	-	-
Trade and other receivables	-	-	15,662.18	-	-	235.60
Current Investments	6,169.95	-	-	2.40	-	-
Non Current Investments #	-	0.71	2,524.15	-	-	-
Other Current financial Asset	-	-	127.35	-	-	0.06
Other Non Current financial Asset	-	-	1,636.62	-	-	11.27
Total Financial Asset	6,169.95	0.71	21,399.26	2.40	-	298.72
Financial liabilities						
Trade and other payables	-	-	24,388.79	-	-	477.28
Other Current financial liabilities	-	-	12,324.84	-	-	45.24
Other Non Current financial liabilities	-	-	-	-	-	-
Current Borrowings	-	-	19,020.97	-	-	150.00
Non Current Borrowings	-	-	4,935.56	-	-	-
Total Financial Liabilities	-	-	60,670.16	-	-	672.52

*Mandatorily measured at fair value in accordance with Ind AS 109

** Investments in equity instruments designated as such upon initial recognition in accordance with paragraph 5.7.5 of Ind AS 109.

These investments in equity instruments are not held for trading. Instead, they are held for medium or long term strategic purpose. Upon the application of IND AS 109, the company has chosen to designate these investments in equity instruments at FVTOCI as it is believed that this provides a more meaningful presentation for medium or long term strategic investment than reflecting changes in fair value immediately in profit and loss Account.

*** Long Term Loans and advances is carried at net of impairment.

Includes investment in equity instruments of ₹2,524.15/- Lakhs(previous year ₹ NIL/- lakhs) carried at cost less impairment.

Fair value Hierarchy

This section explains the judgement and the estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value

Financial assets and liabilities measured at fair value - recurring fair value measurements At March 31, 2022 (Refer note Below)	₹ in Lakhs			
	Level 1	Level 2	Level 3	Total
Financial assets				
Financial investment at FVTPL				
Listed Equity Investment	-	-	-	-
Unquoted Investments in Mutual funds	6,169.95	-	-	6,170
Financial investment at FVOCI				
Quoted Investments	-	-	-	-
Unquoted Investments	-	-	0.71	0.71
Total Financial Asset	6,169.95	-	0.71	6,170.66
Financial Liabilities				
Derivatives accounted at FVTPL	-	-	-	-
Total Financial Liabilities	-	-	-	-

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2022

Note 33 - Financial instruments – Fair values (Contd.)

Financial assets and liabilities measured at fair value - recurring fair value measurements At March 2021 (Refer note Below)	₹ in Lakhs			
	Level 1	Level 2	Level 3	Total
Financial assets				
Financial investment at FVTPL				
Listed Equity Investment	2.40	-	-	2.40
Unquoted Investments	-	-	-	-
Financial investment at FVOCI				
Quoted Investments	-	-	-	-
Unquoted Investments	-	-	-	-
Total Financial Asset	2.40	-	-	2.40
Financial Liabilities				
Derivatives accounted at FVTPL	-	-	-	-
Total Financial Liabilities	-	-	-	-

Reconciliation of level 3 fair value measurement of financial Instruments

Particulars	₹ in Lakhs	
	Year ended March 31, 2022	Year ended March 31, 2021
Opening Value of Fair Value	-	-
Fair value gain/(loss) recognised in statement of profit or Loss	-	-
Fair value gain/(loss) recognised in Other Comprehensive income	-	-
Acquired in Business Combination	0.71	-
Purchases made during the year	-	-
Sales made during the year	-	-
Closing balance of fair value	0.71	-

Description of significant unobservable inputs to valuations for level 3 items

Significant unobservable Inputs	Relationship of unobservable Inputs to fair value
Long term revenue growth rates taking into accounts managements experience and knowledge of market conditions of the specific industries	A slight increase in the long term revenue growth rates used in isolation would result in increase in fair value
Long term pre tax operating margin taking into account managements experience and knowledge if market conditions of the specific industries	A significant increase in the long term pre tax operating margin used in isolation would result in increase in fair value
Weighted average cost of capital (WACC), determined using a Capital Asset pricing Model	A slight increase in the WACC used in isolation would result in decrease in Fair value

Valuation techniques and significant unobservable inputs

Specific valuation techniques used to value financial instruments include:

- The use of quoted market prices or dealer quotes for similar instruments.
- All of the resulting fair value estimates are included in level 1 except for unlisted equity securities where the fair values have been determined based on present values and the discount rates used were adjusted for counterparty or own credit risk.
- The carrying amount of Trade receivables, Trade payables, cash and Cash Equivalents are considered to be the same as their Fair Values, due to their short term in nature.
- The Fair value of financial Instrument that are not traded in an active market is determined using valuation technique. The company uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2022

Note 34 - Financial instruments – Financial risk management

The Company's activities expose it to market risk, liquidity risk and credit risk. In order to minimise any adverse effects on the financial performance of the Company, such as foreign exchange forward contracts are entered to hedge certain foreign currency risk exposure.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk in the financial statements

Risk	Exposure Arising from	Measurement	Management
Credit Risk	Cash and Cash Equivalents, trade receivables, financial assets measured at amortised cost and fair value through profit and loss.	Aging analysis, Credit Rating	Diversification of bank deposits, credit limits and letter of credit
Liquidity Risk	Borrowing and other liabilities	Rolling cash flow Forecast	Availability of committed credit lines and borrowing facilities
Market Risk- Foreign currency	Future commercial Transactions Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow Forecasting Sensitivity analysis	Forward foreign currency Contracts Foreign currency option
Market Risk- Interest rate	Long-term borrowings at variable rate	Sensitivity analysis	Interest rate Swaps

The Company's risk management is carried out by a Finance committee and Treasury team under policies approved by the board of directors. Treasury team identifies, evaluates and hedges financial risks in close co-operation with subject matter experts. The Board of directors periodically monitors the risk assessment.

(a) Credit risk

Credit risk arises from cash and cash equivalents, investments and deposits with banks, as well as credit exposures to customers including outstanding receivables.

The carrying amounts of financial assets represent the maximum credit risk exposure. The maximum exposure to credit risk at the reporting date was:

Particulars	₹ in Lakhs	
	As at March 31, 2022	As at March 31, 2021
Investments	6,169.95	2.40
Trade receivables	15,662.18	235.60
Cash and cash equivalents	1,341.79	19.81
Other bank balances	99.25	31.98
Loans	7.92	-
Other financial assets	1,763.97	11.33

Trade Receivables

The maximum exposure to credit risk for trade and other receivables by geographic region was as follows.

	₹ in Lakhs	
	As at March 31, 2022	As at March 31, 2021
India	15,246.68	234.86
Other regions	415.50	0.74
Total	15,662.18	235.60

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2022

Note 34 - Financial instruments – Financial risk management (Contd.)

(a) Credit risk (Contd.)

Impairment

The ageing of trade and other receivables that were not impaired was as follows.

Ageing	₹ in Lakhs	
	As at March 31, 2022	As at March 31, 2021
0-1 Year	15,432.99	117.35
1-2 Year	75.44	35.88
2-3 Year	16.30	61.28
More Than 3 Yrs	137.45	21.09
Total	15,662.18	235.60

The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows.

	₹ in Lakhs	
	As at March 31, 2022	As at March 31, 2021
Opening Balance	44.70	117.47
Amounts written off during the year as uncollectible	(43.16)	13.31
Acquired on account of business Combination	851.43	-
Impairment loss recognised	(36.30)	(86.08)
Balance	816.67	44.70

The Company held cash and cash equivalents of ₹1,341.79 Lakhs at March 31, 2022 (March 31, 2021: ₹19.81 lakhs). The cash and cash equivalents are held with bank ₹1,180.3 Lakhs (March 2021: ₹19.27 Lakhs)

(b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted

Non-derivative financial liabilities	Contractual maturities of financial liabilities				Total
	On Demand	0- 1 year	1-5 years	> 5 years	
March 31, 2022					
Banks - Long term loans Including Interest	-	-	-	-	-
Loans from banks	16,520.97	2,500.00	-	-	19,020.97
Trade payables	-	24,388.79	-	-	24,388.79
Other Payable	-	12,324.84	-	-	12,324.84
March 31, 2021					
Banks - Foreign currency denominated loans Including Interest	-	-	-	-	-
Banks - Long term loans Including Interest	-	1,025.00	-	-	1,025.00
Loans from banks/Related Party	150.00	-	-	-	150.00
Trade payables	-	478.62	-	-	478.62
Other Payable	-	45.24	-	-	45.24

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2022

Note 34 - Financial instruments – Financial risk management (Contd.)

(c)(i) Market Risk- Foreign currency

Exposure to currency risk

The currency profile of financial assets and financial liabilities as at March 31, 2022 and March 31, 2021

	As at	As at
	March 31, 2022	March 31, 2021
	USD in Lakhs	EUR in Lakhs
Financial assets		
Long-term loans and advances	-	-
Short-term loans and advances	16.26	0.16
Other Non-current financial assets	-	-
Trade and other receivables	7.02	-
	23.28	0.16
Financial liabilities		
Long term borrowings	-	-
Short term borrowings	0.03	-
Trade and other payables	18.09	5.24
Other Current financial liabilities	-	-
	18.12	5.24
Net Exposure	5.16	(5.08)

	As at	As at
	March 31, 2021	March 31, 2021
	USD in Lakhs	EUR in Lakhs
Financial assets		
Long-term loans and advances	-	-
Short-term loans and advances	-	-
Other Non-current financial assets	-	-
Trade and other receivables	0.01	-
	0.01	-
Financial liabilities		
Long term borrowings	-	-
Short term borrowings	-	-
Trade and other payables	-	-
Other Current financial liabilities	-	-
	-	-
Net Exposure	0.01	-

The following significant exchange rates have been applied.

	Year-end spot rate	
	March 31, 2022	March 31, 2021
USD / INR	75.52	73.23
EUR / INR	83.93	85.88

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2022

Note 34 - Financial instruments – Financial risk management (Contd.)

(c)(i) Market Risk- Foreign currency (Contd.)

Sensitivity analysis

The Sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments

Effect in INR	Profit or (loss)	
	Strengthening	Weakening
	₹ in Lakhs	
March 31, 2022		
USD 5% movement	(19.48)	19.48
EUR 5% movement	21.32	(21.32)
	1.83	(1.83)

Effect in INR	Profit or (loss)	
	Strengthening	Weakening
	₹ in Lakhs	
March 31, 2021		
USD 5% movement	(0.04)	0.04
EUR 5% movement	-	-
	(0.04)	0.04

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting year does not reflect the exposure during the year.

(c)(ii) Market Risk- Interest rate

The Exposure of the Company borrowing to interest rate changes at the end of the reporting year are as follow

	As at	As at
	March 31, 2022	March 31, 2021
	₹ in Lakhs	
Variable Rate Borrowing	7,435.56	-

The sensitivity analyses below have been determined based on the exposure to interest rates for non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the company's:

- profit for the year ended March 31, 2022 would decrease/increase by ₹6.06/- lakhs (2021: decrease/increase by ₹ NIL lakhs). This is mainly attributable to the company's exposure to interest rates on its variable rate borrowings;

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2022

Note 35 - Assets pledged as security

The carrying amounts of assets pledged as security for current and non-current borrowings are:

	Notes	₹ in Lakhs	
		As at March 31, 2022	As at March 31, 2021
Current			
Financial Assets			
Trade Receivable	6	15,662.18	-
Inventories	12	28,308.56	-
Total Current assets pledged as security		43,970.74	-
Non-current			
Land - Freehold	3	6,405.00	-
Land - Leasehold	3	344.15	-
Buildings	3	14,639.21	-
Other Property, plant and equipment *	3	6,295.51	-
Brand / Trade Mark	4	2,86,125.46	-
Total Non Current assets pledged as security		3,13,809.33	-
Total assets pledged as security		3,57,780.07	-

* Property, plant and equipment as per note 3 includes moveable asset for employee benefits, which has not been pledged. No charges or satisfaction are pending to be registered with ROC beyond the statutory period.

Note 36 - Movement in deferred tax balances

Particulars	As at April 1, 2021	For the year 2021-22					
		Recognised in profit or loss	Acquired through business combination	Recognised in Goodwill	Recognised in OCI	Deferred tax asset	Deferred tax liability
Property, plant and equipment	-	87.35	810.95	3,643.83	-	-	4,542.13
Provisions	-	200.39	(1,258.92)	-	-	(1,058.53)	-
Lease Liabilities	-	1.14	(24.14)	85.59	-	-	62.59
Merger expenses	-	(41.58)	-	-	-	(41.58)	-
Amortisation of Processing fees	-	(1.64)	17.86	-	-	-	16.22
Fair Valuation	-	(102.88)	-	79,441.11	-	-	79,338.23
Expenses allowed on Payment	-	48.06	(166.64)	-	-	(118.58)	-
Deferred Tax Assets/(Liabilities)	-	190.84	(620.89)	83,170.53	-	(1,218.69)	83,959.17

Particulars	As at April 1, 2020	For the year 2020-21					
		Recognised in profit or loss	Acquired through business combination	Recognised in Goodwill	Recognised in OCI	Deferred tax asset	Deferred tax liability
Deferred tax asset							
Property, plant and equipment	-	-	-	-	-	-	-
Provisions	-	-	-	-	-	-	-
Lease Liabilities	-	-	-	-	-	-	-
Amortisation of Processing fees	-	-	-	-	-	-	-
Expenses allowed on Payment	-	-	-	-	-	-	-
Deferred Tax Assets/(Liabilities)	-	-	-	-	-	-	-

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2022

Note 37 - Income Tax expense

(a) Amounts recognised in profit and loss

	₹ in Lakhs	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Current income tax	207.63	-
Earlier year tax	10.75	0.79
Deferred tax expense	190.84	-
Tax expense for the year	409.22	0.79

(b) Amounts recognised in other comprehensive income

Particulars	For the year ended March 31, 2022			For the year ended March 31, 2021		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
	Items that will not be reclassified to profit or loss					
Remeasurements of the defined benefit plans	(10.46)	2.63	(7.83)	1.63	-	1.63
	(10.46)	2.63	(7.83)	1.63	-	1.63

(c) Reconciliation of effective tax rate

Particulars	₹ in Lakhs	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit before tax	689.52	(162.24)
Tax using the Company's domestic tax rate : 25.168%	173.54	-
Tax effect of amounts which are not deductible (taxable) in calculating taxable income	5.05	-
Adjustments for taxes of prior periods	10.75	0.79
Other tax adjustment (including re-assessment of deferred taxes post business combination)	219.88	-
	409.22	0.79

The tax rate used for the year 2021-22 and 2020-21 reconciliations above is the corporate tax rate of 25.168% payable by corporate entities in India on taxable profits under the Indian tax law.

Note 38 - Key Financial Ratios:

Sr. No	Particulars	Numerator	Denominator	2021-22	2020-21
1	Current Ratio (times)	Current assets	Current liabilities	0.53	0.75
2	Debt equity ratio (times)	Total debt	Equity	0.06	10.91
3	Debt service coverage ratio (times)	Earnings available for debt service	Total debt service	0.58	(3.64)
4	Return on equity (%)	Net profit after tax	Average shareholder equity	0.07%	-172.40%
5	Inventory turnover ratio (times)	Cost of Goods sold	Average inventory	0.56	1.35
6	Trade receivables turnover ratio (times)	Net sales	Average accounts receivables	2.55	3.04
7	Trade payable turnover ratio (times)	Total purchases	Average trade payables	0.24	0.01
8	Net capital turnover ratio (times)	Sales	Current Assets minus Current Liabilities.	-0.77	-4.56
9	Net profit ratio (%)	Net profit after tax	Sales	0.74%	-20.78%
10	Return on capital employed (%)	Earnings before interest and tax divided	Capital Employed	-18.11%	-86.88%
11	Return on investment (%)	Return on Investment	Average Total Asset	0.60%	54.33%

- The calculation for above ratios is in accordance with formula prescribed by Guidance note on Schedule III issued by the Institute of Chartered Accountants of India.
- The above ratios for the year ended March 31, 2022 include the impact of the business combination (refer Note 30) and hence are not comparable with previous year. The Impact of the said business combination on the ratio for the current year as not been annualised.

Independent Auditor's Report

To the Members of Eureka Forbes Limited (formerly known as Forbes Enviro Solutions Ltd.)

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Eureka Forbes Limited** ("the Holding Company") formerly known as Forbes Enviro Solutions Ltd. and its subsidiaries (the Holding Company and its subsidiaries together referred to as the "Group") which comprise the Consolidated Balance Sheet as at March 31, 2022, and 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 then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 consolidated state of affairs of the Group as at March 31, 2022 and their consolidated profit, their consolidated total comprehensive income, their consolidated changes in equity and their consolidated cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

a) Identification, valuation and recognition of intangible assets arising from the acquisition of Health, Hygiene Safety Products and Services Undertaking ('the Undertaking').

Description of Key Audit Matter

Pursuant to a Scheme of Arrangement approved by the Hon'ble National Company Law Tribunal on January 25, 2022 (Refer Note 29 VI of the consolidated financial statements for detailed description of the Scheme), the Holding Company acquired the Undertaking on February 01, 2022, as a running business, for consideration of 19,34,79,240 fully paid equity shares of the Holding Company having face value of ₹10 each. The fair value of the Consideration transferred by the Holding Company is determined to be ₹4,06,596.62 lakhs. The acquisition of the Undertaking included identifiable tangible and intangible assets acquired and liabilities assumed.

The Management engaged a third party (Management's fair valuation expert) to assist in the process to identify and determine the fair value of these assets and liabilities.

In addition to recognition of Goodwill of ₹1,22,411.14 lakhs (which is further adjusted for the effect of deferred tax liabilities of ₹83,170.53 lakhs), the management has identified intangible assets relating to Brand and Distribution Networks of ₹3,15,643.33 lakhs.

Our audit focused on this area because significant judgement and estimates are involved in identifying and determining the fair value of the intangible assets (including goodwill) acquired.

Our response and procedures applied:

In responding to the significant judgements and estimates involved in identifying and valuing the intangible assets (including goodwill) acquired and their income tax treatment, our audit procedures included:

- Reviewing the Scheme of Arrangement, the agreements and other documents related to the acquisition to obtain an understanding of the transaction;
- Understanding the process followed by the Holding Company for assessment of the accounting treatment for the Scheme of Arrangement, including the identification of assets and liabilities and determination of their fair values and also evaluation of work of management experts;
- Testing the completeness of the identified assets acquired and liabilities assumed as per the Scheme of Arrangement, through discussions with the Holding Company and their external valuation experts;
- Assessing the appropriateness of assets identified and the valuation methodology applied by managements expert and considering whether identification and recognition of intangible assets was consistent with the requirements of the accounting standards;

- Evaluating the appropriateness of the valuation methodologies applied and also, test the inputs to the valuation models used to determine the value of the intangible assets;
- Challenging the reasonableness of the key assumptions, including discount rate, near and long-term revenue growth rate and projected margins for indefinite life intangible asset based on future business prospects and external industry growth rate;
- Evaluating the recognition of deferred tax liability for all temporary differences on date of acquisition including those arising as a result of uncertainty over tax treatment of intangible assets.

b) Existence and valuation of inventories

Description of Key Audit Matter:

As indicated in note 12 of the consolidated financial statements, the aggregate value of inventories at the year-end was ₹29,031.13 lakhs representing significant value of Group's total assets. The existence of inventory is a key audit matter due to the involvement of risk element, basis the nature of consumer goods industry, wherein high volumes are involved which are stored across different point of sales and warehouses.

Our response and procedures applied:

Our procedures in relation to the existence and valuation of the inventories included:

- Evaluation of the design and testing the operating effectiveness of the internal controls relating to physical inventory counts at the offices and the warehouses;
- Evaluation of the design and testing the operating effectiveness of the internal controls relating to purchases, sales and inventories including automated controls;
- For a representative sample, verification that the raw materials, spares and stock in trade inventories were correctly measured, using a recalculation of the measurement of those inventories based on the cost of acquiring them from suppliers and considering the costs directly attributable to such goods;
- Assessed the key estimates used by the Management to determine the net realisable value and the consistency thereof with the Group's policy on provision for non-moving /slow moving Inventory.

c) Provisions and contingent liabilities relating to taxation, litigations and claims:

Description of Key Audit Matter:

The provisions and contingent liabilities relate to ongoing litigations and claims with various authorities and third parties. These relate to direct tax, indirect tax, transfer pricing arrangements, claims, general legal proceedings, and other eventualities arising in the regular course of business.

As at the year end, the amounts involved are significant. The determination of a provision or contingent liability requires significant judgement by the Group because of the inherent complexity in estimating future costs. The amount recognised as a provision is the best estimate of the expenditure. The provisions and contingent liabilities

are subject to changes in the outcomes of litigations and claims and the positions taken by the Group. It involves significant judgement and estimation to determine the likelihood and timing of the cash outflows and interpretations of the legal aspects, tax legislations and judgements previously made by authorities.

Our response and procedures applied:

Our procedures in relation to the provisions and contingent liabilities relating to taxation, litigations and claims included:

- Understanding the process followed by the Group for assessment and determination of the amount of provisions and contingent liabilities relating to taxation, litigations and claims;
- Evaluating the design and implementation and testing operating effectiveness of key internal controls around the recognition and measurement of provisions and re-assessment of contingent liabilities;
- Assessing the value of significant provisions and contingent liabilities relating to taxation matter, on sample basis, in light of the nature of the exposures, applicable regulations and related correspondence with the authorities;
- Inquiring the status in respect of significant provisions and contingent liabilities with the Group's internal tax and legal team, including challenging the assumptions and critical judgements made by the Group which impacted the computation of the provisions and inspecting the computation;
- Assessing the assumptions used and estimates of outcome and financial effect, including considering judgement of the Group, supplemented by experience of similar decisions previously made by the authorities and, in some cases, relevant opinions given by the Group's advisors;
- Review of data and documents for completeness and accuracy;
- Evaluating judgements made by the Group by comparing the estimates of prior year to the actual outcome;
- Evaluating the Group's disclosures in the consolidated financial statements in respect of provisions and contingent liabilities.

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

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information,

consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

The director's report was not made available to us as at the date of this Auditor's report. We have nothing to report in this regard.

Management's Responsibilities for the Consolidated Financial Statements

The Holding Company's management and Board of Directors is responsible for the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Boards of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Boards of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Boards of Directors either intend to liquidate their respective entities or to cease operations, or have no realistic alternative but to do so.

The respective Boards of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of each company.

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

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

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

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

If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of entities within the Group 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 or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by other auditors or other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph of the section titled "other matters" in the audit report.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated 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 financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements 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

- a. We did not audit the financial statements of 1 subsidiary whose financial statements reflect total assets of ₹2915.57 lakhs as at March 31, 2022, total revenue of ₹818.96 lakhs and total net profit after tax of ₹82.42 lakhs, total comprehensive income of ₹81.96 lakhs and net cash flows of ₹Nil for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other independent auditor whose report on financial statements has been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the report of the other auditor and the procedures performed by us are as stated in paragraph above. Our opinion on the consolidated financial statements is not modified in respect of the above matter with respect to our reliance on the work done and the report of the other auditor.
- b. The consolidated financial statements include the unaudited financial information of 2 overseas subsidiaries, whose financial information reflects total assets of ₹578.07 lakhs as at March 31, 2022, total revenue of ₹184.60 lakhs and total net loss of ₹3.04 lakhs, total comprehensive income of ₹(3.61) lakhs and net cash outflows of ₹174.03

lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial information are unaudited and have been furnished to us by the management and our opinion in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, this financial information is not material to the Group. Our opinion on the consolidated financial statements is not modified in respect of the above matter with respect to our reliance on the financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditor on separate financial statements of a subsidiary as was audited by the other auditor, as mentioned in the "other matters" paragraph we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows 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 financial statements comply with the Ind AS specified under section 133 of the Act.
 - e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2022 taken on record by the Board of Directors of the Holding 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, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Holding Company and its subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.

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

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the Holding Company to its directors during the year is in excess of the limits laid down under section 197 of the Act. Details of remuneration paid in excess of the limit laid down under this section are given below:

Financial year	Amount of excess remuneration (₹ in lakhs)	Remarks
March 31, 2022	13.64	Remuneration payable to Mr. Marzin R Shroff (Managing Director and CEO of the Holding Company) exceeds the limit prescribed under section 197 by ₹13.64 lakhs and is subject to shareholders approval. The Holding Company has charged off the excess remuneration payable in the Statement of Profit and Loss for the year ended March 31, 2022.
March 31, 2022	48.01	Remuneration/Commission payable to directors (other than whole-time director) of the Holding Company exceeds the limit prescribed under section 197 by ₹48.01 lakhs and is subject to shareholders approval. The Holding Company has charged off the excess remuneration payable in the Statement of Profit and Loss for the year ended March 31, 2022.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us and based on the considerations of the reports of the other auditors on separate financial statements of the subsidiary as noted in "Other Matter" paragraph:

- i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group.
- ii) The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable;
- iii) There were no amounts, which were required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India.
- iv) (a) The respective Managements of the Holding 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 advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries 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,

directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (b) The respective Managements of the Holding Company 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 Holding 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 Holding 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.
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, performed by us on the Holding Company and its subsidiaries audited by us and those performed by other auditor on one subsidiary audited by the other auditor,

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 or the other auditor to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v) The Holding Company or its subsidiaries have not declared or paid any dividend during the year.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Holding Company and its subsidiaries included in the consolidated financial statements of the Group, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports except as below.

Name of the entity	CIN	Relationship	Clause number of the CARO report.
Eureka Forbes Ltd	L27310MH2008PLC188478	Holding Company	Clause i (c), vii and xvii
Infinite Water Solutions Pvt Ltd	U74999MH2008PTC180918	Subsidiary	Clause xviii

For **Batliboi & Purohit**
Chartered Accountants
Firm's Registration No. 101048W

Kaushal Mehta
Partner
Membership No.111749

UDIN: 22111749AJXRKI6255
Place: Mumbai
Date: May 30, 2022

Annexure “A” to the Independent Auditor’s Report

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Eureka Forbes Limited (formerly known as Forbes Enviro Solutions Ltd) of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (the “Act”)

Opinion

In conjunction with our audit of the consolidated financial statements of Eureka Forbes Limited (the “Holding Company”) as of and for the year ended March 31, 2022, we have audited the internal financial controls over financial reporting with respect to the consolidated financial statements of the Holding Company and its subsidiary companies incorporated in India (the Holding Company and its subsidiaries incorporated in India collectively referred to as “the Group”) as of that date.

In our opinion, to the best of our information and according to the explanations given to us, and based on the consideration of report of other auditor referred to in the other matter paragraph below, the Holding Company and its subsidiaries incorporated in India have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022 based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (‘the Guidance Note’) issued by the Institute of Chartered Accountants of India (‘the ICAI’).

Management’s Responsibility for Internal Financial Controls

The respective Boards of Directors of the Holding Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note issued by 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 Act.

Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company and its subsidiary companies, which are companies incorporated in India, 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 (“ICAI”) and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Holding Company and its subsidiary companies, which are companies incorporated in India.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion

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

Other matter

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to a subsidiary incorporated in India whose financial statements have been audited by the other auditor is based on the report

of the other auditor of the said subsidiary. Our opinion is not modified in respect of this matter.

For **Batlilboi & Purohit**
Chartered Accountants
Firm’s Registration No. 101048W

Kaushal Mehta
Partner
Membership No.111749

UDIN: 22111749AJXRKI6255
Place: Mumbai
Date: May 30, 2022

Consolidated Balance Sheet

as at March 31, 2022

Particulars	Notes	₹ in Lakhs	
		As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-current Assets			
(a) Property, plant and equipment	3(a)(i)	27,652.64	14.83
(b) Capital work-in-progress	3(a)(ii)	8.68	-
(c) (i) Goodwill	4(a)(i)	205,581.67	-
(ii) Goodwill on Consolidation	4(a)(ii)	299.46	-
(d) Other Intangible Assets	4(b)	315,332.90	0.77
(e) Right of Use Assets	3(b)	1,590.31	1.27
(f) Financial assets			
(i) Investments	5(a)	1.43	-
(ii) Trade receivables	6	332.81	-
(iii) Other financial assets	8	1,665.22	1,999.46
(g) Tax assets			
(i) Deferred Tax Asset (net)	9	93.12	-
(ii) Income Tax asset (net)	10	2,373.98	42.72
(h) Other non-current assets	11	1,359.76	117.22
Total Non-current Assets		556,291.98	188.08
Current Assets			
(a) Inventories	12	29,031.13	204.04
(b) Financial assets			
(i) Investments	5(b)	6,169.95	2.40
(ii) Trade receivables	6	15,028.80	235.60
(iii) Cash and cash equivalents	13	1,775.79	19.81
(iv) Bank balances other than (iii) above	13	99.70	31.98
(v) Loans	7	7.92	-
(vi) Other financial assets	8	127.35	0.06
(c) Other current assets	11	4,215.65	32.37
		56,456.29	526.26
Total Current Assets		56,456.29	526.26
Total Assets		612,748.27	714.34
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	14	19,347.92	482.73
(b) Other Equity	15	388,259.07	(468.86)
Equity attributable to owners of the Company		407,606.99	13.87
(c) Non-controlling Interests		127.44	-
Total Equity		407,734.43	13.87
Liabilities			
Non-current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	4,956.11	-
(ii) Lease Liabilities	29XII	612.79	-
(iii) Other financial liabilities	18	-	5,568.90
(b) Provisions	19	180.14	2.19
(c) Deferred tax liabilities (net)	9	82,740.48	-
(d) Other non-current liabilities	20	13,519.74	-
Total Non-current Liabilities		102,009.26	2.19
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	16	19,323.89	150.00
(ii) Lease Liabilities	29XII	731.34	1.34
(iii) Trade payables	17	-	-
(a) Total outstanding dues of micro enterprises and small enterprises		6,192.34	23.42
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		15,904.13	453.86
(iv) Other financial liabilities	18	12,349.21	54,500.91
(b) Provisions	19	2,137.35	1.09
(c) Income tax liabilities (net)	10	528.01	2.61
(d) Other current liabilities	20	45,838.31	20.72
Total Current Liabilities		103,004.58	698.28
Total Liabilities		205,013.84	700.47
Total Equity and Liabilities		612,748.27	714.34

The accompanying notes are an integral part of the consolidated financial statements

In terms of our report of even date

For **Batliboi & Purohit**
Chartered Accountants
Firm Registration No: 101048W

Kaushal Mehta
Partner
Membership No: 111749

Place: Mumbai
Dated : May 30, 2022

For and behalf of the Board of Directors of Eureka Forbes Limited
(formerly Forbes Enviro Solutions Limited)

Homi Adi Katgara
Director
(DIN-00210338)

Dattaram Shinde
Company Secretary

Place: Mumbai
Dated : May 30, 2022

Marzin R. Shroff
Managing Director & CEO
(DIN-00642613)

R S Moorthy
Chief Financial Officer

Consolidated Statement of Profit and Loss

for the Year ended March 31, 2022

Particulars	Notes	₹ in Lakhs	
		For the Year ended March 31, 2022	For the Year ended March 31, 2021
I Income			
Revenue from Operations	21	38,175.01	784.63
Other income and other gains / (losses) - Net	22	232.65	3.90
Total Income		38,407.66	788.53
II Expenses			
Cost of Materials Consumed	23	10,221.62	594.19
Purchases of stock-in-trade	23	5,222.33	4.73
Changes in inventories of finished goods, spares, stock-in-trade and work-in-progress	23	709.39	82.39
Employee benefits expense	24	4,912.00	137.72
Finance costs	25	442.04	19.87
Depreciation and amortisation expense	26	918.12	14.16
Other expenses	27	15,275.93	97.71
Total expenses		37,701.43	950.77
III Profit / (Loss) before tax		706.23	(162.24)
Less: Tax expense			
Current tax	28	243.89	-
Earlier year tax	28	8.34	0.79
Deferred tax (credit) / charge	28	192.48	-
		444.71	0.79
IV Profit / (Loss) for the year		261.52	(163.03)
V Other Comprehensive Income			
A Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans Gain/(Loss)		(11.02)	1.63
Tax effect on above		2.77	-
		(8.25)	1.63
B Items that will be reclassified to profit or loss			
Exchange Differences in translating the financial statements of foreign operations		(0.31)	-
VI Total other comprehensive income (A+B)		(8.56)	1.63
Total comprehensive income/ (loss) for the year (IV+VI)		252.96	(161.40)
Profit/ (Loss) for the year attributable to:			
- Owners of the Company		259.91	(163.03)
- Non-controlling interests		1.61	-
		261.52	(163.03)
Other comprehensive income for the year attributable to:			
- Owners of the Company		(8.56)	1.63
- Non-controlling interests		-	-
		(8.56)	1.63
Total comprehensive income / (loss) for the year attributable to:			
- Owners of the Company		251.35	(161.40)
- Non-controlling interests		1.61	-
		252.96	(161.40)
Earnings per equity share (Face Value of ₹ 10 each)			
(1) Basic (in ₹)	32	0.72	(3.38)
(2) Diluted (in ₹)	32	0.72	(3.38)

The accompanying notes are an integral part of the consolidated financial statements

In terms of our report of even date

For **Batliboi & Purohit**
Chartered Accountants
Firm Registration No: 101048W

Kaushal Mehta
Partner
Membership No: 111749

Place: Mumbai
Dated : May 30, 2022

For and behalf of the Board of Directors of Eureka Forbes Limited
(formerly Forbes Enviro Solutions Limited)

Homi Adi Katgara
Director
(DIN-00210338)

Dattaram Shinde
Company Secretary

Place: Mumbai
Dated : May 30, 2022

Marzin R. Shroff
Managing Director & CEO
(DIN-00642613)

R S Moorthy
Chief Financial Officer

Consolidated Statement of Cash Flows

for the year ended March 31, 2022

Particulars	₹ in Lakhs	
	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Cash flows from operating activities		
Profit/ (Loss) before tax	706.23	(162.24)
Adjustments for:		
Finance costs recognised in consolidated profit and loss	419.01	19.46
Interest on Lease Liabilities	23.03	0.41
(Gain)/ Loss on Investment recognised in profit and loss	-	(1.02)
Interest Income	(25.52)	(2.00)
(Gain) / loss on disposal of property, plant and equipment and Intangible assets	(50.84)	0.92
Fair value of Investment at FVTPL	(37.14)	-
Remeasurements of the defined benefit plans	(11.02)	1.63
Provision/write-off of doubtful debts, advances and other current assets	27.36	24.82
Depreciation and amortisation Expense	742.33	5.23
Depreciation and amortisation expenses on Right of use assets	175.79	8.92
Effect of exchange difference on consolidation of Foreign entities	(0.31)	-
Net foreign exchange (gain) / loss - Unrealised	27.95	58.37
Operating Profit / (Loss) before working capital changes	1,996.87	(103.87)
Movements in working capital:		
(Increase) / decrease in trade and other receivables	1,260.09	20.41
(Increase) / decrease in inventories	2,200.65	95.02
(Increase) / decrease in loans and advances	401.02	-
(Increase) / decrease in other assets	(398.25)	53.82
(Increase) / decrease in other financial assets	268.18	3.96
Increase / (decrease) in trade and other payables	734.49	(52.40)
Increase / (decrease) in provisions	(18.06)	(0.73)
Increase / (decrease) in other liabilities	(2,650.89)	(29.85)
Cash generated from operations	3,794.10	(13.64)
Less : Income taxes (paid) / refund received	(120.41)	23.02
Net cash generated from Operating activities	3,673.69	9.38
Cash flows from Investing activities		
Interest received	25.58	2.16
Payments for property, plant and equipment	(539.46)	-
Proceeds from disposal of property, plant and equipment	139.30	-
Movement in Bank Balance other than Cash & Cash equivalents	1.07	14.43

Consolidated Statement of Cash Flows (Contd.)

for the year ended March 31, 2022

Particulars	₹ in Lakhs	
	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Net cash (used in) / generated from Investing activities	(373.51)	16.59
Cash flows from Financing activities		
Net Increase / (decrease) in working capital borrowings	(2,317.84)	-
Expenses paid for increase in Authorised Share Capital	(185.25)	-
Repayment of Long Term Borrowings	(9.08)	-
Payment of lease liabilities	(204.80)	(9.18)
Interest paid	(422.64)	(19.46)
Net Cash used in Financing activities	(3,139.61)	(28.64)
Net Increase / (Decrease) in Cash and Cash equivalents	160.57	(2.67)
Cash and cash equivalents at the beginning of the year	19.81	22.48
Addition on account of Business Combination	1,595.41	-
Cash and cash equivalents at the end of the year	1,775.79	19.81
Net Increase / (Decrease) in cash and cash equivalents as disclosed above	160.57	(2.67)

Note :

The above Consolidated Statement of Cash Flows has been prepared under the Indirect Method as set out in the Indian Accounting Standard (IND AS-7) Statement of Cash Flows.

In terms of our report of even date

For and behalf of the Board of Directors of Eureka Forbes Limited
(formerly Forbes Enviro Solutions Limited)

For **Batliboi & Purohit**
Chartered Accountants
Firm Registration No: 101048W

Homi Adi Katgara
Director
(DIN-00210338)

Marzin R. Shroff
Managing Director & CEO
(DIN-00642613)

Kaushal Mehta
Partner
Membership No: 111749

Dattaram Shinde
Company Secretary

R S Moorthy
Chief Financial Officer

Place: Mumbai
Dated : May 30, 2022

Place: Mumbai
Dated : May 30, 2022

Consolidated Statement of Changes in Equity

for the year ended March 31, 2022

A. Equity share capital

(i) Current Reporting Period

	₹ in Lakhs
Balance at April 1, 2021	482.73
Changes in equity share capital due to prior period error	-
Restated Balance at April 1, 2021	482.73
Less: Shares cancelled pursuant to scheme of arrangement	(482.73)
Add: Shares issued on account of business combination (Refer Note 30)	19,347.92
	19,347.92

(ii) Previous Reporting Period

	₹ in Lakhs
Balance at April 1, 2020	482.73
Changes in equity share capital due to prior period error	-
Restated Balance at April 1, 2020	482.73
Add: Issued during the year	-
Balance at March 31, 2021	482.73

B. Other Equity

(i) Current Reporting period

Particulars	Reserves and surplus			Other Comprehensive Income			Total Other Equity
	Retained earnings	Securities Premium	Capital reserve	Total	Forex Currency Translation Reserve	Total	
Balance at April 1, 2021*	(468.86)	-	-	(468.86)	-	-	(468.86)
Profit / (Loss) for the year	259.91	-	-	259.91	-	1.61	261.52
Exchange difference on translation of non-integral foreign operations arisen during the year	-	-	-	-	(0.31)	-	(0.31)
Add: On account of Scheme of Arrangement	-	-	482.73	482.73	-	-	482.73
Add: On account of Consolidation of Subsidiaries	-	-	930.41	930.41	-	125.83	1,056.24
Issue of equity shares on account of business combination (Refer note 30)	-	387,248.70	-	387,248.70	-	-	387,248.70
Less: Cost for increase in Authorised Share Capital	-	(185.25)	-	(185.25)	-	-	(185.25)
Other comprehensive income for the year, net of income tax	(8.25)	-	-	(8.25)	-	-	(8.25)
Total comprehensive income / (Loss) for the year	251.66	387,063.45	1,413.14	388,728.25	(0.31)	127.44	388,855.38
Balance at March 31, 2022	(217.20)	387,063.45	1,413.14	388,259.39	(0.31)	127.44	388,386.51

Consolidated Statement of Changes in Equity (Contd.)

for the year ended March 31, 2022

(ii) Previous Reporting Period

Particulars	Reserves and surplus			Other Comprehensive Income			Total Other Equity
	Retained earnings	Securities Premium	Capital reserve	Total	Forex Currency Translation Reserve	Total	
Balance at April 1, 2020*	(307.46)	-	-	(307.46)	-	-	(307.46)
Profit / (Loss) for the year	(163.03)	-	-	(163.03)	-	-	(163.03)
Other comprehensive income for the year, net of income tax	1.63	-	-	1.63	-	-	1.63
Total comprehensive income for the year	(161.40)	-	-	(161.40)	-	-	(161.40)
Balance at March 31, 2021	(468.86)	-	-	(468.86)	-	-	(468.86)

* There are no changes in other equity due to change in accounting policy or prior period errors

In terms of our report of even date

For **Batliboi & Purohit**
Chartered Accountants
Firm Registration No: 101048W

Kaushal Mehta
Partner
Membership No: 111749

Place: Mumbai
Dated : May 30, 2022

Homi Adi Katgara
Director
(DIN-00210338)

Dattaram Shinde
Company Secretary

Place: Mumbai
Dated : May 30, 2022

Marzin R. Shroff
Managing Director & CEO
(DIN-00642613)

R S Moorthy
Chief Financial Officer

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

Background

Eureka Forbes Limited (formerly Forbes Enviro Solutions Limited) is a limited company incorporated and domiciled in India with its registered office situated at B1/B2, 701, Marathon Innova, Off Ganpatrao Kadam Marg, Lower Parel, (West), Mumbai – 400 013.

Prior to acquisition of the Health, Hygiene Safety Products and Services Undertaking ('the Undertaking') pursuant a Scheme of Arrangement approved by the Hon'ble National Company Law Tribunal on January 25, 2022 (Refer Note 29(VI)) for detailed description of the Scheme), as a running business with effect from February 01, 2022, the Company was engaged in manufacturing and trading water and waste water treatment plants and related operation and maintenance contracts. Subsequent to the acquisition of the said Undertaking, the Company and Group is also engaged in the business of manufacturing, trading, selling, renting and servicing of vacuum cleaners, water filter cum purifiers, electronic air cleaning systems and similar products.

Based on the approval received from BSE Ltd., the equity shares of the Company were listed on BSE Limited on March 16, 2022.

Note 1:

A. Basis of preparation of consolidated financial statements

This note provides a list of significant accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented unless otherwise stated.

(a) Compliance with Indian Accounting Standards (Ind AS)

These consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

(b) Historical Cost convention

The Consolidated financial statements have been prepared on a historical cost basis, on accrual basis of accounting except for certain financial assets and liabilities (including derivative instruments) that are measured at fair value.

(c) Functional and presentation currency

These consolidated financial statements are presented in Indian Rupees (₹), which is also the group's functional currency.

(d) Use of estimates and judgements

In preparing these consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the consolidated financial statements is included in the following notes:

Note 2(g) and 3(a) – Useful lives of Property, plant and equipment

Note 2(h) and 4 – Useful and indefinite lives of Intangible assets

Note 2(i) and 25 – Employee Benefit Expense

Note 19 and 29(I)(a) – Provisions and Contingent liabilities

Note 5 (a) – Estimated Fair Values of Unlisted Securities

Note 19 – Estimation for provision of Warranty Claims

Note 6 – Impairment of Trade Receivables

Note 10, Note 28 and Note 2(n) – Income taxes

Note 9, Note 28 and Note 2(n) – Recognition of Deferred taxes

Note 2(m) – Refund Liabilities

Note 2(q) – Impairment of Goodwill on consolidation

Note 29(IX) – Impact of Covid-19

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the next year is included in the note below.

Note 29(1) and 29 (XI) – Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources.

Impairment

Assets are tested for impairment on an annual basis and whenever there is an indication that the recoverable amount is less than its carrying amount based on a number of factors including operating results, business plans, future cash flows and economic conditions. The recoverable amount is determined based on higher of value-in-use and fair value less cost to sell. Market related information and estimates are used to determine the recoverable amount. Key assumptions on which management has based its determination of recoverable amount include estimated long term growth rates, weighted average cost of capital and estimated operating margins. Cash flow projections take into account past experience and represent management's best estimate about future developments.

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2022

(e) Measurement of fair values

A number of the group's accounting policies and disclosures require the measurement of fair values, for both financial assets and liabilities.

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 assets or liability.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy that categorises into three levels, described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and lowest priority to unobservable inputs (Level 3 inputs).

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

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

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in Note 33 – Financial instruments.

B. Principles of Consolidation

(a) The Consolidated Financial Statements relate to Eureka Forbes Limited (the "Company"), and its subsidiaries (the Company and its subsidiaries constitute the "Group") which have been prepared in accordance with the Indian Accounting Standard on Consolidated Financial Statements (Ind AS) 110 and Investments in Associates and Joint Ventures (Ind AS) 28 specified under section 133 of the Companies Act, 2013. Further the Consolidated Financial Statements include investments in associates accounted for using equity method in accordance with the Accounting Standard on Accounting for Investments in Associates in Consolidated Financial Statements (Ind AS) 28 specified under section 133 the Companies Act, 2013.

(b) The financial statements of the Company and its subsidiaries have been consolidated on line-by-line basis by adding together the book values of like items of assets,

liabilities, income and expenses, after fully eliminating intra-group balances, intra-group transactions and resulting unrealised profits or losses.

(c) The excess of cost of investment in the subsidiary over the Group's portion of equity of the subsidiary, at the date on which investment is made, is recognised in the financial statements as Goodwill on Consolidation.

(d) The excess of Group's portion of equity of the subsidiary over the cost of the investments by the Group, at the date on which investments is made, is treated as Capital Reserve on Consolidation.

(e) The Goodwill / Capital Reserve is determined separately for each subsidiary company and such amounts are not set off between different entities.

(f) Non-controlling Interests in the net assets of the subsidiaries consist of :

(i) The amount of equity attributable to non-controlling interest at the date on which investment is made; and

(ii) The non-controlling interest's share of movements in the equity since the date the parent-subsidiary relationship came into existence. The losses applicable to the non-controlling interest in a consolidated subsidiary may exceed the non-controlling interest in the equity of subsidiary. The excess, and any further losses applicable to the non-controlling interest, are adjusted against the controlling interest except to the extent that the non-controlling interest has a binding obligation to, and is able to, make good the losses.

(g) Figures pertaining to the subsidiaries have been reclassified wherever necessary to bring them in line with the Company's financial statements.

(h) Subsidiaries:

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries. Control is achieved when the company has :

- Power over the investee
- Is exposed or has rights to variable returns from its involvement with the investee, and
- has the ability to use its Power over the investee to affect its returns

Subsidiaries are included in the consolidated financial statements from the point in time at which the control is transferred to the Group and are no longer included in the consolidated financial statements from the point in time at which the control ceases.

The list of subsidiary companies which are included in the consolidation and the Group's holdings therein are as under:

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2022

Name of the Subsidiary (with effect from February 1, 2022)	Incorporated in	Percentage of Holding and Voting power (%)
		As at March 31, 2022
Forbes Aquatech Limited	India	88.49
Infinite Water Solutions Private Limited	India	100
Euro Forbes Limited	UAE	100
Forbes Lux FZCO	UAE	100

(i) Jointly Controlled Entities and Associates:

Interests in jointly controlled entities comprise the share of the Group's interest in a company in which the Group has acquired joint control over its economic activities by contractual agreement.

Entities are consolidated as Jointly controlled entities or associates when the Group, either directly or indirectly, has a long-term holding usually corresponding to at least 20% but not more than 50% of the voting rights and on the basis of which the Group has a joint control or significant influence during the year, unless it can be clearly proven otherwise.

Interests in jointly controlled entities and associate companies are included in the consolidated financial statements of the Group from the point in time at which the joint control or significant influence is transferred to the Group and are no longer included in the consolidated financial statements from the point in time at which the joint control or significant influence ceases. Interests in joint ventures and associate entities are aggregated in the consolidated financial statements by using Equity Method specified in Indian Accounting standard (Ind AS) 28.

The Group's holdings in jointly controlled entities and associate companies are reported in the Consolidated Balance Sheet at an amount corresponding to the Group's share of the jointly controlled entities and associate companies' net assets including goodwill / capital reserve on consolidation and any impairment.

When the Group's share of any accumulated losses exceed the acquisition value of an investment, the book value is set to zero and the reporting of future losses ceases, unless the Group is committed on the basis of guarantees or other obligations to the company in question.

The portion of unrealised profits and losses corresponding to the Group's participation in the jointly controlled entity and associate company is eliminated in conjunction with transactions between the Group and the jointly entities and associate companies; however unrealised losses are not eliminated if the cost of the transferred asset cannot be recovered. The corresponding adjustment is made to the value of investments in the jointly controlled entities and associate companies.

Note 2: SIGNIFICANT ACCOUNTING POLICIES

(a) (i) Foreign currency transactions

Transactions in currencies other than company's functional currency i.e. Indian Rupee are recognised at the exchange rate prevailing at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate prevailing at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are not re-translated. Exchange differences are recognised in profit or loss not retranslated, except exchange differences arising from the translation of the equity investments which are recognised at fair value through OCI (FVOCI) are recognised in other comprehensive income.

(ii) Foreign Subsidiaries

The consolidated financial statements includes two subsidiaries (previous year: nil) incorporated outside India whose financial statements have been drawn up in accordance with the generally accepted accounting practices (GAAP) as applicable in those countries. These financial statements have been re-stated in Indian Rupees and the resultant exchange gain / loss on conversion has been carried forward as Foreign Currency Translation Reserve. In the opinion of the Management, based on the analysis of the significant transactions at subsidiaries, no material adjustments are required to be made to comply with group accounting policies / Indian GAAP.

(b) Financial Instruments

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

(i) Financial Assets

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.

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2022

Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Investment in equity instruments of subsidiary, associates and joint ventures are measured at cost less impairment. All other financial assets are subsequently measured at fair value.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument 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 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 debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement 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 and is included in the 'Other income' line item.

Investments in equity instruments at fair value through other comprehensive income (FVTOCI)

On initial recognition, the Group can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the reserve for 'equity instruments through other comprehensive income'.

(ii) Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by a 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 subsequently measured at amortised cost using the effective interest method or at FVTPL. 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.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument. Financial guarantee contracts issued by the Parent Company are measured at their fair values.

(c) Derecognition

Financial Assets

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.

If the group enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2022

Financial Liabilities

The group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(d) Impairment

(i) Impairment of financial asset

The Group recognises loss allowances for expected credit loss on financial assets measured at amortised cost, trade receivables, other contractual rights to receive cash or other financial assets and financial guarantee not designated as FVTPL.

The Group measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses :

- bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. The Group follows 'simplified approach' for recognition of impairment loss allowance for trade receivables. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime expected credit loss at each reporting date, right from its initial recognition.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum

contractual period over which the group is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Entity's historical experience and informed credit assessment and including forward-looking information.

(ii) Impairment of non-financial assets

The Entity's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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 CGU (or the asset).

The Entity's corporate assets do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of assets other than goodwill for which impairment loss has been recognised in prior periods, the Entity reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2022

(e) Cash and cash equivalents

For the purpose of presentation in the statement of cash flow, cash and cash equivalents including cash on hand, deposits held at call with financial institutions, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

(f) Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the weighted average method, and includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

The comparison of cost and net realisable value is made on an item-by-item basis.

The Net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

Raw Materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

(g) Property plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Property, plant and equipment acquired in a business combination are recognised at fair value at the acquisition date.

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

Depreciation methods, estimated useful lives and residual value

Depreciation has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset,

past history of replacement, anticipated technological changes etc.

The estimated useful lives of property, plant and equipment for the current and comparative periods (as applicable) are as follows -

In the case of Indian Entities

Type of Assets	Period
Plant & Machinery for cleaning services	5 years
Plant & Machinery on rent	6 years
Motor Cycles	3 years
Motor Cars	5 years
Office Equipment	3-5 years

In the case of Foreign Entities

Type of Assets	Period
Vehicles	5 years
Furniture and Office Equipment	2-5 years

(h) Intangible assets

Intangible assets are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

Amortisation

Intangible assets acquired in a business combination are recognised at fair value at the acquisition date. Subsequently, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

The useful lives of intangible assets are assessed as finite or indefinite. Finite-life intangible asset are amortised on a Straight line basis over the period of their estimated useful lives. Estimated useful lives by major class of finite life intangible assets are as follow:

Type of Assets	Period
Technical Knowhow	5 years
Computer Software	5 years
Distributor network-Service	10 years
Distributor network-Product	10 years

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

Indefinite - life intangible assets comprises trademark and brands for which there is no foreseeable Limit to the period over which they are expected to generate net cash inflows. These are considered to have an indefinite life, given the strength and durability of the brands and the level of marketing support.

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2022

For Indefinite life intangible assets, the assessment of indefinite life is reviewed annually to determine whether it continues, if not, it is impaired or changed prospectively basis revised estimates.

Goodwill is initially recognised based on the accounting policy for Business combination and is tested for impairment annually.

(i) Employee Benefits

(i) Short Term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

(ii) Defined Contribution Plans

Defined contribution plans are employee state insurance scheme and Government administered pension fund scheme for all applicable employees and superannuation scheme for eligible employees. The group's contribution to defined contribution plans are recognised in the Statement of Profit and Loss in the consolidated financial year to which they relate.

The company makes specified monthly contributions towards Employee Provident Fund scheme to a separate trust administered by the Company / deposited to EPFO. The minimum interest payable by the trust to the beneficiaries is being notified by the Government every year. The Company has an obligation to make good the shortfall, if any, between the return on investments of the trust and the notified interest rate.

(iii) Defined Benefit Plans

Gratuity Scheme

The Company operates a defined benefit gratuity plan for employees. The Gratuity plan for the existing employee of the company is funded through a policy of Life Insurance Corporation. In respect of the employee of the business undertaking acquired during the year, the Company contributes to a separate trust administered by the Company towards meeting the Gratuity obligation. The Company's liability is determined on the basis of an actuarial valuation. Remeasurements of the net defined benefit liability as per the actuarial valuation report, which comprise actuarial gains and losses are recognised in OCI.

In the case of certain Indian Subsidiaries,

In case of certain Indian Subsidiaries, the gratuity liability is unfunded. The group accounts for gratuity benefits payable in future based on the calculation performed annually by a qualified actuary using the projected unit credit method at the end of the year. Actuarial Gains and Losses are recognised in OCI.

Other long term employee benefits

Entitlements to annual leave are recognised when they accrue to employees. The Company determines the liability for such accumulated leaves using the Projected Accrued Benefit method with actuarial valuations being carried out at each Balance Sheet date.

There are other Group companies that have internal or external pension plans. However these plans are not material for the Group and therefore no further information is disclosed.

Since the above pension plans are operated as per the laws of respective countries, no adjustment has been carried out for differences if any with Indian GAAP as the same is considered to be immaterial.

(j) Research and Development

(a) Capital Expenditures are shown separately under respective heads of fixed assets.

(b) Revenue expenses are included under the respective heads of expenses.

(k) Lease Accounting

Ind AS 116 sets out principles for the recognition, measurement, presentation and disclosure of leases. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. For all leases except as noted above, a lessee is required to recognise a right-of-use asset (ROU Asset) representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments in the balance sheet. Lessee will recognise depreciation of right-of-use assets and interest on lease liabilities in the statement of profit and loss.

(i) The Group as a lessee

The Group's lease asset classes primarily consist of leases for Premises. The group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the group assesses whether: (1) the contract involves the use of an identified asset (2) the group has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2022

term and low value leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases.

The lease payments that are not paid at the commencement date are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments) payable during the lease term and under reasonably certain extension options, less any lease incentives;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

As a practical expedient, Ind AS 116 permits a lessee not to separate non-lease components when bifurcation of the payments is not available between the two components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has used this practical expedient. Contingent and variable rentals are recognised as expense in the periods in which they are incurred.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Whenever the Company incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under Ind AS 37. The costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

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

The Group has entered into lease arrangements as a lessee for premises for operating customer relationship center, guest houses, head office and regional offices, residential premises for their employees so as to help the employees to get settled to new location and warehouse for receiving, storing and dispatch of goods and vehicles. The average term of leases entered into is 3 years. In case of warehouses, on the basis of past practice the entire period of the contract has been considered for lease term depending on the reasonable certainty to continue with the same service provider. Generally, these lease contracts do not include extension or early termination options.

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2022

Extension and termination options are included in many of the leases. In determining the lease term the management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option.

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

The aggregate depreciation expense on ROU assets is included under depreciation and amortisation expense in the statement of Profit and Loss.

(ii) The Group as a lessor

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. Ind AS 116 does not change substantially how a lessor accounts for leases. Under Ind AS 116, a lessor continues to classify leases as either finance leases or operating leases and account for those two types of leases differently. However, Ind AS 116 has changed and expanded the disclosures required, in particular with regard to how a lessor manages the risks arising from its residual interest in leased assets.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognised on a straight line basis over the term of the relevant lease.

(l) Government Grant

Government grants related to income under State Investment Promotion Scheme linked with VAT / GST payment, are recognised in the Statement of Profit and Loss in the period in which they become receivable.

(m) Revenue Recognition

The Group derives Revenue from sale of products primarily water purifiers and vacuum cleaners and providing related maintenance services. Revenue from sale of goods is recognised when control of the products being sold has transferred to the customer upon delivery. Revenue is measured net of taxes, returns, discounts, incentives and rebates earned by customers on the sales. Revenue from services are recognised over the period of time.

A refund liability (included in other current liabilities) is recognised for expected volume discounts payable to

customers in relation to sales made until the end of the reporting period.

In relation to certain contracts where installation services are provided by the group, same is accounted as a separate performance obligation. Payment of the transaction price is due immediately when the customer purchases the goods/services except in certain cases where a credit term is agreed between group and customers.

Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur. An estimate is made for goods that will be returned and a liability has been recognised for this amount as refund liability (included in other current liabilities). An asset has also been recorded (included in other current assets) for the corresponding inventory that is estimated to return to the group using a best estimate based on accumulated experience.

Group's obligation to repair or replace faulty products under the standard warranty terms is recognised as provision.

Dividend income is recognised when the right to receive payment is established and known.

Interest income from financial asset is recognised when it is probable that the economic benefit will flow to the company and the amount of income can be measured reliably. Interest income is accrued on time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

(n) Taxation

Income tax comprises current and deferred tax. It is recognised in profit & loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income, in which the current and the deferred tax is also recognised directly in equity or in other comprehensive income.

Current Tax

Current tax is measured on the basis of estimated income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to tax authorities.

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2022

The entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

Deferred Tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax liability are generally recognised for all taxable temporary differences. Deferred tax asset (including in respect of carried forward tax losses and tax credits) are recognised to the extent it is probable that the taxable profit will be available against which deductible temporary differences can be utilised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

Uncertain Tax position

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. The provision is estimated based on one of two methods, the expected value method (the sum of the probability weighted amounts in a range of possible outcomes) or the single most likely amount method, depending on which is expected to better predict the resolution of the uncertainty.

(o) Earnings Per Share

The group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the group by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding after adjusting for the effects of all potential dilutive ordinary shares.

(p) Provisions and Contingencies

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

The amount recognised as provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period taking into account the risk and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation its carrying amount is the

present value of those cash flows (where the effect of the time value of money is material)

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Contingent Liabilities are not recognised in the financial statements but are disclosed in the notes.

Contingent assets are disclosed where inflow of economic benefit is probable.

(q) Goodwill On Consolidation

Goodwill is deemed to have an indefinite useful life and is reported at acquisition value with deduction for accumulated impairments. Goodwill is tested for impairment on an annual basis and whenever there is an indication that the recoverable amount of a cash generating unit is less than its carrying amount based on a number of factors including operating results, business plans, future cash flows and economic conditions. The recoverable amount of cash generating units is determined based on higher of value-in-use and fair value less cost to sell. The goodwill impairment test is performed at the level of the cash generating unit or groups of cash-generating units which are benefitting from the synergies of the acquisition and which represents the lowest level at which goodwill is monitored for internal management purposes. Market related information and estimates are used to determine the recoverable amount. Key assumptions on which management has based its determination of recoverable amount include estimated long term growth rates, weighted average cost of capital and estimated operating margins. Cash flow projections take into account past experience and represent management's best estimate about future developments."

(r) Borrowing Cost

Borrowing Cost includes interest, amortisation of ancillary cost incurred in connection with the arrangement of borrowings and exchange difference arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing cost, if any, 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, if any. All other borrowing costs are expensed in the period in which they occur.

(s) Derivatives

The Group enters into certain derivative contracts to hedge risks which are not designated as hedge. Such contracts are accounted for at fair value through the Statement of Profit and Loss.

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2022

(t) Assets Classified as held for sale

Noncurrent assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. These assets are measured at lower of their carrying amount and fair value less costs to sell. Non current assets (or disposal group) are presented separately from the other assets in the balance sheet. The liabilities of disposal group, if any, are presented separately from the other liabilities in the balance sheet.

(u) Business Combination

Business combinations are accounted for using the acquisition accounting method as at the date of the acquisition. The consideration transferred in the acquisition and the identifiable assets acquired and liabilities assumed are recognised at fair values on their acquisition date. Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred over the net identifiable assets acquired and liabilities assumed. Consideration transferred does not include amounts related to settlement of pre-existing relationships. Such amounts are recognised in the Statement of Profit and Loss.

Transaction costs are expensed in the statement of profit and loss as incurred, other than those incurred in relation to the issue of debt or equity securities which are directly adjusted in other equity.

(v) Segment Reporting

The Group is primarily engaged in the business of Health, Hygiene & Safety products and its services. As the basic nature of these activities are governed by the same set of risk and returns, there is no primary segment identified as per Indian Accounting Standards (Ind AS) 108 "Operating Segments" notified under section 133 of the Companies Act 2013. The Group has identified geographical segment as its secondary segment.

(w) Standards issued but not yet effective

On March 23, 2022, Ministry of Corporate Affairs ('MCA') amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 01, 2022, as below:

1 Ind AS 103 – Business Combinations

The amendment clarifies that while applying the acquisition method for recognition, the assets and liabilities taken over, in a business combination, must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. The Company does not expect the amendment to have any impact in its financial statements.

2 Ind AS 16 – Property, Plant and Equipment

The amendment requires that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The Group does not expect the amendment to have any significant impact in its financial statements.

3 Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets

The amendment clarifies in relation to onerous contracts that the cost of fulfilling a contract comprises the costs that relate directly to the contract which consist of incremental costs of fulfilling that contract (examples would be direct labour, materials) and an allocation of other costs that relate directly to fulfilling contracts. The Group does not expect the amendment to have any significant impact in its financial statements.

4 Ind AS 41 – Agriculture

The amendment relates to recognition and measurement of biological assets or agricultural produce. These amendments will not have any impact on the Group's financial statements.

5 Ind AS 109 – Financial Instruments

The amendment clarifies that while determining the fees paid (net of fees received) when a borrower applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability, the borrower to include only fees paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. The Group does not expect the amendment to have any significant impact in its financial statements.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

Note 3(a)(i) - Property, Plant and Equipment

Gross Block #	Land - Freehold [®]	Buildings** [®]	Plant and Machinery [®]	Electrical Installation & Equipment	Laboratory Equipment	Office Equipment	Furniture and Fixtures	Vehicles	Computers	Total
As at April 1, 2020				8.54		13.68	33.87		15.01	71.09
Additions	-	-	-	-	-	-	-	-	-	-
Deletions	-	-	-	-	-	(1.72)	(2.88)	-	(3.36)	(7.97)
As at April 1, 2021				8.54		11.96	30.98		11.65	63.13
Additions	-	137.07	431.22	15.83	18.94	8.21	9.73	77.56	33.76	732.32
Additions through business combination (Refer Note:30) and on account of Consolidation of Subsidiaries	6,405.00	14,573.46	4,180.95	206.68	94.36	65.66	202.20	866.34	692.57	27,287.22
Deletions	-	-	(43.81)	(11.11)	-	(2.00)	(12.93)	(39.12)	(8.59)	(117.56)
As at March 31, 2022	6,405.00	14,710.53	4,568.36	219.94	113.30	83.83	229.98	904.78	729.39	27,965.11

Accumulated Depreciation	Land - Freehold	Buildings	Plant and Machinery	Electrical Installation & Equipment	Laboratory Equipment	Office Equipment	Furniture and fixtures	Vehicles	Computers	Total
As at April 1, 2020				6.17	-	10.42	19.52	-	14.16	50.27
Charge for the year	-	-	-	0.90	-	0.78	3.39	-	0.10	5.17
Deletions	-	-	-	-	-	(1.63)	(2.31)	-	(3.19)	(7.13)
As at April 1, 2021				7.07	-	9.57	20.61	-	11.06	48.31
Charge for the year	-	71.32	86.21	6.33	3.52	4.42	8.44	63.38	49.88	293.50
Deletions	-	-	(0.51)	(7.55)	-	(1.70)	(9.87)	(1.54)	(8.17)	(29.34)
As at March 31, 2022	-	71.32	85.70	5.85	3.52	12.29	19.18	61.84	52.77	312.47
Net Block										
As at March 31, 2021	-	-	-	1.48	-	2.39	10.37	-	0.58	14.82
As at March 31, 2022	6,405.00	14,639.21	4,482.66	214.10	109.78	71.54	210.80	842.94	676.61	27,652.64

** Includes a property for which co-op society is yet to be formed and also includes building given on lease

® The Title Deeds in respect of freehold land and Buildings which has been acquired in business combination (refer Note 30), are held in the name of erstwhile Eureka Forbes Limited. The company is in the process of transferring the above freehold land and Buildings in its own name.

¹ Includes moulds given on Lease has a useful life of 15 years and depreciated accordingly.

² Refer note 35 for assets pledged as security.

No proceeding has been initiated or pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

3(a)(ii) Capital work-in-progress: Consist of project in process amounting to ₹ 8.68 lakhs and having ageing of less than one year (Previous Year Nil).

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2022

Note 3(b) - Right of Use Assets

	₹ in Lakhs		
	Land - Leasehold	Buildings	Total
Gross Block			
As at April 1, 2020	-	10.46	10.46
Additions	-	8.24	8.24
Deletions	-	-	-
As at March 31, 2021	-	18.70	18.70
Additions through business combination (Refer Note:30) and on account of Consolidation of Subsidiaries	345.01	1,323.86	1,668.87
Additions	-	95.96	95.96
Deletions	-	-	-
As at March 31, 2022	345.01	1,438.52	1,783.53
	₹ in Lakhs		
	Land - Leasehold	Buildings	Total
Depreciation			
As at April 1, 2020	-	8.51	8.51
Charge for the year	-	8.92	8.92
Deletions	-	-	-
As at March 31, 2021	-	17.43	17.43
Charge for the year	0.86	174.93	175.79
Deletions	-	-	-
As at March 31, 2022	0.86	192.36	193.22
Net Block			
As at March 31, 2021	-	1.27	1.27
As at March 31, 2022	344.15	1,246.16	1,590.31

Note 4(a)(i) - Goodwill

	Goodwill on business Combination	Total
Gross Block		
As at April 1, 2020	-	-
Additions	-	-
Deletions	-	-
As at March 31, 2021	-	-
Additions through business combination (Refer Note:30)	2,05,581.67	2,05,581.67
Additions	-	-
Deletion	-	-
As at March 31, 2022	2,05,581.67	2,05,581.67
Impairment		
As at April 1, 2020	-	-
Charge for the year	-	-
Deletions	-	-
As at March 31, 2021	-	-
Charge for the year	-	-
Deletion	-	-
As at March 31, 2022	-	-
Net Block		
As at March 31, 2021	-	-
As at March 31, 2022	2,05,581.67	2,05,581.67

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2022

Note 4(a)(ii) - Goodwill on Consolidation

	₹ in Lakhs	
Particulars	As at March 31, 2022	As at March 31, 2021
Cost (or deemed cost)	299.46	-
Accumulated impairment losses	-	-
Total	299.46	-
	₹ in Lakhs	
	As at March 31, 2022	As at March 31, 2021
Cost or Deemed Cost		
Balance at beginning of year	-	-
Additions on account of Consolidation of Subsidiaries	299.46	-
Balance at end of year	299.46	-
	₹ in Lakhs	
	As at March 31, 2022	As at March 31, 2021
Accumulated depreciation and impairment		
Balance at beginning of year	-	-
Impairment losses recognised during the year	-	-
Balance at end of year	-	-

Note 4(b) - Other Intangible Assets

	₹ in Lakhs					
Gross Block	Computer Software	Distributor network-Service	Distributor network-Product	Technical Knowhow	Brand Name / Trademarks #	Total
As at April 1, 2020	15.23	-	-	-	-	15.23
Additions	-	-	-	-	-	-
Deletions	(1.67)	-	-	-	-	(1.67)
As at March 31, 2021	13.56	-	-	-	-	13.56
Additions	-	-	-	-	-	-
Additions through business combination (Refer Note:30) and on account of Consolidation of Subsidiaries	118.08	20,557.83	3,966.24	19.79	2,91,119.26	3,15,781.20
Deletions	(4.90)	-	-	-	-	(4.90)
As at March 31, 2022	126.74	20,557.83	3,966.24	19.79	2,91,119.26	3,15,789.86
	₹ in Lakhs					
	Computer Software	Distributor network-Service	Distributor network-Product	Technical Knowhow	Brand Name / Trademarks #	Total
Amortisation						
As at April 1, 2020	14.31	-	-	-	-	14.31
Charge for the year	0.07	-	-	-	-	0.07
Deletions	(1.59)	-	-	-	-	(1.59)
As at March 31, 2021	12.79	-	-	-	-	12.79
Charge for the year	20.31	342.63	66.10	19.79	-	448.83
Deletions	(4.66)	-	-	-	-	(4.66)
As at March 31, 2022	28.44	342.63	66.10	19.79	-	456.96
Net Block						
As at March 31, 2021	0.77	-	-	-	-	0.77
As at March 31, 2022	98.30	20,215.20	3,900.14	-	2,91,119.26	3,15,332.90

Refer note 35 for assets pledged as security against borrowing

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2022

Note 5(a) - Non-current investment

Particulars	₹ in Lakhs	
	As at March 31, 2022	As at March 31, 2021
Investments in Equity Instruments		
Investment in Associates (Unquoted)		
19,596 (Previous Year 19,596) Ordinary Shares of THB 100 each in Euro P2P Direct (Thailand) Company Limited	26.68	-
Less: Provision for impairment in value of investment	26.68	-
	-	-
Investments in Equity Instruments - Other Company at FVOCI		
14,286 (Previous Year Nil) equity shares of ₹10/- fully paid up in Water Quality Association. #	1.43	-
Total Non Current Investments	1.43	-
Aggregate amount of unquoted investments	1.43	-

#Group has invested 14,286 shares (Previous Year Nil) of face value ₹10 /- each in a non profit making organisation hence the fair value has been considered similar to the carrying value.

Note 5(b) - Current Investments

Particulars	₹ in Lakhs	
	As at March 31, 2022	As at March 31, 2021
Unquoted Investments in Mutual Funds (at FVTPL)		
Tata Liquid Fund - Regular Plan - Growth - 1,23,049.20 units (Previous Year - NIL)	4,101.31	-
HDFC Liquid Fund - Growth - 49,754.72 units (Previous Year - NIL)	2,065.71	-
357.856 (previous year 357.856) units of ₹10/- fully paid up in Nippon India - Growth Plan Growth Option	2.93	2.40
Total Current Investments	6,169.95	2.40
Aggregate amount of unquoted investments and NAV thereof	6,169.95	2.40

Note 6 - Trade receivables

Particulars	₹ in Lakhs			
	Non Current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Trade receivables				
Secured, considered good	-	-	-	-
Unsecured, considered good	332.81	-	15,028.80	119.78
Unsecured, Debts due from related parties (Refer note 29(VII))	-	-	-	160.52
Unsecured, which have significant increase in credit risk	-	-	-	-
Unsecured, credit impaired	28.94	-	3,289.48	-
Unsecured, considered doubtful from related parties	-	-	-	-
Less: Allowance for doubtful debts	(28.94)	-	(3,289.48)	(44.70)
Total	332.81	-	15,028.80	235.60

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2022

Note 6 - Trade receivables (Contd.)

Ageing for trade receivables from the due date of payment for each of the category as at March 31, 2022

Outstanding for following periods from due date of payment	₹ in Lakhs			
	Undisputed Trade Receivables - Considered good	Undisputed Trade Receivables - Credit impaired	Disputed Trade Receivables - Considered good	Disputed Trade Receivables - Credit impaired
Not due	2,942.97	-	-	-
Less than 6 months	12,067.19	640.36	-	-
6 months - 1 year	122.26	232.29	-	-
1-2 years	75.45	996.92	-	-
2-3 years	16.30	977.53	-	-
More than 3 years	137.45	471.32	-	-
Total (A)	15,361.61	3,318.42	-	-
Less: Allowance for expected credit loss- (B)	-	3,318.42	-	-
Total [(A)- (B)]	15,361.61	-	-	-

Ageing for trade receivables from the due date of payment for each of the category as at March 31, 2021

Outstanding for following periods from due date of payment	₹ in Lakhs			
	Undisputed Trade Receivables - Considered good	Undisputed Trade Receivables - Credit impaired	Disputed Trade Receivables - Considered good	Disputed Trade Receivables - Credit impaired
Not due	108.44	-	-	-
Less than 6 months	1.76	-	-	-
6 months - 1 year	7.14	-	-	-
1-2 years	35.88	-	-	-
2-3 years	61.28	-	-	-
More than 3 years	21.10	44.70	-	-
Total (A)	235.60	44.70	-	-
Less: Allowance for expected credit loss- (B)	-	44.70	-	-
Total [(A)- (B)]	235.60	-	-	-

(i) Transactions with firms/Private Companies in which a Directors are interested.

Trade Receivable include ₹13.93/- Lakhs (Previous Year ₹76.08 Lakhs) due from a Private Company Shapoorji Pallonji and Company Pvt Limited, in which a Director of the Company is a Director.

(ii) The Group's exposure to credit risk and loss allowances related to trade receivables are disclosed in Note 34 (a).

(iii) The Group uses simplified approach for trade receivable for calculating expected credit loss. Accordingly the Group does not track changes in credit risk of individual trade receivable.

(iv) Refer note 35 for receivables pledged as security against borrowing.

Note 7 - Loans

Particulars	₹ in Lakhs			
	Non Current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Loans to Employees				
- Secured, considered good	-	-	-	-
- Unsecured, considered good	-	-	7.92	-
Total	-	-	7.92	-

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2022

Note 8 - Other financial assets

Particulars	₹ in Lakhs			
	Non Current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Bank deposits with more than 12 months maturity	26.49	1.50	-	-
Deposit with Banks held as Margin Money	966.56	-	-	-
Security deposits - unsecured considered good	672.17	9.77	127.35	-
Interest Accrued - on fixed deposits with Banks	-	-	-	0.06
Total	1,665.22	11.27	127.35	0.06

Note 9 - Deferred tax balances

Particulars	₹ in Lakhs	
	As at March 31, 2022	As at March 31, 2021
Deferred tax assets	93.12	-
Deferred tax liabilities	(82,740.48)	-
	(82,647.36)	-

Refer note 36 for detailed components of Deferred taxes

Note 10 - Income tax assets and liabilities

Particulars	₹ in Lakhs			
	Non Current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Income Tax assets (Net)				
Advance income-tax (Net of provision of taxation)	2,373.98	42.72	-	-
Total	2,373.98	42.72	-	-
Income Tax Liabilities (Net)				
Provision for Taxation (Net of Advance Tax)	-	-	528.01	2.61
Total	-	-	528.01	2.61

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2022

Note 11 - Other Assets

Particulars	₹ in Lakhs			
	Non Current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Unsecured considered good, unless stated otherwise				
Capital Advances	151.10	-	-	-
Prepaid expenses/contribution	86.61	-	1,122.56	6.57
Right to Recover Returned Goods - Refer Note 1 below	-	-	90.00	-
Balance with statutory/ government authorities	1,122.05	117.22	2,256.24	19.32
Advances recoverable in cash or kind	-	-	746.85	6.48
Advances recoverable in cash or kind - Considered Doubtful	-	-	3,521.42	11.51
	-	-	4,268.27	17.99
Less: Provision for doubtful advances	-	-	(3,521.42)	(11.51)
	-	-	746.85	6.48
Total	1,359.76	117.22	4,215.65	32.37

Refer note 35 for assets pledged as security against borrowing

Note 1:- A return right gives the company a contractual right to recover the goods from a customer (return assets) if the customer exercises his right to return the goods and the right to recover returned goods is accounted for the products that are expected to be returned.

Note 12 - Inventories

Particulars	₹ in Lakhs	
	As at March 31, 2022	As at March 31, 2021
Inventories (lower of cost and net realisable value)		
Stock in Trade {includes in transit ₹1,112.4/- Lakhs (Previous year: ₹ NIL Lakhs)}	9,629.57	-
Raw Materials, Components and Packing Material {Includes in transit ₹528.09/-Lakhs (Previous Year ₹ NIL Lakhs)}	5,422.03	147.42
Work-In-Progress	24.95	56.62
Spares & Accessories {includes in transit ₹22.07/- Lakhs - (Previous year: ₹ NIL Lakhs)}	6,782.34	-
Finished Goods {includes in transit: ₹7.76/- Lakhs (Previous year: ₹NIL Lakhs)}	7,172.24	-
	29,031.13	204.04

Refer note 35 for assets pledged as security against borrowing

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2022

Note 13 - Cash and cash equivalents and other bank balances

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and in banks, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the reporting period as shown in the cash flows statement can be reconciled to the related items in the balance sheet as follows:

Particulars	₹ in Lakhs	
	As at March 31, 2022	As at March 31, 2021
(a) Cash & cash equivalents		
Balances with Banks in current accounts	1,613.27	19.27
Cheques, drafts on hand	74.38	-
Deposits with original maturity of less than 3 months	9.37	-
Cash on hand	78.77	0.54
Total Cash & Cash Equivalents	1,775.79	19.81
(b) Bank Balances other than Cash & Cash Equivalents		
Deposits with original maturity of more than 12 months *	4.80	-
Deposits with original maturity of more than 3 months but less than 12 months *	94.90	31.98
Total Bank Balances other than Cash & Cash Equivalents	99.70	31.98
Cash and cash equivalents as per cash flow statement	1,775.79	19.81

* Includes deposits lodged as security with Government authorities

Note 14 - Equity Share Capital

Particulars	₹ in Lakhs	
	As at March 31, 2022	As at March 31, 2021
Equity share capital	19,347.92	482.73
Total	19,347.92	482.73

Authorised Share capital :

Particulars	Number of shares	Share capital ₹ in Lakhs
Increase during the year	-	-
As at April 1, 2021	50,00,000	500.00
Increase during the year	19,50,00,000	19,500.00
Balance at March 31, 2022	20,00,00,000	20,000.00

Issued and subscribed capital comprises:

Particulars	Number of shares	Share capital ₹ in Lakhs
	19,347.92	482.73

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2022

Note 14 - Equity Share Capital (Contd.)

Movement in equity share capital

Particulars	Number of shares	₹ in Lakhs
		Share capital ₹ in Lakhs
Balance at April 1, 2020	48,27,263	482.73
Less: Bought back during the year	-	-
Balance at March 31, 2021	48,27,263	482.73
Add: Shares issued on account of business combination (Refer Note 30)	19,34,79,240	19,347.92
Less: Shares cancelled pursuant to scheme of arrangement	(48,27,263)	(482.73)
Balance at March 31, 2022	19,34,79,240	19,347.92

I. Fully paid equity shares have a par value of ₹10. Each holder of equity shares is entitled to one vote per share with a right to receive per share dividend declared by the Company. In the event of liquidation, the equity shareholders are entitled to receive remaining assets of the Company (after distribution of all preferential amounts) in the proportion of equity shares held by the shareholders.

II. Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates

Particulars	Fully paid ordinary shares	
	As at March 31, 2022	As at March 31, 2021
Erstwhile Eureka Forbes Limited (Holding Company)	-	48,27,263
Shapoorji Pallonji and Company Private Limited (Holding Company)	14,03,89,395	-
Total as at the end of the year	14,03,89,395	48,27,263

III. Details of shares held by each shareholder holding more than 5% shares

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of shares held	% holding	Number of shares held	% holding
Fully paid equity shares				
Shapoorji Pallonji And Company Private Limited	14,03,89,395	72.56%	-	0%
India Discovery Fund Limited	1,72,23,825	8.90%	-	0%
Erstwhile Eureka Forbes Limited	-	-	48,27,263	100%
Total	15,76,13,220	81.46%	48,27,263	100%

IV. Details of shareholdings by the Promoters of the Company

Promoter Name	As at March 31, 2022		As at March 31, 2021	
	Number of shares	% of total shares	Number of shares	% of total shares
Shapoorji Pallonji And Company Private Limited* (Through erstwhile Eureka Forbes Limited for March 2021)	14,03,89,395	72.56%	48,27,263	100%

*27.44% change in the year

Note i : Prior to approval of Scheme of Arrangement approved by the Hon'ble National Company Law Tribunal on January 25, 2022 (Refer Note 29(VI)) for detailed description of the Scheme), Shapoorji Pallonji and Company Private Limited were holding 100% of the shares of the company through erstwhile Eureka Forbes Limited.

Note ii : Pursuant to the Share Purchase Agreement dated September 19, 2021 ("SPA") executed between inter alia erstwhile Forbes Enviro Solutions Limited and now renamed Eureka Forbes Limited, Lunolux Limited ("Acquirer"), Shapoorji Pallonji and Company Private Limited ("Seller"), Forbes Campbell Finance Limited ("FCFL"), Forbes & Company Limited and erstwhile Eureka Forbes Limited for the acquisition by the Acquirer of a majority stake in the Health, Hygiene & Safety products and its services represented by up to 72.56% of the total issued and paid-up share capital of the Company from the Seller, the Acquirer has acquired 123,555,843 equity shares representing 63.86% of the total issued and paid-up share capital of the Company on April 25, 2022.

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2022

Note 14 - Equity Share Capital (Contd.)

Movement in equity share capital (Contd.)

- V. For the period of five years immediately preceding the date as at which the Balance Sheet is prepared:
- Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash:
19,34,79,240 Equity shares of ₹10 each allotted as fully paid-up pursuant to Scheme of Arrangement approved by the Hon'ble National Company Law Tribunal on January 25, 2022 (Refer Note 29(VI)) for detailed description of the Scheme) without payment being received in cash.
 - Aggregate number and class of shares allotted as fully paid up by way of bonus shares: Nil
 - Aggregate number and class of shares bought back: Nil

Note 15 - Other equity

Particulars	₹ in Lakhs	
	As at March 31, 2022	As at March 31, 2021
(i) Forex Currency Translation Reserve		
Balance at beginning of year	-	-
Add: Exchange difference on translation of non integral foreign operations arisen during the year	(0.31)	-
Balance at end of the year	(0.31)	-
(ii) Capital Reserve		
Balance at beginning of year	-	-
Add: On account of Scheme of Arrangement	482.73	-
Add: On account of Consolidation of Subsidiaries	930.41	-
Balance at end of the year	1,413.14	-
(iii) Securities Premium		
Balance at beginning of the year	-	-
Add: Addition during the year on account of Business combination	3,87,248.70	-
Less: Cost for increase in Authorised Share Capital	(185.25)	-
Balance at end of the year	3,87,063.45	-
(iv) Retained Earnings		
Balance at beginning of year	(468.86)	(307.46)
Add / (Less): Profit/ (loss) for the year	259.91	(163.03)
Other comprehensive income/(loss) arising from re-measurement of defined benefit obligation, net of tax	(8.25)	1.63
Balance at end of the year	(217.20)	(468.86)
Total	3,88,259.07	(468.86)

Description of nature and purpose of reserves

1) Foreign Exchange Translation Reserve

Exchange differences relating to the translation of the results and net assets of Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. ₹) are recognised directly in other comprehensive income and accumulated in the foreign currency translation reserve. Gain and losses on derivatives that are designated as hedging instruments for hedges of net investments in foreign operations are included in the foreign currency translation reserve. Exchange differences previously accumulated in the foreign currency translation reserve (in respect of translating both the net assets of foreign operations and hedges of foreign operations) are reclassified to profit or loss on the disposal of foreign operations.

2) Capital Reserve

The Capital reserve has been created on cancellation of shares held by then existing shareholders of the company as per the composite scheme of arrangement approved by the national company Law tribunal on January 25, 2022. Further, the excess of Group's portion of equity of the subsidiary over the cost of the investments by the Group, at the date on which investments is made, is included as Capital Reserve on Consolidation.

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2022

Note 15 - Other equity (Contd.)

3) Retained Earnings

This reserve represents the cumulative profits of the group and the effects of remeasurement of defined benefit obligations. The reserve can be utilised in accordance with the provision of the Companies Act 2013.

4) Securities premium

Securities premium is used to record the premium on issue of shares. The reserve can be utilised in accordance with the provisions of the Companies Act, 2013

Note 16 - Non-current Borrowings

Particulars	Non-current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Secured – at amortised cost				
Term loans from				
Banks - Rupee Term loan (refer Note (a), (b) and (c) below)	4,956.11	-	2,519.23	-
Loans repayable on demand				
- from banks (Cash credit/ Buyers credit) (refer Note (e) and (f) below)	-	-	15,314.97	-
Unsecured - at amortised cost				
Loans repayable on demand				
- from banks (refer Note d below)	-	-	1,489.69	-
- from Related Party	-	-	-	150.00
Total Borrowings	4,956.11	-	19,323.89	150.00

Summary of borrowing arrangements

Note a. Rupee Term loan (RTL) includes loan from ICICI Bank amounting to ₹10,000.00 Lakhs (Outstanding as on March 31, 2022 ₹7,500.00 Lakhs) carries interest rate of 1 year MCLR + Spread and secured against pari pasu charge on tangible assets and brand name/ trade marks (excluding vehicles and two wheelers purchased under Employee Benefit Scheme). The outstanding amount is payable 12 equal quarterly instalment starting from June 18, 2022.

Note b. Rupee Term loan includes Covid 19 Emergency Credit Line (CECL) sanctioned and disbursed on May 6, 2020 under Government of India Emergency Credit Line Scheme by State Bank of India SME Branch, Dehradun (original amount of loan - ₹ 30.00 lakhs and Outstanding as on March 31, 2022 is ₹ 1.61 Lakhs) and carries an interest at 7.40% per annum. Total tenure of the loan is 24 months with moratorium of 6 months, wherein interest is payable for full tenure of 24 months (at monthly frequency on closing balance) while principal is repayable in 18 monthly instalments of ₹166,667/- from November 2020 onwards. The Loan is secured by hypothecation of the entire stock of inventories and receivables and is collaterally charged by movable property, plant and equipment of Company's Subsidiary ('IWSL').

Note c. Term loan includes Guaranteed Emergency Credit Line (GECL) sanctioned and disbursed on June 11, 2020 under Government of India Emergency Credit Line Scheme by State Bank of India SME Branch, Dehradun (original amount of loan - ₹ 53.00 lakhs and Outstanding as on March 31, 2022 is ₹ 38.18 Lakhs) and carries an interest at 7.40% per annum. Total tenure of the loan is 48 months with moratorium of 12 months, wherein interest is payable for full tenure of 48 months (at monthly frequency on closing balance) while principal is repayable in 36 monthly instalments of ₹147,223/- from June 2021 onwards. The Loan is secured by hypothecation of the entire stock of inventories and receivables and is collaterally charged by movable property, plant and equipment of Company's Subsidiary ('IWSL').

Note d. Unsecured short term borrowing from banks carries interest @ 8.95% p.a.

Note e. Short term borrowing from banks is secured by pari-passu charge on hypothecation of stock-in-trade & book debts and carries interest @ 8.50% to 10.50% p.a.

Note f. Short term borrowing from bank also includes loan taken by Company's Subsidiary ('IWSL'). This is primarily secured by hypothecation of the Company's Subsidiary ('IWSL') entire stock of inventories and receivables and is collaterally charged by movable property, plant and equipment. It carries a rate of interest of EBLR + 1.55%.

Note g. No amount are pending to be utilised from the borrowings outstanding as on March 31, 2022.

Note h. The Group has not been declared wilful defaulter by any bank or financial institution or other lender.

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2022

Note 17 - Trade payables

Particulars	₹ in Lakhs			
	Non-current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Trade and other payables				
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	15,904.13	447.37
Total outstanding dues of micro enterprises and small enterprises (Refer note below for dues to Micro, Small and Medium enterprises)	-	-	6,192.34	23.42
Trade payables to related parties (Refer note 29(VII))			-	6.49
Total	-	-	22,096.47	477.28

Ageing for trade payables from the due date of payment for each of the category as at March 31, 2022

Outstanding for following periods from due date of payment	₹ in Lakhs			
	Undisputed dues - MSME	Undisputed dues - Others	Disputed dues - MSME	Disputed dues - Others
Not due	6,169.78	11,599.65	-	-
Less than 1 year	16.89	4,272.42	-	-
1-2 years	-	6.58	-	-
2-3 years	5.67	0.11	-	-
More than 3 years	-	25.37	-	-
Total	6,192.34	15,904.13	-	-

Ageing for trade payables from the due date of payment for each of the category as at March 31, 2021

Outstanding for following periods from due date of payment	₹ in Lakhs			
	Undisputed dues - MSME	Undisputed dues - Others	Disputed dues - MSME	Disputed dues - Others
Not due	16.82	172.93	-	-
Less than 1 year	6.60	202.14	-	-
1-2 years	-	62.53	-	-
2-3 years	-	10.32	-	-
More than 3 years	-	5.94	-	-
Total	23.42	453.86	-	-

Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 under Chapter on Delayed Payments to Micro and Small Enterprises

Particulars	₹ in Lakhs	
	As at March 31, 2022	As at March 31, 2021
(i) Principal amount remaining unpaid to MSME suppliers as on year end	6,171.81	23.22
(ii) Interest due on unpaid principal amount to MSME suppliers as on year end	20.53	0.20
(iii) The amount of interest paid along with the amounts of the payment made to the MSME suppliers beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year (without adding the interest under MSME Development Act)	-	-
(v) The amount of interest accrued and remaining unpaid as on year end	20.53	0.20
(vi) The amount of interest due and payable to be disallowed under Income Tax Act, 1961	20.53	0.20

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2022

Note 18 - Other financial liabilities

Particulars	₹ in Lakhs			
	Non-current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
(a) Interest accrued but not due on borrowings:				
- From banks	-	-	0.27	-
- From related parties (Refer note 29(VII))	-	-	-	3.90
(b) Interest free trade deposits	-	-	4,601.89	-
(c) Other deposits	-	-	0.30	6.32
(d) Others :-				
Liability towards Employees and other contractual liabilities	-	-	4,758.11	19.74
Dues on account of customer rebate schemes and other contractual liabilities	-	-	2,988.63	-
Other Payables	-	-	0.01	15.28
Total	-	-	12,349.21	45.24

Note 19 - Provisions

Particulars	₹ in Lakhs			
	Non-current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Gratuity payable	22.31	-	206.28	-
Employee benefits - Compensated absences	157.83	2.19	88.37	0.66
Other provisions (Refer Note 29XI)				
Warranties	-	-	1,786.61	0.43
Others	-	-	56.09	-
Total	180.14	2.19	2,137.35	1.09

Note 20 - Other Liabilities

Particulars	₹ in Lakhs			
	Non-current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Contract Liabilities - Income received in advance (Refer Note 29XIII)	12,867.49	-	40,405.01	-
Others - Deductions from employees for company's assets	652.25	-	1,195.93	-
Advances from Customers	-	-	682.97	4.99
Contract Liabilities - Others (refer note 1 below)	-	-	137.04	-
Refund Liabilities (refer note 2 below)	-	-	1,722.40	-
Statutory liabilities (Contributions to PF, Pension, ESIC, withholding Taxes, VAT, GST etc.)	-	-	1,694.69	15.73
Others	-	-	0.27	-
Total	13,519.74	-	45,838.31	20.72

Note a: Contract liability pertains to deferred revenue arising as a separate performance obligation.

Note b: The Group recognises a refund liability for the amount of consideration received when a customer has a right to return products within a given period. Refund liabilities also include amount recognised for various discounts and incentives payable to customers.

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2022

Note 21 - Revenue from operations

Particulars	₹ in Lakhs	
	Year ended March 31, 2022	Year ended March 31, 2021
Sale of products	27,757.59	719.03
Sale of Services	10,324.17	65.60
Other operating revenues		
Scrap sales	50.29	-
Other	42.96	-
Total	38,175.01	784.63

Note 22 - Other Income and other gains / (losses)

Particulars	₹ in Lakhs	
	Year ended March 31, 2022	Year ended March 31, 2021
Other Income		
Interest income earned on financial assets that are not designated as at fair value through profit or loss:		
Bank deposits (at amortised cost)	25.44	2.01
Interest income on financial assets at amortised cost	0.08	-
Interest others	0.04	1.19
Others	89.15	0.58
Rental Income from Operating Lease	0.77	-
Total (A)	115.48	3.78

Particulars	₹ in Lakhs	
	Year ended March 31, 2022	Year ended March 31, 2021
Other gains/(losses) - Net		
Gain/(loss) on disposal of property, plant and equipment	50.84	(0.92)
Net foreign exchange gains/(losses)	29.19	0.02
Gain/(loss) on disposal of Investments at FVTPL	-	1.02
Net gain/(loss) arising on financial assets measured at FVTPL	37.14	-
Total (B)	117.17	0.12
Total (A+B)	232.65	3.90
Purchase of traded products	5,222.33	4.73

Note 23 - Cost of Goods Sold

Particulars	₹ in Lakhs	
	Year ended March 31, 2022	Year ended March 31, 2021
Raw Materials, Components and Packing Materials -		
Inventory at the beginning of the year	147.42	160.06
Add : Inventory on Acquisition	5,943.29	-
Add: Purchases	9,552.94	581.55
	15,643.65	741.61
Less : Inventory at the end of the year	5,422.03	147.42
Cost of Raw Materials, Components and Packing Materials consumed	10,221.62	594.19
Purchases of stock-in-trade	5,222.33	4.73
Changes in inventories of finished goods, Spares, work-in-progress and stock-in-trade.	709.39	82.39
Total	5,931.72	87.12

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2022

Note 24 - Employee benefits expense

Particulars	₹ in Lakhs	
	Year ended March 31, 2022	Year ended March 31, 2021
Salaries and Wages	4,586.49	131.34
Contribution to provident and other funds	255.77	6.31
Staff Welfare Expenses	69.74	0.07
Total	4,912.00	137.72

Note 25 - Finance costs

Particulars	₹ in Lakhs	
	Year ended March 31, 2022	Year ended March 31, 2021
Interest on bank overdrafts and loans	408.83	19.46
Other interest expense	2.19	-
Other borrowing costs	7.52	-
Interest on lease liabilities	23.03	0.41
Interest on Taxes	0.47	-
Total	442.04	19.87

Note 26 - Depreciation and amortisation expense

Particulars	₹ in Lakhs	
	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation of property, plant and equipment	293.50	5.17
Amortisation of intangible assets	448.83	0.07
Depreciation of right of use assets	175.79	8.92
Total	918.12	14.16

Note 27 - Other expenses

Particulars	₹ in Lakhs	
	Year ended March 31, 2022	Year ended March 31, 2021
Wages to Contractual Workers	213.35	-
Electricity	37.68	2.71
Rent	138.32	9.30
Repairs and Maintenance -		
Building	12.61	-
Machinery	34.27	-
Others	111.22	0.75
Insurance	81.11	3.80
Advertisement	288.77	-
Selling and Sales Promotion	3,083.30	-
Freight, Forwarding and Delivery	1,216.58	7.72
Payment to Auditors (Refer details below)	75.51	4.73
Printing and Stationery	22.36	0.46
Communication cost	194.93	3.00
Travelling and Conveyance	274.38	7.70
Legal and Professional Fees	1,343.74	4.99
Vehicle Running Expenses	24.82	0.05

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2022

Note 27 - Other expenses (Contd.)

Particulars	₹ in Lakhs	
	Year ended March 31, 2022	Year ended March 31, 2021
Rates and taxes, excluding taxes on income	59.97	6.33
Conference Expenses	55.54	-
Service Charges	6,150.23	14.24
Information Technology Expenses	871.83	-
Logistics Expenses	395.47	-
Corporate Social Responsibility Expenses	16.29	-
Other Establishment Expenses	457.69	7.11
Directors' Sitting Fees	7.60	-
Bad Debts / Advances Written-Off	92.68	-
Less: Adjusted against Doubtful Debts	(36.30)	-
	56.38	
Provision for Doubtful Debts / Advances	(29.02)	24.82
Commission to Directors	81.00	-
Total	15,275.93	97.71

Note 28 - Income taxes

Income tax recognised in consolidated statement of profit and loss

Particulars	₹ in Lakhs	
	Year ended March 31, 2022	Year ended March 31, 2021
Current Tax		
In respect of the current year	243.89	-
In respect of prior years	8.34	0.79
	252.23	0.79
Deferred tax (Credit) /Charge		
In respect of the current year	192.48	-
	192.48	-
Total income tax expense recognised in the current year	444.71	0.79

Note 29 - Additional information to the consolidated financial statements

I Contingent liabilities and commitments (to the extent not provided for)

(a) Contingent liabilities:

- Disputed Income Tax Demands - ₹2,039.76/- lakhs (previous year ₹NIL/- Lakhs)
- Disputed Central Excise Demands - ₹1,551.09/- lakhs (previous year ₹NIL lakhs)
- Disputed Sales Tax demands - ₹3,766.61/- lakhs (previous year ₹0.86/- lakhs)
- Disputed Service Tax demands - ₹1,945.68/- lakhs (previous year ₹Nil/- lakhs)
- Disputed civil suit - ₹33.73/- lakhs (previous year - ₹Nil/- lakhs)
- Disputed claims against the company not acknowledged as debt ₹42.85/- lakhs (Previous Year ₹Nil/- Lakhs)
- Disputed Goods and Services Tax Demand - ₹486.33/- Lakhs (previous year ₹Nil/- Lakhs)

(b) Commitments:

- Estimated amount of contracts remaining to be executed on capital account and not provided for: ₹168.06 Lakhs/- (previous year - nil).
- Towards product performance ₹359.65 Lakhs (previous year ₹12.21 Lakhs)
- Towards service performance ₹373.30 Lakhs (previous year ₹NIL)

In respect of all items mentioned in (a) above, till the matter are finally decided, the timing of outflow of economic benefit cannot be ascertained.

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2022

Note 29 - Additional information to the consolidated financial statements (Contd.)

II a) The Group has given certain office / factory premises and moulds on operating lease basis. Details of which are as follows -

Particulars	Building		Plant and Machinery (Moulds)	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
	Gross Amount	481.49	-	35.66
Accumulated Depreciation	139.92	-	28.10	-
Depreciation for the year	3.17	-	0.27	-

b) The Group has given commercial premises under cancellable operating lease. Lease rental income included in the statement of profit and loss for the year is ₹0.77/- Lakhs (Previous Year ₹NIL Lakhs) for Premises.

III The Group is primarily engaged in the business of Health, Hygiene, Safety Products and Services. Information reported to and evaluated regularly by chief operating decision maker for the purpose of resource allocation and assessing performance focuses on the business as a whole. Accordingly there is no other separate segment as per Indian Accounting Standard 108 dealing with "Operating Segment". The geographical segmentation is insignificant as the export turnover is less than 10% of the total turnover and also company's Non Current assets (other than Financial Instrument, deferred tax, post employment benefits and rights arising under insurance contracts) are located in India.

Revenue from transactions with a single external customer did not amount to 10% or more of the Groups revenue from external customers for current and previous year.

Revenue from External Customers :

Particulars	₹ in Lakhs	
	Year ended March 31, 2022	Year ended March 31, 2021
India	37,936.50	783.88
Outside India	238.51	0.75
Total Revenue	38,175.01	784.63

IV The Group did not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 during the current year and previous year.

V No funds have been advanced or loaned or invested by the Group to/in any intermediary with the understanding that the intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries. Further, no funds have been received from any person or entity ("Funding parties") with the understanding that the Group 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 or provide any guarantee, security or the like on behalf of the Funding Party.

VI The Board of Directors of Eureka Forbes Limited (Formerly known as Forbes Enviro Solutions Ltd) ("the Company") and erstwhile Eureka Forbes Ltd at their Board Meeting held on September 08, 2020, had inter alia, approved the Composite Scheme of Arrangement ("the scheme") under Section 230 to 232 and other applicable provisions of the Companies Act, 2013 and the rules and regulations made thereunder. The Scheme, inter alia, provided for amalgamation and vesting of erstwhile Aquaignis Technologies Private Limited ("ATPL"), erstwhile Eureka Forbes Limited (EFL) and erstwhile Euro Forbes Financial Services Limited ("EFFSL") with and into erstwhile Eureka Forbes Limited. Further, upon the above part of the scheme becoming effective, amalgamation and vesting of Erstwhile Eureka Forbes Limited with and into Forbes and Company Limited (FCL). Further, upon the above part of the scheme becoming effective, demerger and vesting of Demerged Undertaking (Health, Hygiene, Safety Products and Services Undertaking, as defined in the scheme) of FCL into the Company on a going concern basis. The Hon'ble National Company Law Tribunal ("the NCLT"), Mumbai vide its order dated January 25, 2022 approved/ sanctioned the aforesaid Composite Scheme of Arrangement. Upon receipt of the certified copy of the order, the scheme was made effective by filing Form INC 28 with the Registrar of Companies on February 1, 2022. Further, the name of the company has been changed to Eureka Forbes Ltd, vide Fresh Certificate of Incorporation dated February 11, 2022. Pursuant to the Share Purchase Agreement dated September 19, 2021 ("SPA") executed between inter alia the Company Lunolux Limited ("Acquirer"), Shapoorji Pallonji and Company Private Limited ("Seller"), Forbes Campbell Finance Limited

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2022

Note 29 - Additional information to the consolidated financial statements (Contd.)

("FCFL"), Forbes & Company Limited and erstwhile Eureka Forbes Limited for the acquisition by the Acquirer of a majority stake in the health and safety solutions business represented by up to 72.56% of the total issued and paid-up share capital of the Company from the Seller, the Acquirer has acquired 123,555,843 equity shares representing 63.86% of the total issued and paid-up share capital of the Company on April 25, 2022.

Consequent to such transfer, the Acquirer has become a promoter of the Company with effect from April 25, 2022. The Company has also received request letters from the Seller and FCFL along with necessary documents, under the provisions of Regulation 31A of the SEBI (LODR) Regulations for their de-classification as "promoter/promoter group.

VII As required under Indian Accounting Standard 24 on "Related Party Disclosures" the list of related parties and their transactions is attached. (Annexure 'A' and 'B').

VIII ₹300.98/- Lakhs (Previous year ₹Nil Lakhs) revenue expenses incurred during the year on Research and Development has been charged to the respective heads of accounts.

IX Impact of Covid-19:

The Group has considered the possible effects that may result from the pandemic relating to COVID-19 in the preparation of these consolidated financial statements including the recoverability of carrying amounts of financial and non-financial assets. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the Group has, at the date of approval of these consolidated financial statements, used internal and external sources of information and expects that the carrying amount of these assets will be recovered. The impact of COVID-19 on the group's consolidated financial statements may differ from that estimated as at the date of approval of these consolidated financial statements.

X During the last quarter of the year, the Parent Company acquired existing sanctioned working capital limits in a business combination (refer Note 30) in excess of five crore rupees, in aggregate, from various banks on the basis of security of its current assets. The statements in respect of the quarter ended March 31, 2022 have not been filed by the Parent Company with the respective banks till the date of approval of this financial Statements.

XI Disclosures required by Indian Accounting Standard 37 "Provisions, Contingent Liabilities and Contingent Assets"

A) Particulars	₹ in Lakhs			
	Year ended March 31, 2022		Year ended March 31, 2021	
	Excise Duty	Sales Tax	Excise Duty	Sales Tax
At the beginning of the year	-	-	-	-
Add: On Business Combination	49.96	1.29	-	-
Additional provision during the year	-	-	-	-
Provision utilised during the year	-	-	-	-
Write back during the Year	-	-	-	-
At the end of the year	49.96	1.29	-	-

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2022

Note 29 - Additional information to the consolidated financial statements (Contd.)

B) Warranty provision

The Group gives warranty on certain products, towards satisfactory performance of products during the warranty period. Warranty provisions are made for expected future outflows where no reimbursements are expected and estimated based on using historical information on the nature frequency and average cost of warranty claims. The table given below gives information about movement in warranty provisions:

Particulars	₹ in Lakhs	
	Year ended March 31, 2022	Year ended March 31, 2021
At the beginning of the year	0.43	0.78
Add: On Business combination	1,618.68	-
Add: Additions during the year*	1,786.61	0.43
Less: Utilisation during the year	1,214.01	-
Less: Unused amount reversed / (additional utilisation) during the year	405.10	0.78
At the end of the year	1,786.61	0.43

* Included in Service Charges under Other expenses

XII Disclosures required under Indian Accounting Standard 116 on "Leases". Refer Annexure 'C'.

XIII Remaining performance obligation towards rendering of maintenance contracts as at the year end is recognised as "Income received in advance" and presented in "Other liabilities". This obligation pertains to maintenance services that would be carried out over the contract period for which Group has received the advance. The service period ranges from 1 year to 4 years. Management believes that 76% pertaining to remaining obligation as of the year ended March 31, 2022 will be recognised as revenue during the next financial year 21% will be recognised as revenue in FY 23-24 and 3% will be recognised in FY 24-25.

Reconciliation of Revenue Recognised with contract price:

Particulars	₹ in Lakhs	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Contract Price*	40,770.75	789.62
Adjustment for		
Less: Refund Liabilities Promotion Items	-	-
Less: Refund Liabilities - Sales Return estimate	200.00	
Performance Liabilities	137.04	-
Add: Unperformed performance obligation at the end the year	53,272.50	4.99
Less: Unperformed On Acquisition	(51,008.81)	
Less: Unperformed performance obligation at the beginning of the year	(4.99)	
Revenue from continuing operations	38,175.01	784.63

* Net of Taxes

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2022

Note 29 - Additional information to the consolidated financial statements (Contd.)

XIV The disclosures required under Indian Accounting Standard 19 "Employee Benefits" the details of post employment benefit is attached. Refer Annexure D.

XV The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year or previous financial year.

XVI No transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 which was not recorded in the books of account.

XVII Figures for the previous year are re-arranged/regrouped, wherever necessary, to correspond with the current year disclosure. Further on account of the acquisition of the Health, Hygiene, Safety Products and Services Undertaking (Refer Note 30), the figures for the previous year are not comparable.

XVIII The Financial statement were approved for issue by the board of directors on May 30, 2022.

29(VII) Additional information to the financial statements

Particulars	Annexure 'A'
	Country
A Holding Companies	
Shapoorji Pallonji and Company Private Limited - Ultimate Holding Company (upto November 22, 2021)	India
Forbes & Company Limited - Intermediate Holding Company (upto November 22, 2021)	India
*Erstwhile Eureka Forbes Limited - Holding Company (upto November 22, 2021)	India
*Merged with Forbes & Company Limited w.e.f February 1, 2022	
B Entities with joint control of, or significant influence over, the entity	
Shapoorji Pallonji and Company Private Limited - Ultimate Holding Company (w.e.f. November 23, 2021)	India
Forbes & Company Limited - Intermediate Holding Company (w.e.f. November 23, 2021)	India
Erstwhile Eureka Forbes Limited - Holding Company (w.e.f. November 23, 2021) (upto January 31, 2021)	India
Lunolux Limited (w.e.f. November 23, 2021)	Cyprus
C Key Managerial Personnel	
1 Mr. Homi Katgara -Non - Executive Chairman	
2 Mr.Marzin R. Shroff - Managing Director & CEO	
3 Mr. Shapoor P Mistry	
4 Mr.Pallon Shapoor Mistry	
5 Dr. (Mrs.) Indu Shahani	
6 Mr.Jai Mavani	
7 Mr. Shankar Krishnan	
8 Mr. D Sivanandhan	
9 Mr. Anil Kamath	
D Other related parties (under the control of, or significant influence by the parties in A to D above) with whom there were transaction	
Forbes Facility Services Pvt Limited	India
Lux International AG	Switzerland
Afcons Infrastructure Limited	India
Relationship Properties Pvt. Limited	India
SD Corporation Private Limited	India
Shapoorji Pallonji Oil & Gas co Pvt Ltd	India
Sterling & Wilson Pvt. Limited	India
Eureka Forbes Institute of Environment (Trust)	India

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2022

Annexure 'B (i)'

Note 29 - Additional information to the consolidated financial statements (Contd.)

(II) Transactions with Related Parties for the year ended March 31, 2022

Nature of Transaction	Forbes & Company Ltd.	Shapoorji Pallonji and Company Private Ltd	Erstwhile Eureka Forbes Limited	Forbes Facility Services Pvt Ltd.	Lux International AG	Afcons Infrastructure Ltd.	Relationship Properties Pvt. Ltd.	SD Corporation Private Limited	Shapoorji Pallonji Oil & Gas co Pvt Ltd	Sterling & Wilson Pvt. Ltd.	Eureka Forbes Institute of Environment (Trust)
Purchases											
Goods and Materials	-	-	89.58	-	-	-	-	-	-	-	-
Job work charges	-	-	-	-	-	-	-	-	-	-	-
Services Received	-	-	-	-	-	-	-	-	-	-	-
Fixed Assets	-	-	89.58	-	-	-	-	-	-	-	-
Sales/(Sales Return)											
Goods and Materials	0.34	11.07	849.48	32.00	39.68	1.15	-	-	-	0.12	57.57
Services Rendered	0.19	1.04	-	-	-	0.69	-	1.97	0.06	-	28.63
Fixed Assets	-	-	-	-	-	-	-	-	-	-	-
	0.53	12.11	849.48	32.00	39.68	1.84	-	1.97	0.06	0.12	86.20
Expenses											
Rent	-	-	8.76	-	-	-	-	-	-	-	-
Repairs & Other Expenses	-	-	-	54.60	-	-	-	-	-	-	-
Finance charges	-	-	-	-	-	-	-	-	-	-	-
Interest on ICD Taken	-	-	14.84	-	-	-	-	-	-	-	-
Bad Debts/Advances written off	-	-	0.64	-	-	-	-	-	-	-	-
Recovery of Expenses	-	-	-	-	-	-	-	-	-	-	-
Management Fees/IT expenses	-	145.06	-	-	-	-	-	-	-	-	-
CSR contribution	-	145.06	24.24	54.60	-	-	-	-	-	-	-
Impairment in value of investments	-	-	-	-	-	-	-	-	-	-	-
Provision for Doubtful Debts	-	-	-	-	-	-	-	-	-	-	-
Allowance for bad and doubtful loans	-	-	-	-	-	-	-	-	-	-	-

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2022

Note 29 - Additional information to the consolidated financial statements (Contd.)

Annexure 'B (i)'

(II) Transactions with Related Parties for the year ended March 31, 2022 (Contd.)

Nature of Transaction	Forbes & Company Ltd.	Shapoorji Pallonji and Company Private Ltd	Eureka Forbes Limited	Forbes Facility Services Pvt Ltd.	Lux International AG	Afcons Infrastructure Ltd.	Relationship Properties Pvt. Ltd.	SD Corporation Private Limited	Shapoorji Pallonji Oil & Gas co Pvt Ltd	Sterling & Wilson Pvt. Ltd.	Eureka Forbes Institute of Environment (Trust)
Income											
Rent and other services	-	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-	-
Bad Debts/Advances written back	-	-	-	-	-	-	-	-	-	-	-
Dividend	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Income	-	0.25	-	-	-	-	-	-	-	-	-
	-	0.25	-	-	-	-	-	-	-	-	-
Other Receipts											
Other Reimbursements	-	-	-	-	-	-	-	-	-	-	-
Finance											
Inter-corporate deposits given	-	-	-	-	-	-	-	-	-	-	-
Repayment of Deposit given	-	-	-	-	-	-	-	-	-	-	-
Dividend paid											
Outstanding											
Trade Payables	-	67.61	-	18.47	-	-	-	-	-	-	-
Advances Received/ Deposits received	-	-	-	-	-	-	-	-	-	-	-
Trade Receivables	0.52	13.93	-	-	9.64	0.66	0.90	0.13	0.08	0.23	105.99
Inter-corporate deposits receivable	-	-	-	-	-	-	-	-	-	-	-
Inter-corporate deposits payable	-	-	-	-	-	-	-	-	-	-	-
Interest Accrued	-	-	-	-	-	-	-	-	-	-	-
Other Deposits Receivable	-	-	-	-	-	-	-	-	-	-	-
Other Deposits Payable	-	-	-	-	-	-	-	-	-	-	-

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2022

Note 29 - Additional information to the consolidated financial statements (Contd.)

29(VII)

Annexure 'B (ii)

Parties in C : Key Managerial Personnel Remuneration

Managing Director & CEO

Particulars	₹ in Lakhs	
	March 31, 2022	March 31, 2021
Short-term employee benefits	51.60	-
Post-employment benefits *	1.60	-
Long-term employee benefits	1.99	-
Total	55.19	-

*The above amounts do not include expenses for gratuity and leave encashment since actuarial valuation is carried out at an overall level. Bonus is disclosed on payment basis.

Company (Parent Company) has provided for managerial remuneration which exceeds the limits / approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013 aggregating ₹13.64 Lakhs as at March 31, 2022. The excess remuneration is subject to the approval of shareholders.

Directors Sitting Fees and Commission

Name	₹ in Lakhs	
	March 31, 2022	March 31, 2021
Mr. Shapoor P Mistry	7.00	-
Dr. (Mrs.) Indu Shahani	9.00	-
Mr. Jai Mavani	7.40	-
Mr. Shankar Krishnan	7.20	-
Mr. Homi Katgara	8.50	-
Mr. D Sivanandhan	9.00	-
Mr. Anil Kamath	8.50	-
Mr. Pallon Mistry	7.00	-

Company (Parent Company) has provided for remuneration payable to Non whole time directors which exceeds the limits / approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013 aggregating ₹ 48.01 Lakhs as at March 31, 2022. The excess remuneration is subject to the approval of shareholders.

29(VII) Related party transaction

Annexure 'A'

(I) Name of related Party and nature of relationship where control exists are as under :

A. Enterprises having more than one half of Voting Powers -

Shapoorji Pallonji and Company Pvt. Ltd. - Ultimate Holding Company

Eureka Forbes Limited Holding Company

B. Enterprises under Common Control -(where there are transactions)

Afcon Infrastructure Ltd

Sterling and Wilson Ltd

Eureka Forbes Institute of Environment

Forbes Facility Services Private Limited

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2022

Note 29 - Additional information to the consolidated financial statements (Contd.)

Annexure 'B'

(II) Transactions with Related Parties for the year ended March 31, 2021

	₹ in lakhs						
	Erstwhile Eureka Forbes Limited	Shapoorji Pallonji and Company Private Ltd	Forbes Facility Services Private Limited	Afcon Infrastructure Ltd.	Sterling & Wilson Pvt. Ltd.	Forbes Lux FZCO	Eureka Forbes Institute of Environment
Purchases							
Goods and Materials	46.71	-	-	-	-	-	-
Job work charges	-	-	-	-	-	-	-
Services Received	1.46	-	5.14	-	-	-	-
	48.17	-	5.14	-	-	-	-
Sales							
Goods and Materials	639.34	1.10	-	-	-	0.75	-
Services Rendered	18.77	22.99	-	-	-	-	-
	658.11	24.09	-	-	-	0.75	-
Expenses							
Rent	11.53	0.20	-	-	-	-	-
Repairs & Other Expenses	-	-	-	-	-	-	-
Finance charges	-	-	-	-	-	-	-
Interest on ICD Taken	17.10	-	-	-	-	-	-
Bad Debts/Advances written off	-	-	-	-	-	-	-
Recovery of Expenses	-	-	-	-	-	-	-
Management Fees/ IT expenses	-	-	-	-	-	-	-
CSR contribution	-	-	-	-	-	-	-
	28.63	0.20	-	-	-	-	-
Outstanding							
Trade Payables	-	-	6.48	-	-	-	-
Trade Receivables	83.38	76.08	-	0.19	0.12	0.76	-
Inter-corporate deposits receivable	-	-	-	-	-	-	-
Inter-corporate deposits payable	150.00	-	-	-	-	-	-
Interest Accrued	3.90	-	-	-	-	-	-
Other Deposits Receivable	0.10	-	-	-	-	-	-

Terms and conditions:-

- All outstanding balances are unsecured and are repayable as per terms of credit and settlement occurs in cash.
- All related party transactions entered during the year were in ordinary course of business and on arms length basis.
- The Company has not recorded any impairment of receivables related to amounts owed by related parties except as stated above.

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2022

Note 29 - Additional information to the consolidated financial statements (Contd.)

Annexure 'C'

29 (XII) Leases:

The break-up of current and non-current lease liabilities is:

Particulars	₹ in Lakhs	
	As at March 31, 2022	As at March 31, 2021
Current lease liabilities	731.34	1.34
Non-current lease liabilities	612.79	-
Total	1,344.13	1.34

The following is the movement in lease liabilities during the year-

Particulars	₹ in Lakhs	
	Year ended March 31, 2022	Year ended March 31, 2021
Balance at the beginning	1.34	1.87
Additions due to business combination	1,428.60	-
Additions	95.96	8.24
Finance cost accrued during the period	23.03	0.41
Deletions	-	-
Gain/(Loss) on Modification/Disposal of Right of use assets	-	-
Payment of lease liabilities	(204.80)	(9.18)
Balance at the end	1,344.13	1.34

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	₹ in Lakhs	
	As at March 31, 2022	As at March 31, 2021
Less than one year	815.97	1.34
One to five years	550.69	-
More than five years	38.97	-
Total	1,405.64	1.34

Rental expense recorded for short-term leases was ₹ 138.32 Lakhs /- (previous year ₹ 9.30 Lakhs) for the year ended March 31, 2022.

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Group considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Group's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Group has concluded that no changes are required to lease period relating to the existing lease contracts.

Amounts recognised in profit and loss

Particulars	₹ in Lakhs	
	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation expense on right-of-use assets	175.79	8.92
Interest expense on lease liabilities	23.03	(0.41)
Expense relating to short-term leases	138.32	9.30

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2022

Note 29 - Additional information to the consolidated financial statements (Contd.)

Annexure 'D'

29 XIV Employee benefit plans

(a) Provident Fund -

The details of Eureka Forbes Limited Employees' Provident Fund and planed assets position as at 31.03.2022 is given below:

Particulars	₹ in Lakhs	
	Valuation as at	
	As at March 31, 2022	As at March 31, 2021
Present value of benefit obligation at period end	15,412.69	-
Planned Assets at the period end	17,469.33	-
Discounting Rate	7.23%	-
Expected Guaranteed interest rate	8.10%	-
Average expected future service	13 years	-
Average Term To Maturity of Assets	5.08 Years	-

(b) Gratuity -

The principal assumptions used for the purposes of the actuarial valuations were as follows.

Particulars	₹ in Lakhs	
	Valuation as at	
	As at March 31, 2022	As at March 31, 2021
Discount rate(s)	5.58% - 7.23%	6.57%
Expected rate(s) of salary increase	2% - 5%	5.00%
Mortality rates	Indian Assured lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08) Ult

Amounts recognised in statement of consolidated profit and loss / other comprehensive income in respect of these defined benefit plans are as follows.

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2022

Annexure 'E'

Additional Information as required under Schedule III to the Companies Act 2013, of enterprise consolidated as Subsidiary: 2021-22

Name of the Company	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	₹ in Lakhs	As % of consolidated profit or loss	₹ in Lakhs	As % of consolidated other comprehensive income	₹ in Lakhs	As % of consolidated total comprehensive income	₹ in Lakhs
Parent	99.75	4,06,697.69	107.18	280.29	91.47	(7.83)	107.71	272.46
Eureka Forbes Limited (formerly Forbes Enviro Solutions Limited)								
Subsidiaries								
Indian								
Forbes Aquatech Limited	0.27	1,105.55	4.72	12.34	(0.47)	0.04	4.89	12.37
Infinite Water Solutions Pvt Limited	0.55	2,256.65	31.52	82.42	5.37	(0.46)	32.40	81.96
Foreign								
Euro Forbes Limited, Dubai	-	9.49	(0.93)	(2.42)	0.12	(0.01)	(0.96)	(2.42)
Forbes Lux FZCO	-	11.48	(0.24)	(0.63)	6.54	(0.56)	(0.47)	(1.19)
Adjustment/ elimination on consolidation	(0.60)	(2,473.87)	(42.87)	(112.09)	(3.03)	0.26	(44.21)	(111.83)
Non-controlling Interest in all subsidiaries	0.03	127.44	0.62	1.61	-	-	0.64	1.61
Total	100.00	4,07,734.43	100.00	261.52	100.00	(8.56)	100.00	252.96

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2022

Note 29 - Additional information to the consolidated financial statements (Contd.)

₹ in Lakhs

Particulars	Gratuity (Funded)		Gratuity (Non Funded)	
	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021
Service cost:				
Current service cost	24.91	1.06	0.43	-
Expected return on plan assets	-	-	-	-
Past service cost and (gain)/loss from settlements	2.79	-	-	-
Net interest expense	2.59	(0.11)	1.20	-
Components of defined benefit costs recognised in profit or loss	30.29	0.95	1.63	-
Remeasurement on the net defined benefit liability:				
Return on plan assets (excluding amounts included in net interest expense)	(44.46)	(1.13)	-	-
Actuarial (gains) / losses arising from changes in demographic assumptions	(0.88)	-	(0.01)	-
Actuarial (gains) / losses arising from changes in financial assumptions	(1.42)	(0.01)	0.05	-
Actuarial (gains) / losses arising from experience adjustments	57.22	(0.49)	0.52	-
Others	-	-	-	-
Components of defined benefit costs recognised in other comprehensive income	10.46	(1.63)	0.56	-
Total	40.75	(0.68)	2.19	-

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the statement of consolidated profit and loss.

The remeasurement of the net defined benefit liability is included in other comprehensive income.

The amount included in the consolidated balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows.

₹ in Lakhs

Particulars	Gratuity (Funded)		Gratuity (Non Funded)	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Present value of defined benefit obligation	(2,058.58)	(14.84)	14.47	-
Fair value of plan assets	1,864.43	19.62	-	-
Funded status	(194.15)	4.78	14.47	-
Restrictions on asset recognised	-	-	-	-
Others	-	-	-	-
Net (liability)/asset arising from defined benefit obligation *	(194.15)	4.78	14.47	-

* Net of advances of ₹11.71 Lakhs included under Note No 11

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2022

Note 29 - Additional information to the consolidated financial statements (Contd.)

Movements in the present value of the defined benefit obligation are as follows.

₹ in Lakhs

Particulars	Gratuity (Funded)		Gratuity (Non Funded)	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Opening defined benefit obligation	14.82	15.62	-	-
Current service cost	24.91	1.06	0.43	-
Interest cost	23.91	1.02	1.20	-
Remeasurement (gains)/losses:				
Actuarial gains and losses arising from changes in demographic assumptions	(0.88)	-	(0.01)	-
Actuarial gains and losses arising from changes in financial assumptions	(1.42)	(0.01)	0.05	-
Actuarial gains and losses arising from experience adjustments	57.22	(0.49)	0.52	-
Others	(6.93)	-	(0.93)	-
Past service cost, including losses/(gains) on curtailments	2.79	-	-	-
Liabilities Transferred In/Acquisition	2,035.96	-	13.63	-
Benefits paid (including benefits paid directly)	(91.81)	(2.38)	(0.42)	-
Closing defined benefit obligation	2,058.57	14.82	14.47	-

Movements in the fair value of the plan assets are as follows.

₹ in Lakhs

Particulars	Gratuity (Funded)		Gratuity (Non Funded)	
	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021
Opening fair value of plan assets	19.64	17.36	-	-
Interest income	21.32	1.14	-	-
Remeasurement gain (loss):				
Return on plan assets (excluding amounts included in net interest expense)	44.47	1.14	-	-
Contributions from the employer	20.00	-	-	-
Assets Transferred In/Acquisition	1,850.83	-	-	-
Benefits paid	(91.81)	-	-	-
Other	-	-	-	-
Closing fair value of plan assets	1,864.45	19.64	-	-

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2022

Note 29 - Additional information to the consolidated financial statements (Contd.)

The fair value of the plan assets at the end of the reporting period for each category, are as follows.

Particulars	Fair Value of plan asset as at	
	₹ in Lakhs	
	As at March 31, 2022	As at March 31, 2021
Government Of Indian Assets	744.20	-
State Government Securities	185.70	-
Special Deposit Scheme	41.03	-
Debt Instrument	542.69	-
Corporate Bond	276.54	-
Mutual Funds	53.33	-
Others	20.96	19.64
Total	1,864.45	19.64

Maturity Analysis of the Benefits Payments from the Fund / Employer

Particulars	₹ in Lakhs	
	As at March 31, 2022	As at March 31, 2021
Projected Benefits Payable in Future years from the date of reporting		
1st Following Year	260.52	-
2nd Following Year	138.99	-
3rd Following Year	173.39	-
4th Following Year	332.84	-
5th Following Year	183.91	-
Sum of years 6 to 10	829.10	-
Sum of years 11 and above	1,888.92	-

Sensitivity Analysis

Particulars	₹ in Lakhs	
	Year ended March 31, 2022	Year ended March 31, 2021
Presented benefit obligation on current assumptions	2,073.04	14.84
Discount rate (1% increase)	(128.67)	(0.52)
Discount rate (1% decrease)	146.92	0.59
Future salary growth (1% increase)	150.24	0.59
Future salary growth (1% decrease)	(133.59)	(0.53)
Attrition movement (1% increase)	35.99	0.05
Attrition movement (1% decrease)	(40.43)	(0.06)

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

In respect of foreign subsidiaries of the group, retirement benefits are governed and accrued as per local statutes and there are no defined benefit plans. The amount contributed to the defined contribution plan is charged to the Consolidated Statement of Profit & Loss on accrual basis. Hence the above table includes the details of Company's incorporated in India only.

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2022

Note 30 - Acquisition of Health, Hygiene, Safety Products and Services Undertaking

Under the scheme approved by the NCLT as described in Note 29(VI), the basis of accounting used for the merger of the Health, Hygiene, Safety Products and Services Undertaking is "acquisition method" of accounting under Ind AS 103 (Business combination). Fair Value consideration amounting to ₹ 406,596.62 Lakhs has been allocated to the respective fair values of tangible, intangible assets and all liabilities and residual value has been recognised as goodwill.

(A) Details of assets acquired:

The fair values of assets acquired and liabilities assumed as at the date of acquisition (February 1, 2022) were:

Particulars	₹ In Lakhs
	Amount
A Specified Tangible Asset	
Property Plant and Equipment	26,965.23
B Identified Intangible Asset	
Brand - Aquaguard	2,86,125.46
Brand - Forbes	4,993.80
Distribution network - Services	20,557.83
Distribution network - Products	3,966.24
Specified Intangible Asset	
Computer Software	118.07
Technical Know how	19.79
Other Assets	
Capital Advances	341.13
Right of Use Assets	1,629.45
Investments	8,655.28
Cash and Cash Equivalents	1,075.09
Othe Bank balances	68.34
Inventories	29,735.82
Sundry Debtors	14,003.69
Loans and Advances	408.94
Income Tax Asset	2,314.27
Deferred tax Asset	620.89
Other Current Assets	6,717.96
Total Identifiable Assets (i)	4,08,317.28
C Specified Liabilities	
Long term debt	26,107.16
Lease Liabilities	1,385.30
Trade Payables	19,747.35
Provisions	3,337.54
Other current liabilities	73,554.45
Total Identifiable liabilities (ii)	1,24,131.80
Net assets acquired (i) - (ii)	2,84,185.48
Goodwill (before Deferred tax Adjustments)	1,22,411.14
Total Fair Value Consideration	4,06,596.62

(B) Impact of acquisition on the Financial Statements:

The acquired business contributed revenue of ₹ 37,013.67 Lakhs, Earning before Interest, tax depreciation and Amortisation (EBITDA) of ₹2,215.53 Lakhs and Earning Before interest and tax (EBIT) of ₹903.85 Lakhs for the period from the date of acquisition (i.e February 1, 2022) till March 31, 2022. If the acquisition had taken place from April 1, 2021 the acquired business would have contributed an additional turnover of ₹ 1,65,500.92 Lakhs. With this the total turnover of the company for the year ended March 31, 2022 would have been ₹ 2,03,601.05 Lakhs.

The acquired goodwill has been further adjusted to the effect of deferred tax liabilities recognised on acquisition in respect of recognising identified intangibles assets.

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2022

Note 31 - Financial instruments

Capital management

The Group's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may return capital to shareholders, issue new shares or sell assets to reduce debt.

Subsequent to acquisition of business during the year (refer note 30) the capital structure has undergone significant change. Consistent with the industry, the Group primarily, uses the gearing ratio to monitor and maintain the capital structure which is as follows:

Net debt (total borrowings net of cash and cash equivalents) divided by total 'equity' (as shown in the balance sheet).

The gearing ratios were as follows:

	₹ in Lakhs	
	As at March 31, 2022	As at March 31, 2021
Borrowings	24,280.01	150.00
Less: Cash and cash equivalents	1,775.80	21.31
Adjusted net debt	22,504.21	128.69
Total equity	4,07,734.42	13.87
Adjusted net debt to equity ratio	5.52%	927.83%

Note 32 - Earnings per share

The calculations of profit attributable to equity shareholders and weighted average number of equity shares outstanding for purposes of basic and diluted earnings per share calculation are as follows:

	₹ in Lakhs	
Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Profit / (Loss) for the year attributable to equity share holders (₹ In Lakhs)	259.91	(163.03)
Face value per equity share	10	10
Weighted average number of equity shares used in the calculation of basic and diluted earnings per share (Nos.)	3,62,69,259	48,27,263
Basic and diluted earnings per share (₹)	0.72	(3.38)

Basic Earnings per share

The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows.

	₹ in Lakhs	
Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Profit for the year attributable to owners of the Company	259.91	(163.03)
Weighted average number of equity shares for the purposes of basic earnings per share (Quantity in numbers)	3,62,69,259	48,27,263

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2022

Note 33 - Financial instruments – Fair values

A. Accounting classification and fair values

	March 31, 2022			March 31, 2021		
	FVTPL*	FVTOCI**	Amortised Cost	FVTPL*	FVTOCI**	Amortised Cost
Financial assets						
Cash and Bank Balances	-	-	1,875.50	-	-	51.79
Short-term loans and advances	-	-	7.92	-	-	-
Trade and other receivables	-	-	15,361.61	-	-	235.60
Current Investments	6,169.95	-	-	2.40	-	-
Non Current Investments	-	1.43	-	-	-	-
Other Current financial Asset	-	-	127.35	-	-	0.06
Other Non Current financial Asset	-	-	1,665.22	-	-	11.27
Total Financial Asset	6,169.95	1.43	19,037.60	2.40	-	298.72
Financial liabilities						
Trade and other payables	-	-	22,096.47	-	-	477.28
Other Current financial liabilities	-	-	12,349.22	-	-	45.24
Current Borrowings	-	-	19,323.89	-	-	150.00
Non Current Borrowings	-	-	4,956.11	-	-	-
Total Financial Liabilities	-	-	58,725.69	-	-	672.52

*Mandatorily measured at fair value in accordance with Ind AS 109

** Investments in equity instruments designated as such upon initial recognition in accordance with paragraph 5.7.5 of Ind AS 109.

These investments in equity instruments are not held for trading. Instead, they are held for medium or long term strategic purpose. Upon the application of IND AS 109, the Group has chosen to designate these investments in equity instruments at FVTOCI as it is believed that this provides a more meaningful presentation for medium or long term strategic investment than reflecting changes in fair value immediately in profit and loss account.

Fair value Hierarchy

This section explains the judgement and the estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value:

	₹ in Lakhs			
Financial assets and liabilities measured at fair value - recurring fair value measurements At March 31, 2022 (Refer note Below)	Level 1	Level 2	Level 3	Total
Financial assets				
Financial investment at FVTPL				
Unquoted Investments in Mutual funds	6,169.95	-	-	6,169.95
Financial investment at FVOCI				
Unquoted Investments	-	-	1.43	1.43
Total Financial Asset	6,169.95	-	1.43	6,171.38
Financial Liabilities				
Derivatives accounted at FVTPL	-	-	-	-
Total Financial Liabilities	-	-	-	-

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2022

Note 33 - Financial instruments – Fair values (Contd.)

A. Accounting classification and fair values (Contd.)

₹ in Lakhs				
Financial assets and liabilities measured at fair value - recurring fair value measurements At March 2021 (Refer note Below)	Level 1	Level 2	Level 3	Total
Financial assets				
Financial investment at FVTPL				
Unquoted Investments in Mutual funds	2.40	-	-	2.40
Financial investment at FVOCI				
Unquoted Investments	-	-	-	-
Total Financial Asset	2.40	-	-	2.40
Financial Liabilities				
Derivatives accounted at FVTPL	-	-	-	-
Total Financial Liabilities	-	-	-	-

Reconciliation of level 3 fair value measurement of financial Instruments

₹ in Lakhs		
Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Opening Value of Fair Value	-	-
Fair value gain/(loss) recognised in profit or Loss	-	-
Fair value gain/(loss) recognised in Other Comprehensive income	-	-
Acquired in Business Combination	1.43	-
Purchases made during the year	-	-
Sales made during the year	-	-
Closing balance of fair value	1.43	-

Description of significant unobservable inputs to valuations for level 3 items

Significant unobservable Inputs	Relationship of unobservable Inputs to fair value
Long term revenue growth rates taking into accounts managements experience and knowledge of market conditions of the specific industries	A slight increase in the long term revenue growth rates used in isolation would result in increase in fair value
Long term pre tax operating margin taking into account managements experience and knowledge if market conditions of the specific industries	A significant increase in the long term pre tax operating margin used in isolation would result in increase in fair value
Weighted average cost of capital (WACC), determined using a Capital Asset pricing Model	A slight increase in the WACC used in isolation would result in decrease in Fair value

Valuation techniques and significant unobservable inputs

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments.
- All of the resulting fair value estimates are included in level 1 except for unlisted equity securities where the fair values have been determined based on present values & the discount rates used were adjusted for counterparty / own credit risk.
- The carrying amount of Trade receivables, Trade payables, cash and Cash Equivalents are considered to be the same as their Fair Values, due to their short term in nature.
- The Fair value of financial Instrument that are not traded in an active market is determined using valuation technique. The Group uses its Judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2022

Note 34 - Financial instruments – Financial risk management

The Group's activities expose it to market risk, liquidity risk and credit risk. In order to minimise any adverse effects on the financial performance of the Group, such as foreign exchange forward contracts are entered to hedge certain foreign currency risk exposure.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk in the financial statements.

Risk	Exposure Arising from	Measurement	Management
Credit Risk	Cash and Cash Equivalents, trade receivables, financial assets measured at amortised cost and fair value through profit or loss	Aging analysis, Credit Rating	Diversification of bank deposits, credit limits and letter of credit
Liquidity Risk	Borrowing and other liabilities	Rolling cash flow Forecast	Availability of committed credit lines and borrowing facilities
Market Risk- Foreign currency	Future commercial Transactions Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow Forecasting Sensitivity analysis	Forward foreign currency Contracts Foreign currency option
Market Risk- Interest rate	Long-term borrowings at variable rate	Sensitivity analysis	Interest rate Swaps
Market Risk- Security prices	Investment in equity securities	Sensitivity analysis	Portfolio diversification

The Group's risk management is carried out by a Finance committee and Treasury team under policies approved by the board of directors. Treasury team identifies, evaluates and hedges financial risks in close co-operation with subject matter experts. The Board of directors periodically monitors the risk assessment.

(a) Credit risk

Credit risk arises from cash and cash equivalents, investments and deposits with banks, as well as credit exposures to customers including outstanding receivables.

The carrying amounts of financial assets represent the maximum credit risk exposure. The maximum exposure to credit risk at the reporting date was:

₹ in Lakhs		
Particulars	As at March 31, 2022	As at March 31, 2021
Investments	6,169.95	2.40
Trade receivables	15,361.61	235.60
Cash and cash equivalents	1,775.79	19.81
Other bank balances	99.70	31.98
Loans	7.92	-
Other financial assets	1,792.57	11.33

Trade Receivables

The maximum exposure to credit risk for trade receivables by geographic region was as follows.

₹ in Lakhs		
	As at March 31, 2022	As at March 31, 2021
India	15,208.53	234.86
Other regions	153.08	0.74
Total	15,361.61	235.60

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2022

Note 34 - Financial instruments – Financial risk management (Contd.)

(a) Credit risk (Contd.)

The ageing of trade receivables that were not impaired was as follows.

Ageing	₹ in Lakhs	
	As at March 31, 2022	As at March 31, 2021
0-1 Year	15,132.41	117.34
1-2 Year	75.45	35.88
2-3 Year	16.30	61.28
More Than 3 Yrs	137.45	21.10
Total	15,361.61	235.60

The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows.

	₹ in Lakhs	
	As at March 31, 2022	As at March 31, 2021
Opening Balance	44.70	117.47
Amounts written off during the year as uncollectible	(43.16)	13.31
Acquired on account of business combination	3,353.18	-
Impairment loss recognised	(36.30)	(86.08)
Closing Balance	3,318.42	44.70

The Group held cash and cash equivalents of ₹ 1,775.79 lakhs (March 31, 2021: ₹ 19.81 Lakhs). The cash and cash equivalents are held with bank ₹ 1,613.27 lakhs (March 31, 2021: ₹ 19.27 Lakhs)

(b) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted:

Non-derivative financial liabilities	Contractual maturities of financial liabilities				
	On Demand	0- 1 year	1-5 years	> 5 years	Total
March 31, 2022					
Banks - Long term loans Including Interest					
Loans from banks	16,804.66	2,519.23	4,956.11	-	24,280.00
Trade payables	-	22,096.47	-	-	22,096.47
Other Payable	-	12,349.22	-	-	12,349.22
March 31, 2021					
Borrowings	150.00	-	-	-	150.00
Trade payables	-	478.62	-	-	478.62
Other Payable	-	45.24	-	-	45.24

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2022

Note 34 - Financial instruments – Financial risk management (Contd.)

(c)(i) Market Risk- Foreign currency

Exposure to currency risk

The currency profile of financial assets and financial liabilities as at March 31, 2022 and March 31, 2021 are as below:

Particulars	As at March 31, 2022	As at March 31, 2022
	USD in Lakhs	EUR in Lakhs
Financial assets		
Long-term loans and advances	-	-
Short-term loans and advances	16.26	0.16
Trade and other receivables	7.02	-
Other Non-Current financial assets	-	-
Total	23.28	0.16
Financial liabilities		
Short term borrowings	0.03	-
Trade and other payables	18.64	5.24
Other Current financial liabilities	-	-
Total	18.67	5.24
Net Exposure	4.60	(5.08)

Particulars	As at March 31, 2021	As at March 31, 2021
	USD in Lakhs	EUR in Lakhs
Financial assets		
Trade and other receivables	0.01	-
Total	0.01	-
Financial liabilities		
Trade and other payables	-	-
Total	-	-
Net Exposure	0.01	-

The following significant exchange rates have been applied.

	Year-end spot rate	
	March 31, 2022	March 31, 2021
USD /INR	75.52	73.23
EUR/INR	83.93	85.88

Sensitivity analysis

The Sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

Effect in INR	₹ in Lakhs	
	Profit or (loss)	
	Strengthening	Weakening
March 31, 2022		
USD 5% movement	(17.36)	17.36
EUR 5% movement	21.31	(21.31)
	3.95	(3.95)

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2022

Note 34 - Financial instruments – Financial risk management (Contd.)

(c)(i) Market Risk- Foreign currency (Contd.)

Sensitivity analysis (Contd.)

Effect in INR	₹ in Lakhs	
	Profit or (loss)	
	Strengthening	Weakening
March 31, 2021		
USD 5% movement	(0.04)	0.04
	(0.04)	0.04

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

(c)(ii) Market Risk- Interest rate

The Exposure of the Group's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	₹ in Lakhs	
	As at March 31, 2022	As at March 31, 2021
Variable Rate Borrowing	7,475.34	-

The sensitivity analyses below have been determined based on the exposure to interest rates for non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the group's:

Profit for the year ended March 31, 2022 would decrease / increase by ₹ 6.09 Lakhs (Previous Year: decrease / increase by ₹ Nil Lakhs). This is mainly attributable to the group's exposure to interest rates on its variable rate borrowings

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

Note 35 - Assets pledged as security

The carrying amounts of assets pledged as security for current and non-current borrowings are:

Particulars	Notes	₹ in Lakhs	
		As at March 31, 2022	As at March 31, 2021
Current			
Trade Receivable	6	17,650.24	-
Inventories	12	28,881.36	-
Other Assets	11	54.41	-
Total Current assets pledged as security		46,586.01	-
Non-current			
Land - Freehold	3	6,405.00	-
Land - Leasehold	3	344.16	-
Buildings	3	14,639.20	-
Other Property, plant and equipment *	3	6,449.04	-
Brand / Trade Mark	4	2,86,125.46	-
Total Non Current assets pledged as security		3,13,962.86	-
Total assets pledged as security		3,60,548.87	-

* Property, plant and equipment as per note 3 includes moveable asset for employee benefits, which has not been pledged

No charges or satisfaction are pending to be registered with ROC beyond the statutory period.

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2022

Note 36 - Movement in deferred tax balances

Particulars	As at April 1, 2021	For the year 2021-22				As at March 31, 2022	
		Acquired through business combination	Recognised in profit or loss	Recognised in Goodwill	Recognised in OCI	Deferred tax asset	Deferred tax liability
Deferred Tax Assets / (Liabilities)							
Property, plant and equipment	-	792.05	88.41	3,643.83	-	(17.85)	4,542.14
Provisions	-	(1,256.10)	200.20	-	-	2.64	(1,058.55)
Lease Liabilities	-	(20.53)	0.90	-	0.16	3.53	62.58
Merger expenses	-	-	(41.58)	-	-	-	(41.58)
Amortisation of Processing fees	-	17.86	(1.64)	-	-	-	16.22
Fair Valuation	-	-	(102.88)	79,441.11	-	-	79,338.23
Expenses allowed on Payment	-	(164.24)	47.61	-	-	1.95	(118.56)
Tax - Loss carry forwards	-	1.84	(1.84)	-	-	-	-
Others (Including MAT Credit)	-	102.85	-	-	-	102.85	-
Deferred Tax Assets /(Liabilities)	-	(526.27)	189.18	83,084.94	0.16	93.12	82,740.48

Particulars	As at April 1, 2020	For the year 2020-21				As at March 31, 2021	
		Opening Adjustment	Recognised in profit or loss	Recognised in Goodwill	Recognised in OCI	Deferred tax asset	Deferred tax liability
Deferred Tax Assets /(Liabilities)							
Property, plant and equipment	-	-	-	-	-	-	-
Provisions	-	-	-	-	-	-	-
Expenses allowed on Payment	-	-	-	-	-	-	-
Amalgamation Expense	-	-	-	-	-	-	-
Tax - Loss carry forwards	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
Deferred Tax Assets /(Liabilities)	-	-	-	-	-	-	-

Note:

Deferred tax assets and liabilities of certain subsidiaries have been offset due to the netting off provisions applicable in those jurisdictions. Accordingly, the value of deferred tax asset/liabilities as reflected in the financial statements would reconcile on a net basis with the amount reflected above.

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2022

Note 37 - Income Tax expense

(a) Amounts recognised in profit and loss

Particulars	₹ in Lakhs	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Current income tax	243.89	-
Earlier year tax	8.34	0.79
Deferred tax expense	192.48	-
Tax expense for the year	444.71	0.79

(b) Amounts recognised in other comprehensive income

Particulars	₹ in Lakhs					
	For the year ended March 31, 2022			For the year ended March 31, 2021		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurements of the defined benefit plans	(11.02)	2.77	(8.25)	1.63	-	1.63
	(11.02)	2.77	(8.25)	1.63	-	1.63

(c) Reconciliation of effective tax rate

Particulars	₹ in Lakhs	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit / (loss) before tax	706.23	(162.24)
Tax using the Group's domestic tax rate 25.168%	177.90	-
Tax effect of amounts which are not deductible (taxable) in calculating taxable income	9.54	-
Other tax adjustment (including re-assessment of deferred taxes post business combination)	219.88	-
Effect of Income that is exempted from Tax	0.85	-
Adjustments for taxes of prior periods	8.34	0.79
Effect of difference in tax rates in companies (net of impact of elimination and adjustments on consolidation)	28.20	-
	444.71	0.79

The tax rate used for the year 2021-22 and 2020-21 reconciliations above is the corporate tax rate of 25.168% payable by corporate entities in India on taxable profits under the Indian tax law.



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