September 03, 2022

To
The Manager
The Department of Corporate Services
BSE Limited
Floor 25, P. J. Towers,
Dalai Street, Mumbai — 400 001

Scrip Code: 531147

To
The Manager
The Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai — 400 051

Scrip Symbol: ALICON

Dear Sir/ Madam,

Sub:- Intimation regarding 32nd Annual General Meeting of the Alicon Castalloy Limited

The Board of Directors has decided to convene the 32nd Annual General Meeting (AGM) of the Members of the Company on Tuesday, 27th September, 2022at 11.00 AM (IST) through Video Conferencing ('VC')/Other Audio Visual Means ('OAVM') and close the Register of Members and Share Transfer Book as detailed below:

Scrip Code /Symbol	Stock Exchange	Type of Security	Register of Members and Share Transfer Books	Purpose
531147	BSE Limited	Equity	Wednesday, September 21, 2022 to Tuesday, September 27, 2022	For payment of Dividend
ALICON	NSE Limited			

Kindly take this information on your record.

Thanking You,

Yours Faithfully,

For **ALICON CASTALLOY LTD**

Vaidya

Veena Vaidya
Company Secretary

2021-22 ANNUAL REPORT
ALICON CASTALLOY LIMITED

alicon

BUILDING TRUST

What's Inside

Corporate Information

BOARD OF DIRECTORS

Mr. S. Rai
Managing Director

Mrs. Pamela Rai
Director

Mr. Junichi Suzuki
Director

Mr. A. D. Harolikar
Independent Director

Mr. Vinay Panjabi
Independent Director

Mr. Ajay Nanavati
Independent Director

Mrs. Veena Mankar
Independent Director

STATUTORY AUDITORS

M/s. Kirtane & Pandit LLP

GROUP CEO

Mr. Rajeev Sikand

GROUP CFO

Mr. Vimal Gupta

BANKERS

State Bank of India

Bank of Maharashtra

Kotak Mahindra Bank

IDFC First Bank

Bajaj Finance Ltd

HDFC Bank

Citi Bank

REGISTERED OFFICE

Gat No. 1426, Village - Shikrapur,
Taluka - Shirur, District Pune - 412 208,
Maharashtra, India
Tel: +91 02137 677100
Email: swapnal.patane@alicongroup.co.in
Website: www.alicongroup.co.in

CORPORATE IDENTIFICATION NUMBER

L99999PN1990PLC059487

SHARE TRANSFER AGENT

M/s. Universal Capital Securities Pvt. Ltd.
C-101, 247 Park, 1st Floor, LBS Road,
Gandhi Nagar, Vikhroli (West),
Mumbai – 400 083.
T:+91 (22) 4918 6178-79 I F: +91 22 4918 6060
Email: gamare@unisec.in

WORKS

- Gat No. 1426, Village - Shikrapur, Taluka - Shirur, District Pune - 412 208, Maharashtra, India
- Plot No. 58/59, Block D II, MIDC Chinchwad, Pune - 411 019
- 57-58 KM Milestone, Delhi - Jaipur, NH 8, Industrial Area, Village - Binola, District - Gurugram, Haryana - 122 051
- Illichmann Castalloy s.r.o. Partizanska 81, 966 81, Zarnovica, Slovakia

BUILDING TRUST

We are living in an era of unparalleled disruption. In these turbulent times, our steadfast focus has been on building trust by demonstrating commitment, courage, capability and confidence, which we have coined as the '4C formula'. We have also encouraged our team to proactively seek direction and support. While creating a sense of togetherness, this emphasis on reaching out has helped us to build a stronger and more cohesive team, multiplying our capabilities for overcoming difficult situations. The automotive industry is steadily pivoting from internal combustion engines to electric propulsion. Keeping pace with this transition, we have increased our focus on delivering components for electric mobility. Our products are also finding growing applications across non-automotive sectors in India.

Commitment is the important Prime step of our 4C formula. Led by our continued commitment to meeting the evolving expectations of our stakeholders, we are motivated to dream bigger and achieve higher. From delivering the most advanced technologies for our customers to ensuring the well-being of our people and communities even in times of adversity, we have never wavered from our commitment to our ecosystem.

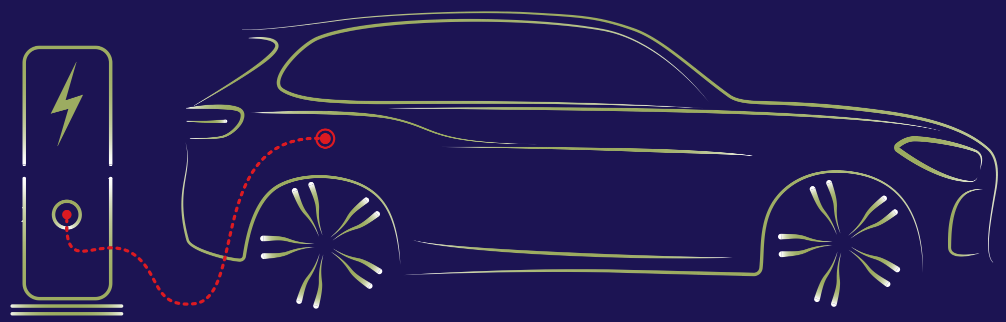
As we set out to explore uncharted territories, building courage is the next step. In these uncertain times, it is our courage that has prodded us to move forward despite all odds. Be it overcoming pandemic-related anxieties with our plants being in high-impact zones to combating headwinds of supply chain disruption and high input prices, our 'can do' belief has kept us going.

Commitment and courage, while imperative, are not sufficient for growth. Bigger futures come from new capabilities. Our continued investments in technology, talent and processes, among others, have made us a future-ready organisation, primed for success.

New capabilities lead to breakthroughs, which creates confidence - the fourth step in our 4C formula. As we increase our confidence at the individual and organisational level, it has given us the motivation and self-belief to make bigger commitments. This leads to restarting the 4C process, which leads to greater success. And greater trust. Over and over again.

Trust is the foundation of our business. It is our intangible asset - one that helps us grow and also navigate difficult times. By staying focused on building trust through commitment, courage, capability and confidence, we are determined to create better value for our stakeholders.

The macro-environment remained turbulent, the Global Automotive Industry continued to make further progress on adoption of new technologies and the evolution towards more sustainable mobility. This added further degrees of complexity to our business. In the face of these unprecedented challenges and heightened business complexity, our Company's performance has been remarkably resilient. Not only have we grown over the prior year and regained our watermarks from the pre-pandemic years, but we have managed to put in place some of the key building blocks towards Building Trust.



Letter from the Chairman & Managing Director

> "I am happy to share with you that Alicon has been approved as one of the beneficiaries of the PLI scheme for automotive components under the Component Champion Incentive Scheme, which is a sales value link scheme applicable to advanced automotive technology components of vehicles. It is aimed at fast-tracking the development of a green mobility ecosystem in India."

DEAR SHAREHOLDERS,

The start of the financial year 2021-22 (FY 2022) was once again overshadowed with waves of infection sweeping across the world. The impact of the second wave was felt in early 2021 as the 'Delta' variant devastated lives across India. Although the disruption to economic activity was less severe than in the first quarter of financial year 2020-21 (FY 2021), the Delta variant had a woeful impact on lives. After a slow start, the vaccine immunisation programme of the Government of India accelerated and was executed seamlessly. It saved thousands of lives and livelihoods.

The third wave of the pandemic with the 'Omicron' variant spread rapidly across the world. Fortunately, while highly transmissible, it was not as lethal as the 'Delta' variant and the fear of further disruptions to lives and livelihoods soon receded.

The Indian economy had started to recover in the second half of FY2021. Despite the disruptions caused by the 'Delta' wave it was expected that GDP in FY 2022 would surpass the pre-pandemic level of the financial year 2019-20. While, this did happen, it was a marginal increase over the pre-pandemic year. Despite the overall increase, there were many sectoral imbalances. The COVID-19 pandemic eventually did result in the country, and we at Alicon, losing two years of growth.

More importantly, through these disruptions over the last two fiscal years, we continued to prioritise the health and welfare of our people across locations and ensured adherence to protocols and guidelines across all aspects of operations. We firmly lived up to our responsibilities towards our employees and their families, vendors, business associates and the communities within which we function. I had shared with you in my previous years' message, that the Indian auto industry was facing a deep structural slowdown even before the pandemic. The impact of the pandemic induced lockdowns were further accentuated in FY 2022 with several challenges that impacted demand and consumer sentiment. We termed them as the '6C' challenges: (i) COVID-19-induced disruptions leading to a slowdown across domestic and international markets; (ii) chip (semiconductor) shortages impacting the production schedules of Original Equipment Manufacturers (OEMs) and resulting in a loss of volumes for the auto industry; (iii) cost-based inflation leading to a sharp rise in vehicle prices by OEMs and affecting consumer purchasing power; (iv) cost of new product development increasing with the demand for complex products for electric vehicles; (v) disruptions in global auto supply chains impacting production levels and (vi) conflict between Russia and Ukraine leading to a chaos in global commodity prices which had a severe impact of global inflation which was already a cause of concern.

The impact of these challenges was felt in the domestic auto industry. While the passenger vehicle, commercial vehicle, and three-wheeler segments registered an improved performance on a year-on-year basis, the sales volume of two-wheelers saw a significant de-growth amid rising vehicle and fuel costs. Further, though the demand and uptake of the commercial vehicles and the passenger vehicle segments remained strong throughout the year, supply-side constraints limited the upside. Overall, domestic automobile sales saw a decline of 6% in FY 2021-22. Globally, the 2021 global auto production was moderately higher by 1.8% year-on-year, driven by US and China numbers, while Europe witnessed a decline.

Effectively manoeuvring through these challenges, Alicon delivered an encouraging performance for the full year. Our total revenue increased by 27% from the previous year. This creditable growth was driven by (i) addition of new customers, (ii) addition of new parts from the existing customers, (iii) increasing penetration of four-wheelers in our overall revenue mix, (iv) increased contribution from the electric vehicle segment, and (v) strong exports. Alicon's global auto sales marked a strong increase of 63% from the previous year on the back of recovering supplies to global customers and deliveries to the new order pipeline.

Despite sustained inflationary pressures, our improved product mix and cost optimisation measures helped improve our EBITDA margin to 10.7% as against 10.1% in the previous year. We also maintained our focus on our leverage and our net debt ratio remains comfortable at 0.58x.

I am also happy to share with you that Alicon has been approved as one of the beneficiaries of the PLI scheme for automotive components under the Component Champion Incentive Scheme, which is a sales value link scheme applicable to advanced automotive technology components of vehicles. It is aimed at fast-tracking the development of a green mobility ecosystem in India.

Our endeavours over the last few years to capitalize on our R & D capabilities and positioning ourselves as providers of end-to-end solutions to our customers have borne fruits. We also bagged significant order wins for our auto division and non-auto division with higher value additions.

Further, we are seeing a strong response from the customers for light-weighting of the products in the auto and electric vehicle (EV) space and remain upbeat about converting these enquiries into sales. We have won several contracts from multiple existing and new OEMs during the year for electric mobility. The share of revenues from EVs standing at 7% of total revenues in FY 2022

The demand momentum in domestic and international markets is steadily picking up. Global supply chains are showing some signs of stabilisation. However, a long-drawn conflict between Russia and Ukraine may exacerbate the situation as both these countries are key suppliers of components used in semiconductor manufacturing. Further lockdowns in China could also trigger shortages of crucial manufacturing components. Meanwhile, domestic auto OEMs have commenced sourcing semiconductors from alternate vendors, enabling them to mitigate cost pressures to some extent and keep their production going. This provides some cheer for the industry as a whole.

In June 2021, the Indian government announced financial incentives for EV manufacturers under the FAME (Faster Adoption and Manufacturing of Hybrid and Electric Vehicles) Phase II scheme. The government is also accelerating the installation of electric charging facilities across the country. In the Union Budget 2022, a battery swapping policy with inter-operability standards was announced for easier charging of EVs. All these initiatives are expected to speed up EV adoption in the country. A report by India Energy Storage Alliance estimated that the EV market in India is likely to increase at a CAGR of 36% until 2026. We have achieved strong growth in our EV division in just three years. Our focus remains on capitalising on the unfolding opportunities and scaling up the contribution of our EV division.

On the macro front, The Government of India has announced a growth oriented and expansionary budget for FY 2023 with a strong push on investments to lift economic growth. The compounded annual growth rate for capital expenditure of FY 2023 over FY 2020 is projected at 28% while revenue expenditure is contained at 12%. It is expected that this capex-led policy would take India on a growth path.

The developments on the macro front and the emerging trends in the Automobile sector augur well for Alicon to capitalize on the opportunities that present themselves. We have a growing customer base, an excellent product suite, strong innovation capabilities, world-class manufacturing facilities, an experienced leadership team, and a robust balance sheet. While inflationary headwinds persist, we expect these conditions to steadily ease over the medium term.

I would like to take this opportunity to express my sincere appreciation to my fellow Board members and the Management team for their constant support and guidance. I would also like to extend my heartfelt gratitude to the Alicon team for their continued commitment and hard work. Finally, my thanks to our customers, business associates, bankers, and all stakeholders for reposing their trust in our business. With your steadfast support, the future journey holds considerable promise and optimism for our Company.

S. Rai

Chairman & Managing Director

About Us

Alicon Castalloy is a leading provider of end-to-end solutions spanning the entire spectrum of aluminium casting needs across multiple user industries. Our high-quality solutions and vast industry experience have made us the preferred partners to a marquee customer base, primarily comprising original equipment manufacturers ("OEMs") of vehicles in India and internationally.

The automotive industry is steadily pivoting from internal combustion engines to electric propulsion. Keeping pace with this transition, we have increased our focus on delivering components for electric mobility. Our products are also finding growing applications across non-automotive sectors in India.

We are part of the Alicon Group, a global consortium of companies and one of the largest integrated aluminium casting manufacturers globally. The Alicon Group amalgamates European engineering, Japanese quality and Indian innovation to deliver iconic lightweight alloy solutions.

ALICON CASTALLOY - BLENDING THE BEST ATTRIBUTES

Enkei Corporation
Leading Japanese motorcycle and passenger car wheel manufacturer 70+ years of experience

Alicon Castalloy
Offering innovative, cost-effective engineering solutions for aluminium casting 49 years of track record

Illichmann Castalloy
European subsidiary improving Alicon's presence in the US and European markets 89+ years of proven global track record

Atlas Castalloy
Support in engineering, tool design and manufacturing 20+ years of experience

OUR STORY IN FACTS

- One-stop shop for all solutions related to aluminium alloy castings
- Pioneer in India for processes of Low Pressure Die Casting (LPDC) and Gravity Die Casting (GDC)
- Operating one of the largest aluminium foundries in India, in proximity to major automotive clusters
- Leaders in the development of Pro-Cast and Magma space in India
- Diversified marquee customer base across core sectors in India and a growing global presence
- Expertise enriched by the experience of Group companies

OUR STORY IN FIGURES

4
World-class manufacturing facilities

49
Years of experience

90
Customers

18
Export countries

795
Live parts

131
Product innovations over the past two years

967
employees including 200 researchers

₹1,081 Crore
Total income in FY 2021-22

₹ 116 Crore
EBITDA in FY 2021-22

#Numbers are as of March 31, 2022, unless otherwise mentioned

ONE-STOP SHOP FOR ALL ENGINEERING SOLUTIONS RELATED TO ALUMINIUM ALLOY CASTINGS

CERTIFICATION AND COMPLIANCES

- TS 16949:2009 (International Quality Management System specification for the automotive industry)
- ISO 9001:2008 (International standard for Quality Management Systems)
- ISO 14001:2004 (International standard for Environmental Management Systems)
- BS OHSAS 18001:2007
- ISO 45001:2018 (International standard for Health and Safety at Work)

OUR VISION

Become the globally preferred supplier for Light Alloy Casting Solutions.

OUR MISSION

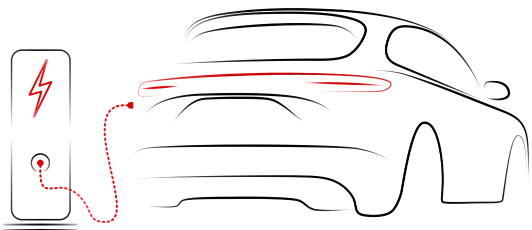
- Grow the employees, associates and suppliers
- Ensure total customer satisfaction
- Increase shareholder value

OUR VALUES

- Quality, Integrity and Respect
- Encourage Entrepreneurship
- Ownership and Accountability
- Commitment to the Environment and Community

OUR BUSINESS PHILOSOPHY

Fewer, Bigger & Bolder



THE ALICON DNA

- We Encourage Decisive Leaders at All Levels
- We Encourage Leaders to Nurture Their Teams
- We Empower Our People and Always Maintain Positive Environment
- We Approach Everything We Do with Sincerity and Integrity
- We Greet Everyone with a Smile and in High Spirit
- We Follow the Alicon Vector
- We Practice LDD (Light, Direct and Deep Communication)
- We Believe in Continuous Improvement and Benchmarking
- We Aim at Delighting Our Customers with Innovation
- We are Flexible and Adapt to Shifts in the Market
- We are Visionary and Set High Targets for Ourselves
- We use DES – BEP to Establish Lucrative Goals and Practices
- We Create an Organic Environment and Give Back to our Society
- We Imbibe 5S As a Way of Life
- We are Agile, Disciplined and Decisive in Our Work
- We Advocate Ownership and Accountability
- We Encourage Perseverance in Case of Failures
- We Stay True to Our Purpose

About Us (Contd)

GLOBAL PRESENCE

Strategic locations enabling shorter time-to-market and cost optimisation

- 4 modern plants (1 international)
- High-end machines
- Advanced Technology Centre
- Globally Competent Tool Rooms (20 tools/a month)
- Full-edged Machine Shop (including assembly facility)

Austria
- International Marketing Office

Slovakia
- Manufacturing Plant
- Tool Room
- Product Validation Lab

Binola, Haryana
- Manufacturing Plant
- Product Validation Lab

France
- Marketing Franchise

USA
- Marketing Franchise

Chinchwad, Pune Maharashtra
- Manufacturing Plant
- Tool Room
- Product Validation Lab
- Machine Shop

Shikrapur, Pune Maharashtra
- Manufacturing Plant
- Technology Centre
- Product Validation Lab
- Machine Shop

Map not to scale. For illustrative purposes only.

DIVERSIFIED BASE OF MARQUEE CUSTOMERS

Diversity across markets and industries provides a natural hedge

Two-Wheeler OEM

Four-Wheeler OEM

Tier 1 & Non Auto

MULTIPLE SECTORS

Leveraging our expertise in aluminium casting to serve several sectors

Automotive

- Two-Wheelers
- Three-Wheelers
- Passenger Cars
- Multi-Utility Vehicles
- Multi-Purpose Vehicles
- Small Commercial Vehicles
- Light Commercial Vehicles
- Medium & Heavy Commercial Vehicles

E-mobility, EV Cars

- Medium and Heavy Commercial Vehicles
- Passenger Cars
- Two-Wheelers

Non-Automotive

- Agriculture
- Energy
- Medical & Health
- Defence
- Infrastructure
- Locomotive
- Aero & Marine
- Telecommunication

BUILDING TRUST WITH OUR STRENGTHS

Robust R&D capabilities
Driving customer-focussed innovation at our in-house technology centre which is equipped with the latest instruments and equipment and manned by 200+ researchers working closely with customers.

World-class manufacturing facilities
Manufacturing facilities are equipped with globally sourced machinery, a globally competent tool manufacturing facility, quality & testing laboratories at each location, and a full-fledged machine shop.

One-stop solution
Engaging with customers from the prototype stage to commercial production; this single-window solution helps customers to cut down on validation time and costs.

Comprehensive product suite
A wide product basket to meet multiple needs of our customers, thereby enabling us to increase our content per vehicle and provide greater convenience to customers.

Flexible and customised production
Ability to manufacture small to large-sized components; also catering to the growing trend of small batch manufacturing as product lifecycles get shorter, in addition to supporting high volume manufacturing.

Technological edge
Embedding advanced technology to cater to the electric and carbon neutral mobility segments as well as deliver value-added products, BS-VI-compliant products and light-weighted components.

Strong quality credentials
Applying rigorous quality control measures at every stage of our manufacturing process to ensure that our products adhere to global benchmarks and meet the expectations of our customers.

World-class systems and processes
Embracing a culture of continuous improvement through leading processes such as lean and agile manufacturing, Kaizen, automation, etc., and adopting world-class platforms such as SAP.

Motivated and skilled workforce
Driven by the talent and dynamism of our workforce; place a high focus on providing opportunities for capability development and driving engagement and retention through performance incentive schemes, employee-friendly attendance policies, etc.

Health & safety focus
Prioritising the health and wellbeing of our team by following best safety practices at our plant sites, conducting regular safety audits, organising safety training sessions, and promoting a safety culture.

Professional management
Professionally managed company with a proven track record of corporate governance and robust internal controls and business strategy driven by an experienced and qualified leadership team.

Financial stability
A strong track record of growth and profitability through a better product mix and operational efficiencies; maintaining balance sheet prudence with a streamlined working capital cycle, comfortable net debt ratio, and healthy return on capital employed.

Our Growth Pillars

In today's dynamic and disruptive operating landscape, business success is critical for ensuring business sustainability. Our strong focus on five key pillars is driving sustained growth, thereby enabling us to build trust with our stakeholders.

AUTO BUSINESS

Our wide product portfolio of quality aluminium casting solutions has made us a trusted partner to leading automotive OEMs in the domestic and international markets. During the year, we announced significant order wins from multiple OEMs. We also added a new customer in the global market, a strong reflection of our growing brand value and trust. Further, the sales from our European subsidiary and Alicon India export sales increased by 63% and 100% year-on-year, respectively. As of March 31, 2022, our total order booking since FY 2019 stands at around ₹3,000 crore for over a period of five years, providing us with healthy revenue visibility.

The passenger vehicle and the commercial vehicle segments are key focus areas for us. Our sales in the passenger vehicle division grew by 45% year-on-year and the commercial vehicle sales grew by 61% year-on-year. We continue to place a high focus on improving the contribution from higher value components in these segments, thus driving augmented brand value and enhanced sales.

Our efforts in portfolio expansion continued to further secure our auto business. Responding to our customers' growing demand for light-weighted components, both in the domestic and export markets, we are actively developing new products to meet evolving needs. Another important internal vector of growth has been our focus on developing value-added products.

The domestic auto market is expected to witness strong growth in the coming years on the back of an improving macroeconomic environment. The PLI scheme and higher allocation towards road infrastructure also augur well for the auto sector. Additionally, significant opportunities exist in the export markets, which we are actively tapping through our growing presence in these regions.

ELECTRIC VEHICLES

In the EV segment, we have built a portfolio of over 100 parts. Our fast-growing product basket has enabled us to scale up the revenue contribution of the EV segment from 2% to 7% in just three years. We have also successfully added several global OEMs as our EV customers, reinforcing the growing trust in our quality and capabilities. Currently, around 70% of our EV sales is from export markets and the balance is from India.

Within EV, our core thrust area is thermal engineering. Developed in 2016 at our European plant, this unique technology has been a key enabler in helping us grow our sales to global OEMs. Value-added components and light-weighting of products are the other focus areas. Additionally, we are working closely with OEMs and Tier 1 suppliers to develop sustainable processes for EV batteries.

A significant highlight for the year was the selection of our Company under the Government of India's Component Champion Incentive Scheme. The Scheme is aimed at identifying and incentivising auto component champions that can achieve the global scale of operations and become 'Automotive Champions' for the auto-component manufacturing sector related to Advanced Automotive Technology.

TECHNOLOGY-AGNOSTIC PLATFORM

Various aspects of the vehicles are cross-functional across internal combustion engines as well as EV platforms and would remain relevant even in the likelihood of the emergence of any alternative technology. These include products such as suspension, chassis parts, and brake parts, among others. An important pillar for growing our business is developing these technology-agnostic products by leveraging our core competencies.

During the year, we stayed focused on expanding our product portfolio to include several niche and value-accretive offerings that are applicable for both traditional ICE technology and carbon-neutral technologies. We also stepped up our progress in the global markets and added new parts from our domestic customers.

NON-AUTO BUSINESS

Another element of building value for our key stakeholders is the diversification of our business into non-auto sectors. In this regard, we are witnessing healthy growth in demand for our products and technology from sectors such as defence, aerospace, agriculture and energy.

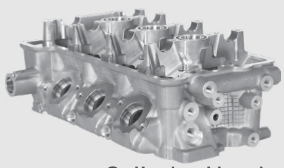
During the year, we added critical and complex parts to our order book. These parts will help us to showcase our capabilities to existing and prospective customers and thus build a platform for new growth. We continue to focus on extracting greater opportunities in the defence sector particularly.

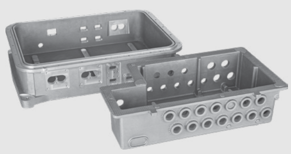
INCREASING OUR WALLET SHARE

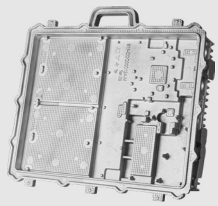
Our fifth growth pillar is our focus on improving customer wallet share and customer stickiness. We aim to garner more business from our existing customers by leveraging our R&D, competencies and long-standing relationships.

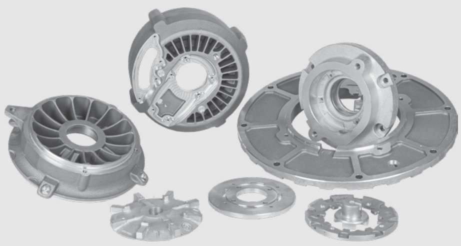
With several parts being manufactured by following standardised operating procedures, we are well placed to enhance the contribution from repeat customers and demonstrate customer stickiness and belief in our brand. Our long-term approach is towards building wallet share and positioning ourselves as a trusted supplier for an existing customer base.

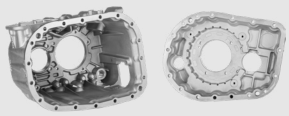
VERSATILE PRODUCT BASKET


Cylinder Head

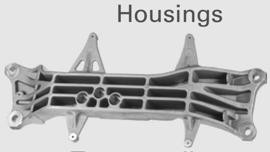

EV - Junction Box

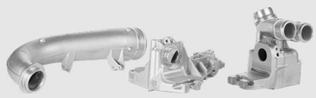

EV - Controller Housing


EV Parts


Housings


Swing Arm


Trans cradle


Brackets and EGR pipe

Building Trust

Empowering children & youth. Engaging communities. Transforming lives.

85% OF BRAIN DEVELOPMENT HAPPENS BEFORE THE AGE OF 8

Rocket Learning (Ekho Foundation) partners with governments to build vibrant digital communities of parents & teachers to support Early Childhood Education (ECE) for underprivileged children via WhatsApp groups, enabling access to age-appropriate learning in school and at home. The program supported by the local ICDS dept, has impacted over 45,000 children between 3-6 years, through their parents & teachers in rural, semi-urban and urban areas of Aurangabad. The vision of the dynamic founding team is to create **A**wareness of the criticality of ECE, **I**nformation & **M**otivation for parents & teachers to support the child's learning.

FINDING ONE'S VOICE SHOULDN'T BE ONLY FOR THE PRIVILEGED

We continue to support **Slam Out Loud** (Foundation of Arts for Social Change) a weekly arts based socio-emotional learning program using art forms of poetry, storytelling, theatre and visual arts to engage with children from under-resourced communities, to find their voice through creative expression. Teachers & professional artists help children build Creativity, Communication, Empathy, Collaboration, Critical thinking and Self-esteem. With the support of 13 facilitators and 41 volunteers, over 700 children from disadvantaged communities in Pune have been impacted through an in-person and virtual platform.

BUILDING YOUNG INDIA'S ACTION-BASED CHAMPIONS

Reap Benefit Foundation activates young citizens under expert mentorship to become SOLVE NINJAS – local change makers to solve public problems in their communities through a grassroot experiential learning program. Alicon supports Solve Bootcamp Express, engaging 900 adolescents from public schools across Bangalore. An 8 session hands-on training using the problem solving **DISS** framework, to **D**iscover civic and public problems in neighbourhoods, **I**nvestigate to get insights, **S**olve through campaigns and solutions and **S**hare with other stakeholders.

SOCIAL EMOTIONAL LEARNING - THE REAL GAP IN INDIA'S EDUCATION SYSTEM

Labhya Foundation partners with state governments across India, to co-create & ensure effective implementation of Social and Emotional Learning (SEL) programs at public schools. To strengthen effectiveness of the Anandam Pathyacharya in Uttarakhand, being implemented at over 18,000 govt schools & impacting 7.2 lakh vulnerable children, a Model School Program seeks to document student impact, stories of change, best learning practices, teacher motivation to implement beyond academics, support of the community & of the district level education authority. With over 380 children from grades 1 to 8, the focus is to build greater resilience, stronger relationship building skills and a higher motivation to learn which translates to higher attendance, better academic performance, greater employability and stronger interpersonal relationships.

UNLEASHING THE POTENTIAL OF YOUTH

The 3H Catalyst program of **Sai Krushna Charitable Trust (SKCT)** impacts for over 200 college students near Bangalore, it aims to enhance employability of students by giving them relevant industry-specific skills and bridging the industry academia gap. The 3H approach addresses 3 competency gaps - poor behavioural competency, poor intellectual knowledge, and underdeveloped emotional capabilities.

IMPLEMENTING THE MANDATE OF A SOCIALLY, FINANCIALLY AND DIGITALLY INCLUSIVE SOCIETY

The Indian government spends 7% of its GDP on welfare services. **Haqdarshak Empowering Solutions** is a social enterprise with a vision to improve socio economic conditions and elevate the standard of living of marginalised communities by ensuring 'last mile' service delivery of government welfare & financial services. With the support of ACL, 1,600 marginalised citizens in 10 villages of Shirur block of Dist. Pune will be supported with their welfare entitlements.

CONTINUING OUR COMMITMENT TO OUR COMMUNITIES AND OUR NATION

At ACL, **Covid Relief** continued during the second wave by sourcing oxygen concentrators through MCCIA and CII Foundation, identifying the most needed institutions. Pediatric Department of Sassoon Hospital, PHCs at villages of Mulshi, Maan, Perne, centres of the Pune Rural Police, Wipro Covid Care & Sai Gramin Jagriti. Medical supplies and infrastructure essentials were provided at COVID wards and vaccination centres in Maharashtra and Haryana. Ration kit distribution for families of daily wage and migrant workers in Pune, Jaipur and Manipur.

People's Empowering Movement (PEM), supported 49 women from Ratnagiri and Raigad districts of coastal Maharashtra whose source of livelihood was damaged/destroyed during the devastating floods in August 2021, through grants/loans to re-establish their micro businesses. ACL also contributed to the restoration work at the oldest historic library in the state of Maharashtra – the Ratnagiri Nagar Wachanalaya founded in 1828 was severely damaged due to torrential rains in 2020.

Awards and Recognitions

Innovative Solution Award from "Dana Corporation"

- Among 3,000 suppliers
- Only 11 suppliers were felicitated from 6 countries
- Only 1 supplier from India – Alicon was nominated

Won Quality Management Award from "Ms Honda Motorcycle & Scooter India Pvt Ltd"

Felicitated with Prestigious Award by Maruti Suzuki for "Superior performance in the areas of focussed model of cost reduction"


MARUTI SUZUKI

CERTIFICATE OF APPRECIATION

Presented to

Alicon Castalloy Limited

in recognition of their superior performance in the area of

Focussed Model Cost Reduction

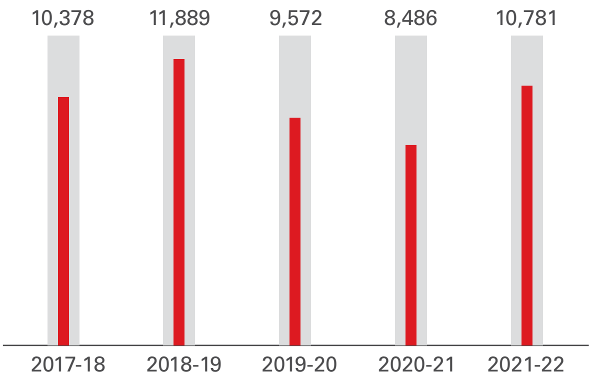
in the year 2021-22

27th May, 2022

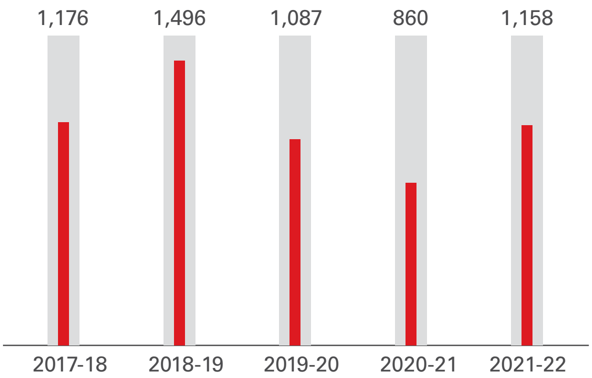
HISASHI TAKEUCHI
Managing Director & CEO
Maruti Suzuki India Limited

Performance Highlights

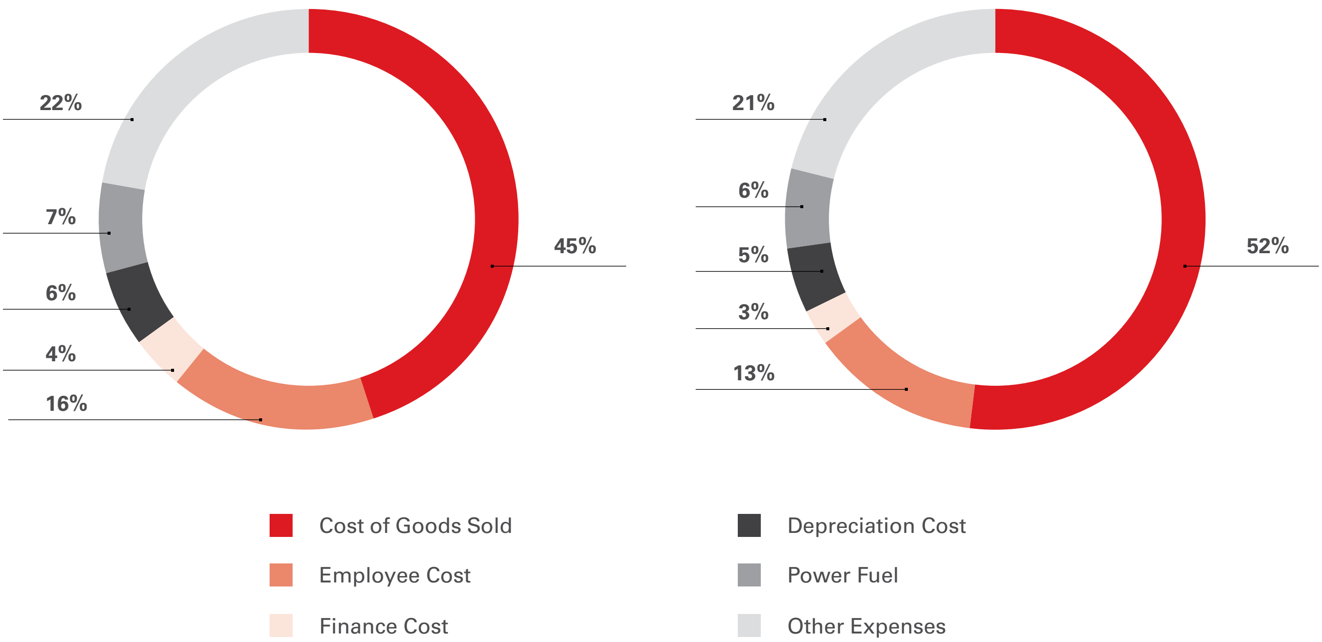
Revenue from Operations (Net) (₹ in Million)



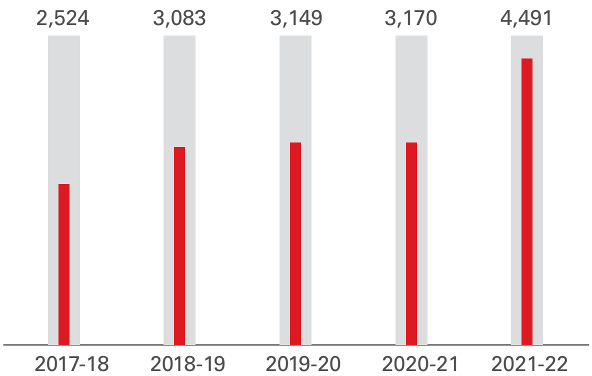
EBIDTA (Net) (₹ in Million)



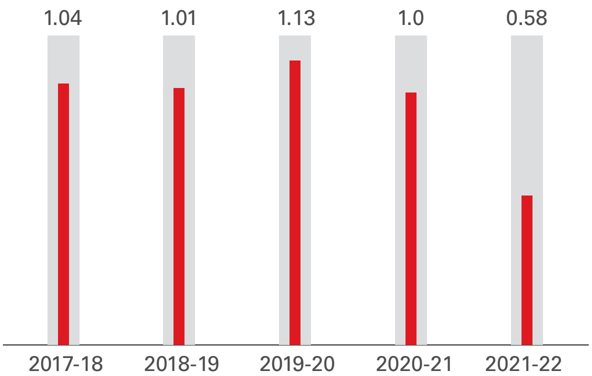
Cost and Profit as a Percentage of Total Revenue



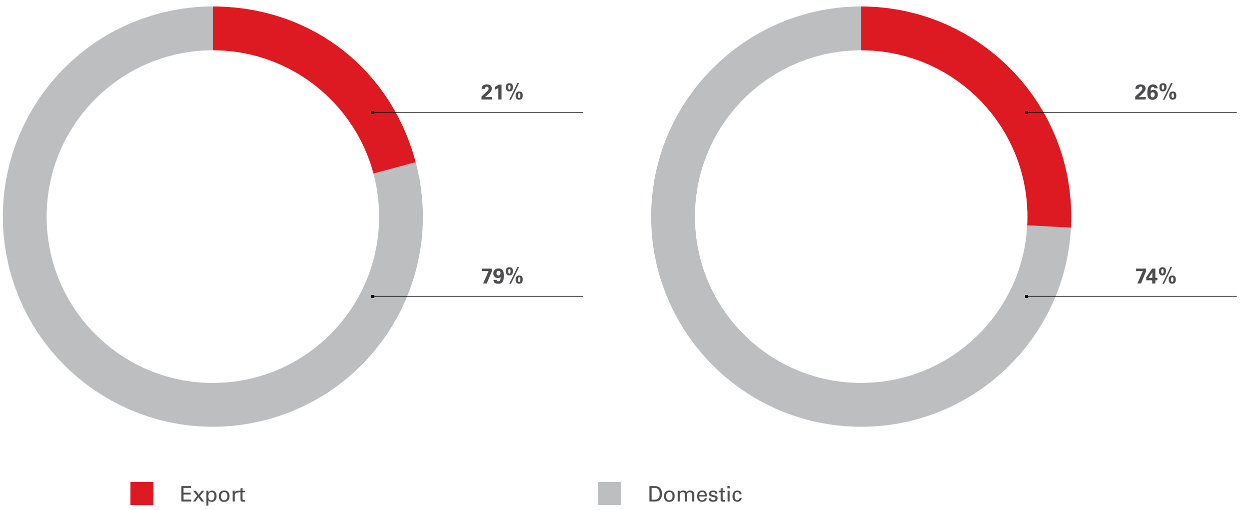
Net Worth (₹ in Million)



Debt Equity Ratio (No. of Times)



Revenue Mix - FY 2022



Management Discussion and Analysis

ECONOMIC REVIEW

Financial year 2021-22 (FY 2022) was once again beset with disruptions caused by the COVID-19 pandemic. The year saw a lethal second wave ('Delta') in the first quarter of the fiscal which unfortunately saw severe loss of life and the more transmissible but less lethal variant ('Omicron') in the fourth quarter of the fiscal which saw daily cases in India peaking to about 350,000 in January 2022.

Despite the disruptions caused by the 'Delta' wave when lockdowns were required to curb transmissions it was expected that GDP in FY 2022 would surpass the pre-pandemic level of the financial year 2019-20. While, this did happen, it was a marginal increase over the pre-pandemic year. Despite the overall increase, there were many sectoral imbalances. The COVID-19 pandemic did result in the country and we, at Alicon, losing two years of growth.

Global growth is projected to slow from an estimated 6.1% in 2021 to 3.6% in CY 2022 and CY 2023. Beyond CY 2023, global growth is forecast to decline to about 3.3% over the medium term. With a few exceptions, employment and output will typically remain below pre-pandemic trends through CY 2026. Governments should look to harness positive structural change wherever possible, embracing the digital transformation and retooling and reskilling workers to meet its challenges.

According to the provisional estimates by the National Statistics Office (NSO), Indian GDP is estimated to have grown at 8.7% for FY 2021-22 against a contraction of 6.6% in the previous fiscal. The first and last quarters of FY 2021-22 were impacted due to the second and third waves caused by the COVID-19 pandemic. Though significant recovery was seen in the remaining two quarters due to pent up demand and increased Government spending. The GDP growth for Q1 FY 2021-22 was 20.3%, for Q2 FY 2021-22 was 8.5%, for Q3 FY 2021-22 was 5.4% and for Q4 FY 2021-22 was 4.1%. The mining and quarrying industry growing at 11.5%. Country-wide successful vaccination drive enabled to control the losses to human life and limited localised need mobility restrictions from the third wave.

The Government of India has announced a growth-oriented and expansionary budget for FY 2023 with a strong push on investments to lift economic growth. The compounded annual growth rate for capital expenditure of FY 2023 over FY 2020 is projected at 28% while revenue expenditure is contained at 12%. It is expected that this capex-led growth would take India on a growth path.

Unfortunately, the conflict in Ukraine has led to chaos in global commodity prices. The increased crude and food prices further fanned inflationary pressures which was already a cause of concern. With consumer inflation rising, like in most other major economies, RBI tightened its monetary policy to maintain balance between inflation and growth. With growing inflationary pressure due to the Russia-Ukraine conflict, retail inflation touched 6.95%, the highest in 17 months, and the wholesale price index (WPI) hit 14.55% in March 2022 amid surging fuel and food costs. Besides inflation, marginal cost of funds lending rate is rising with interest rate tightening.

According to Asian Development Bank's forecast, the Indian economy is expected to witness 8% growth in FY 2022-23, supported by increased public investment in infrastructure and a pickup in private investment. Agricultural sector is expected to lead the growth on the back of a good monsoon, with manufacturing and construction sectors projected to post double digit growth, aided by a favourable base. Private consumption is expected to witness robust growth though services sector is expected to see muted performance.

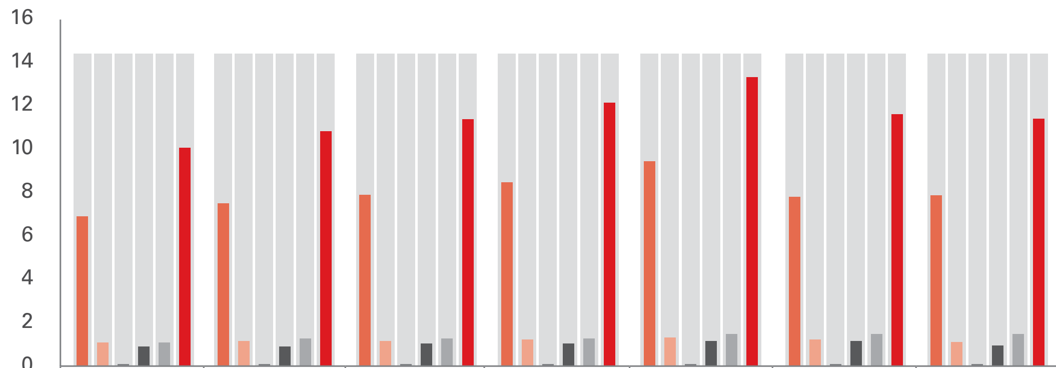
Source: IMF WEO April 2022, NSO provisional estimates, Asian Development Bank

INDUSTRY OVERVIEW

As per 55th World casting Census published by Modern Castings USA, in CY 2021, total global casting production was 105.50 million metric tonnes, down by 3.25% as compared to 109.05 million metric tonnes in CY 2020. The global casting production witnessed a drop for the second consecutive year mainly attributable to COVID-19 related restrictions. Nearly every country reported a significant drop in production in CY 2020 compared to CY 2019. The top three casting producing counties are China, India and the US. According to the IMARC group, the global metal casting market reached a value of US$ 139 billion in CY 2021. The market to reach US$ 221.3 billion by 2027, growing at 7.8% CAGR.

The Indian foundry industry is ranked second globally with production of 11.31 million tonnes per annum amounting to a turnover of US$ 19 billion including US$ 3.1 billion worth exports. Grey iron castings have the major share of nearly 68% of total castings produced. India has over 7,000 units out of which 90% can be classified as MSMEs. The sector provides direct employment to about five lakh people and indirect employment to 15 lakh people.

Production of Castings in India in Million M.T. (2020-21)



	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Grey C.I.	6.83	7.41	7.89	8.44	9.41	7.72	7.91
SG Iron	1.07	1.18	1.18	1.23	1.31	1.22	1.1
Malleable	0.06	0.05	0.05	0.05	0.05	0.05	0.05
Steel	0.968	0.88	1.01	1.03	1.21	1.14	0.91
Non Ferrous	1.093	1.12	1.22	1.3	1.4	1.36	1.34
Total	10.021	10.77	11.35	12.05	13.38	11.49	11.31

Source: Foundry Informatics Centre

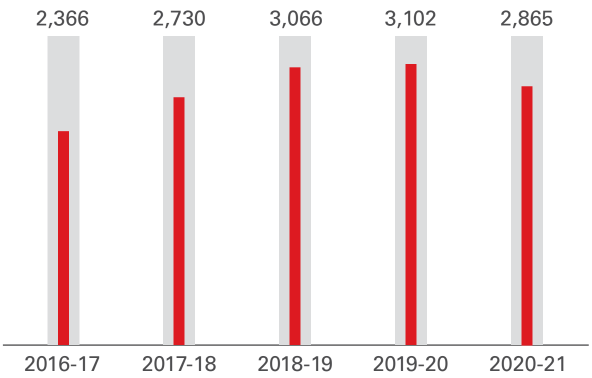
Less than a third of the total units have International Quality Accreditation. Several large foundries are modern and globally competitive. With growing awareness about environment, foundries are increasingly switching over to induction furnaces and to cokeless cupolas.

Reeling under stressed financial conditions, the foundry industry is witnessing reduced capacity utilisation coupled with cost pressure following market disruptions due to COVID-19, Ukraine-Russia war and uncertain Chinese supplies. Small and medium units were worst hit due to the pandemic disruptions witnessed in the engineering and automobile sectors. The cost of raw materials such as pig iron, aluminium ingot, and chemicals have doubled in the past nine months. While Chinese supplies are uncertain, there is a shortage of steel across the world due to Russia-Ukraine war.

The foundry industry is poised for a bright future as the economy recovers with increasing demand in automotive, tractor, railways, machine tools, sanitary, pipe fittings, defence equipment, aerospace, earthmoving, textile, cement, electrical, power machinery, pumps / valves, wind turbine generators etc. The new manufacturing policy envisages the increase in the share of manufacturing in the GDP to 25% from current 15% and to create 100 million additional jobs in next 10 years led by schemes like 'Make in India', 'Ease of doing business', easing FDI norms to promote investments in manufacturing and new initiatives in skill development. Since all engineering and other sectors use metal castings in their manufacturing, the role of foundry industry to support manufacturing is very vital.

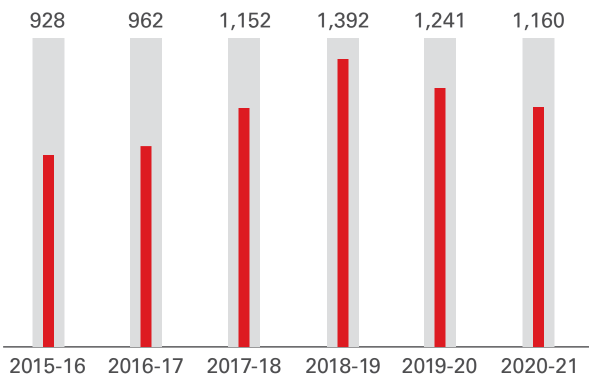
The industry provides direct employment to 500,000 and indirect employment to 1500,000 mainly from socially

Export Data of Major Casting (Fig in Million US$)



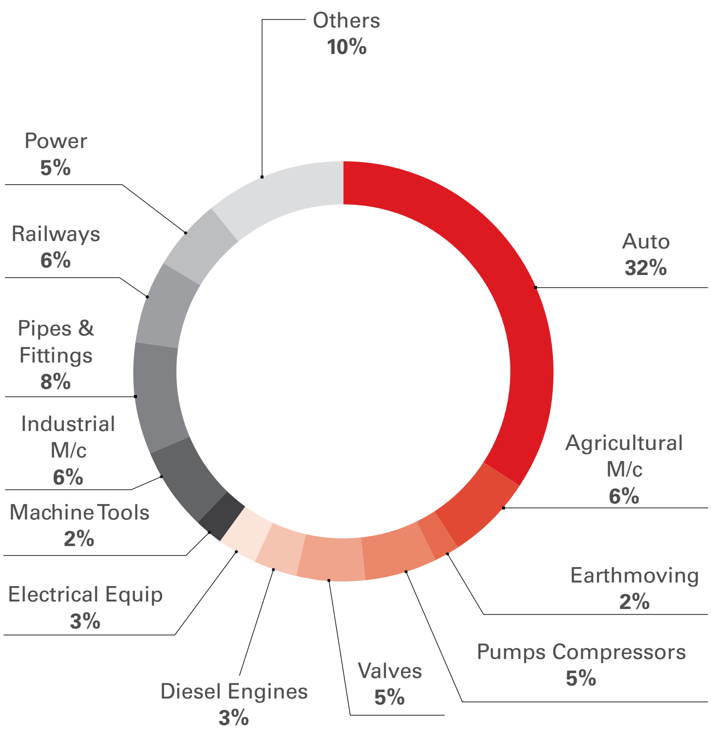
Source: Foundry Informatics Centre

Import Data of Major Casting (Fig in Million US$)



Source: Foundry Informatics Centre

Sectorwise Major Consumers of Castings



Source: Foundry Informatics Centre

and economically weaker sections of society. Being highly labour intensive, the industry can generate additional employment of 2 million over the next decade.

Automobile Sector is major consumers of castings. Similarly, majority of revenue of Alicon is earned from the automobile sector. The Company constantly endeavours to diversify its revenue mix by increasing supply of aluminium castings to non-automobile sectors. With the domestic industry poised to double market size in the coming 5-7 years, Alicon is well placed to leverage its market strength to capture a significant share.

High tech lab equipment - Quality first

SWOT Analysis

STRENGTHS

- Globally recognised and second largest producer
- Robust supply chain of key raw material, alloy
- High quality of casting produced in modern factories

WEAKNESS

- Increasing cost due to rising energy and commodity costs
- Enforcement of strict laws in terms of labour
- Growing competition due to attractive growth prospects of the industry
- High dependence on automobile sector performance

THREATS

- Global geopolitical tensions disrupting supply chain and building inflationary pressure
- Pandemic-related supply disruption

OPPORTUNITIES

- Industry 5.0 leading to technical advancement and superior quality
- Growing preference for domestic manufacturing industry by government
- Automobile sector poised for strong growth led by growing popularity of electric vehicles
- Industry set to double market size in coming 5-7 years
- Growing investment interest in the industry with expectations of ₹ 500 crore investment in the near term

COMPANY OVERVIEW

Alicon Castalloy Limited (hereafter referred to as Alicon or the Company) is a one-stop shop for all engineering solutions for aluminium alloy casting needs across multiple user industries. It is one of India's largest integrated manufacturers of aluminium castings and leader in the development of Pro-Cast and Magma space in India. Headquartered at Pune, the Company amalgamates the best of European engineering, Japanese quality and Indian ingenuity and frugality. The Company boasts of over 23 decades of cumulative experience being a conglomerate of Alicon Castalloy, Atlas Castalloy, Illichmann Castalloy and Silicon Meadows. The Company caters to casting needs of a diversified marquee customer base across sectors such as automobiles, infrastructure, aerospace, energy, agriculture, defence and healthcare. It operates one of the largest aluminium foundries in India and has developed a robust and innovative product pipeline, spanning 16 segments.

The Company offers the entire spectrum of world-class casting services including design, engineering, casting, machining and assembly, painting and surface treatment of aluminium components. Alicon enjoys a global presence encompassing technically advanced facilities at Shikrapur (Maharashtra), Chinchwad (Maharashtra), Binola (Haryana) in India, and Slovakia in Europe. Presence in such strategic locations reduces time-to-market and improves cost efficiency. To spread its global footprint in US and Europe, the Company also has two marketing franchises in USA and France and an international marketing office in Austria.

Pioneer in India for processes of Low Pressure Die Casting (LPDC) and Gravity Die Casting (GDC), Alicon is a preferred supplier for several domestic and international two and four-wheeler Original Equipment Manufacturers (OEMs). In addition, it also caters to the needs of several tier-I non-auto companies. The Company's Eight-Step process, developed and perfected in-house, enables it to offer technologically-advanced cost-effective solutions across product life cycle.

FINANCIAL HIGHLIGHTS

Particulars (₹ Crore)	Consolidated			Standalone		
	FY 22	FY 21	YoY Shift	FY 22	FY 21	YoY Shift
Revenue from operations (Net)	1,078.05	848.57	27%	957.47	731.84	31%
Other Income	3.32	2.86	16%	3.22	2.51	28%
Total Income	1,081.36	851.43	27%	960.69	734.41	31%
EBIDTA	115.78	86.01	35%	93.44	74.68	25%
EBITDA Margins (%)	10.71	10.10	0.61	9.76	10.2	0.45
PBT	32.58	1.08	2917%	13.64	-5.52	347%
PAT	24.18	(1.92)	-	9.19	-7.46	-
PAT Margins (%)	2.24	-	2.2	0.96	-1.02	

OPERATIONAL AND FINANCIAL OVERVIEW

Despite several macro challenges, FY 2021-22 ended on a positive note. In summary, the Company faced six challenges during the year which we termed as '6C' viz., (i) COVID-19-induced disruptions; (ii) chip (semiconductor) shortages; (iii) cost-based inflation; (iv) cost of new product development; (v) disruptions in global auto supply chains impacting production levels; and (vi) conflict between Russia and Ukraine.

The pandemic-induced disruptions dampened consumer sentiment on account of job losses, pay cuts and reduction in household income culminating in lower auto sales.

Chip/semi-conductor shortages disrupted production schedules of OEMs and resulted in volume losses for the auto industry with auto players rationalising the available supply of chips into more high value of premium models.

Cost such as crude, aluminium elements, energy, logistics, etc. witnessed a sharp rise leading to increased cost of production. This led to margin compressions as not all the costs could be transmitted as the OEMs feared they may have a disproportionate impact on demand. The unprecedented rise in interest rates and ultimate fuel prices at pumps made owning and maintaining vehicles costlier. With a multitude of mobility technologies on the horizon, there is faster obsolescence of technology as product life cycles have shortened, leading to increase in new product development costs which are being amortised over a shorter cycle.

The ongoing conflict in Ukraine has affected production volumes and supply chain in the global auto industry. Apart from broad-based inflationary pressures the increased cost of power in European countries have had a disproportionate impact on high power consuming industries like industrial metals, foundries, etc. Ukraine is one of the largest exporters of steel, semi-conductors and neon gas which forms a key component in the manufacturing process of semi-conductors. These supply chain disruptions have exacerbated the impact on global semi-conductor manufacturing which was yet to fully recover from pandemic impact. The shortages of raw material and subcomponents caused due to disruption of established local supply chains, are expected to impact auto production levels, especially in Europe.

Though sales volumes were slightly impacted, Alicon emerged successful amidst the challenging macro environment led by focus on enhancing product mix, initiating price hikes in collaboration with customers, use of Kaizen and other techniques for cost optimisation, and driving higher operational efficiency. The Company reported 27% growth in total income to ₹ 1,081.37 crore in FY 2021-22 from ₹ 851.43 crore in FY 2020-21. On the profitability front, EBITDA improved to ₹ 115.79 crore in FY 2021-22 from ₹ 86.0 crore in FY 2020-21. EBITDA margin improved 60bps to 10.7% from 10.1% in the previous year. Sustained cost reduction initiatives using Kaizen principle enabled cost reduction at micro level across operations. Price hikes in collaboration with customers along with an enhanced product mix with higher share of value-added products enabled healthy margin improvement. The Company's focus on managing working capital efficiently paid rich dividends.

Precise measurement system

Cost such as crude, aluminium elements, energy, logistics, etc. witnessed a sharp rise leading to increased cost of production. This led to margin compressions as not all the costs could be transmitted as the OEMs feared they may have a disproportionate impact on demand.

Effectively manoeuvring through these challenges, Alicon delivered an encouraging performance for the full year. Our total revenue increased by 27% from the previous year. This creditable growth was driven by (i) e improved contribution of value-added components resulted in a favourable revenue mix. Growth was also supported by addition of new customers gains, (ii) the addition of new parts from the existing customers, (iii) increasing penetration of four-wheelers in our overall revenue mix, (iv) increased improved contribution from the electric vehicle segment, and (v) strong exports. Alicon's global auto sales marked a strong increase of 63% from the previous year on the back of recovering supplies to global customers and deliveries to the new order pipeline.

In a key development, Alicon was approved as one of the beneficiaries of the PLI scheme for automotive components under the Component Champion Incentive Scheme.

The Company won several contracts from multiple existing and new OEMs during the year for electric mobility. Order wins for our auto division and non-auto division continued to be on a strong footing. Total order booking amounts to around ₹3,000 crore for over a period of five years with yearly average sale. Overall, the outlook for all our three verticals of Auto, non-auto and EV appeared robust.

In addition to sustained focus on value addition, business growth was supported by new customer gains, addition of new parts from the existing customers, increasing penetration of four wheelers in overall revenue mix, improved contribution from the EV segment and strong exports. The Company has undertaken several initiatives and directed efforts over the last few quarters and years to strengthen its position in the fast-growing industry.

BUSINESS OVERVIEW

Key Industry Highlights

DOMESTIC AUTO MARKET

- The overall performance remained healthy.
- Bookings and demand continued to remain strong in the Passenger Vehicle segment, but registrations were still impacted due to continued supply chain issues.
- While chip shortages had adversely impacted passenger vehicle production since mid-2021, production levels of major OEMs are now gradually improving as chip sourcing is done from alternate vendors, to enhance output.
- The Medium and Heavy Commercial (MHCV) segment witnessed strong build up in enquiries on the back of revival in construction activities and improved ruler sentiments.
- Price hikes on the back of inflationary pressures and high fuel cost partially affected offtake in 2Ws.
- The PLI linked scheme and improved allocation towards road infrastructure augurs well for the auto sector which in turn will help boost consumption, going forward.
- However, price hikes on the back of inflationary pressures and high fuel cost partially affected offtake across other categories.
- Revival in construction activities resulted in a stable trajectory for the CV segment.

INTERNATIONAL AUTO MARKET

- Most of the key export geographies in the US and Europe reported healthy auto sales led by steady demand and stable currency.
- While the global industry was moving towards improvement in chip availability and semiconductor supplies across markets, the recent geopolitical conflict has upended the supply chain once again.

Strategic Growth Pillars

Alicon remains committed to leverage its position in the global auto industry and further strengthen its stronghold by increasing efforts in R&D, re-orienting its capabilities, optimally utilising its capacities and human resources. Its strong focus on identified five key strategic growth pillars enables it to deliver robust performance despite challenging environment:

Enjoying work with COVID protocol

Auto business: The domestic auto sector witnessed sharp decline for two consecutive years, adversely impacted due to the pandemic and the input pressures. With pickup in economic activity and normalisation of environment, the demand environment is expected to improve for all the segments. In addition, high Rabi sowing, healthy agri input, price supports, and forecast of a normal monsoon indicates that the rural demand in the upcoming months could witness similar positive traction. It is also encouraging that vehicle registration with regional transport offices rose by 37% to 1,627,975 units in April 2022, as per the data collected by the vehicle retailers' body FADA. So overall the outlook remains healthy in the medium to longer terms.

Globally, the 2021 global auto production was higher by 1.8%, driven by US and China. However, Europe witnessed 6% decline. Amidst this challenging environment, the Company's global auto sales marked a strong increase of 63% in FY 2021-22. India export sales increased strongly by 100%. In the ICE segment, the inquiry level across domestic and export markets is strong. In terms of new parts added by existing customers, repeat orders are coming in from marquee clients. During the year, the Company also won one new logo which reflects its growing brand value in the global markets.

Passenger vehicle (PV) and Commercial vehicle (CV) segments remain key focus areas for the Company. Alicon's PV sales grew by 45% and CV sales grew by 61% in FY 2021-22. In future, the Company intends to enhance focus on improving contribution from higher value components in PV and CV segments, thus driving augmented brand value and enhanced sales in this division.

Electric vehicle division: The division continued on its strong growth trajectory across markets. In India, the Government's decision of raising the FAME II subsidy and increasing the deadline for EV transition to March 2024 is fueling growth in the sector, especially for two-wheeler (2W) EVs. Almost 19 states across the

The Company has also been working extensively with Dana Corporation, Scania, TATA Auto comp, ARRIVAL, Mahle on the both domestic and international orders. Overall in the year, the Company won two new logos wins, namely, Scania and ARRIVAL, reflecting growing proposition in the global markets.

country have announced their respective EV policies, with lucrative benefits to the consumer in turn translating to the strong offtake in EV. In FY 2021-22, EV sales in the country gained momentum with total sales increasing by over 211%. EVs sales based on the registrations at VAHAN portal were 419,812 in FY 2021-22 as against 134,853 in FY 2020-21. Several 2W OEMs have announced aggressive expansion plans to further support the EV value chain. Various Government initiatives such as the PLI Scheme, the recently announced policy for the battery swapping, are some of the favourable regulatory directives aiding growth of EVs.

Alicon Castalloy was one of the companies approved under the Component Champion Incentive Scheme, a sales value link scheme applicable on advanced automotive technology components of vehicles. This PLI scheme for automotive sector, along with the already launched PLI scheme for Advanced Chemistry cells and Faster Adaptation of Manufacturing of Electrical Vehicle (FAME) is aimed to fast tracking India's transport system into an environmentally cleaner, sustainable and advanced system. For this segment, the Company is working with the OEMs as well as Tier 1 suppliers. The Company has also been working extensively with Dana Corporation, Scania, TATA Auto comp, ARRIVAL, Mahle on the both domestic and international orders. Overall in the year, the Company won two new logos wins, namely, Scania and ARRIVAL, reflecting growing proposition in the global markets.

Customer response in the light weighting of the products in the auto and EV space is also witnessing strong consumer traction. The Company is actively developing new products to focus on the segment wherein, enquiries from OEMs, both in domestic and export markets, is steadily rising. The Company already has a portfolio of over 101 parts catering to EV and revenues from EV business transfer 10% in FY 2021-22. In comparison, in FY 2018-19, the Company's overall EV share of revenues was at 7%. The Company has thus seen a very strong growth in this segment in the past three years. Going forward, incremental sales would be a function of this value-add EV segment along with other valuable components from ICE, structural and non-segments. Overall, the long-term target is to bring wallet share in EV business to 12% in FY 2022-23 and to 36% of overall revenues by FY 2025-26.

Technology-agnostic platforms: The Company continues to steadily enhance its value-added offerings. Various aspects of the vehicles are cross-functional across both ICE as well as EV platforms and would remain relevant should there be emergence of any alternative technology too. The Company aims to ensure that we gain relevance in interesting and interest in accretive niches around these products by leveraging our core competencies. The Company is thus working on diversifying and expanding its product portfolio to include several niche and value advancing offering. Overall, the Company continues to make significant strides with addition of parts from reputed global players.

Non-auto segment: The segment saw healthy broad-based demand growth across different sectors. In FY 2021-22, the Company added part complex from Textron and JCB. Both the parts will help to showcase existing and prospective customers about the capability of the Group and will help to add further businesses.

Increasing customer wallet share: For improving Customer Wallet Share, the Company intends to leverage its R&D, competencies and relationships. The R&D facility is core to operations and enable us to keep pace with upcoming opportunities. The Company saw increased stickiness from repeat customers, demonstrating high customer stickiness. Over the longer term, the Company endeavours to build wallet share and position itself as a trusted supplier for existing customer base.

The key strategic growth pillars help the Company to stride through challenging environment.

WAY FORWARD

Despite multidimensional disruptions in the automobile industry, Alicon reported robust performance in FY 2021-22. The Company has maintained a healthy financial profile and strong balance sheet. Though cost pressures and supply chain disruption are prevalent, the Company is committed on undertaking strategic enhancements and is focussed on improving return ratios. With rebound in operating performance, and benefits arising from enhanced product mix, healthy profitability, streamlined working capital cycle and improved balance metrics, return ratios are expected to return to pre-COVID levels of FY 2018-19.

Demand in domestic and international markets is picking up momentum. In addition, early signs of stabilisation in supply-chains across markets is visible. The Company remains optimistic of delivering strong and sustainable growth in business operations as the broader macro-environment normalises.

The Company foresees new opportunities coming from the carbon neutral technology encompassing electric vehicles, hybrid, plug-in hybrid, fuel cell and hydrogen fuel cell technologies. Also, Alicon is focussing on getting the components from technology-agnostic products (ex. Suspension, chassis parts, break parts) which are applicable for both traditional ICE technology as well as new suite of carbon neutral technologies. The Company is looking forward to contribute significantly in the development of green mobility eco-system in India. It has won several contracts from multiple existing and new OEMs during the year for electric mobility.

Improved contribution from higher value components in the PV and CV segments is expected to augment brand value and improve sales. Value-addition is a key strategic vector which is expected to drive multi-growth synergies for Alicon. Going forward, incremental sales would be a function of the value-add in EV segment and other value-added components from ICE, Structural and non-auto segments. Revenues from other categories is expected to remain steady.

Alicon is actively pursuing growth opportunities in the key targeted market in Europe, Middle-East, and the U.S. In addition, there are significant and untapped opportunities, even in the markets of China, South Korea and South America. The Company is increasingly growing its presence in these regions, through its Illichmann subsidiary. The Company is making steady and ground progress in personalising new business wins with existing and new customers in the export markets.

Overall, demand and consumption trends are expected to strengthen in the medium term given normalising macro conditions. Though pricing pressure will continue to persist in the market, it is expected to be largely restricted in the near term. The Company is undertaking all necessary steps to mitigate these inflationary challenges. Demand from rural segment is expected to be robust on the back of normal monsoon forecast and steady agri-indicator. Healthy pent-up demand and buoyant capex cycle should further augment recovery in the Indian economy boding well for business growth. There are some early signs of stabilisation in supply-chains across markets emanating positive signal. The Company remains optimistic of delivering strong and sustainable growth in business operations as the broader macro-environment normalises.

From an operating standpoint, Alicon is solid and stable. The Company remains very excited about future growth prospects and opportunities in the medium to longer term.

RISKS, CONCERNS AND MITIGATION

Though ample opportunities exist for business growth across segments and geographies, the organizsation is exposed to both internal and external risks. For business continuity and robust sustained growth, it is important to minimise/mitigate any negative impact from these risks.

GEOPOLITICAL RISK

Though India may not be directly involved in the ongoing geopolitical tensions, the conflict does impact domestic macro environment due to disruption of global supply chain. This may lead to increased cost of production, thus impacting earnings.

Mitigation
Vast geographical footprint spread across the globe enables the Company to overcome geopolitical risks. Also, the Company keeps a close watch on the impact of trade tensions on its business operations to be able to ensure uninterrupted inventory and business operations.

DEMAND SLOWDOWN RISK

In the event demand slows down due to adverse macro-economic environment, the earnings may get impacted adversely.

Mitigation
The Company has well diversified revenue sources in terms of geographical concentration, as well as sector exposure. This provides a natural hedge to demand slowdown in a particular geography or sector. The Company is constantly working on expanding its portfolio with modern innovative products. This further reduces risk to demand slowdown.

COMMODITY RISK

Volatility in price and/or availability of key raw materials may increase cost burden impacting earnings growth.

Mitigation
Following standardisation of alloy policy, the use of alloy variants is highly restricted to minimal thereby requiring limited key raw materials. Since sales agreements incorporate fluctuation in raw material prices, margin risk is contained.

COMPETITIVE RISK

Lucrative growth potential of the industry may attract significant competition thereby impacting growth.

Mitigation
Rich experience, established brand name, technical competence, expert in-house R&D team, robust business operations, and offering one-stop shop for all engineering solutions related to aluminium alloy castings enables the Company to establish a strong edge over competition. In addition, foreign competitive pressure is kept at bay led by strong government policies aiding domestic manufacturing industry.

HUMAN RESOURCE MANAGEMENT

As of March 31, 2022, the Company had a total employee base of 967 full-time employees. The Company considers people to be an integral part of business growth. With the aim of conducting normal business, the Company's HR policy framework strives to not only attract the best talent but also to retain and groom its employees. Employee obligation, aptitude and enthusiasm has been unwavering in supporting organisational growth. HR team devises strategic training and skill development programs with the aim to balance personal and professional growth of every employee.

To ensure employee satisfaction, the Company offers a safe, conducive, and productive work environment wherein personal goals are in sync with that of the Company. The 3R framework - Reflection, Resilience and Reimagination is vital for every employee to imbibe. In addition, the Alicon Cultural Pillars of Agility, Innovate and Passion also help to motivate employee behaviour. These principles enable to achieve higher efficiencies and growth.

Following HR policies enable to ensure high motivation:

Vaccination Awareness Sessions: The Company conducted a massive drive on vaccination for its employees across all levels. Stringently adhering to COVID appropriate behaviour in the workspace, enabled to control the impact of the same at minimum level. Regular health and safety, risk assessment and audit was also done. The Company successfully implemented new international standard for health and safety ISO 45001 and has been certified by certification body TUV-Rheinland.

The Production Incentive policy has been revised to involve associates in productivity improvement. Initiated a comprehensive Leave Policy which enables the workers to take adequate vacation days.

Incorporated the Seasonal attendance incentive in which Senior Operator service increment has also been initiated.

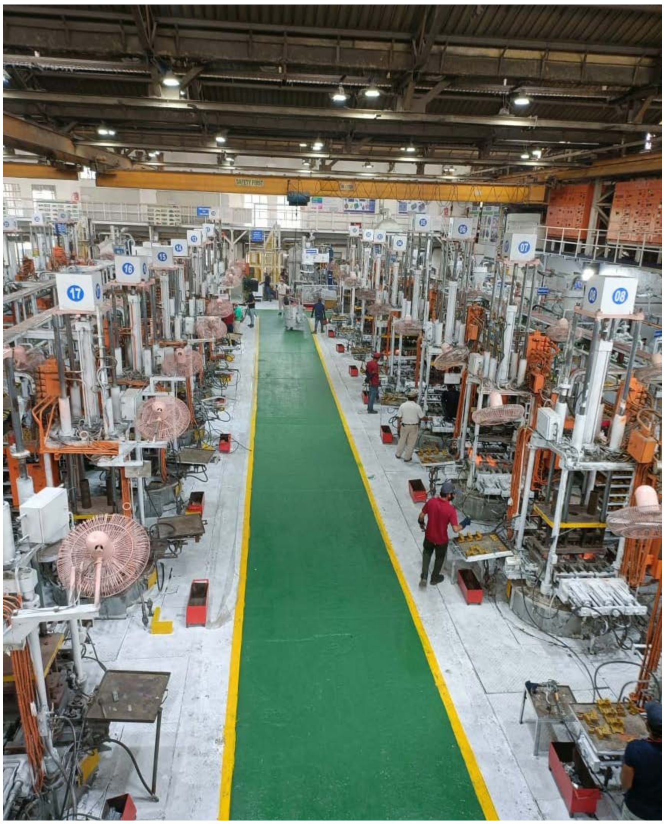
Further, to drive motivation towards higher performance HOPE policy has been initiated. Based on performance, 3 to 4 operators are elevated from contractual arrangement to permanent rolls each year. These policies have resulted in better integration of contract associates.

Technical Solution - Cross-Functional Team culture

INTERNAL CONTROL SYSTEMS

The Company has devised robust internal control framework to safeguard the Company in keeping with the size and complexity of operations. To strengthen the framework the Company has in place distinct processes, guidelines and procedures and adequate internal information systems. The internal control systems are effective in safeguarding assets and infrastructure, and ensuring high operational efficiency, optimal utilisation of resources, robust financial management and strict compliance to all applicable laws and regulations. The internal control systems ensure protection against unauthorised use and an overall robust risk evaluation. Efficient and periodic reporting to the management, robust governance, vigilant finance function and independent internal reviews enables in timely decision making. The Company reviews and tests the robustness of the internal control system, covering all functions and business areas, at regular intervals.

The Audit Committee enables effective monitoring of business operations and overall compliance. The audit plans of all critical audit areas are well analysed by the internal audit function independently. The findings are in turn reviewed by the Audit Committee at regular intervals. The Board also monitors the review conducted by the Audit Committee and ensures prompt correction of any variance, as deemed important.



CAUTIONARY STATEMENTS

Statements in the Management Discussion and Analysis Report describing the Company's objectives, projections, estimates and expectations which may be forward-looking statements.These statements are made within the meaning of applicable securities laws, and regulations are based on informed judgements and estimates. Past performance of the Company is not necessarily indicative of its future results, and actual results could materially differ from those expressed or implied. Important factors that could make a difference to its operations may include but are not limited to economic conditions affecting demand/supply, price conditions in the domestic and international markets in which it operates, changes in Government regulations, tax laws and other statutes. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements based on any subsequent development, information or events.

Directors' Report

Dear Members,

The Directors have pleasure in presenting their 32nd Annual Report on business and operations of your Company along with the audited statements of accounts for the financial year ended 31st March 2022.

FINANCIAL RESULTS:

(₹ in Lacs)

Particulars	Standalone		Consolidated	
	2021-22	2020-21	2021-22	2020-21
Revenue from operations (Net)	95,747	73,184	107,805	84,857
Other Income	322	257	332	286
Total Income	**96,069**	**73,441**	**108,136**	**85,143**
Earnings before interest, tax, depreciation, and amortization (EBITDA)	**9344**	**7,467**	**11578**	**8601**
Less: Depreciation and amortization expense	5,022	4,568	5,309	4,879
Earnings before interest and tax (EBIT)	**4,312**	**2,900**	**6,269**	**3,722**
Less: Finance costs	2,948	3,451	3,011	3,614
Profit/ (loss) before tax (PBT)	**1,364**	**(552)**	**3,258**	**108**
Less: Tax expense	445	195	840	301
Profit/ (loss) after tax (PAT)	**919**	**(746)**	**2418**	**(193)**
Other comprehensive income/ (loss), Net of Tax	34	(2)	(74)	83
Total comprehensive income/(loss), Net of Tax	**953**	**(748)**	**2344**	**(110)**
Earnings per share (In ₹)				
Basic	5.96	(5.38)	15.68	(1.39)
Diluted	5.90	(5.38)	15.54	(1.39)

PERFORMANCE OF THE COMPANY

On standalone basis, the total income for the financial year under review was ₹96,069 lacs including other income of ₹ 322 lacs as against ₹73,441 lacs in the previous year, a jump of 30.80%. The profit before tax was ₹ 1,364 lacs as against loss of ₹ 551.64 a year ago. EBIDTA for the year under review was ₹9,344 lacs.

On a consolidated basis, the total income for the year under review was ₹1,08,136 lacs including other income of ₹ 332 lacs as against ₹ 85,143 lacs in the last year, an increase of 27%. Profit before tax was ₹3,258 lacs as against ₹108 lacs for the previous year, a substantial improvement by 2917%.

The Board of Directors has not proposed to transfer any amount to general reserves.

A detailed analysis on the working of the Company and also various challenges faced by the Company during the year under review and current scenario is given separately under Management Discussion and Analysis, which forms parts of this report.

DIVIDEND:

Your Directors have recommended a payment of dividend of ₹2.25 per Equity Share of ₹5/- each (45%) for approval of shareholders. No dividend was paid for the previous financial year. The proposed dividend, if declared by the members of the Company, will involve a total cash outflow of ₹362.52 lacs.

SHARE CAPITAL AND FINANCE:

On 15th June 2021 the Company allotted 1,35,000 Equity Shares of ₹5/- each upon exercise of the Stock Options by eligible employees under the Employees Stock Option Scheme.

Directors are pleased to report that the Company's Qualified Institutional Placement (QIP) of its Equity Shares had received a good response. On 1st July,2021 the Company allotted 14,81,481 Equity Shares of ₹5/- each at a premium ₹535/- per share. The entire amount of ₹7,999.99 lacs raised under QIP issue was deployed in the business of the Company.

On 30th July, 2021, 2,66,430 Equity Shares of ₹5/- each were allotted to the Promoters and 2,66,430 Equity Shares were allotted to Enkei Corporation, Japan, our foreign collaborators, on preferential basis at a premium of ₹558/- per share. The entire amount of ₹3,000 lacs raised under the preferential issue was deployed in the business of the Company.

Consequently upon the aforesaid allotments of Equity Shares, the issued, subscribed and paid-up share capital of the Company as on March 31 2022 stood at ₹8,05,59,200/- divided into 1,61,11,840 Equity Shares of ₹5/- each.

The Company has not issued any share with differential voting rights.

CAPITAL EXPENDITURE

The Company incurred a total capital expenditure of ₹ 7,628.65 lacs during the financial year 2021-22. As on 31st March 2022, the gross value of property, plant, machinery, equipment, other tangible and intangible assets and leased assets were ₹72,724.15 lacs.

PUBLIC DEPOSITS

During the year under review, the Company has not accepted any Deposit under Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Financial Statements are prepared in accordance with the Indian Accounting Standard (IND AS) based on the financial statements of the subsidiary companies. The said consolidated accounts form part of this report and accounts.

SUBSIDIARY COMPANIES:

Your Company has three foreign subsidiaries viz. Alicon Holding GmbH, Illichmann Castalloy S.R.O. and Illichmann Castalloy GmbH. Alicon Holding GmbH is a 100% subsidiary of your Company, who in turn holds 100% capital of Illichmann Castalloy S.R.O. Illichmann Castalloy GmbH is a 100% subsidiary of Illichmann Castalloy S.R.O. Pursuant to the provisions of Section 136 of the Act, the Consolidated Financial Statements along with relevant documents and separate audited financial statements in respect of Subsidiaries are available on the website of the Company.

The Company does not have any material subsidiary.

A statement containing the performance and financial position of each of the subsidiaries in Form AOC-1 is annexed as **Annexure I** and forms part of this report.

MANAGEMENT DISCUSSION & ANALYSIS

Management's Discussion and Analysis on working of your Company, industry and economic scenario, etc. is set out separately in this Annual Report and forma a part of this report.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The particulars of loans and guarantees given or securities provided and investments made as required under the provisions of section 186 of Companies Act, 2013 read with Regulation 34 (3) and Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are given in the Notes to financial statements.

RELATED PARTY TRANSACTIONS AND POLICY

All contracts/arrangements/transactions entered by the Company with Related Parties were in ordinary course of business and at arm's length basis. All transactions with related parties were reviewed and approved by the Audit Committee and are in accordance with the Policy on Related Party Transactions formulated by the Company. The Company has a process in place to periodically review and monitor related party transactions.

The details of the Related Party Transactions as per IND AS - 24 are set out in Notes to the Financial Statements of the Company. Since all the transactions with related parties entered by the Company were in ordinary course of business and on arm's-length basis, Form AOC-2 is not applicable to the Company.

There was no materially significant related party transaction entered into by the Company with Promoters, Directors or Key Managerial Personnel or their relatives, which may have a potential conflict in the interest of the Company at large.

MATERIAL CHANGES AND COMMITMENT

No material change and commitment, which could affect your Company's financial position, has occurred between the end of the financial year 2021-22 and the date of this report.

CHANGE IN THE NATURE OF BUSINESS

There was no change in the nature of business of the Company during the financial year ended 31st March 2022.

INTERNAL FINANCIAL CONTROLS AND ADEQUACY

The Company has a comprehensive internal control system to provide reasonable assurance about the achievement of its objective, reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedures, laws and regulations, safeguarding of assets and economical and efficient use of resources. Appropriate review and control mechanisms are built in place to ensure that such control systems are adequate and are operating effectively. The monitoring and reporting of financial transactions is supported by a web-based system SAP, which helps in obtaining accurate and complete accounting records and timely preparation of reliable financial disclosures at all levels of the organization.

CREDIT RATING

Your Company has been rated by CRISIL Limited ("CRISIL") for its Banking facilities. CRISIL has re-affirmed the highest credit rating for short term credit facilities and for long term facilities has improved affirmed their credit rating as CRISIL A/Stable from A/Negative.

RISK MANAGEMENT

The Board has constituted Risk Management Committee comprising of Mr. Ajay Nanavati, Mrs. Veena Mankar, Directors, Mr. Vimal Gupta, Chief Finance Officer and Mr. Vishnu Patel, Associate Vice-President. The term of reference to the Committee is inter alia to assist the Board in fulfilling its oversight responsibilities of reviewing the existing Risk Management Policy, risk management framework, Risk Management Structure and Risk Management System.

CORPORATE GOVERNANCE

Your Company is committed to maintain the highest standard of Corporate Governance and adhere to Corporate Governance guidelines as laid out in the SEBI Listing Regulations. All the Directors and the Senior Management personnel have affirmed in writing their compliance with and adherence to the Code of Conduct as adopted by the Company.

The annual report of the Company contains a certificate by the Managing Director in terms of SEBI Listing Regulations on the compliance declarations received from the Directors and the Senior Management personnel.

A separate report on Corporate Governance is annexed to this Report as **Annexure II**.

The Statutory Auditors of the Company have examined the requirements of Corporate Governance with reference to SEBI Listing Regulations and have certified the compliance as required under SEBI Listing Regulations. The Certificate in this regard is annexed to this Report.

The Chief Executive Officer and Chief Financial Officer certification as required under the SEBI Listing Regulations is annexed to this Report.

BUSINESS RESPONSIBILITY REPORT

As stipulated under Regulation 34 of the SEBI Listing Regulations, the Business Responsibility Report describing the initiatives taken by the Company from environmental, social and governance perspective is annexed to this Report as **Annexure III**.

WHISTLE BLOWER POLICY AND VIGIL MECHANISM

Your Company has established a "Vigil Mechanism" for its employees and Directors, enabling them to report any concerns of unethical behaviours, suspected fraud or violation of the Company's 'Code of Conduct'. To this effect, the Board has adopted a 'Whistle Blower Policy' (WBP), which is overseen by the Audit Committee. The policy interalia provides safeguards against victimization of the Whistle Blower. Employees and other stakeholders have direct access to the Chairperson of the Audit Committee for lodging concerns if any, for review.

The said policy has been uploaded on the website of the Company at URL https://www.alicongroup.co.in/Investors/Corporate Governance/Whistle_Blower_Policy.pdf.

SECRETARIAL STANDARDS

The applicable Secretarial Standards i.e. SS1 and SS2, relating to 'Meetings of the Board of Directors 'and' General Meetings' respectively, have been duly complied by your company.

DIRECTORS & KEY MANAGERIAL PERSONNEL

To comply with the requirement of the Companies Act, 2013 and Articles of Association of the Company, Mrs. Pamela Rai, Director (DIN: 00050999) shall retire by rotation at the forthcoming Annual General Meeting and being eligible has offered herself for re-appointment.

Information and brief profile of Directors seeking re-appointment is provided in the separate annexure to the Notice, convening 32nd annual general meeting. This annexure forms part of this Annual Report.

During the year under review, none of the non-executive directors had any pecuniary relationship or any transaction with the Company.

Mr. S. Rai is the Managing Director, Mr. Rajeev Sikand is Chief Executive Officer, Mr. Vimal Gupta is the Chief Finance Officer and Mrs. Swapnal Patane was the Company Secretary (upto 10th June 2022).

The term of appointment of Mr. S. Rai as a Managing Director shall expire on 31st October 2022. Based on the recommendation of Nomination and Remuneration, the Board of Directors in its meeting held on 11th August 2022 has subject to approval of the shareholders appointed Mr. Rai as Managing Director for an another term of 5 (five) years.

DECLARATION BY INDEPENDENT DIRECTORS

In compliance with the provisions of Section 149 (6) of the Companies Act, 2013 requisite declarations have been received from the Independent Directors regarding meeting the criteria of Independence.

NUMBER OF BOARD MEETINGS AND COMMITTEES OF BOARD

The Board of Directors met five (5) times during the Financial Year under review, namely on 30th April 2021, 07th July 2021, 05th August 2021, 11th November 2021 and 14th February 2022. One meeting of Independent Directors was held on 22nd March, 2022. The details on attendance of Directors in each Board Meeting and other Committee Meetings of the Board of Directors are provided in the Corporate Governance Report, which forms part of this Directors' Report.

AUDIT COMMITTEE & COMPOSITION

The composition of the Audit Committee is in terms of requirements of the Companies Act, 2013 read with the rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The details pertaining to the audit committee are included in the Corporate Governance Report, which forms part of this report.

NOMINATION AND REMUNERATION POLICY

The Board has adopted a policy on Nomination, Remuneration and Board Diversity, which sets out the criteria for determining qualifications, positive attributes and independence of a Director.

The Company's Policy relating to appointment of Directors, payment of managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters is annexed to this Report as an **Annexure IV**.

PERFORMANCE EVALUATION OF BOARD, COMMITTEE AND DIRECTORS

The Nomination and Remuneration Committee and the Board have laid down the manner in which formal annual evaluation of the performance of the Board, Committees, individual Directors, Managing Director and the Chairman has to be made. All Directors responded through a structured questionnaire giving feedback about the performance of the Board, its Committees, Individual Directors, MD and the Chairman.

The Board Performance Evaluation inputs including areas of improvement for the Directors, Board processes and related issues for enhanced Board effectiveness were discussed by the Independent Directors in their meeting and in the Board meeting.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge, confirms that –

a) in the preparation of the accounts the applicable accounting standards have been followed along with proper explanations relating to material departure;

b) appropriate accounting policies have been selected and applied consistently and have 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 of the Company for that period;

c) proper and sufficient care has been taken 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) the annual accounts have been prepared on a going concern basis;

e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;

f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

PARTICULARS OF EMPLOYEES

Information on Particulars of Employees as required under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms an integral part of this Report as an **Annexure V**.

EMPLOYEES STOCK OPTION SCHEME (ESOS)

Disclosure as required under Section 62(1)(b) of the Companies Act,2013 read with Rule 12(9) of the Companies (Share Capital and Debentures) Rules and Regulations 14 of the SEBI (Share Based Employee Benefits) Regulations, 2014 is given in **Annexure VI** to this report. The Company has received a certificate from the statutory auditors of the Company, stating that Alicon Castalloy Ltd. - Employees Stock Option Scheme, 2015 and Alicon Castalloy Ltd. – Employees Stock Option Scheme, 2017 have been implemented in accordance with the SEBI (Share Based Employee Benefits) Regulations, 2014.

RECEIPT OF REMUNERATION BY MANAGING DIRECTOR FROM SUBSIDIARY COMPANIES

Mr. S. Rai, Managing Director of the Company, has not received any remuneration from any of its subsidiary companies.

STATUTORY AUDITOR REPORT

According to Board of Directors, there is no adverse remark or emphasis made by Statutory Auditors in their report. Notes to the accounts are self-explanatory to comments/observation made by the auditors in their report. Hence, no separate explanation is given.

Further, no fraud was reported by the auditors of the Company under Section 143(12) of the Companies Act, 2013.

APPOINTMENT OF STATUTORY AUDITOR

M/s. Kirtane & Pandit LLP, Chartered Accountants (ICAI Registration No. 105215W/W100057), were appointed as the Statutory Auditors of the Company to hold office upto the conclusion of the annual general meeting to be held for the financial year 2021-22. In terms of the provisions of Section 139(2) read with the Companies (Audit and Auditors) Rules, 2014, they are eligible to be re-appointed for a second term of 5 (five) consecutive years. It is proposed to re-appoint them for a second term of 5(five) years beginning from FY 2022-23 to FY 2026-27 and to hold office upto the conclusion of annual general meeting scheduled for the FY 2026-27. The proposal for the said appointment is being placed for the approval of shareholders at the forthcoming annual general meeting.

SECRETARIAL AUDIT REPORT

Secretarial Audit was carried out by Mr. Upendra C. Shukla, Practicing Company Secretary, Mumbai, for the financial year 2021-22. The report on the Secretarial Audit is appended as an **Annexure VII** to this report. According to the Board of Directors the report does not have any adverse remark.

COST RECORDS

Maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, is not required by the Company.

EXTRACT OF ANNUAL RETURN

Pursuant to Section 92(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, the Company has placed a copy of Annual Return in Form MGT-7 on its website www.alicongroup.co.in.

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY AND INITIATIVES

Your Company has embraced social cause with great fervor. The management of your Company do believe that sustainability is its collective responsibility. Therefore, your Company is closely engaged in various endeavors to serve the communities. The key focus remains on education and community development.

Your Company undertakes majority of its activities relating to corporate social responsibilities through Bansuri Foundation. It also works closely with other trusts and NGOs.

Brief outline on the Corporate Social Responsibility (CSR) Policy of the Company and the initiative undertaken by the Company on CSR activities during the year under review are set out in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014 and is annexed as **Annexure VIII** to this report. The CSR Policy is hosted on the Company's website www.alicongroup.co.in/Investors/Corporate Social Responsibility. pdf.

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

Information regarding Conservation of Energy, Research and Development, Technology Absorption and Foreign Exchange Earning and Outgo etc. under Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, is annexed separately as an **Annexure – IX**, which forms part of this report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There was no significant and material order passed by the Regulators / Courts / Tribunals, which would impact the going concern status of the Company and its future operations.

SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

In compliance with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, your Company has duly constituted an internal complaint committee. The Committee has formulated policy to ensure protection to its female employees.

INDUSTRIAL RELATIONS

Industrial relations across all the manufacturing locations of your Company were cordial and very positive through the year under review.

In order to develop skills and foster togetherness at the work place, your Company rolled out multiple training and engagement programs covering a wide range of topics such as stress managements, attitude, creativity, team spirit, quality, skill building, safety and environment, customer focus, etc.

ACKNOWLEDGEMENT

The Directors thank the customers, supply chain Partners, employees at all levels, financial institutions, banks, regulatory authorities and all other stakeholders for their continued co-operation and support to the Company. Your Directors also wish to record their appreciation for an unstinted support of Enkei Corporation, Japan, our technical collaborators. Directors are also thankful to all the shareholders of the Company for their confidence reposed in the management of the Company.

On behalf of the Board of Directors,

(S. Rai)
Chairman & Managing Director

Place: Pune
Date: 11th August 2022

ANNEXURE I
FORM AOC-I

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

Statement containing salient features of the financial statement of Subsidiaries:

(Information in respect of each subsidiary to be presented with amounts in ₹ in Lacs)

Sl. No.	**1**	**2**	**3**
Name of the Subsidiary	**Alicon Holding GmbH**	**Illichmann Castalloy GmbH**	**Illichmann Castalloy S.R.O**
Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	April to March	April to March	April to March
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	1 Euro = INR83.05	1 Euro = INR83.05	1 Euro = INR83.05
Share Capital	1061.20	20.82	2.98
Reserves & Surplus	(52.25)	646.39	1349.09
Total Assets	1090.92	2987.39	6801.76
Total Liabilities	1090.92	2987.39	6801.76
Investments	1044.08	0	446.14
Turnover	0	7164.73	12586.16
Profit before Taxation	1.52	280.11	1612.75
Provision for taxation	1.53	51.72	341.78
Profit after Taxation	0	228.39	1270.97
Proposed Dividend	NIL	NIL	NIL
% of shareholding	100	100	100

This is to inform that, the all Subsidiaries have commenced their production and no Subsidiary has been liquidated or sold during the year.

Company doesn't have any associate or joint venture companies.

On behalf of the Board of Directors,

Place: Pune
Date: 11th August 2022

(S. Rai)
Managing Director

ANNEXURE II
CORPORATE GOVERNANCE REPORT

[Pursuant to Regulation 34(3) read with Section C of Schedule V to SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015]

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

In India, Corporate Governance standards for listed companies are regulated by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI (LODR) Regulations, 2015]. The Company has adopted best practices contained in SEBI (LODR) Regulations, 2015.

The Company believes that good corporate governance is essential to achieve long term corporate goals and to enhance shareholders' value. In this pursuit the Company is committed to conducting its business in accordance with the highest legal and ethical standards, superior product quality and services to its customers. The Company has adhered to such superior product policies to fulfill its corporate responsibilities and achieve its financial objectives.

2. BOARD OF DIRECTORS

The Board of Alicon Castalloy Limited consists of eminent persons with optimum balance of Executive Directors, Non-Executive Directors and Independent Directors having professional expertise from different fields such as technical, business strategy and management, marketing, finance, governance and thus meets the requirements of the Board diversity.

The Board monitors the strategic direction of the Company. The Board provides and evaluates the strategic direction of the Company, management policies and their effectiveness and ensures that the long-term interests of the Shareholders are being served. The Managing Director is assisted by senior managerial personnel in overseeing the functional matters of the Company.

The minimum information as required to be placed in accordance with Part A of Schedule II of SEBI (LODR) Regulations , 2015 are regularly placed before the Board of Directors .

a. Composition and category of Directors

The Board of Directors consisted of Seven (7) Directors. Out of these one (1) is Managing Director; two (2) Directors are Non- Executive Directors and Four (4) are Non-Executive Independent Director(s) including one is woman independent director.

The said information as on March 31 2022 is presented as below:

Sr. No.	Name of Director	Category
1	Mr. S. Rai	Managing Director
2	Mrs. Pamela Rai	Non-Executive Director
3	Mr. J. Suzuki	Non-Executive Director
4	Mr. A.D. Harolikar	Non-Executive Independent Director
5	Mr. Vinay Panjabi	Non-Executive Independent Director
6	Mr. Ajay Nanavati	Non-Executive Independent Director
7	Mrs. Veena Mankar	Non-Executive Independent Director

b. Number of Board Meetings held and Attendance each Directors at Board Meetings last Annual General Meeting (AGM)

The Board of Directors met five (5) times during the Financial Year ended March 31 2022. The gap between any two meetings did not exceed one hundred and twenty days. In view of Covid-19 pandemic all these board meetings were held in video conferencing / other audit-visual mode as allowed under MCA Circular No.20/2020 dated 5th May 2020 and SEBI SEBI/HO/CFD/CMD1/CIR/P/2020/79 12th May 2020. The Attendance Record of Directors in Board Meeting and AGM for the Financial Year 2021-22 are tabulated below:

Sr. No.	Name of Directors	Attendance of Board Meetings					AGM 2020-21
		30.04.2021	07.07.2021	05.08.2021	11.11.2021	14.02.2022	17.09.2021
1	Mr. S. Rai	√	√	√	√	√	√
2	Mrs. Pamela Rai	√	√	√	√	√	√

Sr. No.	Name of Directors	Attendance of Board Meetings					AGM 2020-21
		30.04.2021	07.07.2021	05.08.2021	11.11.2021	14.02.2022	17.09.2021
3	Mr. J. Suzuki	√	√	√	√	√	•
4	Mr. A.D. Harolikar	•	•	•	√	√	•
5	Mr. Vinay Panjabi	√	√	√	√	√	√
6	Mr. Ajay Nanavati	√	√	√	√	√	•
7	Mrs. Veena Mankar	√	√	√	√	√	•

√ Present, • Absent

c. **Board Procedure**

The Board meets at regular intervals to discuss and decide on Company / Business policy and strategy apart from other Board business. The Board / Committee Meetings are pre-scheduled and a tentative annual calendar of the Board and Committee Meetings is circulated to the Directors well in advance to facilitate them to plan their schedule and to ensure meaningful participation in the meetings.

The Board business generally includes consideration of important corporate actions and events including :-

- Quarterly and annual result announcements;
- Oversight of the performance of the business;
- Declaration of dividends;
- Development and approval of overall business strategy;
- Review of the functioning of the Committees and
- Other strategic, transactional and governance matters as required under the Companies Act, 2013, Listing Regulations and other applicable legislations.

The notice of Board / Committee meeting is given well in advance to all the Directors. The Agenda of the Board / Committee Meetings is set by the Company Secretary in consultation with the Chairman and the Managing Director and CEO of the Company. The Agenda is circulated a week prior to the date of the meeting. The Agenda for the Board and Committee Meetings covers items set out as per the guidelines in Listing Regulations to the extent it is relevant and applicable. The Agenda for the Board and Committee Meetings include detailed notes on the items to be discussed at the meeting to enable the Directors to take an informed decision.

d. **Number of other Directorships and Chairmanships/Memberships of Committees of each Director in various Companies as on March 31 2022.**

Sr. No.	Name of Directors	No. of Directorships in other Public Companies[1]	No. of Chairmanship/ Membership of Committee of Other Public Companies[2]	Relationship Interse
1	Mr. S. Rai[3]	3	NIL	Related as Husband of Mrs. Pamela Rai
2	Mrs. Pamela Rai	2	NIL	Related as wife of Mr. S. Rai
3	Mr. J. Suzuki[4]	1	NIL	Not related to any Director
4	Mr. A.D. Harolikar	NIL	NIL	Not related to any Director
5	Mr. Vinay Panjabi	NIL	NIL	Not related to any Director
6	Mr. Ajay Nanavati	NIL	NIL	Not related to any Director
7	Mrs. Veena Mankar[5]	1	2- Members 1- Chairperson	Not related to any Director

1. Excludes Directorship in Foreign Companies and Companies Registered under Section 8 of the Companies Act, 2013 and includes directorship of subsidiaries of Public Limited Companies.
2. Committee positions of Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship committee and Risk Management committee considered here
3. Mr. S. Rai is Director in one listed entity i.e Enkei Wheels (India) Ltd.
4. Mr. J. Suzuki is Director in one listed entity i.e Enkei Wheels (India) Ltd
5. Mrs. Veena Mankar is Independent Director in one listed entity i.e. RBL Bank Limited

e. Number of Shares and Convertible instruments held by Non-Executive Directors as on Financial Year ended March 31 2022

Sr. No.	Name of Directors	No. of Shares
1	Mrs. Pamela Rai	0
2	Mr. J. Suzuki	0
3	Mr. A.D. Harolikar	200
4	Mr. Vinay Panjabi	0
5	Mr. Ajay Nanavati	0
6	Mrs. Veena Mankar	0

f. Separate meeting of Independent Directors

As stipulated by the code of Independent Directors under the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015 a separate meeting of Independent Directors of the Company was held on March 22 2022 interalia to discuss :

- Evaluation of performance of Non Independent Directors and Board as a whole;
- Evaluation of performance of the Chairperson of the company taking into account the views of Non – Executive Directors
- Evaluation of quality, quantity and timeliness of flow of information between the Company's Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

g. Directors' Induction, Familiarization & Training of Board Members

As and when a new Director is appointed, the Company takes steps to familiarize the Director with the Company, his/her roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc.

The Directors are regularly offered visits to the Company's plant, where plant head makes them aware of the operational and sustainability aspects of the plants to enable them to have full understanding on the activities of the Company and initiatives taken on safety, quality, CSR, sustainability, etc.

At various Board meetings during the year, presentations are made to the Board on safety, health and environment and sustainability issue, risk management, Company policies, changes in regulatory requirement applicable to the corporate sector and to the industry in which it operates with areas of improvement and other relevant issues.

Quarterly presentations on operations made to the Board include information on business performance, operations, market share, financial parameters, working capital management, fund flows, senior management change, major litigation, compliances, subsidiary information, regulatory scenario, Covid impact on business etc.

The details of such Familiarization Programme for Independent Director are uploaded on the website of the Company and the web link of the same is provided hereunder https://www.alicongroup.co.in/wp-content/uploads/2019/03/Familiarisation-Program.pdf .

h. Core skills/expertise/competencies identified by the board of directors as required in the context of its business(es) :

Following Core competencies defined by the Board of Directors to enhance the functioning of Management Team. By adopting these Competencies Management Team can achieve it's targets in more effective manner:

1. Strategic Business Orientation
2. Customer Focus
3. Innovation Lead Information
4. Drive for Result
5. Breakthrough Mindset
6. People Development

i. Board Independence

Our definition of 'Independence' of Directors is derived from Section 149(6) of the Companies Act, 2013 and Regulation 16 of the Listing Regulations. Based on the confirmation / disclosures received from all Independent Directors, they have met with criteria of their independence as mentioned in Regulation 16(1)(b) of the SEBI Regulations.

j. Code of Conduct

The Company has adopted a 'Code of Conduct' for its employees at all levels including Senior Management and Directors. The Code has also been posted on the Company's website. The Code serves as a guide to the employees of the Company to make informed and prudent decisions. As required under the Listing Regulations, the affirmation of compliance with the Code from Directors and Senior Management personnel has been obtained for Financial Year 2021-22. The Annual Report contains a declaration to this effect signed by the Managing Director of the Company.

k. POSH Policy

The Company has policy in place as defined under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. There were no complaints filed in FY 2021-22 under the said act.

I. Code of Practices and Procedures for fair disclosure of unpublished price sensitive information under SEBI(Prohibition of InsiderTrading) Regulations , 2015 :

The Company has devised a frame work for Code of Practices and Procedures for fair disclosure of unpublished price sensitive information which is applicable to directors , employees, officers and such other persons who are having privy to price sensitive information . The said code is available at company's website at https://www.alicongroup.co.in/wp-content/uploads/2019/03/Code_of_Sebi_Disclosure_2015.pdf

3. COMMITTEES OF THE BOARD

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas / activities as mandated by applicable regulation, which concern the Company and need a closer review. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are performed by Members of the Board, as a part of good governance practice. The Chairman of the respective Committees informs the Board about the summary of the discussions held in the Committee Meetings. The minutes of the meetings of all Committees are placed before the Board for review. The Board Committees can request special invitees to join the meeting, as appropriate.

a. AUDIT COMMITTEE

i. Brief Description and terms of reference

The Audit Committee has been constituted as per Section 177 of the Companies Act, 2013 and the guidelines set out in the Listing Regulations. The Audit Committee of the Company, inter-alia, provides assurance to the Board on the existence and adequacy of an effective Internal Control systems that ensures.

The terms of reference of the Audit Committee are in conformity with the requirements of SEBI Listing Regulations and Section 177(4) of the Companies Act, 2013. Further, the Audit Committee has powers which are in line with the SEBI Listing Regulations. The terms of reference of the Audit Committee include the following:

- Overseeing of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible Recommendation for appointment, remuneration and terms of appointment of auditors of the Company,
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the Management, the annual financial statements and auditor's report thereon before submission to the Board for approval
- Reviewing with the Management, quarterly financial statements before submission to the Board for approval
- Evaluation of internal financial controls and risk management systems;
- Reviewing with the Management, performance of the statutory and internal auditors and adequacy of the internal control system
- Discussion with the internal auditors of any significant findings and follow-up thereon;
- Review the functioning of the vigil mechanism.
- Subsidiary company oversight

ii. Composition, Name of Members & Chairperson

The Audit Committee comprises of two (2) Non-Executive Independent Directors and Managing Director. The Composition of the Audit Committee during the Financial Year April, 2021 to March 2022 was as follows:

Sr. No.	Name of Directors	Status	Category of Membership
1	Mr. A.D. Harolikar	Chairman	Non –Executive Independent Director
2	Mr. Vinay Panjabi	Member	Non –Executive Independent Director
3	Mr. S. Rai	Member	Managing Director

iii. Meetings and attendance

During the Financial Year 2021 - 22, four (4) Audit Committee Meetings were held on the following dates:

Sr. No.	Name of Directors	Attendance of Audit Committee Meetings			
		28.04.2021	04.08.2021	10.11.2021	12.02.2022
1	Mr. A.D. Harolikar	√	√	√	√
2	Mr. Vinay Panjabi	√	√	√	√
3	Mr. S. Rai	√	√	√	√

√ Present, • Absent

The Statutory Auditors, Internal Auditors and Chief Financial Officer are permanent invitees to the Audit Committee Meetings. The Company Secretary acts as the Secretary to the Audit Committee.

b. NOMINATION AND REMUNERATION COMMITTEE

i. Brief description of terms of reference

The Nomination and Remuneration Committee has been constituted in accordance with the requirements of Statutes and their term of reference is in compliance with the governing provisions of the Companies Act, 2013 and Regulation 19 of the Listing Regulations.

The Committee constitutes to review and recommend payment of annual salaries, commission, service agreements and other employment conditions of the Executive Directors of the Company. The Committee fixes the remuneration after taking into consideration remuneration practices followed by Companies of similar size and standing in the Industry.

The role of Nomination and Remuneration Committee, inter alia, includes:-

- Determine / recommend the criteria for appointment of Executive, Non-Executive and Independent Directors to the Board;
- Determine / recommend the criteria for qualifications, positive attributes and independence of Director;
- Review and determine all elements of remuneration package of all the Executive Directors, i.e. salary, benefits, bonuses, stock options, pension etc.;
- Formulate criteria and carry out evaluation of each Director's performance and performance of the Board as a whole.

ii. Composition

As on March 31 2022 the Nomination and Remuneration Committee comprises of three (3) Directors as its members. All the members of the Committee are Non-Executive Director and have sound knowledge of management practices. The Chairman of the Committee is a Non-Executive Independent Director nominated by the Board. The composition of the Nomination and Remuneration Committee Meeting during the Financial Year 2021 - 2022 is as under:

Name of Directors	Status	Category of Membership
Mr. A.D. Harolikar	Chairman	Non –Executive Independent Director
Mr. Vinay Panjabi	Member	Non –Executive Independent Director
Mrs. Veena Mankar	Member	Non –Executive Independent Director*

*Appointed on 30.04.2021

iii. Meetings and Attendance

During the Financial Year 2021 -22, three (3) Meetings were held on the following dates:

Sr. No.	Name of Directors	Attendance		
		28.04.2021	04.08.2021	12.02.2022
1	Mr. A.D. Harolikar	√	√	√
2	Mr. Vinay Panjabi	√	√	√
3	Mr. J. Suzuki	•	NA	√
4	Mrs. Veena Mankar	NA	√	√

√ Present, • Absent

iv. Performance Evaluation Criteria for Independent Directors

The Board is responsible for undertaking a Formal Annual Evaluation of its own performance, its Committees and individual Directors as per the provisions of Companies Act, 2013 and Listing Regulations, with a view to ensure that individual Directors and the Board as a whole work efficiently and effectively in achieving Company's objectives.

During the year, the Board with the assistance of Nomination and Remuneration Committee has completed the evaluation exercise as per the internally designed evaluation process approved by the Board. The Independent Directors were evaluated on various performance indicators including aspects relating to:

- Contribution to achievement of corporate objectives
- Understanding, strategic plan, and key issues
- Constructive contribution to resolution of issues at meetings
- Communicating expectations & concern clearly
- Promotion of company's interest externally
- Interpersonal relationships with other directors and management
- Attendance, confidentiality, and preparation for meetings

C. Risk Management Committee :

i. Brief description of terms of reference

In terms of Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements), 2015, the Company has risk management committee in place .

The role of the committee shall, inter alia, include the following:

(1) To formulate a detailed risk management policy which shall include:

(a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.

(b) Measures for risk mitigation including systems and processes for internal control of identified risks.

(c) Business continuity plan.

(2) To ensure that appropriate methodology, processes and systems are in place to monitor

and evaluate risks associated with the business of the Company;

(3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

(4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

(5) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

(6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

The company had revised its risk management policy on 29th March 2022 to have better coverage on the risk management procedures .

i. Composition

As on March 31 2022, the risk management committee comprises of two(2) non-executive directors and two (2) management official of the Company . The composition of the Committee during the Financial Year 2021-22 is as under :

Sr. No.	Name of Directors	Status	Category of Membership
1	Mr. Ajay Nanavati	Chairman	Non –Executive Independent Director
2	Mrs. Veena Mankar	Member	Non –Executive Independent Director
4	Mr. Vimal Gupta	Member	Chief Finance Officer
3	Mr. Vishnu Patel	Member	AVP-Finance

Meetings and Attendance

During the Financial Year 2021 -22, two (2) Meetings were held on the following dates:

Sr. No.	Name of Directors	Attendance of committee Meetings	
		05.08.2021	29.03.2022
1	Mr. Ajay Nanavati	√	√
2	Mrs. Veena Mankar	√	√
3	Mr. Vimal Gupta	√	•
4	Mr. Vishnu Patel	√	√

√ Present, • Absent

D. Share Transfer/Stakeholders Relationship Committee

In line with provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of Listing Regulations, the Company has constituted a Share Transfer/ Stakeholder Relationship Committee to oversee Investors grievances and redressal mechanism and recommends measures to improve the level of Investors' services and to investigate and decide matters pertaining to share transfers, duplicate share certificates and related matters.

Composition: The Committee comprises of Executive Director and Non-Executive Independent Directors. Mr. A.D. Harolikar, Independent Director acting as Chairman of the Share Transfer/ Stakeholders Relationship Committee. The composition of this Committee during the year April 01, 2021 to March 31 2022 is as under:

Sr. No.	Name of Directors	Status	Category of Membership
1	Mr. A.D. Harolikar	Chairman	Non –Executive Independent Director
2	Mr. Vinay Panjabi	Member	Non –Executive Independent Director
3	Mr. S. Rai	Member	Managing Director

The functioning and terms of reference of the Committee are as prescribed under the Listing Regulations with reference to transfer, dematerialization and complaints of Shareholders etc. The Quorum for the functioning of the Committee is any two Members present. The board has delegated the authority for approving transfers, transmission etc. once in a fortnight to the Chairman or Company Secretary of the Company. A summary of transfer, transmission of shares of the Company so approved by the Chairman or Company Secretary is placed at every Share Transfer/ Stakeholder Relationship Committee Meeting. The Company obtains from a Company Secretary in practice half-yearly certificate of Compliance with the share transfer formalities as required under Regulation 40(9) of Listing Regulations and files a copy of the certificate with the Stock Exchanges within the prescribed time.

ii. Name and Designation of Compliance Officer: Mrs. Swapnal Patane, Company Secretary and Compliance officer was the Secretary to the said Committee (upto 20th June 2022).

iv. Status of Investor Complaints received, pending and resolved During the Financial Year 2021 -2022 :

Sr. No.	Particulars	Status
1	No. of Complaints Received	NIL
2	No. of Complaints Resolved	NIL
3	No. Of Complaints Pending	NIL

v. **Meetings and attendance :**
During the Financial Year 2021-22, two (2) Committee Meetings was held on the following dates:

Sr. No.	Name of Directors	Attendance of committee Meetings	
		28.04.2021	10.11.2021
1	Mr. A.D. Harolikar	√	√
2	Mr. Vinay Panjabi	√	√
3	Mr. S. Rai	√	√

√ Present, • Absent

E. **Corporate Social Responsibility Committee (CSR)** The Company has set up a Corporate Social Responsibility (CSR) Committee to oversee discharging of obligations as a part of its Corporate Social Responsibility and as mandated under Section 135 of the Companies Act, 2013 along with relevant rules. The Committee consists of four (4) Directors including two (2) Independent Director.

Roles and Objectives: The Roles and Objectives of the Committee as defined by the Board of Directors of the Company are as under:

- Formulation of CSR Policy and recommending the same to the Board;
- Identification of activities to be undertaken by the Company
- Recommendation of amount of expenditure to be incurred on CSR activities; iv. Monitoring the CSR policy from time to time

i. **Composition :** The composition of this Committee during the year April 01, 2021 to March 31 2022 is as under:

Sr. No.	Name of Directors	Status	Category of Membership
1	Mr. Vinay Panjabi	Chairman	Non –Executive Independent Director
2	Mrs. Pamela Rai	Member	Non –Executive Director
3	Mrs. Veena Mankar	Member	Non-Executive Independent Directors

ii. **Meetings and Attendance:** During the Financial Year 2021-22, two (2) Corporate Social Responsibility Committee Meetings were held and the attendances of the Meetings are as under:

Sr. No.	Name of Directors	Attendance of committee Meetings	
		03.08.2021	24.12.2021
1	Mrs. Pamela Rai	√	√
2	Mr. Vinay Panjabi	√	√
3	Mrs. Veena Mankar	√	√

√ Present, • Absent

4. REMUNERATION OF DIRECTORS:

The Nomination & Remuneration Committee determines and recommends to the Board of Directors, the remuneration payable to Executive and Non-Executive Directors of the Company.

i. **Remuneration paid to Executive Directors for the Financial Year 2021 – 22 :**

(₹ In Lacs)

Sr. No.	Name of Director	Designation	Salary	Perquisite and allowances	Commission	Total
1	Mr. S. Rai	Managing Director	51.83	0.90	NIL	52.73

ii. **Remuneration paid to Non- Executive Director for the Financial Year 2020-21:**

(₹ In Lacs)

Sr. No.	Name of Director	Designation	Sitting Fees
1	Mrs. Pamela Rai	Non-Executive Director	3.70
2	Mr. J. Suzuki	Non-Executive Director	2.00
3	Mr. A.D. Harolikar	Non-Executive Independent Director	5.95
4	Mr. Vinay Panjabi	Non-Executive Independent Director	8.40
5	Mr. Ajay Nanavati	Non-Executive Independent Director	5.40
6	Mrs. Veena Mankar	Non-Executive Independent Director	6.90

iii. **All pecuniary relationship or transactions of the non-executive directors vis-à-vis the listed entity shall be disclosed in the annual report;**

Apart from reimbursement of expenses incurred in the discharge of their duties, payment of sitting fees Non-Executive Directors mentioned above, none of the Non-Executive Directors of your Company have any other material pecuniary relationships with the Company.

iv. **Criteria of making payments to Non-Executive Directors:**

Apart from sitting fees referred above, no payment by way of Commission, bonus, pension, incentives etc. is paid to any of the Non - Executive Directors.

v. **Employee Stock Option Schemes:**

The Allotment Committee on 15th June 2021 had allotted 1,35,000 Equity Shares of ₹5/- each to the employees of the Company on their exercising the Stock Options granted to them under the Employees Stock Option Scheme-2017.

Also, under Employees Stock Option Scheme-2015, 52,378 Equity Shares of ₹5/- each were allotted on 20th May 2021 to eligible employees on their exercising Stock Options granted to them.

vi. **Service Contracts, Notice Periods, Severance Fees**

The appointment of the Managing Director is governed by resolutions passed by the Board and the Shareholders of the Company, which cover the terms and conditions of such appointment, read with the service rules of the Company. A separate Service Contract is not entered into by the Company with those elevated to the Board from the management cadre since they already have a Service Contract with the Company. Letters of appointment have been issued by the Company to the Independent Directors, incorporating their roles, duties, and responsibilities etc., which have been accepted by them.

There is no separate provision for payment of severance fee under the resolutions governing the appointment of Executive Directors who have all been drawn from amongst the management cadre. The statutory provisions will however apply. With respect to notice period of Directors, the statutory provisions will also apply.

vii. **vii. There are no Security/Instruments of the Company pending for conversion into Equity Shares.**

5. GENERAL BODY MEETINGS:

a. **The details of Annual General Meetings (AGMs) held in the last three years are as follows:**

Financial Year	Date	Time	Venue
2020 – 21	17.09.2021	11:00 a.m.	Video Conferencing (VC) / Other Audio-Visual Means (OAVM)
2019 - 20	26.08.2020	11:00 a.m.	Video Conferencing (VC) / Other Audio-Visual Means (OAVM)
2018 -19	26.07.2019	12.30 p. m.	Gat No.1426, Village Shikrapur, Tal. Shirur, Dist. Pune – 412208, Maharashtra

b. **Details of Special Resolutions passed in previous three Annual General Meetings (AGM):**

i. **AGM held on September 17, 2021 :**

a. To enhance the Borrowing powers of Board from ₹ 500 Crores to ₹ 1,000 Crores.

ii. **AGM held on August 26 2020:**

a. Re-appointment of Mr. Ajay Nanavati (DIN: 02370729) as an Independent Director

b. Appointment of Mrs. Veena Mankar (DIN: 00004168) as an Independent Director

iii. **AGM held on July 26, 2019:**

a. Approval of Re-classification of Promoters of the Company

C. **Extra – ordinary General Meeting:**

The Company during the financial year conducted an Extraordinary General Meeting on July 30, 2021 through Video Conferencing (VC) / Other Audio-Visual Means (OAVM) and passed a special resolution to –

i. Issue of 5,32,860 Equity Shares on Preferential Basis.

d. **Resolution passed last year through Postal Ballot:**

The Company during the financial year ended 31st March 2022 did not conduct any postal ballot and hence passing of special resolution through postal ballot does not arise.

3. MEANS OF COMMUNICATION

a. **Quarterly Results**

The Quarterly/ Half Yearly / Yearly Financial Results of the Company are published in leading and widely circulated English dailies viz. The Economic Times (English), The Free Press Journal (English), Business Standard (English) and Nav Shakti, a Marathi Daily.

The Company's financial results are displayed on the Company's website at www.alicongroup.co.in and the websites of BSE Limited (BSE) and The National Stock Exchange of India Limited (NSE).

b. **Investor Presentations / Press Releases**

The presentations made to investors and Press releases of Company are displayed on the Company's website at www.alicongroup.co.in and are disseminated on the Stock exchanges where Company's equity is listed.

c. **Occasional News Releases/ Conference Calls**

The Directors and Senior Management hold quarterly briefs with analysts, shareholders, and major stakeholders, where Company performance is discussed. The official press releases, the presentation made to the Investor and the transcripts of the call with analysts for Quarterly/ Half Yearly /Annual Financial Results are available on the Company's website under 'Investors' section.

d. **Website**

The Company's website provides a comprehensive reference on its management, vision, mission, policies, corporate governance, updates and news. The section on 'Investors' gives complete financial details, annual reports, shareholding patterns, presentation made to investors, Registrar and Share Transfer Agents, etc.

The section also includes material events or information as detailed in Regulation 30 of the SEBI (LODR) Regulations, 2015as disclosed to the Stock Exchanges. The Company has also uploaded the names of the Members and the details of the unclaimed dividend by the Members on its website. Information about unclaimed/ unpaid dividends and unclaimed shares to be transferred to IEPF is provided in the notes to the Notice of AGM.

e. Designated exclusive email-ids: The Company has designated the following email-ids exclusively for investor servicing:

(i) For Investor Grievances and Queries: investor.relations@alicongroup.co.in

(ii) For queries related to financial statement: gaurav.agrawal@alicongroup.co.in

4. GENERAL SHAREHOLDER INFORMATION

a. **Annual General Meeting :** The 32nd Annual General Meeting is scheduled as under:

Date: 27th September 2022

Day: Tuesday

Time: 11.00 AM

Venue:. VIRTUAL AGM

b. **Date of Book Closure : -** 21st September 2022 to 27th September 2022

c. **Registered Office:** Gat No.1426, Village Shikrapur, Tal. Shirur, Dist. Pune – 412208, Maharashtra.

d. **Financial Year:** April 01 to March 31

e. **Dividend & Dividend Payment Date :**

The Board of Directors have recommended a dividend of ₹ 2.25 per Equity Share of ₹ 5/- each (45%) for the financial year ended 31st March 2022 subject to approval of Shareholders in the ensuing 32nd Annual General Meeting.

f. **Name and Address of Stock Exchange, where Company's Equity is listed:**

Stock Exchange	Scrip Code
BSE Limited Phiroze Jee jee bhoy Towers, Dalal Street, Mumbai - 400 001.	531147
National Stock Exchange of India Limited Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051	ALICON

Listing Fee for the year 2022-23 has been paid to the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) within applicable time-frame.

ISIN No: INE062D01024

g. **Stock Market Data during the Financial Year 2021 - 22:**

The monthly High and Low Prices of the Shares of the Company listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) are as follows:

Month	BSE		NSE	
	Share Price		Share Price	
	High	Low	High	Low
Apr-21	488.00	451.00	482.00	456.50
May-21	569.35	545.00	565.00	547.00
Jun-21	600.00	571.45	600.00	565.00
Jul-21	812.35	789.45	813.00	790.15
Aug-21	824.20	778.00	825.00	778.40
Sept-21	788.80	761.60	790.75	761.05
Oct-21	783.50	764.50	785.05	765.00
Nov-21	761.55	730.95	763.85	732.05
Dec-21	844.15	808.00	844.90	806.10
Jan-22	837.50	814.80	846.00	817.50
Feb-22	800.00	763.20	799.80	751.50
Mar-22	697.55	655.45	699.60	656.05

h. **In case the securities are suspended from trading, the Directors Report shall explain the reason thereof:**

The trading in the equity shares of the Company was never suspended.

i. **Registrars and Share Transfer Agent (For Physical as well as for Demat Segment)**

Name & Address : Universal Capital Securities Private Limited
C-101, 247 Park,
1st Floor, LBS Road,
Gandhi Nagar, Vikhroli (West),
Mumbai – 400 083.
T: +91 (22) 4918 6178-79
Email: gamare@unisec.in

j. Share Transfer System

All work related to Share Registry, both in physical form and electronic form, is handled by the Company's Registrar and Share Transfer Agent. The Company has appointed M/s Universal Capital Securities Private Limited as the Registrar & Share Transfer Agent. The Share transfers in physical form are approved by the Managing Director on fortnightly basis and the same are approved and ratified by the Share Transfer/ Stakeholder Relationship Committee.

k. Shareholding Pattern of the Company as on March 31 2022:

Category	No. of Shares	% of Shareholding
Indian Promoters	89,76,368	55.71
Foreign Collaborators	22,26,430	13.82
Bodies Corporate	1,18,814	0.74
Indian Public	29,55,083	18.34
Directors & Relatives (other than Promoter Directors)	200	0.00
N.R.Is. / OCB's	1,33,175	0.83
Clearing Members	16,097	0.10
Others	16,85,673	10.46
Total	**1,61,11,840**	**100.00**

l. Dematerialization of Shares :

As per notifications issued by the Securities and Exchange Board of India (SEBI), the trading in Company's shares is permitted only in dematerialized form. In order to enable the Shareholders to hold their shares in electronic form and to facilitate scrip less trading, the Company has enlisted its shares with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The Company's shares are liquid and are actively traded on Stock Exchanges.

m. Status of Dematerialization and Liquidity as on March 31 2022 :

Dematerialization:

Category	No. of Shares
Shares in Demat mode with NSDL	1,23,68,988
Shares in Demat mode with CDSL	36,97,430
Shares in Physical mode	45,422

Liquidity: The Numbers of Shares of the Company traded in the Stock Exchange for the financial year 2021 - 22 is given below:

Particulars	BSE	NSE	Total
No of shares Traded	10,02,010	7592811	8594821
Percent of total Equity	6.22	47.13	53.34

n. Outstanding GDRs/ADRs/Warrants or any convertible Instrument, Conversion Date and Likely impact on Equity

The Company has not issued GDR/ADR/warrants or any convertible security.

o. Certificate from a Company Secretary in Practice:

The Company has obtained a Certificate from a Company Secretary in Practice that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as director of the Company by the SEBI/Ministry of Corporate Affairs or any such statutory authorities.

p. Commodity price risk or foreign exchange risk and hedging activities:

The Company is exposed to the risk of price fluctuations of raw material, which are proactively managed by forward booking of materials, inventory management and vendor development practices. In case of foreign exchange risk, there is natural hedging of risk as our import and export generally remains at the same level.

q. Plant Location :

a) Gat No. 1426, Village Shikrapur,Taluka Shirur, Dist. Pune 412208, Maharashtra

b) Plot no. 58/59, Block- D II, MIDC, Chinchwad, Pune- 411019, Maharashtra

c) 57-58 Km Mile Stone, Delhi –Jaipur,NH-8, Industrial Area, Village - Binola, Gurgaon – 122051, Haryana

d) Illichmann Castalloy s.r.o., Partizanska 81, 966 81, Zarnovica, Slovakia

r. Address for correspondence

For transfer/dematerialization of shares, change of address of members and other queries relating to the shares of the Company:
M/s. Universal Capital Securities Pvt. Ltd.
(100% subsidiary of Link Intime India Pvt. Ltd)
C-101, 247 Park, 1st Floor, LBS Road, Gandhi Nagar, Vikhroli (West), Mumbai – 400 083.
T: +91 (22) 4918 6178-79/ F: +91 22 4918 6060
Contact Person : Santosh Gamare
Email : gamare@unisec.in

5. OTHER DISCLOSURE :

a. Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large:

All transaction entered into by the Company with Related Parties during the Financial Year 2021-22 are in ordinary course of business and on arm's length basis.

The Company had not entered any materially significant Related Party Transactions i.e. transaction of the Company of material nature with its Promoters/ Director/Senior Employees or relatives etc., which could have a potential conflict with the interest of Company at large.

The Audit Committee reviews on a quarterly basis, the details of related party transactions entered into by the Company.

The policy on Related Party Transactions has been placed and can be accessed on the Company's website https://www.alicongroup.co.in/wpcontent/uploads/2018/10/Related_Party_Transactions_Policy.pdf

b. Whistle Blower Policy:

The Company has adopted a Whistle blower policy and has established the necessary vigil mechanism as defined under Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for Directors and employees about unethical behavior, actual or suspected fraud or violation of the Company's Code of conduct. No person has been denied access to the Chairman of the Audit Committee. The said policy has been disclosed on the Company's website under the web link : https://www.alicongroup.co.in/wp-content/uploads/2018/10/Whistle_Blower_Policy.pdf

c. Disclosure of pending cases/instances of non-compliance:

There was no non-compliance by the Company and no instances of penalties and strictures imposed on the Company by the stock exchanges or SEBI or any other statutory authority on any matters related to the capital market during the last three years.

d. Mandatory Requirements

The Board is of the opinion that the Company has complied with all the mandatory requirements of Listing Regulations.

e. Non-Mandatory Requirements

The Company has adopted the following non- mandatory requirements to the extent mentioned below:

- Shareholders rights – the quarterly results are uploaded on the website of the Company.
- Audit qualifications - the Company's financial statements are unqualified.

Reporting of Internal Auditors – the Internal Auditors of the Company directly reports to the Audit Committee on functional matters. The Internal Auditors are invited to the meetings of the Audit Committee.

f. Details of utilization of funds raised through preferential allotment

Company had reduced the debts by Rs.943 million from the net proceeds of Rs.1079 million raised by Equity infusion and the differential amount of Rs.136 Mn was used towards Capex & other business purposes.(no change)

g. Material Subsidiary : Material Subsidiary shall mean a subsidiary whose income or networth exceeds 10% of the consolidated income or networth respectively of the listed company and its subsidiaries immediately preceding the financial year

h. Total fees for all services paid by the listed entity and its subsidiaries to Statutory Auditor on Consolidated basis for the FY 2021-22:

Sr. No	Particulars	Amount (₹ in Lacs)
1	Statutory Audit fees	20.00
2	Limited Review	6.00
3	Consolidation Audit	5.00
4	Certifications	1.00
5	Out of Pocket Expenses	0.68

6. DISCLOSURES OF THE COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATION 17 TO 27 AND CLAUSES (B) TO (I) OF SUB-REGULATION (2) OF REGULATION 46:

Company has disclosed about the compliance of regulations in respect of corporate governance under the listing regulations on its website www.alicongroup.co.in. Compliance certificate for Corporate Governance from the Auditors of the Company is given as annexure to this report.

DECLARATION BY THE CHIEF EXECUTIVE OFFICER UNDER CLAUSE D OF SCHEDULE V OF REGULATION 34(3) OF THE SEBI (LODR) REGULATIONS, 2015

To,
Alicon Castalloy Limited
Gat No. 1426, Village Shikrapur,
Taluka Shirur, Dist. Pune,
Maharashtra

In accordance with Clause D of Schedule V of the Regulation 34(3) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, I, Rajeev Sikand, Chief Executive Officer of Alicon Castalloy Limited, hereby confirm that all the Members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct for the financial year ended March 31 2022.

Place: Pune
Date: 11th August 2022

Rajeev Sikand
Chief Executive Officer

CERTIFICATE BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCE OFFICER OF THE COMPANY

We certify that –

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

These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading:

These statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.

There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.

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

We have indicated to the Auditors and the Audit Committee:

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

Rajeev Sikand
Chief Executive Officer

Vimal Gupta
Chief Finance Officer

Place: Pune
Date: 16th May 2022

CERTIFICATE AS PER CLAUSE 10 (i) OF PART C OF SCHEDULE V OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 BY PRACTICING COMPANY SECRETARY:

To,
The Board of Directors
Alicon Castalloy Limited
Survey No 1426
Village Shikrapur
Taluka - Shirur
Pune-412208

I have examined the registers, records, books, form, returns and disclosures received from the Directors of Alicon Castalloy Limited, (CIN L99999PN1990PLC059487), having Registered Office at Survey No 1426, Village Shikrapur, Taluka – Shirur, Pune-412208 (the Company), produced before me by the Company for the purpose of issuing this Certificate in pursuance to Regulation 34(3) read with Schedule V Para-C Sub-clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verification (including Director Identification Number (DIN) status on MCA website) as considered necessary and explanation furnished to me by the Company and its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ended on 31st March 2022 has been debarred or disqualified from being appointed or continuing as Directors of the companies by the Securities and Exchange Board of India and/or Ministry of Corporate Affairs:

Sr. No:	Name of the Director	DIN	Date of Appointment in the Company
1)	Mr. Shailendrajit C. Rai (DIN: 00050950)	Managing Director	01/11/2014
2)	Mr. Junichi Suzuki (DIN: 02628162)	Non- Executive Director	29/10/2002
3)	Mr. Anil D. Harolikar (DIN: 00239460)	Independent Director	29/01/2003
4)	Mr. Vinay H. Panjabi (DIN: 00053380)	Independent Director	30/04/2005
5)	Mrs. Pamela S. Rai (DIN: 00050999)	Non- Executive Director	29/09/2014
6)	Mr. Ajay Nanavati (DIN: 02370729)	Independent Director	30/04/2015
7)	Mrs. Veena V. Mankar (DIN: 00004168)	Independent Director	15/10/2019

Note: Ensuring the eligibility for appointment/continuing as Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion based on verification of documents/ information available to me. 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.

UDIN: F002727D000810811
Place: MUMBAI
Date: 18th August 2022

(UPENDRA C. SHUKLA)
COMPANY SECRETARY
FCS: 2727/CP No: 1654

INDEPENDENT AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To,
The Members,
Alicon Castalloy Limited,

We have examined the compliance of conditions of corporate governance by Alicon Castalloy Limited ('the Company') for the year ended March 31, 2022 as stipulated in Regulations 17 to 27 and Clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations').

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations.

Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the ICAI.

Based on our examination of the relevant records and according to the best of our information and explanations provided to us, we certify that the Company has complied with the conditions of regulations of Corporate Governance as stipulated in the above mentioned Listing Regulations.

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.

The certificate is issued solely for the purpose of complying with the aforesaid SEBI Listing Regulations and may not be suitable for any other purpose.

For Kirtane & Pandit LLP
Chartered Accountants
Firm Registration number: 105215W/W100057

Parag Pansare
Partner
Membership No.117309
UDIN No. 22117309AQJOFJ8887

Date: 11th August 2022
Place: Pune

ANNEXURE III

Business Responsibility Report

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

Sr. No.	Particulars	
1	Corporate Identity Number (CIN) of the Company	L99999PN1990PLC059487
2	Name of the Company	Alicon Castalloy Limited
3	Registered address	Survey No. 1426, Village Shikrapur, Taluka Shirur, District Pune, PIN: 412208 Maharashtra
4	Website	www.alicongroup.co.in
5	E-mail ID	investor.relations@alicongroup.co.in
6	Financial Year reported	2021-22
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	Manufacturing of aluminum alloy castings
8	List three key products/services that the Company manufactures/ provides (as in balance sheet)	Aluminum alloy castings (single segment operation)
9	Total number of locations where business activity is undertaken by the Company: (a) Number of International Locations (Provide details of major 5) (b) Number of National Locations	None The Company has 3 plants – a) Gat No. 1426, Village – Shikrapur, Taluka – Shirur, District – Pune 412 208 b) D-II Block, Plot No.58/59, MIDC Chinchwad, Pune – 411 019 c) 57-58 KM Mile Stone, Delhi-Jaipur Highway, Industrial Area Binola Dist. Gurgaon (Haryana)- 123413
10	Markets served by the Company Local/State/National/International	Domestic as well as International

SECTON B: FINANCIAL DETAILS OF THE COMPANY AS ON MARCH 31 2022 :

1	Paid-up Capital (INR)	₹ 8,05,59,200/-
2	Total Turnover (₹ In Lacs)	₹ 95,747/-
3	Total profit after tax (₹ In Lacs)	₹ 919/-
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	6.69 %
5	List of activities in which expenditure in 4 above has been incurred	- Education - Community Development - Animal Welfare, Rural Development

SECTION C: OTHER DETAILS

1	Does the Company have any Subsidiary Company/Companies?	YES
2	Do the Subsidiary Company/Companies participate in the BR initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	NO
3	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30 – 60%, More than 60%]	NO

SECTION D: BR INFORMATION

1. Details of Directors/Directors Responsible for BR

A)	**DETAILS OF DIRECTOR/DIRECTORS RESPONSIBLE FOR IMPLEMENTATION OF THE BR POLICY/POLICIES**	
	DIN	00050950
	Name	Mr. S. Rai
	Designation:	Managing Director
B)	**DETAILS OF THE BR HEAD**	
	DIN Number (if applicable)	Not Applicable
	Name	Mr. Rajeev Sikand
	Designation	Chief Executive Officer
	Telephone Number	
	Email Id	rajeev.sikand@alicongroup.co.in

2. (a) Principle-wise (as per NVGs) BR Policy/Policies (Reply in Y/N)

	Question	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/policies for	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national/ international standards? If yes, specify (50 words)	Yes, the Policy is based on National Voluntary Guidelines on Social, Environmental and Economic responsibilities of business issued by the Ministry of Corporate Affairs.								
4	Has the policy being approved by the Board? If yes, has it been signed by MD/owner/CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the Company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	Internal policies are available for employees only. For other policies, refer to www.alicongroup.co.in								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the Company have in-house structure to implement the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	N	N	N	N	N	N	N	N	N

(b) If answer to Sr. No. 1 against any principle is 'No', please explain why: (Tick upto 2 options)

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

3. **Governance related to BR**

   i) **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, annual, more than 1 year.**

   Yes. Annually.

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

   BR Report is being published as part of the Company's Annual Report, available at www.alicongroup.co.in .

SECTON E: PRINCIPLE-WISE PERFORMANCE

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

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

   The Company's Code of Conduct and Ethics, which extends to the entire Group, addresses compliance with internal business conduct and ethics as well as regulatory requirements. The Company's Whistle Blower Policy encourages employees to bring instances of unethical behavior to the knowledge of the management. The Code doesn't apply to joint ventures, suppliers and contractors of the Company.

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

   Details of shareholders' complaints received and satisfactorily resolved during the year 2021-22 is disclosed in the Corporate Governance Report. In addition, other minor complaints from customers were resolved to their satisfaction.

Principle 2 – Businesses should provide goods and services that are safe and contribute sustainability throughout the life cycle.

1. **List upto 3 of your products or services, whose design has incorporated social or environmental concerns, risk and/or opportunities.**

   The Company has only one product viz. Aluminum Alloy Castings.

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

   (a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain.

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

   Optimization of sourcing raw materials is a continuous exercise at the Company by procurement of suitable size of raw-material to minimize wastage.

3. **Does the Company have procedures in place for sustainable sourcing (including transportation)?**

   (a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

   The Company procures its main raw material from trusted and organized sources, with long term business relationships. Continuous interaction and planned tracking with transporters is also maintained to ensure timely delivery of the products and minimum usage of vehicles.

4. **Has the Company taken any steps to procure goods and services from local and small producers, including communities surrounding their place of work?**

   (a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

   Given the nature of the business activities of the Company, it is required to source its main raw materials from organized sources. We acknowledge and promote local procurement, which is generally used for our supporting services.

5. **Does the Company have mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as < 5%, 5 – 10%, > 10%)? Also, provide details thereof in about 50 words or so.**

   Yes. Alicon has a very well-established mechanism to recycle waste generated. Details of some of the wastes are mentioned below:

   - Recycling of rejected castings
   - Waste water recycling
   - Recycling of waste/used oil

Principle 3 – Businesses should promote the wellbeing of all employees

1. Please indicate the total number of employees - 829
2. Please indicate the total Number of employees hired on temporary/contractual/casual basis - 2291
3. Please indicate the Number of women employees - 108
4. Please indicate the Number of permanent employees with disabilities - Nil

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

6. What percentage of your permanent employees is members of this recognized employee association? – All permanent workers are members of this union and works committee.

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

8. What percentage of your under mention employees were given safety and skill up-gradation training in the last year?

a)	Permanent Employees	: 55%
b)	Casual/Temporary/Contractual Employee	: 100%
c)	Employees with Disabilities	: NA

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

1. **Has the Company mapped its internal and external stakeholders? Yes/No**
   Yes, the internal and external stakeholders of the Company are employees, vendors, customers, shareholders, partners, regulatory authorities and local community.

2. **Out of the above, has the Company identified the disadvantaged, vulnerable and marginalized stakeholders?**
   Yes.

3. **Are there any special incentives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.**
   The Company carries out various CSR initiatives for the upliftment /growth and development of people living in the villages around its manufacturing facilities.

Principle 5 – Businesses should respect and promote human rights

1. **Does the policy of the Company on human rights cover only the Company or extend to the Group/Join Ventures/Suppliers/Contractors/NGOs/Others?**
   The Company does not have a separate human right policy. However, these factors are covered under various HR Policies of the Company.

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**
   The Company has not received any complaint from any stakeholder pertaining to human rights.

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

1. **Does the Policy related to Principle 6 cover only the Company or extends to the Group/ Joint Ventures/ Suppliers/Contractors/NGOs/Others?**
   It covers Alicon and its Group companies.

2. **Does the Company have strategies/initiatives to address the global environmental issues such as climate change, global warming, etc.?**
   To address environmental issues, the Company has initiatives such as –

   a) Reduction of use of paper by paperless concept

   b) Measures to check and control the pollutants discharged into environment

   c) Auto cutoff power supply on machines linked with operator to eliminate energy losses.

   d) Reduce fork lift operation by more use of EOT and battery operated forklift.

   e) Replace all street lights with solar lights.

   f) Entered in SPV arrangement for Solar electricity generation

   g) Reusable packaging

3. **Does the Company identify and assess potential environmental risks? Y/N**
   Yes

4. **Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?**
   No.

5. **Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc.? Y/N.**
   Yes

   - Replacement of air cooling by water cooling system of machines
   - Increase in the life of tools/die by nitriding process
   - Installation of LED for lighting by replacing conventional lights

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

7. **Number of show cause / legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of the financial year.**
   Nil

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

1. **Is your Company a member of any trade and chamber or association? If yes, Name only those major ones that your business deals with:**
   Yes, the Company is the member of the following associations / bodies:
   a) ACMA
   b) CII

2. **Have you advocated /lobbied through above associations for the advancement or improvement of public good? Yes/No: if yes, specify the broad areas (drop box: Governance and Administrations, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others).**
   No.

Principle 8 – Businesses should support inclusive growth and equitable development

1. **Does the Company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.**
   Yes . The Company undertakes social projects, as mentioned in the CSR report forming part of this Annual Report.

2. **Are the programs/projects undertaken through in-house team/own foundation/external NGO/ government structures/any other organization?**
   The programs/ projects are undertaken primarily through Bansuri Foundation and external NGO.

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

4. **What is your Company's direct contribution to community development projects? Amount in INR and the details of the projects undertaken.**
   During the year 2021-22, the Company has spent ₹ 61.45 Lacs as part of CSR activities. For details, please refer to CSR Report, forming part of this Annual Report.

5. **Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**
   The Community development initiative is undertaken on the basis of needs assessment, which is based on the feedback of the community itself. The Company initiates those initiatives which help them in becoming sustainable/self-dependent. Thus, the Company ensures that its initiatives are successfully adopted by the community.

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

1. **What percentage of customer complaints/consumer cases are pending as on the end of financial year.**
   Except some minor consumer complaints, which were generally on account of mishandling of the product, were dealt with, there was no major complaint.

2. **Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information)**
   Standard marking like IBR, BIS are stamped for domestic use and PED/CE in case of European Standard.

3. **Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so.**
   No

4. **Did your Company carry out any consumer survey/ consumer satisfaction trends?**
   Yes, the feedback of consumers of the Company is usually taken at the time of completion of respective job. However, the Company does not conduct specific surveys for the same.

ANNEXURE IV
ALICON CASTALLOY LIMITED NOMINATION AND REMUNERATION POLICY

1. OBJECTIVE

The Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read with relevant rules thereto and Clause 49 of the Listing Agreement. The Key Objectives of the Committee are:

- To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation by the Board.
- To recommend the Board on remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- To devise a policy on Board diversity.
- To develop a succession plan for the Board and to regularly review the plan.

2. DEFINITIONS

a) 'Act' means the Companies Act, 2013 as amended from time to time and the Rules made thereunder.

b) 'Board' means Board of Directors of the Company.

c) 'Directors' mean Directors of the Company.

d) 'Key Managerial Personnel' means – (i) Chief Executive Officer or the Managing Director or Whole-time Director; (ii) Chief Financial Officer; (iii) Company Secretary; and (iii) such other officer as may be prescribed.

e) 'Senior Management' means personnel of the company who are members of its core management team excluding the Board of Directors but including Functional Heads.

3. ROLE OF COMMITTEE

3.1 Matters to be dealt with, perused and recommended to the Board by the Nomination and Remuneration Committee –

3.1.1 Formulate the criteria for determining qualifications, positive attributes and independence of a director.

3.1.2 Identify persons who are qualified to become Director and persons, who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.

3.1.3 Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.

3.2 Policy for appointment and removal of Director, KMP and Senior Management –

3.2.1 Appointment criteria and qualifications:

a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.

b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.

c) The Company shall not appoint or continue the employment of any person as Whole-time Director or Managing Director, who has attained the age of seventy years; Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

3.2.2 Term / Tenure

a) Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Whole-time Director and designate them for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

b) Independent Director:

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's Report.

- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director;

  Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for 5 years or more in the Company as on October 1, 2014 or such other date as may be determined by the Committee as per regulatory requirement; he/ she shall be eligible for appointment for one more term of 5 years only.

- At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

3.2.3 Evaluation

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

3.2.4 Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel, subject to the provisions and compliance of the said Act and rules made thereunder.

3.2.5 Retirement

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

3.3 Policy relating to the Remuneration for the Whole-time Director, KMP and Senior Management Personnel

3.3.1 General

a) The remuneration / compensation / commission etc. to the Managing Director, Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission payable to Managing Director, Whole-time Director and Director shall be subject to the prior/ post approval of the shareholders of the Company and Central Government, wherever required.

b) The remuneration and commission to be paid to the Managing Director, Whole-time Director and Directors shall be in accordance with the conditions laid down in the Articles of Association of the Company and as per the provisions of the Act.

c) Increments/revision to the existing remuneration/ compensation payable to Managing Director, Whole-time Director and Directors may be recommended by the Committee to the Board, which should be within the limits approved by the Shareholders.

d) Where any insurance is taken by the Company on behalf of its Directors, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel; Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

3.3.2 Remuneration to Whole-time, Managing Director, Directors, KMP and Senior Management Personnel:

a) Fixed pay:

The Whole-time Director/ KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board/ the Person authorized by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

b) Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managing Director and Whole-time Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

c) Provisions for excess remuneration:

If Managing Director and/or Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

3.3.3 Remuneration to Non- Executive / Independent Director:

a) Remuneration / Commission:

The remuneration / commission shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company and the Act.

b) Sitting Fees:

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof; Provided that the amount of such fees shall not exceed ₹1,00,000/- per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

c) Commission:

Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.

d) Stock Options:

An Independent Director shall not be entitled to any stock option of the Company.

4. MEMBERSHIP

4.1 The Committee shall consist of a minimum three (3) non-executive directors, majority of them being independent.

4.2 Minimum two (2) members shall constitute a quorum for the Committee meeting.

4.3 Membership of the Committee shall be disclosed in the Annual Report.

4.4 Term of the Committee shall be continued unless terminated by the Board of Directors.

5. CHAIRPERSON

5.1 Chairperson of the Committee shall be an Independent Director.

5.2 Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.

5.3 In the absence of the Chairperson, the members of the Committee present at the meeting hall choose one amongst them to act as Chairperson.

5.4 Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

6. FREQUENCY OF MEETINGS

The meeting of the Committee shall be held at such regular intervals as may be required.

7. COMMITTEE MEMBERS' INTERESTS

7.1 A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.

7.2 The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

8. DUTIES OF COMMITTEE

A) The duties of the Committee in relation to nomination matters shall include:

8.1 Ensuring that there is an appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;

8.2 Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment;

8.3 Identifying and recommending Directors, who are to be put forward for retirement by rotation.

8.4 Determining the appropriate size, diversity and composition of the Board;

8.5 Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;

8.6 Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;

8.7 Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;

8.8 Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.

8.9 Delegating any of its powers to one or more of its members or the Secretary of the Committee;

8.10 Recommend any necessary changes to the Board; and

8.11 Considering any other matters, as may be requested by the Board.

B) The duties of the Committee in relation to remuneration matters shall include:

8.12 To consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract, retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.

8.13 To approve the remuneration of the Senior Management including key managerial personnel of the Company, maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.

8.14 To delegate any of its powers to one or more member(s) of the Committee.

9. MINUTES OF COMMITTEE MEETING

Proceedings of all meetings shall be minuted and signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting.

This Policy has been adopted by the Board of Directors of the Company at its meeting held on **October 31, 2014**.

ANNEXURE V

STATEMENT OF DISCLOSURE OF REMUNERATION PURSUANT TO SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

A. Ratio of the Remuneration of Managing Director to the Median Remuneration of the Employees of the Company for the Financial Year 2021-22 :

Sr. No.	Name of Directors & Key Managerial Personnel	Designation	Ratio of Remuneration to Median Remuneration of all employees
1	Mr. Shailendrajit Rai	Managing Director	17.81

B. The percentage increase in Remuneration of Managing Director, Chief Executive Officer, Chief Financial Officer and Company Secretary during the Financial Year 2021-22 :

Sr. No.	Name of Directors & Key Managerial Personnel	Designation	% increase in Remuneration during the Financial Year 2021-22
1	Mr. Shailendrajit Rai	Managing Director	9%
2	Mr. Rajeev Sikand	Chief Executive Officer	125%
3	Mr. Vimal Gupta	Chief Financial Officer	60%
4	Mrs. Swapnal Patane	Company Secretary	16%

C. The percentage increase in the median remuneration of Employees for the Financial Year 2021-22 was **12%**.

D. The number of Permanent Employees on the rolls of the Company as on March 31 2022 was **829**.

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

It is hereby confirmed that the remuneration is as per the Remuneration Policy of the Company.

ANNEXURE VI

DISCLOSURE AS REQUIRED UNDER SECTION 62(1)(B) OF THE COMPANIES ACT, 2013 READ WITH RULE 12 (9) OF THE COMPANIES (SHARE CAPITAL AND DEBENTURE) RULES, 2014 AND REGULATIONS 14 OF THE SEBI (SHARE BASED EMPLOYEE BENEFITS) REGULATIONS, 2014

DETAILS RELATED TO ALICON CASTALLOY LTD - EMPLOYEES STOCK OPTION SCHEME, 2015

		Alicon Employees Stock Option Scheme – 2015 (ESOS-2015)
1	Date of Shareholders' approval	December 30, 2015
2	Total number of options approved under ESOS	612,800
3	Vesting Requirements	ESOS Scheme
4	Exercise price or pricing formula	-------
5	Maximum terms of options granted	5 Years
6	Source of shares	Primary
7	Variation in terms of option	No variation in the terms of option
8	Method of Option Valuation	Intrinsic value
9	Option Movement during the year	
	Number of Options outstanding at the beginning of the period	52,378
	Number of Options granted during the year	-------
	Number of Options forfeited/lapsed during the year	-------
	Number of Options vested during the year	-------
	Number of Options exercised during the year	52,378
	Money realized by exercise of Options (Amount in ₹)	64,94,872/-
	Loan repaid by the Trust during the year from exercise price received	-------
	Lapsed during the Year	NIL
	Number of Options outstanding at the end of the year	NIL
	Number of Options exercisable at the end of the year	NIL
10	Employee-wise details of Options granted :	NIL

i. Senior Managerial Personnel:

Sr. No.	Name	Designation	Options Granted during the year	Exercise Price per Share
		None		

ii. Any other employee, who received a grant in any one year of option amounting to 5% or more of option granted during the year:

Name	Designation	Options Granted during the year	Exercise Price per Share
	None		

iii. Identified employees, who were granted Options during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversations) of the Company at the time of grant:

Name	Designation	Options Granted during the year	Exercise Price per Share
	None		

Note: Other details as required under Regulation 14 of the Securities Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 read with SEBI circular bearing No: CIR/CFD/POLICY CELL/2/2015 dated June 16, 2015 forms part to the Notes to the Accounts of the Financial Statement in the Annual Report.

Further, the aforesaid details are also available on the Company's website at the link: www.alicongroup.co.in.

DETAILS RELATED TO ALICON CASTALLOY LTD - EMPLOYEES STOCK OPTION SCHEME, 2017

		Alicon Employees Stock Option Scheme – 2015 (ESOS-2015)
1	Date of Shareholders' approval	June 08, 2017
2	Total number of options approved under ESOS	675,000
3	Vesting Requirements	ESOS Scheme
4	Exercise price or pricing formula	Face Value
5	Maximum terms of options granted	4 Years
6	Source of shares	Primary
7	Variation in terms of option	No variation in the terms of option
8	Method of Option Valuation	Intrinsic value
9	Option Movement during the year	
	Number of Options outstanding at the beginning of the period	135,000
	Number of Options granted during the year	------
	Number of Options forfeited/lapsed during the year	------
	Number of Options vested during the year	------
	Number of Options exercised during the year	135,000
	Money realized by exercise of Options (Amount in ₹)	6,75,000/-
	Loan repaid by the Trust during the year from exercise price received	Not Applicable
	Number of Options outstanding at the end of the year	Nil
	Number of Options exercisable at the end of the year	------
10	Employee-wise details of Options granted :	Provided below :

iv. **Senior Managerial Personnel:**

Name	Designation	Options Granted during the year	Exercise Price per Share
a) Mr. Rajeev Sikand	CEO	96,000	₹ 5/-
b) Mr. Vimal Gupta	CFO	39,000	₹ 5/-

v. **Any other employee, who received a grant in any one year of option amounting to 5% or more of option granted during the year:**

Name	Designation	Options Granted during the year	Exercise Price per Share
		None	

vi. **Identified employees, who were granted Options during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversations) of the Company at the time of grant:**

Name	Designation	Options Granted during the year	Exercise Price per Share
		None	

Note: Other details as required under Regulation 14 of the Securities Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 read with SEBI circular bearing No: CIR/CFD/POLICY CELL/2/2015 dated June 16, 2015 forms part to the Notes to the Accounts of the Financial Statement in the Annual Report.

Further, the aforesaid details are also available on the Company's website at the link: www.alicongroup.co.in

INDEPENDENT AUDITORS' CERTIFICATE IN CONNECTION WITH THE ALICON CASTALLOY LTD.

EMPLOYEES STOCK OPTION SCHEME – 2015 AND ALICON CASTALLOY LTD. – EMPLOYEES STOCK OPTION SCHEME– 2017

1. This certificate is issued in accordance with the terms of our engagement letter.

2. We were informed by Alicon Castalloy Ltd. ('the Company') that the Company requires a certificate from its Statutory Auditors for the year ended March 31, 2022 confirming that Alicon Castalloy Ltd. Employees Stock Option Scheme – 2015 and Alicon Castalloy Ltd. – Employees Stock Option Scheme– 2017 ('the Schemes') were implemented in accordance with the SEBI (Share Based Employee Benefits) Regulations, 2014 read with the circular CIR/ CFD/ POLICY CELL/2/2105 dated June 16, 2015 and in accordance with the resolutions of the Company passed in the general meeting approving the Schemes.

MANAGEMENT'S RESPONSIBILITY

3. The Company's management is responsible for maintaining the information and documents, which are required to be maintained under the above regulations. Implementing the Schemes in accordance with the SEBI (Share Based Employee Benefits) Regulations, 2014 and in accordance with the resolutions passed in the general meeting is the responsibility of the Company.

4. The Company's management is also responsible for compliance with the SEBI (Share Based Employee Benefits) Regulations, 2014 read with the circular CIR/ CFD/POLICY CELL/2/2105 dated June 16, 2015 with respect to the Schemes.

AUDITORS' RESPONSIBILITY

5. Pursuant to requirements of above-mentioned guidelines, our responsibility is to provide a reasonable assurance, based on our examination of records, documents and information and explanation given to us by the management, whether the Schemes are in compliance with the above-mentioned SEBI (Share Based Employee Benefits) Regulations, 2014 read with the circular CIR/CFD/POLICY CELL/2/2105 dated June 16, 2015 and are in accordance with the resolutions passed in the general meetings of the Company.

6. We conducted our examination with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India (ICAI) and Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 in so far as applicable for the purpose of this certificate.

   The Guidance Note on Reports or certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.

7. In connection with the above, we have performed the following procedures:
   a) Read the Schemes provided to us by the Company;
   b) Read the resolutions passed at the meeting of the Board of Directors;
   c) Read the shareholders' resolutions passed at the general meetings; and
   d) Obtained required explanation and representation from the management.

8. We have complied with the relevant applicable requirements of Standard on Quality Control (SQC)1, Quality Control for Firms that perform Audit and Reviews of Historical Financial Information and other Assurance and Related Services Engagements.

OPINION

9. In our opinion and to the best of our information and according to information and explanation given to us and the representation provided by the Management, we certify that the Company has implemented the Schemes in accordance with the SEBI (Share Based Employee Benefits) Regulations, 2014 read with the circular CIR/CFD/POLICY CELL/2/2105 dated June 16, 2015 and in accordance with the resolutions of the Company passed at the general meetings.

RESTRICTION ON USE

10. This certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of SEBI (Share Based Employee Benefits) Regulations, 2014 and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is show or into whose hands it may come without our prior consent in writing.

For **Kirtane & Pandit LLP**
Chartered Accountants
Firm Registration number: 105215W/W100057

Parag Pansare
Partner
Membership No.117309
UDIN No. 22117309AQJPVZ9321

Date: 11th August 2022
Place: Pune

ANNEXURE VII

SECRETARIAL AUDIT REPORT

For the Financial Year Ended March 31, 2022

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

To,
The Members,
Alicon Castalloy Limited,

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Alicon Castalloy Limited (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has during the audit period covering the financial year ended on 31st March, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board process and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Alicon Castalloy Limited for the financial year ended on 31st March, 2022 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowing – the Company does not have any External Commercial Borrowing;

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

- a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- b) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
- d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
- e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

I report that during the year under review there was no action/event in pursuance of –

- a) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
- b) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; and
- c) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- d) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with the client.

(vi) The Acts / Guidelines specifically applicable to the Company: The management has confirmed that there is no specific law as identified and applicable to the Company.

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

a) Secretarial Standards with regard to Meeting of the Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of the Company Secretaries of India; and

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

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

➢ *The Company submitted Disclosure on Related Party Transactions for the half year ended on 31st March, 2022 beyond the defined timeline as required under Regulation 23(9) of the SEBI (LODR) Regulations, 2015.*

I further report that –

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There was no change in the composition of the Board of Directors during the year under review.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed proposal on agenda were sent in advance duly complying with the time limits specified and a system exits for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- As per the minutes of the meeting duly recorded and signed by the chairperson, the decisions of the Board were unanimous and no dissenting views have been recorded.
- There was a delay of 14 days in submitting the Disclosure on Related Party Transactions for the half year ended on 31st March, 2022 under Regulation 23(9) of the SEBI (LODR) Regulations, 2015.

I further report that based on the information provided by the Company, its officers and authorised representatives during the conduct of the audit and also on the review of quarterly compliance reports, taken on record by the Board of Directors of the Company, in my opinion adequate systems and processes and control mechanism exists commensurate with the size and operation of the Company to monitor and ensure compliance with applicable general laws, rules, regulations and guidelines.

I further report that the compliance by the Company of applicable financial laws like direct and indirect tax laws has not been reviewed in this audit since the same has been subject to review by statutory financial auditors and other designated professionals.

I further report that during the audit period, there was no specific event/action in pursuance of the laws, rules, regulations, standard and guidelines, etc. referred to above, having major bearing on the Company's affairs except-

1. Allotment of 52,378 Equity Shares to employees of the Company under ESOP-2015 on 20/05/2021.
2. Allotment of 1,35,000 Equity Shares to employees of the Company under ESOP-2017 on 15/06/2021.
3. Issue and allotment of 532,860 Equity Shares of Rs. 5/- each for cash at premium of Rs. 558/- per Share to the promoters and foreign collaborators on preferential basis.
4. Issue and allotment of 14,81,481 Equity Shares of Rs. 5/-each for cash at premium of Rs. 535/- per equity share to the qualified institutional buyers.

(U.C. SHUKLA)
COMPANY SECRETARY
FCS: 2727/CP: 1654

UDIN: F002727D000813671
Peer Review Certificate No. 1882/2022

Place: Mumbai
Date: 18th August 2022

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

ANNEXURE A

To,
The Members,
Alicon Castalloy Limited,

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.

2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in secretarial records. I believe that the process and practices, I followed, provide reasonable basis for my opinion.

3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

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

5. The compliance of the provisions of corporate and other applicable laws, rules, regulations and standards is the responsibility of the management. My examination was limited to the verification of procedure on test basis.

6. The secretarial audit report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

(U.C. SHUKLA)
COMPANY SECRETARY
FCS: 2727/CP: 1654

Place: Mumbai
Date: 18th August 2022

ANNEXURE VIII

ANNUAL REPORT ON CSR ACTIVITIES OF THE COMPANY

1. **Brief outline on CSR Policy of the Company :**

   Alicon Castalloy Ltd (ACL) has engaged in CSR activities since 2010. However from 2014, the CSR policy of ACL follows the guidelines of the Govt. of India's Companies Act 2013 which has been given under the Section 135 that makes CSR mandatory.

   The contents of the CSR policy of the Company are as below:

   - CSR vision statement
   - CSR core areas
   - CSR guiding values
   - CSR culture
   - CSR governance
   - ACL CSR spends
   - Implementing Agency/ Partners Strategy

   Our Company has focused its CSR resources on the following verticals:

   a) Education

   b) Community Development

2. **Composition of CSR Committee*:**

Sl. No.	Name of Director	Designation /Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Vinay Panjabi	Non-Executive Independent Director	3	3
2	Mrs. Pamela Rai	Non –Executive Director	3	3
3	Mrs. Veena Mankar	Non-Executive Independent Director	3	3

* The CSR committee was reconstituted on April 30, 2021. as – Mr. Vinay Panjabi was appointed as the Chairman of the committee. Mrs. Veena Mankar and Mrs. Pamela Rai continued as Members.

3. **Provide the web-link where Composition of CSR committee, CSR Policy are disclosed on the website of the company: https://www.alicongroup.co.in/wp-content/uploads/2020/07/CSR-Policy-Alicon.pdf**

4. **Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable:** 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:**

Sl. No.	Financial Year	Amount available for set-off from preceding Financial Years (in ₹)	Amount required to be set-off for the Financial Year, if any (in ₹)
1	2017-18	NIL	NIL
2	2018 -19	NIL	NIL
3	2019 -20	NIL	NIL

6. **Average Net Profit of the Company as per Section 135(5) of the Act:** ₹ 3072.34 Lacs

7. a. **Two percent of average net profit of the Company as per Section 135(5) of the Act for the Financial Year 2021-22:** ₹ 61.45 Lacs

   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: -** NA

   d. **Total CSR obligation for the Financial Year (a+b-c):** ₹ 61.45 Lacs

8. **CSR amount spent or unspent for the financial year:**

Total Amount Spent for the Financial Year	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
Financial Year – 2021 - 22 – ₹61.45 Lacs	NA	NA	NA	NA	NA

   (b) **Details of CSR amount spent against ongoing projects for the financial year:** ₹ 60.31 Lacs (Attached herewith Annexure – 1 for details)

   (c) **Details of CSR amount spent against other than ongoing projects for the financial year:** ₹ 1.14 Lacs

   (d) **Amount spent in Administrative Overheads :-** NIL

   (e) **Amount spent on Impact Assessment, if applicable:** NA

   (f) **Total amount spent for the Financial Year: (b+c+d+e) =** ₹ 61.45 Lacs

   (g) **Excess amount for set off, if any :** NA

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, furnish the details relating to the asset so created or acquired through CSR spent in the Financial Year:** NA

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)** : NA

12. **The CSR Committee affirms that the implementation and monitoring of the CSR Policy, is in compliance with the company's CSR vision & goals.**

Shailendrajit Rai
Managing Director

Vinay Panjabi
Chairman of the CSR Committee

Vimal Gupta
Chief Finance Officer

Place: Pune
Date: 11th August 2022

Annexure : I

Details of CSR amount spent against ongoing projects for the financial year

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No).	Location of the project.		Amount Committed to Disburse (in ₹ in Lacs)	Amount spent for the project (in ₹ in Lacs)	Amount lying with implementing agency pending for disbursement** (in ₹ in Lacs)	Mode of implementation - Direct (Yes/No) Name	Mode of implementation - Through implementing agency.	
				State	District					Name	CSR Registration number
1.	Ekho Foundation (Rocket Learning)	Education	No	Aurangabad Maharashtra		10.50	2.50	8.00	No	Bansuri Foundation	CSR00005058
2.	Labhya Foundation	Education	No	Uttarakhand		10.50	2.50	8.00	No		
3.	Reap Benefit Foundation	Education	Yes	Banglore, Karnataka		10.82	2.58	8.24	No		
4.	Shree Krushna Charitable Trust (3H Catalyst)	Education	No	Karnataka		11.00	2.50	8.50	No		
5.	Haqdarshak	Community Development	Yes	Shirur, Maharashtra, Pune		12.88	3.07	9.81	No		
6	Bansuri Foundation*	Project evaluation & Monitoring	NA	NA		4.61	NIL	4.61	No		
7	Wildlife SOS	Animal welfare	NA	NA		1.14	1.14	NIL	Yes	NA	NA
		Total				**61.45**	**18.90**	**42.55**			

Note –

* Since the Companies Act, 2013 specifies that the Company has an option to implement its CSR activities through an independently registered non-profit organization, that has a record of at least three years in similar such related activities, ACL has made the choice to continue social initiatives through its implementing partner, Bansuri Foundation (BF).

Implementing Agency Details: "Bansuri Foundation was established in 2006 as a charitable non-profit organisation. Over the years, Bansuri has endeavoured to strategically channelize funds towards Education, Health, Rural & Urban community development, Sports and Swacch, impacting the less privileged and marginalized in our communities. Besides being a grant making organisation, it brings developmental and management expertise to partner organisations, supporting them to improve their models and efficiency, leading to better social impact to sustain meaningful change in our country. Bansuri is inspired by Tagore 's vision for India, in his poem…where the mind is without fear".

** Covid disruptions have caused delays in implementation and extensions for completion agreed. All committed amounts are expected to be drawn in next year.

ANNEXURE IX

INFORMATION AS REQUIRED TO BE GIVEN UNDER SECTION 134(3)(M) OF THE COMPANIES ACT, 2013 READ WITH RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014.

[A] CONSERVATION OF ENERGY:

As a part of energy conservation, various avenues are being explored at periodic intervals and after careful analysis and planning; measures are being initiated to minimize the consumption of energy by optimum utilization of energy consuming equipment. During the year under review, the following measures were initiated for conservation and optimize utilization of energy.

(i) Steps taken and impact on conservation of energy:

- Thyristor controllers installed to control furnace temperature to reduce electricity consumption
- Optimization of power packs by combining multiple power packs of different types of machines
- Auto cutoff power supply on machines linked with operator to eliminate energy losses
- Reduce hit losses by application of Insulation paint, wool and cladding on furnace
- Replaced all traditional motors with energy efficient IE4 motors
- Auto material charging mechanism for melting furnace to reduce material loading time and reduction in energy loss

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

- Replacement of air cooling by water cooling system of machines
- Installation of new energy efficient holding furnace

(iii) Capital investment on energy conservation equipment:

- APFC (Automatic Power Factor Correction) to improve Power Factor
- Hybrid Panels for reduction of Harmonic Waves
- Installation of LED for lightning by replacing conventional lights

[B] TECHNOLOGY ABSORPTION:

(i) Efforts made towards technology absorption:

- Water jacket scanning technology to measure efficiency of final vehicle performance at an advanced stage of manufacturing.
- Bend checking and band removal system for longer size and thin products

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

- Combining several operations into one and reduce number of operations
- Reduction in rejection ratio due to bend
- Improve quality of product with meeting customer norms and reduce reduction
- Increase in the life of tools/die by nitriding process

(iii) Information regarding technology imported during the last three years:

- Water Jacket Scanning System validate quality of water jacket and validates the "engineering volume" of the product which decides the efficiency of the vehicle engine

(iv) Expenditure incurred on Research and Development:

(₹ in Lacs)

Particulars	2021-22	2020-21
Capital	1,074.12	425.15
Recurring	-	-
Total	**1,074.12**	**425.15**

[C] FOREIGN EXCHANGE EARNINGS AND OUTGO

(₹ in Lacs)

Particulars	2021-22	2020-21
Foreign Exchange earned	10,612.74	6,127.18
Foreign Exchange saved/deemed exports	-	-
Total	**10,612.74**	**6,127.18**
Foreign Exchange used	2,770.17	1,493.24

Independent Auditors' Report on the Audit of the Standalone Financial Statements

To the Members of
Alicon Castalloy Limited

OPINION

We have audited the accompanying standalone financial statements of Alicon Castalloy Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the financial statements 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 standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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 financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, 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.

Sr. No.	Key Audit Matter	How our audit addressed the key audit matter
1.	Property Plant and Equipment Valuation and existence of property, plant and equipment including assessment of useful lives and residual values Property, plant and equipment represents a significant proportion of the Company's asset base. The estimates and assumptions made to determine the carrying amounts, including whether and when to capitalise or expense certain costs, and the determination of depreciation charges are material to the Company's financial position and performance. The charges in respect of periodic depreciation are derived after estimating an asset's expected useful life and the expected residual value. Changes to asset's carrying amounts, expected useful lives or residual value could result in a material impact on the financial statements and hence considered as key audit matter.	Our audit approach consisted evaluation of design and implementation of controls, and testing the operating effectiveness of the internal controls over valuation of property, plant and equipment and review of useful lives; Periodic physical verification of property, plant and equipment: • Review of CAPEX business process, flow of documents/ information and their control's effectiveness • Substantive Tests on random sampling for all the major additions, deletions to the assets by applying all the characteristics of capital expenditure, proper classification of the same, with reference to the company's policy and accounting standards • We performed substantive testing for the determination of assets' useful lives and residual values with reference to management's judgments, including the appropriateness of past / existing asset lives and residual values applied in the calculation of depreciation. We also obtain certificates relating to useful lives of assets where, required.

Sr. No.	Key Audit Matter	How our audit addressed the key audit matter
		• We have reviewed the policy and the procedure of physical verification of PPE. • As a result of the above procedures, we did not identify any exceptions in relation to the Valuation and existence of property, plant and equipment including assessment of useful lives and residual values which will affect our opinion.
2.	Contingent Liability The Company is involved in indirect tax and other civil court litigations that are pending with various tax authorities. Whether a liability is recognized or disclosed as a contingent liability in the financial statements is inherently judgmental and dependent on assumptions and assessments. We placed specific focus on the judgements in respect to these demands against the Company. Determining the amount, if any, to be recognized or disclosed in the financial statements, is inherently subjective. Therefore, these litigations amount is considered to be a key audit matter.	Our procedures included, but were not limited to, the following: • Obtained an understanding from the management with respect to process and controls followed by the Company for identification and monitoring of significant developments in relation to the litigations, including completeness thereof. • Obtained the list of litigations from the management and reviewed their assessment of the likelihood of outflow of economic resources being probable, possible or remote in respect of the litigations. • Assessed management's discussions held with their legal consultants and understanding precedents in similar cases; • Obtained and evaluated the managements representation from the company's internal dedicated team and consultant opinion wherever required representing the Company before the various authorities. Assessed and validated the adequacy and appropriateness of the disclosures made by the management in the financial statements.

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 Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information but does not include the financial statements and our auditor's report thereon.

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

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

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

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE 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 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 standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, based on our audit we report that:

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

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

    c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss including Other Comprehensive Income, Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

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

g) With respect to the other matters to be included in the Auditor's Report in accordance with 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 financial statements. Refer Note 48 to the standalone financial statements.

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

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

   iv. With respect to clause (e) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended

      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 person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

      b. Management has represented, that, to the best of its knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), 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.

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

   v. The company has neither declared nor paid any dividend during the year. Thus, compliance with section 123 of the Companies Act, 2013 is not required.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

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

For **Kirtane & Pandit LLP**
Chartered Accountants
Firm Registration No.105215W/W100057

Parag Pansare
Partner
Membership No.: 117309
UDIN: 22117309AQBYHN3362

Pune, May 16, 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 Alicon Castalloy Limited 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")

We have audited the internal financial controls over financial reporting of ALICON CASTALLOY LIMITED ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 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.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the 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.

For **Kirtane & Pandit LLP**
Chartered Accountants
Firm Registration No.105215W/W100057

Parag Pansare
Partner
Membership No.: 117309
UDIN: 22117309AQBYHN3362

Pune, May 16, 2022

Annexure 'B' to the Independent Auditor's Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of ALICON CASTALLOY LIMITED of even date)

(i) In respect of the Company's Fixed Assets

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

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

(b) The Company has a program of verification to cover all the items of Property, plant and equipment in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, Property, plant and equipment were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the standalone financial statements are held in the name of the Company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its property, plant and equipment (including Right-of-use assets) or Intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) As informed to us, the inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were 10% or more in the aggregate for each class of inventory.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks are in agreement with the books of account of the Company.

(iii) Based on the audit procedures conducted by us and according to the information and explanations provided to us, during the year the company has stood guarantee and provided security to companies and other entities, details of which are given in sub-clause (a)

(a) A. the aggregate amount during the year in respect to guarantee is ₹ 29.63 Crores and in respect to security given on behalf of subsidiary is ₹ 5.08 crores, and balance outstanding at the balance sheet date with respect to such guarantees and security given on behalf subsidiary is ₹ 34.71 Crores.

B. based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has not provided any guarantee or security or granted advances in the nature of loans to parties other than subsidiaries:

(b) The investments made and the terms and conditions in respect of guarantee and security provided during the year are, in our opinion, prima facie, are not prejudicial to the Company's interest.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company has not granted any loans. Accordingly, paragraph 3(iii)(c) of the order is not applicable.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan given falling due during the year, which has been renewed or extended or fresh loans given to settle the over dues of existing loans given to the same party.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans either repayable on demand or without specifying any terms or period of repayment.

(iv) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 of the Companies Act, 2013 and the Company has not given any loans as specified under Section 186 of the Companies Act, 2013. Further, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in relation to guarantees given, security provided and investments made.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) According to the information and explanations given to us and in our opinion, maintenance of cost records has not been specified by the Central Government under sub section (1) of section 148 (1) of the Companies Act, 2013 and the Companies (Cost Records and Audit) Rules, 2014. Accordingly, paragraph 3(vi) of the Order is not applicable.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities. There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

(b) Details of dues of Income Tax, Sales Tax, Service Tax, Excise Duty and Value Added Tax which have not been deposited as at March 31, 2022 on account of dispute are given below:

Sr. No.	Name of the statute	Nature of the dues	Amount involved (₹ In lakhs)	Amount Paid (₹ In lakhs)	Period(s) to which the amount relate	Forum where such dispute is pending
1	Central Excise Act	Central Excise Duty	55.40	8.30	2008-09	C. Ex. Commissioner, Pune (Call Book)
2	Custom Act	Custom Duty & Interest	2,909.91	1,687.42	2006-08	Directorate General of Central Excise Intelligence, Mumbai
3	MVAT Act	MVAT	22.51	4.69	2009-10	Joint. Commissioner of Sales Tax, Pune
4	Central Sales Tax & MVAT Act	C-Form Liability	81.07	5.00	2011-12	Dy. Commissioner of Sales Tax, Pune
5	Central Sales Tax & MVAT Act	C-Form Liability	304.19	18.48	2012-13	Dy. Commissioner of Sales Tax, Pune
6	Central Sales Tax & MVAT Act	C-Form Liability	762.58	16.93	2013-14	Dy. Commissioner of Sales Tax, Pune
7	Central Sales Tax & MVAT Act	C-Form Liability	284.51	23.08	2015-16	Dy. Commissioner of Sales Tax, Pune
8	Income tax Act 1961	Income Tax	1.92	-	2016-17	Dy. Commissioner of Income Tax, Pune
9	Directorate General of Goods & Service Tax Intelligence	Central Excise Duty	291.32	-	2013-2018	Additional Directorate General of Goods & Service Tax Intelligence, Delhi

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.

(ix) (a) In our opinion, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a willful defaulter by any bank or financial institution or government or government authority.

(c) According to the information and explanations given to us by the management and on the basis of our examination of the records of the Company, the term loans were applied for the purpose for which the loans were obtained.

(d) According to the information and explanations given to us by the management and on the basis of our examination of the records of the Company, no funds raised on short term basis have been utilised for long term purposes.

(e) According to the information and explanations given to us by the management and on the basis of our examination of the records of the Company, no funds have been raised from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(f) of the Order is not applicable.

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) During the year the company has raised funds by way of preferential allotment and private placement of shares. In our opinion and according to the information and explanations given to us, the company has complied with the requirements of section 42 and section 62 of the Companies Act, 2013 and have utilized funds raised by way of preferential allotment and private placement of shares for the purposes for which they were raised.

(xi) (a) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have considered whistle-blower complaints received by the Company during the audit period.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable Indian Accounting Standards

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, 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 to the Company during the year & covering the period upto 31, March 2022 for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and based on audit procedures performed by us we report that the Group does not have more than one CIC.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and 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, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the 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) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **Kirtane & Pandit LLP**
Chartered Accountants
Firm Registration No.105215W/W100057

Parag Pansare
Partner
Membership No.: 117309
UDIN: 22117309AQBYHN3362

Pune, May 16, 2022

Standalone Balance Sheet
as at March 31, 2022

(₹ in Lacs)

Particulars	Note	As at March 31, 2022	As at March 31, 2021
Non-current assets			
Property, plant and equipment	3A	34,772.68	33,499.61
Capital work-in-progress	3A	1,101.21	1,122.71
Investment property	3B	232.95	242.06
Other Intangible assets	3C	2,673.43	1,323.46
Intangible assets Under development	3C	674.12	659.77
Right-of-use of asset	3D	292.46	584.93
Financial assets			
Investments	4	1,132.63	1,132.67
Other financial assets	5	624.25	629.26
Income tax assets (net)		1,003.52	796.64
Other non-current assets	6	1,109.06	1,220.22
		43,616.31	**41,211.33**
Current assets			
Inventories	7	11,620.04	11,549.17
Financial assets			
Trade receivables	8	35,762.47	29,612.67
Cash and cash equivalents	9	616.67	974.91
Bank Balances other than Above (9)	10	441.81	423.41
Loans	11	35.15	109.99
Other financial assets	12	12.40	12.23
Other current assets	13	1,412.60	1,575.64
		49,901.14	**44,258.02**
TOTAL ASSETS		**93,517.45**	**85,469.35**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	805.60	695.51
Other equity	15	42,159.84	30,452.50
		42,965.44	**31,148.01**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	16	11,490.49	15,278.94
Lease liabilities	17	-	306.90
Provisions	18	690.73	771.58
Deferred tax liabilty (net)	19	3044.50	2,754.66
		15,225.72	**19,112.08**
Current liabilities			
Financial liabilities			
Borrowings	20	12,226.17	17,330.97
Lease liabilities	21	306.90	262.24
Trade payables	22		
Due to micro and small enterprises		634.27	637.61
Due to other than micro and small enterprises		19,280.88	13,337.46
Other financial liabilities	23	2,397.34	2,601.14
Other current liabilities	24	353.73	899.59
Provisions	25	127.00	140.25
		35,326.29	**35,209.26**
TOTAL EQUITY AND LIABILITIES		**93,517.45**	**85,469.35**
Significant accounting policies	1 - 2		
Notes referred to above form an integral part of the standalone financial statements	3 - 49		

As per our report of even date attached

For **Kirtane & Pandit LLP**
Chartered Accountants
Firm Regn No: 105215W/W100057

Parag Pansare
Partner
Membership No. 117309

Place: Pune
Date: 16 May 2022 .

On behalf of the Board of Directors of **Alicon Castalloy Ltd.**

S. Rai
Managing Director
DIN : 00050950

A.D.Harolikar
Director
DIN : 00239460

Rajeev Sikand
Chief Executive Officer

Vimal Gupta
Chief Finance Officer

Swapnal Patane
Company Secretary

Standalone Statement of Profit and Loss

for the year ended March 31, 2022

(₹ in Lacs)

Particulars	Note	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue from operations	26	95,747.36	73,183.85
Other income	27	322.32	256.79
Total income		**96,069.68**	**73,440.64**
Expenses			
Cost of materials consumed	28	48,625.86	33,721.56
Purchase of stock-in-trade		3,090.47	2,233.48
Changes in inventories of finished goods , Stock-in-Trade and work-in-progress	29	(37.36)	(897.30)
Employee benefit expense	30	11,115.57	10,666.16
Depreciation and amortization expense	31	5,021.90	4,568.50
Finance costs	32	2,948.10	3,451.38
Other expenses	33	23,941.04	20,248.50
Total expenses		**94,705.58**	**73,992.28**
Profit /(Loss) before tax		**1,364.10**	**(551.64)**
Tax expense	49		
Current tax		238.34	-
Deferred tax (benefit)/charge		271.38	57.83
MAT credit entitlement		(64.33)	-
Short/ (Excess) of earlier years (including MAT Credit)		-	136.70
Total tax expense		**445.39**	**194.53**
Profit /(Loss) for the year		**918.71**	**(746.17)**
Other comprehensive income			
Items that will not be reclassified to profit or loss		-	18.48
Remeasurements of defined benefit plans		52.87	(3.74)
Net (loss) or gain on FVTOCI assets		(0.04)	0.11
Income tax on items that will not be reclassified to profit or loss		(18.48)	1.31
Total other comprehensive income		**34.35**	**(2.32)**
Total comprehensive income for the year		**953.06**	**(748.49)**
Earnings per equity share for continuing operations (face value per share ₹ 5 each)			
Basic	47	5.96	(5.38)
Diluted	47	5.90	(5.38)
Significant accounting policies	1 - 2		
Notes referred to above form an integral part of the standalone financial statements	3 - 49		

As per our report of even date attached

For **Kirtane & Pandit LLP**
Chartered Accountants
Firm Regn No: 105215W/W100057

Parag Pansare
Partner
Membership No. 117309

Place: Pune
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Director
DIN : 00239460

Rajeev Sikand
Chief Executive Officer

Vimal Gupta
Chief Finance Officer

Swapnal Patane
Company Secretary

Standalone Cash Flow Statement

for the year ended March 31, 2022

(₹ in Lacs)

	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
A.	**Cash flow from operating activities**		
	Net Profit / (Loss) before extraordinary items and tax	1,364.10	(551.61)
	Adjustments for:		
	Depreciation and amortisation	4,712.77	4,249.29
	Loss On sales of Fixed Asset	16.66	26.71
	Employee stock compensation cost	63.29	244.94
	Interest income	(33.32)	(28.94)
	Rent received	(197.08)	(180.75)
	Provision for doubtful trade and other receivables	-	272.30
	Amount written off during the year	(309.47)	(177.31)
	Finance cost	2,904.03	3,382.32
	Unrealised foreign exchange gain or loss	(165.69)	(55.38)
	Impact on account of leases	30.24	69.81
	Sample sale written off	3.76	-
		7,025.19	**7,802.99**
	Operating profit / (loss) before working capital changes	**8,389.29**	**7,251.38**
	Changes in working capital:		
	(Increase) / Decrease in inventories	(70.87)	(2,032.02)
	(Increase) / Decrease in trade receivables	(5,640.86)	214.63
	(Increase) / Decrease in other bank balances	(18.40)	115.60
	(Increase) / Decrease in current loans	74.84	(58.72)
	(Increase) / Decrease in other current financial asset	(0.17)	(3.34)
	(Increase) / Decrease in other current assets	163.04	1,295.34
	(Increase) / Decrease in non-current financial assets	5.01	(90.56)
	(Increase) / Decrease in other non-current assets	111.16	(196.76)
	Increase / (Decrease) in trade payables	5,902.50	1,329.68
	Increase / (Decrease) in current other financial liabilities	(203.80)	1,221.40
	Increase / (Decrease) in other current liabilities	(545.86)	638.05
	Increase / (Decrease)in short-term provision	(80.85)	72.90
	Increase / (Decrease)in long-term provision	39.62	6.39
	Cash generated from operations	**8,124.65**	**9,763.97**
	Net income tax (paid) / refunds	(380.89)	(68.31)
	Net cash flow from / (used in) operating activities	**7,743.76**	**9,695.66**
B.	**Cash flow from investing activities**		
	Capital expenditure on property plant and equipment	(5,912.10)	(3,514.00)
	Capital expenditure on intangibles asset	(1,424.11)	(1,061.00)
	Interest received	33.32	28.94
	Rent received	197.08	180.75
	Net cash flow from / (used in) investing activities	**(7,105.81)**	**(4,365.31)**

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

(₹ in Lacs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
C. Cash flow from financing activities		
Finance costs	(2,904.03)	(3,382.32)
Borrowings / (Repayment) (Net) long term	(3,788.45)	2,603.15
Borrowings / (Repayment) (Net) short term	(5,104.80)	(3,925.07)
Proceeds from issue of equity shares and ESOP	11,009.38	6.75
Share issue expense	(208.15)	-
Premium on issue of shares under ESOP scheme	(0.14)	-
Share application money pending allotment	-	62.47
Net cash flow from / (used in) financing activitie	**(996.19)**	**(4,635.02)**
Net increase / (decrease) in Cash and cash equivalents	**(358.23)**	**695.33**
Cash and cash equivalents at the beginning of the year	974.91	279.58
Cash and cash equivalents at the end of the year	**616.67**	**974.91**
Components of cash and cash equivalents		
Cash on hand	14.20	50.78
Balances with banks in current accounts	602.47	924.13
	616.67	**974.91**
Significant accounting policies		**1 - 2**
Notes referred to above form an integral part of the standalone financial statements		**3 - 49**

As per our report of even date attached

For **Kirtane & Pandit LLP**
Chartered Accountants
Firm Regn No: 105215W/W100057

Parag Pansare
Partner
Membership No. 117309

Place: Pune
Date: 16 May 2022 .

On behalf of the Board of Directors of **Alicon Castalloy Ltd.**

S. Rai
Managing Director
DIN : 00050950

A.D.Harolikar
Director
DIN : 00239460

Rajeev Sikand
Chief Executive Officer

Vimal Gupta
Chief Finance Officer

Swapnal Patane
Company Secretary

Standalone Statement of Changes in Equity

for the year ended March 31, 2022

(₹ in Lacs)

A	**Equity share capital**	
	Balance as at 1 April 2020	688.76
	Changes in equity share capital due to prior period errors	-
	Restated balance as at 1 April 2020	**688.76**
	Changes in equity share capital during 2020-21	6.75
	Balance as at 31 March 2021	**695.51**
	Changes in equity share capital due to prior period errors	-
	Restated balance as at 31 March 2021	**695.51**
	Changes in equity share capital during 2021-22	110.09
	Balance as at 31 March 2022	**805.60**

B Other equity

(₹ in Lacs)

Particulars	Share application money pending allotment	Surplus						Total
		Securities premium	Employee stock options outstanding (ESOP)	Captial reserve	General reserve	Surplus	Equity instruments through Other comprehensive income	
Balance as on 31 March 2020	**-**	**8,940.69**	**1,113.89**	**411.56**	**1,240.00**	**19,184.48**	**(0.12)**	**30,890.50**
Profit for the year	-	-	-	-	-	(746.17)	-	**(746.17)**
Other comprehensive income (net of tax)	-	-	-	-	-	(2.43)	0.11	**(2.32)**
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**(748.60)**	**0.11**	**(748.49)**
Transactions with owners recognised directly in equity								
Transfer to general reserve	-		(17.57)	-		18.14	-	**0.57**
Share based payments to employees	-	-	245.50	-	-	-	-	**245.50**
Premium on issue of shares under ESOP scheme	-	647.80	(648.37)	-	-	-	-	**(0.57)**
Options exercised but pending allotment	62.47	-	-	-	-	-	-	**62.47**
Balance as on 31 March 2021	**62.47**	**9,588.49**	**693.45**	**411.56**	**1,240.00**	**18,456.54**	**(0.01)**	**30,452.50**
Profit for the year	-	-	-	-	-	918.71	-	**918.71**
Other comprehensive income (net of tax)	-	-	-	-	-	34.39	(0.04)	**34.35**
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**953.10**	**(0.04)**	**953.06**

Standalone Statement of Changes in Equity
for the year ended March 31, 2022

(₹ in Lacs)

Particulars	Share application money pending allotment	Surplus: Securities premium	Employee stock options outstanding (ESOP)	Captial reserve	General reserve	Surplus	Equity instruments through Other comprehensive income	Total
Transactions with owners recognised directly in equity								
Share based payments to employees	-	-	63.29	-	-	-	-	**63.29**
Premium on issue of shares under ESOP scheme	(62.47)	819.07	(756.74)	-	-	-	-	**(0.14)**
Share application money received but pending allotment	10,973.36	-	-	-	-	-	-	**10,973.36**
Issue of equity shares	(10,973.36)	10,899.29	-	-	-	-	-	**(74.07)**
Share issue expense	-	(208.15)	-	-	-	-	-	**(208.15)**
Balance as on 31 March 2022	**-**	**21,098.70**	**-**	**411.56**	**1,240.00**	**19,409.64**	**(0.05)**	**42,159.84**

1. Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of Section 52 of the Companies Act 2013.
2. ESOP reserve is used to recognise the grant date fair value of options issued to employees under the Employee stock option plan which are unvested as on the reporting date.
3. General reserve is created from time to time by way of transfer profits from surplus for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.
4. Capital reserve was created on acquisition of casting business of Atlas Castalloy in year 2014-15.
5. Equity Instruments through Other Comprehensive Income - This represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, under an irrevocable option, net of amounts reclassified to retained earnings when such assets are disposed of.

Significant accounting policies 1 - 2

Notes referred to above form an integral part of the standalone financial statements 3 - 49

As per our report of even date attached

For **Kirtane & Pandit LLP**
Chartered Accountants
Firm Regn No: 105215W/W100057

Parag Pansare
Partner
Membership No. 117309

Place: Pune
Date: 16 May 2022 .

On behalf of the Board of Directors of **Alicon Castalloy Ltd.**

S. Rai
Managing Director
DIN : 00050950

A.D.Harolikar
Director
DIN : 00239460

Rajeev Sikand
Chief Executive Officer

Vimal Gupta
Chief Finance Officer

Swapnal Patane
Company Secretary

Notes forming part of the Financial Statements

THE CORPORATE OVERVIEW

Alicon Castalloy Limited ("the Company") is a public limited company domiciled in India and is listed on Bombay Stock Exchange and National Stock Exchange. The Company is the manufacturer of aluminium alloy die castings mainly used in automotive segment of the industry in India. The Company' s products also cover non-auto sector of the Industry. The Company also exports its products to the countries like U.S.A. and U.K.

1. BASIS OF PREPARATION

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 ("the Act") [the Companies (Indian Accounting Standards) Rules, 2015, as amended] and other relevant provisions of the Act.

The financial statements were authorised for issue by the Board of Directors on 16 May 2022.

a) Basis of measurement

The financial statements have been prepared on a historical cost basis, except for the following items, which are measured on an alternative basis on each reporting date.

- Certain financial assets and liabilities (including derivative instruments) are measured at fair value.
- Defined benefit plans – plan assets are measured at fair value.
- Equity settled share-based payments – measured at grant date fair value.

b) Current versus non-current classification

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

An asset is classified as current when it is:

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

All other assets are classified as non-current.

A liability is classified as current when it is:

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

The company classifies all other liabilities as non-current.

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

c) Functional and presentation currency:

The financial statements are presented in Indian Rupees (INR), which is the company's functional currency. All amounts disclosed in the Financial Statements including notes have been rounded off to the nearest Lakhs in Indian Rupee (INR) as per the requirements of Schedule III of the Companies Act, 2013; unless otherwise indicated.

2. SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the 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) Property, plant and equipment

- **Recognition and measurement**
  Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Cost comprises of purchase price and any directly attributable costs of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

  Borrowing costs attributable to construction or acquisition of a qualifying asset for the period up to the date, the asset is ready for its intended use are included in the cost of the asset to which they relate.

  Pre-operative expenditure including trial run expenses comprising of revenue expenses

Notes forming part of the Financial Statements

incurred as reduced by the revenue generated during the period up to the date, the asset is ready for its intended use are treated as part of costs of that asset.

Capital work-in-progress comprises of the cost of property, plant and equipment that are not yet ready for their intended use as at the balance sheet date.

Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting date are disclosed under "Other non-current assets".

- **Subsequent costs**
  The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in the statement of profit and loss as incurred.

- **Derecognition**
  An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net and disclosed within other income or expenses in the statement of profit and loss.

- **Depreciation methods, estimated useful lives and residual value**
  Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value. Depreciation is recognised in the statement of profit and loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment as prescribed in Schedule II of the Companies Act 2013, as assessed by the management of the company based on technical evaluation except in the case of following assets:

Description	Useful life considered
Plant & Machinery – Furnace	10 years
Plant & Machinery – Platform	18 years
Plant & Machinery – CNC/LPDC/GDC	10 years
Other Plant & Machinery	3 to 15 years
Buildings	3, 5 & 30 years
Computers – desktops, laptops	3 years
Electrical Installation and Equipment	3 to 15 years
Factory Equipment	3 to 15 years
Furniture & Fixture	5 & 7 years
Office Equipment	3, 5, 7 & 10 years
Dies & Pattern	4 to 7 years

b) **Intangible assets**

- **Recognition and measurement**
  Intangible assets are recognised when the asset is identifiable, is within the control of the company, it is probable that the future economic benefits that are attributable to the asset will flow to the company and cost of the asset can be reliably measured.

  Intangible assets acquired by the company that have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses.

- **Derecognition**
  An item of intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposal of intangible asset are determined by comparing the proceeds from disposal with the carrying amount of intangible asset and are recognised net and disclosed within other income or expenses in the statement of profit and loss.

- **Amortisation**
  Amortisation is calculated over the cost of the asset, or other amount substituted for cost. Amortisation is recognised in statement of profit and loss on a straight-line basis over the estimated useful lives of intangible assets from

the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

The estimated useful lives are as follows:

Computer and functional software	7 years

c) **Investment properties**

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

Investment properties are derecognized either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the statement of profit and loss in the period of derecognition.

d) **Leases**

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset - this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified.

- the Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and

- the Company has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either:

- the Company has the right to operate the asset; or

- the Company designed the asset in a way that predetermines how and for what purpose it will be used.

At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

Company as a lessee

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

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Notes forming part of the Financial Statements

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments.
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date.
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

e) Impairment of non-financial assets

The company assesses at each balance sheet date whether there is any indication that an asset or cash generating unit (CGU) may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. The recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal or its value in use. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

f) Inventories

Raw materials, consumables, stores and spares are valued at lower of cost and net realizable value. Cost is determined using moving average method.

Work-in-process and finished goods are valued at lower of cost and net realizable value. Cost includes direct material and labour and a proportion of manufacturing overhead based on normal operating capacity. Cost is determined using standard cost which approximates actual cost.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

g) Cash and cash equivalents

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

h) Revenue recognition

The company is primarily into business of manufacturing and selling aluminum castings. Sales are recognised when substantial control of the products has been transferred to the customer, being when the products are delivered to the customer or its authorised representative without any unfulfilled obligation that could affect the customer's acceptance of the products. Revenue from these sales is recognised based on the price specified in the sales order or contract, net of the estimated discounts, rebates, returns and goods and service tax. The company's obligation to provide a refund for defects in the products is recognised as a provision. A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

The Company does not have any payment terms exceeding one year for any contract. Accordingly, the Company does not adjust any of the transaction prices for the time value of money.

The Company besides manufacturing the products from its raw materials, also converts raw materials supplied by its customers and accounts for the gross receipts as 'conversion income' once the

Notes forming part of the Financial Statements

job is completed and goods are dispatched to the customers. Income from development of such dies is accounted for in the year in which dies are completed and invoiced.

Other operating revenue represents income earned from the Company's principal activities and is recognised when the right to receive the income is established as per the terms of the contract.

i) **Other income**

- **Interest income**
  Interest income from debt instruments is recognised using effective interest rate method (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability.

- **Dividends**
  Dividends are recognised in the statement of profit and loss only when the right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the company, and the amount can be measured reliably.

- Any other income is accounted for on accrual basis.

j) **Borrowing costs**

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing are initially recognized net of transaction cost incurred and measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in the statement of Profit and Loss over the period of the borrowings using effective interest method.

Interest and other borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized. Other interest and other borrowing cost are charged to profit and loss account.

k) **Foreign currency transactions and balances**

Transactions in foreign currencies are initially recorded at functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies which are outstanding, as at the reporting period are translated at the closing exchange rates and the resultant exchange differences are recognised in the statement of profit and loss.

Non-monetary assets and liabilities denominated in foreign currencies that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction.

l) **Employee Benefits**

Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the services are classified as short-term employee benefits. Benefits such as salaries, wages, expected cost of bonus and short-term compensated absences, ex-gratia, performance pay etc. are recognised in the period in which the employee renders the related service.

Post-employment benefits

Defined contribution plans

Defined contribution plans are employee state insurance scheme and Government administered pension fund scheme for all applicable employees. The company has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expenses when they are due.

Defined benefit plans

The employees' gratuity fund scheme is managed by LIC, is the company's defined benefit plan. The present value of the obligation under such defined benefit plans is determined based on actuarial valuation using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, is based on the market yields on government securities as at the reporting date, having maturity periods approximating to the terms of related obligations.

Notes forming part of the Financial Statements

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets, are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income (OCI) in the period in which they occur. Remeasurements are not reclassified to the statement of profit and loss in subsequent periods.

In case of funded plans, the fair value of the plan's assets is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on net basis.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the statement profit and loss as past service cost.

Net interest is calculated by applying the discount rate to the net defined benefit liability or the fair value of the plan asset. The cost is included in employee benefit expense in the statement of profit and loss.

Other long-term employee benefits

The liabilities for earned leave which are not expected to be settled within twelve months after the end of the reporting period in which the employee render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employee up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields on government securities at the end of the reporting period that have terms approximating the terms of the related obligation. Remeasurements as a result of experience adjustments and change in actuarial assumptions are recognised in the statement of profit and loss. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

m) Share-based payments

Employees of the Company who are entitled to receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the grant date using fair valuation model.

That cost is recognised, together with a corresponding increase in share-based payment reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss represents the movement in cumulative expense recognised as at the beginning and at the end of the period and to be recognised in the employee benefits expense.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

n) Research and development cost

Research costs are expensed as and when incurred. Development costs are expensed as and when incurred, unless the technical and commercial feasibility of the project is demonstrated, future economic benefits are probable and the costs can be measured reliably. Research and development expenditure of a capital nature includes the cost of relevant fixed assets.

o) Income tax

Income tax expense comprises of current tax and deferred tax. It is recognised in the statement of profit and loss except to the extent that it relates to the items recognised directly in OCI.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable profits computed for the current accounting period. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred tax

Deferred tax is provided on temporary differences between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Notes forming part of the Financial Statements

Deferred tax liabilities are recognised for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits (E.g. MAT Credit entitlement) and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

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

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

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

p) Government grant

Grants from the Government are recognized at their fair value where there is a reasonable assurance that the grant will be received, and the Company will comply with all attached conditions. Government grants relating to income are deferred and recognized in the statement of profit and loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

q) Provisions and contingencies

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

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

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost in the statement of profit and loss.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are not recognised in financial statements, unless they are virtually certain. However, contingent assets are disclosed where inflow of economic benefits are probable.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

r) Fair value measurement

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:

Notes forming part of the Financial Statements

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

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

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

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

For the purpose of fair value disclosures, the company has determined classes of assets and liabilities based on the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

s) Investment in subsidiaries

The Company has elected to recognize its investments in subsidiaries at cost in accordance with the option available in Ind AS 27, 'Separate Financial Statements.

t) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition and measurement

Financial instruments are initially recognised when the entity becomes party to the contract.

Financial instruments are measured initially at fair value adjusted for transaction costs that are directly attributable to the origination of the financial instrument where financial instruments not classified at fair value through profit or loss. Transaction costs of financial instruments which are classified as fair value through profit or loss are expensed in the statement of profit and loss.

Subsequent measurement of financial assets

For the purposes of subsequent measurement, the financial assets are classified in the following categories based on the company's business model for managing the financial assets and the contractual terms of cash flows:

- those to be measured subsequently at fair value; either through OCI or through profit or loss
- those measured at amortised cost

For assets measured at fair value, changes in fair value will either be recorded in the statement of profit and loss or OCI. For investments in debt instruments, this will depend on the business model in which investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for equity investment at fair value through OCI.

The company reclassifies debt investments when and only when its business model for managing those assets changes.

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are satisfied:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- The contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of hedging relationship is recognised in the statement of profit and loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using effective interest rate (EIR) method.

Debt instruments at fair value through other comprehensive income (FVTOCI)

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the

Notes forming part of the Financial Statements

assets' cash flows represent SPPI, are measured at FVTOCI. The movements in the carrying amount are recognised through OCI, except for the recognition of impairment gains and losses, interest revenue and foreign exchange gain or losses which are recognised in the statement of profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to the statement of profit and loss and recognised in other gains/ losses. Interest income from these financial assets is included in other income using EIR method.

Debt instruments at fair value through profit or loss (FVTPL)
Assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL. A gain or loss on debt instrument that is subsequently measured at FVTPL and is not a part of hedging relationship is recognised in the statement of profit and loss within other gains/ losses in the period in which it arises. Interest income from these financial assets is included in other income.

Equity investments
All equity investments in the scope of Ind AS 109 Financial Instruments are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the company may make an irrevocable election to recognise subsequent changes in the fair value in OCI. The company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in OCI. There is no recycling of the amounts from OCI to the statement of profit and loss, even on sale of equity instrument.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

Subsequent measurement of financial liabilities
For the purposes of subsequent measurement, the financial liabilities are classified in the following categories:

- those to be measured subsequently at fair value through profit or loss (FVTPL)
- those measured at amortised cost

Following financial liabilities will be classified under FVTPL:

- Financial liabilities held for trading
- Derivative financial liabilities
- Liability designated to be measured under FVTPL

All other financial liabilities are classified at amortised cost.

For financial liabilities measured at fair value, changes in fair value will recorded in the statement of profit and loss except for the fair value changes on account of own credit risk are recognised in Other Comprehensive Income (OCI).

Interest expense on financial liabilities classified under amortised cost category are measured using effective interest rate (EIR) method and are recognised in statement of profit or loss.

Derecognition of financial instruments
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 retain substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

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

Impairment of financial assets
The company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the financial assets mentioned below:

- Financial assets that are debt instrument and are measured at amortised cost
- Financial assets that are debt instruments and are measured as at FVOCI
- Trade receivables

Notes forming part of the Financial Statements

The impairment methodology applied depends on whether there has been a significant increase in credit risk. Details how the company determines whether there has been a significant increase in credit risk is explained in the respective notes.

For impairment of trade receivables, the company chooses to apply practical expedient of providing expected credit loss based on provision matrix and does not require the Company to track changes in credit risk. Percentage of ECL under provision matrix is determined based on historical data as well as futuristic information.

Derivative financial instruments

Initial measurement and subsequent measurement

The company uses derivative financial instruments, such as forward currency contracts to hedge foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are recognised in the statement of profit or loss.

u) Cash dividend

The company recognises a liability to make cash distributions to equity holders when the distribution is authorised and approved by the shareholders. A corresponding amount is recognised directly in equity.

v) Earnings per share (EPS)

Basic EPS is calculated by dividing the profit for the year attributable to equity holders of the company by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted EPS adjust the figures used in the determination of basic EPS to consider

- The after-income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

w) Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company.

x) Significant accounting judgments, estimates and assumptions

The preparation of the financial statements in conformity with Ind AS, requires the management to make judgments, estimates and assumptions that affect the amounts of revenue, expenses, current assets, non-current assets, current liabilities, non-current liabilities, disclosure of the contingent liabilities and notes to accounts at the end of each reporting period. Actuals may differ from these estimates.

Judgements

In the process of applying the Company's accounting policies, management have made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

Operating segment

Ind AS 108 Operating Segments requires Management to determine the reportable segments for the purpose of disclosure in financial statements based on the internal reporting reviewed by Chief Operating Decision Maker (CODM) to assess performance and allocate resources. The standard also requires Management to make judgments with respect to aggregation of certain operating segments into one or more reportable segment.

The Company has determined that the Chief Operating Decision Maker (CODM) is the Board of Directors (BoD). Operating segments used to present segment information are identified based on the internal reports used and reviewed by the BoD to assess performance and allocate resources.

Contingent liability

The Company has received various orders and notices from tax authorities in respect of direct taxes and indirect taxes. The outcome of these matters may have a material effect on the financial position, results of operations or cash flows. Management regularly analyses current information about these matters and discloses the information of related contingent liability. In making the decision regarding the need

Notes forming part of the Financial Statements

for creating loss provision, management considers the degree of probability of an unfavourable outcome and the ability to make a sufficiently reliable estimate of the amount of loss. The filing of a suit or formal assertion of a claim against the Company or the disclosure of any such suit or assertions, does not automatically indicate that a provision of a loss may be appropriate.

Estimates and assumptions.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its estimates and assumptions on parameters available when the financial statements are prepared. Existing circumstances and assumptions about future developments, however, may change due to market conditions or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Defined benefit obligation

The cost of the defined benefit plans and other post-employment benefits and the present value of the obligations are determined using actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future post-retirement medical benefit increase. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligations and extrapolated as needed along the yield curve to correspond with the expected term of the defined benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at intervals in response to demographic changes. Future salary increases are based on the expected future inflation rates for the country.

Further details about defined benefit obligations are provided in the respective note prepared elsewhere in the financial statements.

Deferred Tax

Deferred tax assets are recognised for all deductible temporary differences including the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits are unused tax losses can be utilized.

Estimation and underlying assumptions are reviewed on ongoing basis. Revisions to estimates are recognised prospectively.

y) Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed 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. These changes do not significantly change the requirements of Ind AS 103. The company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

Notes forming part of the Financial Statements

Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 116 – Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.

3A PROPERTY, PLANT AND EQUIPMENT

Changes in the carrying amount of property, plant and equipment

(₹ in Lacs)

PARTICULARS	Leasehold land	Freehold land	Buildings (refer note 1)	Factory Equipments	Plant and machinery	Electrical installations	Furniture and fixtures	Computer	Office equiments	Quality control equipment	Motor vehicle	Dies and patterns	Total
Gross carrying amount as at 1 April 2020	**1,265.47**	**1,860.33**	**5,011.72**	**2,429.57**	**39,159.32**	**2,396.50**	**1,916.13**	**391.38**	**664.66**	**587.75**	**367.02**	**8,385.38**	**64,435.23**
Additions/ (Adjustment)	-	-	16.30	8.62	1,432.97	3.16	-	2.03	16.25	0.26	2.00	1,580.96	3,062.55
Disposal/ retirements/derecognition	-	-	42.63	0.63	268.31	-	0.50	-	-	-	10.35	56.92	379.34
Gross carrying amount as at 31 March 2021	**1,265.47**	**1,860.33**	**4,985.39**	**2,437.56**	**40,323.98**	**2,399.66**	**1,915.63**	**393.41**	**680.91**	**588.01**	**358.67**	**9,909.42**	**67,118.44**
Accumulated depreciation as at 1 April 2020	**68.72**	**-**	**1,549.11**	**1,594.69**	**17,858.88**	**1,508.32**	**1,143.13**	**369.91**	**423.67**	**401.45**	**272.34**	**4,549.72**	**29,739.94**
Depreciation	13.93	-	193.93	186.29	2,573.61	112.83	139.51	13.34	48.89	49.74	25.94	811.09	4,169.10
Disposal/ retirements/derecognition	-	-	42.40	0.65	185.69	-	0.50	-	-	-	9.27	51.70	290.21
Accumulated depreciation as at 31 March 2021	**82.65**	**-**	**1,700.64**	**1,780.33**	**20,246.80**	**1,621.15**	**1,282.14**	**383.25**	**472.56**	**451.19**	**289.01**	**5,309.11**	**33,618.83**
Gross carrying amount as at 1 April 2021	**1,265.47**	**1,860.33**	**4,985.39**	**2,437.56**	**40,323.98**	**2,399.66**	**1,915.63**	**393.41**	**680.91**	**588.01**	**358.67**	**9,909.42**	**67,118.44**
Additions/ (Adjustment)			82.23	35.13	3,925.50	107.80		8.75	9.45	43.48	1.64	1,565.35	5,779.33
Disposal/ retirements/derecognition			22.58	31.90	41.15	9.87	22.40	0.86	2.62	20.28	0.42	21.54	173.62
Gross carrying amount as at 31 March 2022	**1,265.47**	**1,860.33**	**5,045.04**	**2,440.79**	**44,208.33**	**2,497.59**	**1,893.23**	**401.30**	**687.74**	**611.21**	**359.89**	**11,453.23**	**72,724.15**
Accumulated depreciation as at 1 April 2021	**82.65**	**-**	**1,700.64**	**1,780.33**	**20,246.80**	**1,621.15**	**1,282.14**	**383.25**	**472.56**	**451.19**	**289.01**	**5,309.11**	**33,618.83**
Depreciation	13.93		198.82	152.38	2,737.11	112.68	131.88	6.99	49.45	34.84	19.58	1,031.02	4,488.68
Disposal/ retirements/derecognition			22.55	30.25	37.41	9.05	16.92	0.86	2.54	20.16	0.40	15.90	156.04
Accumulated depreciation as at 31 March 2022	**96.58**	**-**	**1,876.91**	**1,902.46**	**22,946.50**	**1,724.78**	**1,397.10**	**389.38**	**519.47**	**465.87**	**308.19**	**6,324.23**	**37,951.47**
Carrying amount as at 1 April 2021	**1,182.82**	**1,860.33**	**3,284.75**	**657.23**	**20,077.18**	**778.51**	**633.49**	**10.16**	**208.35**	**136.82**	**69.66**	**4,600.31**	**33,499.61**
Carrying amount as at 31 March 2022	**1,168.89**	**1,860.33**	**3,168.13**	**538.33**	**21,261.83**	**772.81**	**496.13**	**11.92**	**168.27**	**145.34**	**51.70**	**5,129.00**	**34,772.68**

Note:

Refer note 16 and 20 for details of property, plant and equipment pledged as security for borrowings.16

All the title deeds of immovable properties are in the name of the company Except Leasehold Propery .

Notes forming part of the Financial Statements

(a) **CWIP aging schedule**

As at 31 March 2022

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	777.84	-	-	323.37	1,101.21
Projects temporarily suspended	-	-	-	-	-

As at 31 March 2021

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	397.82	414.36	310.53	-	1,122.71
Projects temporarily suspended	-	-	-	-	-

3B INVESTMENT PROPERTY

Changes in the carrying amount of Investment property

(₹ in Lacs)

Particulars	Land	Building	Total
Gross carrying amount as at 1 April 2020	**109.80**	**269.08**	**378.88**
Additions	-	-	-
Gross carrying amount as at 31 March 2021	**109.80**	**269.08**	**378.88**
Accumulated depreciation as at 1 April 2020	**-**	**127.71**	**127.71**
Depreciation		9.11	9.11
Accumulated depreciation as at 31 March 2021	**-**	**136.82**	**136.82**
Carrying amount as at 1 April 2020	**109.80**	**141.37**	**251.17**
Carrying amount as at 1 April 2020	**109.80**	**132.26**	**242.06**
Carrying amount as at 31 March 2021	**109.80**	**269.08**	**378.88**
Additions	-	-	-
Gross carrying amount as at 31 March 2022	**109.80**	**269.08**	**378.88**
Accumulated depreciation as at 1 April 2021	**-**	**136.82**	**136.82**
Depreciation		9.11	9.11
Accumulated depreciation as at 31 March 2022	**-**	**145.93**	**145.93**
Carrying amount as at 1 April 2021	**109.80**	**132.26**	**242.06**
Carrying amount as at 31 March 2022	**109.80**	**123.15**	**232.95**

Reconciliation of fair value:

(₹ in Lacs)

Particulars	Investment property
Fair value as at 1 April 2020	**527.01**
Fair value difference	-
Fair value as at 31 March 2021	**527.01**
Fair value difference	-
Fair value as at 31 March 2022	**527.01**

Notes forming part of the Financial Statements

The management is of the opinion that there is no significant change in fair valuation of investment property from previous years. Hence, the company has continued with the same value in the current year. All this fair value for investment properties forms part of Level 3 fair value.

These valuations are based on valuations performed by property valuer, an accredited independent valuer. The valuer is a specialist in valuing these types of properties. These valuations are generally based on ready reckoner rates available. All resulting fair value estimates for investment properties are included in Level 3.

The rent received from the investment property is ₹ 197.08 Lakhs (Previous year : ₹ 180.75 Lakhs).

3C INTANGIBLE ASSETS

Changes in the carrying amount of other intangible assets

(₹ in Lacs)

Particulars	Software	Intangible Asset technical know-how	Total
Gross carrying amount as at 1 April 2020	**710.20**	**-**	**710.20**
Additions	-	1,071.19	1,071.19
Disposal/retirements/derecognition	143.00	-	143.00
Gross carrying amount as at 31 March 2021	**567.20**	**1,071.19**	**1,638.39**
Accumulated depreciation as at 1 April 2020	**359.92**	**-**	**359.92**
Depreciation	87.83	10.18	98.01
Disposal/retirements/derecognition	143.00	-	143.00
Accumulated depreciation as at 31 March 2021	**304.75**	**10.18**	**314.93**
Carrying amount as at 1 April 2020	**350.28**	**-**	**350.28**
Carrying amount as at 31 March 2021	**262.45**	**1,061.01**	**1,323.46**
Gross carrying amount as at 1 April 2021	**567.20**	**1,071.19**	**1,638.39**
Additions	-	1,581.61	1,581.61
Disposal/retirements/derecognition	7.68	-	7.68
Gross carrying amount as at 31 March 2022	**559.52**	**2,652.80**	**3,212.32**
Accumulated depreciation as at 1 April 2021	**304.75**	**10.18**	**314.93**
Depreciation	85.03	146.61	231.64
Disposal/retirements/derecognition	7.68		7.68
Accumulated depreciation as at 31 March 2022	**382.10**	**156.79**	**538.89**
Carrying amount as at 1 April 2021	**262.45**	**1,061.01**	**1,323.46**
Carrying amount as at 31 March 2022	**177.42**	**2,496.01**	**2,673.43**

(a) Intangible assets under development aging schedule

As at 31 March 2022

Intangible assets under development	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	674.12	-	-	-	674.12
Projects temporarily suspended	-	-	-	-	-

Notes forming part of the Financial Statements

As at 31 March 2021

Intangible assets under development	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	309.11	350.66	-	-	659.77
Projects temporarily suspended	-	-	-	-	-

3D RIGHT OF USE ASSET

Changes in the carrying amount of Investment property

(₹ in Lacs)

Particulars	Building	Total
Gross carrying amount as at 1 April 2020	**1,463.05**	**1,463.05**
Additions	-	-
Disposal/retirements/derecognition		-
Gross carrying amount as at 31 March 2021	**1,463.05**	**1,463.05**
Accumulated depreciation as at 1 April 2020	**585.65**	**585.65**
Depreciation	292.47	292.47
Disposal/retirements/derecognition		-
Accumulated depreciation as at 31 March 2021	**878.12**	**878.12**
Carrying amount as at 1 April 2020	**877.40**	**877.40**
Carrying amount as at 31 March 2021	**584.93**	**584.93**
Gross carrying amount as at 1 April 2021	**1,463.05**	**1,463.05**
Additions	-	-
Disposal/retirements/derecognition		-
Gross carrying amount as at 31 March 2022	**1,463.05**	**1,463.05**
Accumulated depreciation as at 1 April 2021	**878.12**	**878.12**
Depreciation	292.47	292.47
Disposal/retirements/derecognition		-
Accumulated depreciation as at 31 March 2022	**1,170.59**	**1,170.59**
Carrying amount as at 1 April 2021	**584.93**	**584.93**
Carrying amount as at 31 March 2022	**292.46**	**292.46**

Refer note for further disclosures on leases.

Notes forming part of the Financial Statements

4 NON CURRENT INVESTMENTS

(₹ In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Investments in equity instruments of subsidiaries (at cost)		
Alicon Holding GmbH	1131.98	1131.98
35000 equity shares (PY 35000) of having face value of Euro 1 each		
Quoted Investments		
Investments in equity instruments of other entities measured at fair value through Other Comprehensive Income		
Bank of Maharashtra	0.15	0.19
900 equity shares (PY 900) of having face value of ₹10 each		
Unquoted Investments		
Investments in equity instruments of other entities measured at fair value through Profit and Loss		
Shamrao Vitthal Co-operative bank*	0.50	0.50
2000 equity shares (PY 2000) of ₹25 each fully paid-up		
	1,132.63	**1,132.67**
Aggregate book value of quoted investments	0.15	0.19
Aggregate market value of quoted investments	0.15	0.19
Aggregate value of unquoted investments	1132.48	1132.48

*The Company has not performed fair valuation of its investment in unquoted equity shares which are classified as FVTPL, as the Company believes that impact of change on account of fair value is insignificant.

5 OTHER FINANCIAL ASSETS

(Unsecured, considered good unless otherwise stated)

(₹ In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Security Deposit to related parties		
Security deposits.	465.05	432.55
Security Deposits other than related parties		
Security deposits	159.20	196.71
	624.25	**629.26**

Note :

(i) Loans are measured at amortised cost

(ii) Refer related party disclosure in note 43.

6 OTHER NON-CURRENT ASSETS

(Unsecured, considered good unless otherwise stated)

(₹ In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Capital advances	551.51	610.86
Balances with customs, excise and other government authorities	489.38	563.13
Deposits paid against appeal/ assessment	68.17	46.23
	1,109.06	**1,220.22**

No amount is due from any of the directors or officers of the Company, severally or jointly with any other person; or from firms where such director is a partner or from private companies where such director is a member.

Notes forming part of the Financial Statements

7 INVENTORIES

(Valued at the lower of cost and net realisable value)

(₹ In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Finished goods	3,489.29	2,831.75
Semi Finished goods	3,094.87	3,715.05
Raw materials	3,045.46	2,219.84
Consumables & Spare Part	1,376.01	1,125.17
Packing Material	31.10	11.71
Dies under Development	583.31	1,645.65
	11,620.04	**11,549.17**

Finished goods [includes in transit of INR 320.62 Lakhs (Previous year : INR 135.45 Lakhs)]

8 TRADE RECEIVABLES

(₹ In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Trade receivables (Unsecured) :		
Considered good		
- From others	35,516.70	29,435.55
- From related parties	245.77	177.12
Credit Impaired		
- From others	-	309.47
	35,762.47	**29,922.14**
Less: Allowance for Credit Impairment	-	309.47
	35,762.47	**29,612.67**

Notes:

(i) Trade receivables from related parties are disclosed in note 43.

(ii) Trade receivables are measured at amortised cost.

(iii) Above balances are subject to confirmation & reconciliation if any.

9 CASH AND CASH EQUIVALENTS

(₹ In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Cash In hand	14.20	50.78
Balances with banks		
- In current accounts	602.47	924.13
	616.67	**974.91**

Notes forming part of the Financial Statements

10 BANK BALANCES OTHER THAN (9) ABOVE

(₹ In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
- Unpaid dividend account	13.79	15.64
Margin money In FDR With remaining maturity of more than 3 months but less than 12 months	393.42	374.89
FDR With remaining maturity of more than 3 months but less than 12 months	34.60	32.88
	441.81	**423.41**

11 LOANS

(Unsecured, considered good unless otherwise stated)

(₹ In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Loan and advances to employees	35.15	109.99
	35.15	**109.99**

Notes:

(i) Loans are measured at amortised cost.

(ii) No amount is due from any of the directors or officers of the Company, severally or jointly with any other person; or from firms where such director is a partner or from private companies where such director is a member.

12 OTHER CURRENT FINANCIAL ASSETS

(Unsecured, considered good unless otherwise stated)

(₹ In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Interest accrued on term deposits	12.40	12.23
	12.40	**12.23**

Notes:

(i) Other current financial assets are measured at amortised cost.

13 OTHER CURRENT ASSETS

(Unsecured, considered good unless otherwise stated)

(₹ In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Advance to suppliers	127.95	138.87
Prepaid expenses	266.91	155.84
Balances with statutory authorities	636.00	1,271.11
Advance against expenses/others	4.92	9.82
Other Receivable	376.82	-
	1,412.60	**1,575.64**

No amount is due from any of the directors or officers of the Company, severally or jointly with any other person; or from firms where such director is a partner or from private companies where such director is a member.

Notes forming part of the Financial Statements

14 SHARE CAPITAL

(₹ In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Authorised:		
20,000,000 (Previous year : 20,000,000) equity shares of ₹ 5 each fully paid up	1,000.00	1,000.00
	1,000.00	**1,000.00**
Issued subscribed and fully paid up:		
16,111,840 (Previous year : 13,910,121) equity shares of ₹ 5 each fully paid up	805.60	695.51
	805.60	**695.51**

14.1 Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year:

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of shares	(₹ In Lakhs)	Number of shares	(₹ In Lakhs)
Equity shares				
At the beginning of the year	13,910,121	695.51	13,775,121	688.76
Add: Issued during the year	-	-	-	-
Shares issued on exercise of employee stock options	187,378	9.37	135,000	6.75
Shares issued under Qualified Institutional Placement	1,481,481	74.08	-	-
Shared issued under Preferential Allotment	532,860	26.65	-	-
Outstanding at the end of the year	**16,111,840**	**805.60**	**13,910,121**	**695.51**

14.2 The Company has only one class of shares referred to as equity shares having a par value of ₹ 5. Each shareholder of equity shares is entitled to one vote per share.

14.3 In the event of liquidation of the Company, the holders of equity shares will be entitled to receive a share in the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

14.4 Number of equity shares held by each shareholder holding more than 5% shares in the Company are as follows:

(₹ In Lakhs)

Name of the shareholders	Number of shares as at 31 March 2022"	% of shares held	Number of shares as at 31 March 2021	% of shares held
Nastic Trading LLP	6,762,822	41.97%	6,762,822	48.62%
Shailendra Rai	1,107,899	6.88%	841,469	6.05%
Enkei Corporation	2,226,430	13.82%	1,960,000	14.09%
Axis Mutul Fund Trustee Ltd	1,016,459	6.31%	-	0.00%

14.5 Disclosures of Shareholdings of Promoters is set out below:

Equity shares of ₹ 10 each fully paid	As at March 31, 2022		% change	As at 31 March 2021	
Name of the Promoter	No. of Shares	No. of Shares		No. of Shares	No. of Shares
Shailendrajit Rai	1,107,899	6.88%	0.83%	841,469	6.05%
Vinita Rai	1,520	0.01%	0.00%	1,520	0.01%
Meenal Gidwani	20	0.00%	0.00%	20	0.00%

Notes forming part of the Financial Statements

Equity shares of ₹ 10 each fully paid	As at March 31, 2022		% change	As at 31 March 2021	
Name of the Promoter	No. of Shares	No. of Shares		No. of Shares	No. of Shares
Usha Rai	100	0.00%	0.00%	100	0.00%
Divya S Shailendrajit Rai	12	0.00%	0.00%	12	0.00%
Shefali Rai	12	0.00%	0.00%	12	0.00%
Ishaan Shailendrajit Rai	12	0.00%	0.00%	12	0.00%
U. C. Rai Holdings Private Limited	340,998	2.12%	-0.33%	340,998	2.45%
Skyblue Trading And Investments P Ltd	254,880	1.58%	-0.25%	254,880	1.83%
Pamela Trading LLP	286,000	1.78%	-0.28%	286,000	2.06%
Mithras Trading LLP	122,273	0.76%	-0.12%	122,273	0.88%
Nastic Trading LLP	6,762,822	41.97%	-6.64%	6,762,822	48.62%
Atlas Castalloy Limited	99,820	0.62%	-0.10%	99,820	0.72%

Equity shares of ₹ 10 each fully paid	As at March 31, 2021		% change	As at 31 March 2020	
Name of the Promoter	No. of Shares	No. of Shares		No. of Shares	No. of Shares
Shailendrajit Charnjit Rai	841,469	6.05%	-0.06%	841,469	6.11%
Vinita Rai	1,520	0.01%	0.00%	1,520	0.01%
Meenal Gidwani	20	0.00%	0.00%	20	0.00%
Usha Rai	100	0.00%	0.00%	100	0.00%
Divya S Shailendrajit Rai	12	0.00%	0.00%	12	0.00%
Shefali Rai	12	0.00%	0.00%	12	0.00%
Ishaan Shailendrajit Rai	12	0.00%	0.00%	12	0.00%
U. C. Rai Holdings Private Limited	340,998	2.45%	-0.02%	340,998	2.48%
Skyblue Trading And Investments P Ltd	254,880	1.83%	-0.02%	254,880	1.85%
Pamela Trading LLP	286,000	2.06%	-0.02%	286,000	2.08%
Mithras Trading LLP	122,273	0.88%	-0.01%	122,273	0.89%
Nastic Trading LLP	6,762,822	48.62%	-0.48%	6,762,822	49.09%
Atlas Castalloy Limited	99,820	0.72%	-0.01%	99,820	0.72%

15 OTHER EQUITY

(₹ In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Share application money pending allotment	-	62.47
Securities premium	21,098.70	9,588.49
Employee stock options outstanding reserve	-	693.45
Captial reserve	411.56	411.56
General reserve	1,240.00	1,240.00
Surplus	19,409.64	18,456.54
Equity instruments through Other comprehensive income	(0.05)	(0.01)
	42,159.84	**30,452.50**

Notes forming part of the Financial Statements

16 BORROWINGS

(₹ In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Term loans		
- From banks (secured)	11,011.40	11,455.65
- From financial institutions (secured)	4,571.65	5,492.40
Loan From Directors ((Unsecured)	-	1,500.01
	15,583.05	**18,448.06**
Less : Current maturities of long term borrowing	4,092.56	3,169.12
	11,490.49	**15,278.94**

Notes:

(i) Long-term borrowings include secured term loans at floating interest rates from State Bank of India, Bank of Maharashtra, Bajaj Finance Ltd, IDFC Bank Ltd, Kotak Mahindra Bank and HDFC Bank Ltd. which are repayable through monthly / Quarterly instalments.

(ii) Loans availed from State Bank of India, Bank of Maharashtra, Kotak Mahindra Bank , Bajaj Finance Ltd, HDFC Bank and IDFC Bank Ltd are secured by a first parri-passu charge by way of registered mortgage on the existing fixed assets except Land at Khed city. Loan availed from Bajaj Finance Ltd. is secured by exclusive charge on lease land at Khed city. Of these, ₹ 4092.56 Lakhs (PY ₹ 3169.12 Lakhs) are classified as current liabilities being repayable before March 31,2023.

(iii) Emergency Credit Line Guarantee Scheme 2.0 (ECLGS)-2 is launched by Government to provide additional liquidity to meet operational liabilities and support the business after unprecedented situation emerging out of COVID – 19 . Under this scheme there will be additional amount will be provided to the Borrower to the extent of 20% of the total Loans outstanding as on 29th Feb 21 .There is 100% Credit Guarantee from National Credit Guarantee Trustee Company Limited (NCGTC) on the additional credit facility and secondary charge on existing primary and collateral securities with the bankers. Under this scheme we have availed ₹ 6820 Lakhs in FY 2021-22 from Existing bank & financial institution.

(iv) There is no default, continuing or otherwise in repayment of instalment, loan, balance outstanding as the case may be and interest as on the balance sheet date.

(v) Borrowings Expenses are measured at amortised cost

Notes forming part of the Financial Statements

17 LEASE LIABILITIES

(₹ In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Lease liability	-	306.90
	-	**306.90**

Note:

Other financial liabilities are measured at amortised cost.

18 PROVISIONS

(₹ In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for employee benefits		
- Gratuity (Refer note 36(2))	533.26	613.64
- Compensated Absences	157.47	157.94
	690.73	**771.58**

19 DEFERRED TAX LIABILTIES (NET)

(₹ In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred tax liabilities		
- Property ,plant and equipment	3,337.30	3,189.86
- Lease payable	(5.05)	5.52
-Transaction cost on term loans amortised over the tenure of the loan	10.20	14.57
	3,342.45	**3,209.95**
Deferred tax assets		
- Provision for doubtful debts and advances	(0.01)	108.14
- Provision allowed on payment basis	285.75	323.58
- Fair valuation of security deposit	12.22	23.57
	297.96	**455.29**
Net deferred tax liability	**3,044.50**	**2,754.66**

Refer note 49 for further disclosures

Notes forming part of the Financial Statements

20 BORROWINGS

(₹ In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Loans repayable on demand		
Working capital loans (secured)(Refer note (i) below)		
- From banks (secured).	5,133.61	8,661.85
- From financial institutions (secured).	3,000.00	5,500.00
Total Working capital loans	**8,133.61**	**14,161.85**
Liability from bank against Preshipment / PO funding	-	-
(unsecured)(Refer note (ii) below)		
Current maturities of long term debt	4,092.56	3,169.12
	12,226.17	**17,330.97**

Notes:

(i) Short-term borrowings includes cash credit facilities availed from State Bank of India, Kotak Mahindra Bank (Formerly known as ING Vysya Bank), Bank of Maharashtra, IDFC Bank and Bajaj Finance Ltd. These borrowings are secured in favour of all the aforementioned banks by a first parri-passu charge by way of hypothecation of all stocks and receivables and a second parri-passu charge by joint deed of hypothecation on all fixed assets of the Company.

(ii) There is no default, continuing or otherwise in repayment of instalment, loan, balance outstanding as the case may be and interest as on the balance sheet date.

(iii) Borrowings are measured at amortised cost

21 LEASE LIABILITIES

(₹ In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Lease liability	306.90	262.24
	306.90	**262.24**

22 TRADE PAYABLES

(₹ In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	634.27	637.61
Total outstanding dues of creditors other than micro enterprises and small enterprises		
- Acceptances	7,753.80	2,319.30
- Others	11,527.08	11,018.16
	19,280.88	**13,337.46**
	19,915.15	**13,975.07**

Notes forming part of the Financial Statements

Notes:

(i) Above trade payable include amount due to related parties of ₹ 2159.44 Lakhs and same has been disclosed in note no 39.

(ii) Trade payables are measured at amortised cost.

(iii) Above balances are subject to confirmation & reconciliation if any .

(iv) Dues to Micro and Small Enterprises

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act').

The Company has sent MSME confirmation to all the supplier & below disclosed dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act') to the extent confirmation received from supplier. The disclosure pursuant to the said MSMED Act are as follows.

(₹ In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Principal amount due to suppliers registered under the MSMED Act and	632.04	636.93
remaining unpaid as at year end		
Interest due to suppliers registered under the MSMED Act and remaining	2.23	0.68
unpaid as at year end		
Principal amounts paid to suppliers registered under the MSMED Act,	-	-
beyond the appointed day during the year		
Interest paid, other than under Section 16 of MSMED Act, to suppliers	-	-
registered under the MSMED Act, beyond the appointed day during the year		
Interest paid, under Section 16 of MSMED Act, to suppliers registered under	-	-
the MSMED Act, beyond the appointed day during the year		
Interest due and payable towards suppliers registered under MSMED Act, for	-	-
payments already made		
Further interest remaining due and payable for earlier years	4.73	4.05

Notes forming part of the Financial Statements

23 OTHER CURRENT FINANCIAL LIABILITIES

(₹ In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Liabilities other than derivatives		
Accrued employee costs	569.24	592.11
Interest accrued and not due on borrowings	47.59	227.29
Unclaimed dividend	13.79	15.64
Payables in respect of PPE	842.07	604.75
Payables in respect of services	759.17	965.40
Royalty payable	45.23	66.37
Other liabilities	120.25	129.58
	2,397.34	**2,601.14**

Note:

(i) Liabilities are measured at amortised cost.

24 OTHER CURRENT LIABILITIES

(₹ In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Advances from customers	99.62	324.17
Statutory remittances (net)	254.11	575.42
	353.73	**899.59**

25 PROVISIONS

(₹ In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for employee benefits		
- Gratuity (Refer note 40(2))	83.06	88.94
- Compensated Absences	43.94	51.31
	127.00	**140.25**

26 REVENUE FROM OPERATIONS

(₹ In Lakhs)

Particulars	For the period ended March 31, 2022	For the year ended March 31 , 2021
Sale of products		
- Finished Goods	82,921.64	67,958.65
- Die Sales	5,705.55	830.11
- Sales traded goods	3,097.60	2,242.01
Other operating revenue		
- Scrap sale	3,366.24	2,028.97
- Export incentive	160.73	124.11
- Other Services	495.60	-
	95,747.36	**73,183.85**

Notes forming part of the Financial Statements

The entire revenue from operations is recognised at point in time and relates to single operating segment i.e. Aluminium castings. Refer note no. 41 for further disclosures.

The information relating to trade receivables from revenue from operations is disclosed in note no. 8.

Details of products sold

(₹ In Lakhs)

Particulars	For the period ended March 31, 2022	For the year ended March 31 , 2021
Manufactured goods		
Castings made from aluminum alloys	84,380.64	68,132.75
Dies	5,705.55	830.11
	90,086.19	**68,962.86**
Scrap Sales	5,165.57	4,220.99
Other Services	495.60	-
Total	**95,747.36**	**73,183.85**

27 OTHER INCOME

(₹ In Lakhs)

Particulars	For the period ended March 31, 2022	For the year ended March 31 , 2021
Interest Received	33.32	28.94
Rental income	197.08	180.75
Miscellaneous Income	91.92	47.10
	322.32	**256.79**

28 COST OF MATERIALS CONSUMED

(₹ In Lakhs)

Particulars	For the period ended March 31, 2022	For the year ended March 31 , 2021
Inventory of materials at the beginning of the year	3,865.49	2,870.47
Purchases	48,389.14	34,716.58
Purchase of traded goods	3,090.47	2,233.48
Inventory of materials at the end of the year	3,628.77	3,865.49
	51,716.33	**35,955.04**

29 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

(₹ In Lakhs)

Particulars	For the period ended March 31, 2022	For the year ended March 31 , 2021
At the beginning of the year		
Finished Goods	2,831.75	2,650.33
Work-in-progress	3,715.05	2,999.17
	6,546.80	**5,649.50**
At the end of the year		
Finished Goods	3,489.29	2,831.75
Work-in-progress	3,094.87	3,715.05
	6,584.16	**6,546.80**
	(37.36)	**(897.30)**

The figures of purchases have been arrived by deducting the closing stock from the quantity/value of opening stock as increased by the consumption during the year.

Notes forming part of the Financial Statements

30 EMPLOYEE BENEFITS EXPENSE

(₹ In Lakhs)

Particulars	For the period ended March 31, 2022	For the year ended March 31, 2021
Salaries, wages and bonus	10,002.84	9,374.44
Contributions to Provident and other Funds	300.93	293.93
Gratuity and leave encashment	177.38	192.66
Employee share based payments expenses (refer note 45)	63.29	244.94
Employee Welfare Expenses	571.13	560.19
	11,115.57	**10,666.16**

31 DEPRECIATION AND AMORTISATION EXPENSE

(₹ In Lakhs)

Particulars	For the period ended March 31, 2022	For the year ended March 31, 2021
Depreciation on property, plant and equipment (refer note 3A)	4,488.68	4,179.09
Depreciation on Investment property, (refer note 3B)	9.11	9.11
Amortization of intangible assets (refer note 3C)	231.64	87.83
Depreciation on Right-of-use of asset (refer note 3D)	292.47	292.47
	5,021.90	**4,568.50**

32 FINANCE COSTS

(₹ In Lakhs)

Particulars	For the period ended March 31, 2022	For the year ended March 31, 2021
Interest on term loan & working capital (Refer note i)	2,754.55	3,315.64
Other borrowing costs	149.48	66.68
Unwinding of interest on lease liability	44.07	69.06
	2,948.10	**3,451.38**

Note

(i) Includes amount of ₹ 12.50 lakh (Previous year : ₹ 13.61 lakh) pertaining to amortisation of transaction cost

33 OTHER EXPENSES

(₹ In Lakhs)

Particulars	For the period ended March 31, 2022	For the year ended March 31 , 2021
Manufacturing Expenses		
Consumption of stores and spares	8,190.50	6,681.07
Power and fuel	5,907.81	5,105.16
Processing charges	3,903.46	3,522.26
Repairs to Machinery	176.83	133.17
Repairs Maintenance -Others	193.22	139.99
Other Manufacturing Expenses	226.85	236.58
	18,598.67	**15,818.23**

Notes forming part of the Financial Statements

(₹ In Lakhs)

Particulars	For the period ended March 31, 2022	For the year ended March 31 , 2021
Administrative Expenses		
Legal and Professional charges	738.68	550.71
Payment to Auditor's (refer note 35 I)	32.68	30.00
Rent	289.43	394.77
Corporate Social Responcibility Expenses (refer note 35 II)	61.45	106.68
Other Administrative Expenses	1,056.76	839.47
	2,179.00	**1,921.63**
Selling and Distribution Expenses		
Selling and distribution expenses	3,163.37	2,508.64
	3,163.37	**2,508.64**
	23,941.04	**20,248.50**

34 FINANCIAL INSTRUMENTS

34.1 Financial Instruments by category

The carrying value of financial instruments by categories as on 31 March 2022 are as follows:

(₹ in Lacs)

Particulars	Amortised cost	FVTPL	FVTOCI	Total carrying value
Assets				
Investments in equity instruments	-	0.50	0.15	0.65
Trade receivables	35,762.47	-	-	35,762.47
Cash and cash equivalents	616.67	-	-	616.67
Other balances with banks	441.81	-	-	441.81
Loans	659.40	-	-	659.40
Other financial assets	12.40	-	-	12.40
Total Assets	**37,492.75**	**0.50**	**0.15**	**37,493.40**
Liabilities				
Borrowings	23,716.66			23,716.66
Lease liabilities	306.90			306.90
Trade payables	19,915.15			19,915.15
Other financial liabilities	2,397.34	-		2,397.34
Total Liabilities	**46,336.05**	**-**	**-**	**46,336.05**

The carrying value of financial instruments by categories as on 31 March 2021 are as follows:

(₹ in Lacs)

Particulars	Amortised cost	FVTPL	FVTOCI	Total carrying value
Assets				
Investments in equity instruments	-	0.50	0.19	0.69
Trade receivables	29,612.67	-	-	29,612.67
Cash and cash equivalents	974.91	-	-	974.91
Other balances with banks	423.41	-	-	423.41
Loans	739.25	-	-	739.25
Other financial assets	12.23	-	-	12.23
Total Assets	**31,762.47**	**0.50**	**0.19**	**31,763.16**

Notes forming part of the Financial Statements

(₹ in Lacs)

Particulars	Amortised cost	FVTPL	FVTOCI	Total carrying value
Liabilities				
Borrowings	32,609.91	-	-	32,609.91
Lease liabilities	569.14			569.14
Trade payables	13,975.07	-	-	13,975.07
Other financial liabilities	2,601.14	-	-	2,601.14
Total Liabilities	**49,755.26**	**-**	**-**	**49,755.26**

34.2 Fair value hierarchy

Financial assets and liabilities include cash and cash equivalents, other balances with banks, trade receivables, loans, other financial assets, trade payables and other financial liabilities whose fair values approximate their carrying amounts largely due to the short term nature of such assets and liabilities.

The following table presents fair value hierarchy of assets and liabilities measured at fair value as on 31 March 2022 :

Particulars	As at March 31, 2022	Fair value measurement as at		
		Level 1	Level 2	Level 3
Investments in shares of Bank of Maharashtra	0.15	0.15	-	-

The following table presents fair value hierarchy of assets and liabilities measured at fair value as on 31 March 2021 :

Particulars	As at March 31, 2021	Fair value measurement as at		
		Level 1	Level 2	Level 3
Investments in shares of Bank of Maharashtra	0.19	0.19	-	-

Valuation technique and significant unobservable inputs:

Level 2:

(i) Derivative financial assets are valued based on inputs that are directly or indirectly observable in the market.

Significant increase in discount rates and spreads above risk free rate, in isolation would result in lower fair values. A significant increase in volatility in revenue growth rates will result in higher fair value.

Fair value of financial assets and financial liabilities measured at amortised cost :

The management believes that the fair values of non-current financial assets (e.g. loans and others), current financial assets (e.g., cash and cash equivalents, trade receivables, loans and others excluding other derivative assets) and current financial liabilities (e.g. trade payables and other payables excluding derivative liabilities) approximate their carrying amounts.

The Company has not performed fair valuation of its investment in unquoted equity shares as mentioned in note no. 4 which are classified as FVTPL, as the Company believes that impact of change on account of fair value is insignificant.

34.3 Financial risk management

The Company's activities exposes it to market risks, credit risks and liquidity risks. The Company's management have overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risks are reviewed regularly to reflect changes in market conditions and the company's activities. Derivatives are used for hedging of foreign currency loan and not as a trading or speculative purposes.

Notes forming part of the Financial Statements

The Company has exposure to the following risks arising from financial instruments :

a. Credit risk

Credit risk is the risk of financial losses to the Company if a customer or counterparty to financial instruments fails to discharge its contractual obligations. It arises primarily from the Company's receivables from customers. To manage this, the Company periodically assesses the key accounts receivable balances. As per Ind-AS 109 : Financial Instruments, the Company uses expected credit loss model to assess the impairment loss or gain.

The carrying amount of trade and other receivables and other financial assets represents the maximum credit exposure.

i. Trade receivables

The management has established accounts receivable policy under which customer accounts are regularly monitored. The Company has a dedicated sales team which is responsible for collecting dues from the customer within stipulated period. The management reviews status of critical accounts on a regular basis.

Trade receivables that were not impaired

Particulars	Carrying amount	
	March 31, 2022	March 31, 2021
Less Than 180 days	30,981.70	24,832.96
More than 180 days	4,780.77	4,779.71
Total	**35,762.47**	**29,612.67**

Movement in allowance For Credit Impairment

Particulars	₹ Lakhs
At 1 April 2020	**214.48**
Provided during the year	272.30
Amount written off / written back	(177.30)
At 31 March 2021	**309.47**
Provided during the year	-
Amount written off / written back	(309.47)
At 31 March 2022	**-**

ii. Financial instruments and Cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company’s treasury department in accordance with Company’s policy. Company monitors rating, credit spreads and financial strength of its counter parties. Based on ongoing assessment Company adjust it's exposure to various counterparties.

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.

The Company has a view of maintaining liquidity and to take minimum possible risk for which company monitors its cash and bank balances periodically in view of its short term obligations associated with its financial liabilities.

Notes forming part of the Financial Statements

The liquidity position at each reporting date is given below:

(₹ in Lacs)

Particulars	March 31, 2022	March 31, 2021
Cash and cash equivalents	616.67	974.91
Other balances with banks	441.81	423.41
Total	**1,058.48**	**1,398.32**

The following are the remaining contractual maturities of financial liabilities as on 31 March 2022.

Particulars	Repayable on demand	Less than one year	More than one year	Total
Borrowings	8,133.61	4,092.56	11,490.49	23,716.66
Lease liabilities		306.90	-	306.90
Trade payables	-	19,915.15	-	19,915.15
Other financial liabilities	13.79	2,383.55	-	2,397.34

The following are the remaining contractual maturities of financial liabilities as on 31 March 2021.

Particulars	Repayable on demand	Less than one year	More than one year	Total
Borrowings	14,161.85	3,169.12	15,278.94	32,609.91
Lease liabilities		262.24	306.90	569.14
Trade payables	-	13,975.07	-	13,975.07
Other financial liabilities	15.64	2,585.50	-	2,601.14

c. Market risk

Market risk is a risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. Market risk comprises three types of risk interest rate risk, currency risk and other price risk such as equity price risk. Financial instruments affected by market risk include borrowings, trade and other payables, foreign exchange forward contracts, security deposit, trade and other receivables and deposits with banks.

i. Foreign currency risk

Foreign currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate. Company transacts business in its functional currency (INR) and in other foreign currencies. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities, where revenue or expense is denominated in a foreign currency. The Company manages its foreign currency risk by hedging foreign currency denominated loan using foreign currency forward contracts . The Company negotiates the terms of those foreign currency forward contracts to match the terms of the hedged exposure.

Notes forming part of the Financial Statements

The following foreign currency exposures have not been hedged by derivative instruments at the Balance Sheet date:

(in Lacs)

Nature of exposure	Amount in foreign currency		Equivalent amount in ₹	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
USD				
Trade payables	7.38	0.39	564.33	28.80
Payable for PPE	-	0.01	-	0.48
Trade receivables	75.97	77.09	5,581.18	5,390.49
Cash and bank balance	0.02	0.01	1.63	0.91
(Net liabilities) / assets	**68.60**	**76.70**	**5,018.49**	**5,362.11**
EUR				
Trade payables	(2.93)	0.01	(278.48)	1.57
Payable for PPE	-	2.56	-	189.51
Trade receivables	10.86	5.19	895.34	402.51
Cash and bank balance	0.01	0.01	0.68	1.24
(Net liabilities) / assets	**13.79**	**2.63**	**1,174.50**	**212.67**
JPY				
Trade payables	11.37	41.31	7.57	24.24
Payable for PPE	-	-	-	-
Cash and bank balance	1.68	1.68	1.04	1.14
(Net liabilities) / assets	**(9.69)**	**(39.63)**	**(6.53)**	**(23.11)**
GBP				
Trade payables	0.20	-	20.13	0.15
Trade receivables	0.97	2.84	94.84	261.52
Cash and bank balance	-	-	0.06	0.01
(Net liabilities) / assets	**0.77**	**2.84**	**74.77**	**261.38**

Foreign currency sensitivity on unhedged exposure

Financial Year	Foreign currency	Change in foreign currency rates	Effect on profit before tax	Effect on pre-tax equity
For March 31, 2022	USD	+5%	(250.92)	(250.92)
		-5%	250.92	250.92
	EUR	+5%	(58.73)	(58.73)
		-5%	58.73	58.73
	JPY	+5%	0.33	0.33
		-5%	(0.33)	(0.33)
	GBP	+5%	(3.74)	(3.74)
		-5%	3.74	3.74
For March 31, 2021	USD	+5%	(268.11)	(268.11)
		-5%	268.11	268.11
	EUR	+5%	(10.63)	(10.63)
		-5%	10.63	10.63
	JPY	+5%	1.16	1.16
		-5%	(1.16)	(1.16)
	GBP	+5%	(13.07)	(13.07)
		-5%	13.07	13.07

Notes forming part of the Financial Statements

Details of foreign currency loan that are hedged by derivative instruments or otherwise:

Particulars	Currency	Amount in foreign currency	Equivalent ₹	Maturity Profile	Fair Value in Balance Sheet
As at 31 March 2022	**USD**	-	-	NA	-
As at 31 March 2021	USD	-	-	NA	-

ii. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. At the reporting date the interest rate profile of the Company's interest bearing financial instruments are follows:

(₹ in Lacs)

Particulars	March 31, 2022	March 31, 2021
Variable rate instruments		
Borrowings	23,716.66	32,609.91

Interest rate sensitivity on variable rate instruments

(₹ in Lacs)

Particulars	March 31, 2022	March 31, 2021
Impact on profit before tax or pre-tax equity		
Increase by 50 basis points	(119.00)	(164.00)
Decrease by 50 basis points	119.00	164.00

35 CAPITAL MANAGEMENT

For the purpose of the Company’s capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company’s capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2022 and 31 March 2022.

36 AGEING OF TRADE RECEIVABLES

As at 31 March 2022

(₹ In Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	26,001.58	4,228.45	552.32	-	-	30,782.35
(ii) Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-

(₹ In Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Subtotal	**26,001.58**	**4,228.45**	**552.32**	**-**	**-**	**30,782.35**
Unbilled receivables						4,980.12
Less : Allowance for credit impairment						-
Total						**35,762.47**

As at 31 March 2021

(₹ In Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	19,074.38	3,841.84	804.53	133.35	-	23854.1
(ii) Trade Receivables –which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	176.12	133.35	-	309.47
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Subtotal	**19,074.38**	**3,841.84**	**980.65**	**266.70**	**-**	**24,163.57**
Unbilled receivables						5,758.58
Less : Allowance for credit impairment						309.47
Total						**29,612.68**

Notes forming part of the Financial Statements

37 AGEING OF TRADE PAYABLES

As at 31 March 2022

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	634.27	-	-	-	634.27
(ii) Others	19,280.88	0	-	-	19,280.88
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	**19,915.15**	**-**	**-**	**-**	**19,915.15**

As at 31 March 2021

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	637.61	-	-	-	637.61
(ii) Others	13,337.46	-			13,337.46
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	**13,975.07**	**-**	**-**	**-**	**13,975.07**

38 ACCOUNTING RATIOS

(₹ in Lacs)

Particulars	March 31, 2022	March 31, 2021	% Change	Remarks (required if percentage change is more than 25%)
(a) Current Ratio	1.41	1.26	12%	
(b) Debt-Equity Ratio	0.55	1.05	47%	Due to repayment of Loan by fund raised through issue of equity shares under QIP.
(c) Debt Service Coverage Ratio	1.27	1.08	17%	
(d) Return on Equity Ratio	0.02	(0.02)	189%	Profitabilibility increased against loss in last year.
(e) Inventory turnover ratio	7.87	5.75	37%	Effective management of inventory.
(f) Trade Receivables turnover ratio	2.93	2.46	19%	
(g) Trade payables turnover ratio	2.59	2.51	3%	
(h) Net capital turnover ratio	1.02	0.86	20%	
(i) Net profit ratio	0.01	(0.01)	194%	Profitabilibility increased against loss in last year.
(j) Return on Capital employed	0.07	0.06	28%	Profitabilibility increased in comparison of last year..

$$\text{Current ratio} = \frac{\text{Current Assets}}{\text{Current Liabilities}}$$

$$\text{Debt-Equity Ratio} = \frac{\text{Total Borrowings (Non-current + Current)}}{\text{Total Equity}}$$

$$\text{Debt Service Coverage Ratio} = \frac{\text{Earning avaible for Debt Services}}{\text{Debt Service}}$$

$$\text{Return on Equity Ratio} = \frac{\text{Profit for the year}}{\text{Total Equity}}$$

$$\text{Inventory turnover ratio} = \frac{\text{COGS}}{\text{Average inventory (Opening inventory +Closing inventory)/2}}$$

$$\text{Trade Receivables turnover ratio} = \frac{\text{Turnover}}{\text{Average Trade Receivable (Opening +Closing)/2}}$$

$$\text{Trade payables turnover ratio} = \frac{\text{COGS}}{\text{Trade payables}}$$

$$\text{Net capital turnover ratio} = \frac{\text{Turnover (Revenue from operations)}}{\text{Total Assets}}$$

$$\text{Net profit ratio} = \frac{\text{Profit for the year}}{\text{Turnover (Revenue from operations)}}$$

$$\text{Return on capital employed} = \frac{\text{Earnings before interest and tax}}{\text{Total Assets - Current liabilities}}$$

39 OTHER INFORMATION

Details of Benami Property held

The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

Details of Loans and advances

(i) The Company has not advanced to or loaned to or invested funds in any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that such Intermediary shall:"

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(ii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

Notes forming part of the Financial Statements

Wilful Defaulter

The company has not been declared as a wilful Defaulter by any Financial Institution or bank as at the date of Balance Sheet.

Relationship with Struck off Companies

The Company do not have any transactions with companies struck off.

Registration of charges or satisfaction with Registrar of Companies (ROC)

The company has no pending charges or satisfaction which are yet to be registered with the ROC beyond the Statutory period.

Stock statements

Quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts

Compliance with number of layers of companies

The company has complied with the provision of the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

Compliance with approved Scheme(s) of Arrangements

There are no Schemes of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

Discrepancy in utilization of borrowings

The company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date. There are no discrepancy in utilisation of borrowings.

Undisclosed income

The Company does not have any transaction that is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

Details of Crypto Currency or Virtual Currency

The company has not traded or invested in Crypto currency or Virtual Currency.

39 I AUDITOR'S REMUNERATION

(₹ In Lakhs)

Particulars	FY 2021-22	FY 2020-21
Statutory Audit	20.00	20.00
Limited Review	6.00	4.00
Consolidation Audit	5.00	5.00
Certifications	1.00	1.00
Out of pocket expenses	0.68	-
Total	**32.68**	**30.00**

Notes forming part of the Financial Statements

II DETAILS OF CSR EXPENDITURE

(₹ In Lakhs)

Particulars	FY 2021-22	FY 2020-21
Gross Amount To be spend during the year	61.45	100.39
Amount spend during the year	61.45	105.22
Shortfall at the end of the year	Nil	Nil
Total of previous years shortfall	Nil	Nil

During the Year FY 2021-22, the Company has directly disbursed CSR obligation amount of ₹ 1.14 Lacs towards prescribed activities under schedule VII of Companies act, 2013 . Remaining CSR obligation of ₹ 60.31 Lacs has been disbursed to Company's implementing Agency Bansuri Foundation against which they have spent ₹ 17.75 Lacs. Remaining undisbursed amount of ₹ 42.56 Lacs , which was already allotted towards the ongoing projects, were transferred by implementing agency to Special account opened for the purpose of compliance of Sec 135 of the Companies Act, 2013.

40 DETAILS OF EMPLOYEE BENEFITS AS REQUIRED BY IND-AS 19 - "EMPLOYEE BENEFITS ARE AS UNDER":

1 Defined contribution plan - Provident fund and other funds

The group has recognized following amounts in the profit & loss account for the year:

(₹ In Lakhs)

Particulars	FY 2021-22	FY 2020-21
Contribution to employee provident fund and other funds	300.93	293.93
Total	**300.93**	**293.93**

2 Defined benefit plan

i) The defined benefit plan comprises gratuity, which is funded.

ii) Actuarial gains and losses in respect of defined benefit plans are recognized in the Other Comprehensive Income (OCI).

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Gratuity is a benefit to an employee in India based on 15 days last drawn salary for each completed year of service with a vesting period of five years.

These defined benefit plans expose the Company to actuarial risks, such as longevity risk and interest rate risk.

Change in present value of defined benefit obligation

(₹ In Lakhs)

Particulars	FY 2021-22	FY 2020-21
Present value of defined benefit obligation at the beginning of the year	**1,051.72**	**1,008.70**
Current service cost	88.93	89.87
Interest cost	60.20	64.76
Actuarial loss / (Gain) recognised in other comprehensive income		
a) changes in financial assumptions	(62.82)	37.53
b) changes in demographic assumptions	-	5.70
c) experience adjustments	14.15	(41.80)
Past service cost	-	-
Benefits paid	(150.26)	(113.04)
Present value of defined benefit obligation at the end of the year	**1,001.92**	**1,051.72**

Notes forming part of the Financial Statements

Change in the fair value of plan assets

(₹ In Lakhs)

Particulars	FY 2021-22	FY 2020-21
Fair Value of plan assets at the beginning of the period	**349.12**	**415.04**
Interest Income	18.41	27.44
Return on plan assets, excluding interest income	4.20	(2.32)
Contribution by the employer	164.11	22.00
Benefit paid from the fund	(150.26)	(113.04)
Fair Value of plan assets at the end of the period	**385.58**	**349.12**

Analysis of defined benefit obligation

(₹ In Lakhs)

Particulars	FY 2021-22	FY 2020-21
Present value of obligation as at the end of the year	(1,001.92)	(1,051.72)
Fair Value of Plan Assets at the end of the Period	385.58	349.12
Net asset (liability) recognized in the Balance Sheet	**(616.34)**	**(702.60)**
Bifurcation of liability as per Schedule III		
Current Liability	83.06	88.94
Non-Current Liability	533.26	613.66
Net (asset) / liability recognized in the Balance Sheet	**616.32**	**702.60**

Components of employer expenses/remeasurement recognized in the statement of Profit and Loss

(₹ In Lakhs)

Particulars	FY 2021-22	FY 2020-21
Current service cost	88.93	89.87
Net Interest Cost	41.79	37.32
Past Service Cost	-	-
Expenses recognized in the Statement of Profit and Loss	130.72	127.19

Components of employer expenses/remeasurement recognized in the Other Comprehensive Income (OCI)

(₹ In Lakhs)

Particulars	FY 2021-22	FY 2020-21
Actuarial loss / (gain)	(48.67)	1.43
Return on plan assets, Excluding interest income	(4.20)	2.32
Net (income)/expense recognized in the OCI	**(52.87)**	**3.75**

Analysis of defined benefit obligation

(₹ In Lakhs)

Particulars	FY 2021-22	FY 2020-21
Net opening provision in books of accounts	702.61	593.67
Employee Benefit Expense	130.72	127.19
Amounts recognized in Other Comprehensive Income	(52.87)	3.75
Contribution by the employer	(164.11)	(22.00)
Net (asset) / liability recognized in the Balance Sheet	**616.35**	**702.61**

Notes forming part of the Financial Statements

Composition of the plan assets

(₹ In Lakhs)

Particulars	FY 2021-22	FY 2020-21
Policy of insurance	100.00%	100.00%
Total	**100.00%**	**100.00%**

Actuarial Assumptions:

(₹ In Lakhs)

Particulars	FY 2021-22	FY 2020-21
Discount rate	7.00%	6.35%
Salary Escalation	5.50%	5.50%

Withdrawal rates per annum

(₹ In Lakhs)

Particulars	FY 2021-22	FY 2020-21
- 25 years and below	5.00%	5.00%
- 26 to 35 years	4.00%	4.00%
- 35 to 45 years	6.00%	6.00%
- 46 to 55 years	2.00%	2.00%
- 56 years and above	1.00%	1.00%

a. The discount rate is based on prevailing yields of Indian Government Securities as at the Balance Sheet date for the estimated term of the obligation.

b. Salary Escalation Rate: The estimates of future salary increases takes into account the inflation, seniority, promotion and other relevant factors.

c. Assumptions regarding future mortality rates are the rates as given under Indian Assured Lives Mortality (2006-08) Ultimate.

Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Projected benefit obligation on current assumptions

(₹ in Lacs)

Particulars	FY 2021-22		FY 2020-21	
	Defined benefit obligation		Defined benefit obligation	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5 % movement)	957.72	1,049.65	1,010.16	1,096.47
Future salary growth (0.5 % movement)	1,046.92	959.14	1,094.26	1,011.37
Attrition rate (1 % movement)	1,006.42	997.19	1,054.07	1,049.22

Notes forming part of the Financial Statements

Maturity profile of defined benefit plan

(₹ In Lakhs)

Particulars	FY 2021-22	FY 2020-21
Projected benefits payable in future years from the date of reporting	136.36	207.37
1st Following year	85.92	59.48
2nd Following year	60.97	81.49
3rd Following year	58.22	68.54
4th Following year	72.12	45.63
5th Following year	368.95	386.22
Sum of years 6 to 10		

Weighted average assumptions used to determine net periodic benefit cost

(₹ In Lakhs)

Particulars	FY 2021-22	FY 2020-21
Number of active members	787.00	816.00
Per month salary cost for active members	193.82	183.42
Average monthly salary (₹)	24,627.00	22,478.00
Average age (years)	39.83	39.12
Weighted average duration of the projected benefit obligation (years)	11.44	10.88
Average expected future service (years)	20.18	18.91
Average outstanding term of the obligations (Years)	10.05	8.67
Prescribed contribution for next year (12 Months)	83.06	88.93

41 SEGMENT INFORMATION

The Company's operating business predominantly relates to manufacture of Aluminium Castings thereof and hence the Company has considered "Aluminium Castings" as the single reportable segment.

Revenue bifurcation based on geographical areas

(₹ In Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Domestic sales	79,715.01	67,190.24
Export sales	12,009.78	5,993.61
	95,747.36	**73,183.85**

42 NET DEBT RECONCILIATION

Position of net debt

(₹ In Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Borrowings		
Non-current borrowings	11,490.49	15,278.94
Current borrowings	12,226.17	17,330.97
Less		
Cash and cash equivalents	616.67	974.91
Net debt	**23,099.99**	**31,635.00**

Notes forming part of the Financial Statements

Movement in net debt

(₹ In Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Opening net debt	31,635.00	32,482.45
Cash flows	(8,535.01)	(933.50)
Foreign exchange adjustment	-	-
Opening interest accrued but not due	227.29	226.86
Closing interest accrued but not due	(47.59)	(227.29)
Interest expense	2,754.55	3,315.64
Interest paid	(2,934.25)	(3,315.21)
Closing net debt	**23,099.99**	**31,548.95**

43 RELATED PARTY DISCLOSURES

A. Relationship between the related parties:

Relationship	Name of related party
Subsidiary	Alicon Holding - GmbH
Step Down Subsidiary	Illichmann Castalloy - GmbH
Step Down Subsidiary	Illichmann Castalloy - sro
Group company	Atlas Castalloy Limited*

* Enterprise where the director has significant influence.

B. List of Key Management Personnel and their relatives:

Key Management Personnel (KMP)	Shailendrajit Rai	Managing Director
	Rajeev Sikand	Chief Executive Officer (CEO)
	Vimal Gupta	Chief Financial Officer (CFO)
	Swapnal Patane	Company Secretary
	Pamela Rai	Non-Executive Director
	Anil D Harolikar	Independent Director
	Vinay Punjabi	Independent Director
	Ajay Nanawati	Independent Director
	Veena Mankar	Independent Director
	Junichi Suzuki	Non-Executive Director
Relatives of KMP	Preeti Gupta	Relative of CFO

C. Transactions with related parties :

(₹ in Lacs)

No.	Aggregate of transaction	FY 2021-22		FY 2020-21	
		Group company	Subsidiaries	Group company	Subsidiaries
1	Sales	16.03	33.01	74.15	38.70
2	Purchases	1,336.00	62.57	1,575.35	25.37
3	Rent paid	461.54	-	-	-
4	Expenses charged to the company	2,406.12	11.53	2,292.32	13.97
5	Expenses charged by the company	770.10	612.25	362.34	251.08

Notes forming part of the Financial Statements

(₹ in Lacs)

No.	Aggregate of transaction	FY 2021-22		FY 2020-21	
		Group company	Subsidiaries	Group company	Subsidiaries
6	Balance of investment (includes share application) in subsidiary at the year end	-	1,131.98	-	1,131.98
7	PPE purchased (net)	1,639.47	-	1,796.81	-
8	Amount receivable at the end of the year	500.00	451.32	500.00	237.53
9	Amount payable at the end of the year	2,159.44	697.09	1,955.04	414.67

D. Transaction with related party of Key Managerial Personnel :

(₹ In Lakhs)

No.	Particulars	FY 2021-22	FY 2020-21
1	Rent paid	0.19	1.14

E. Compensation to key management personnel :

(₹ In Lakhs)

No.	Particulars	FY 2021-22	FY 2020-21
1	Short term employee benefits	316.46	237.77
2	Post-employment benefits	24.90	4.98
3	Commission	173.25	12.61
4	Share based payments	739.67	385.38
5	Sitting Fees	30.35	9.45
	Total	**1,284.63**	**650.19**

F Other Transaction with Key Management Personnel :

(₹ In Lakhs)

No.	Particulars	FY 2021-22	FY 2020-21
1	Loan From Director	-	1,582.30
2	Loan Repay to Director	1,500.00	-
3	Interest on Loan From Director	67.76	131.52
4	Loan payable at the end of the year	-	1,500.00

Note:

As the post-employment benefits is provided on an actuarial basis for the Company as a whole, the amount pertaining to key management personnel is not ascertainable and therefore not included above. The amount included above is the contribution made by company.

F Other Transaction with Key Management Personnel :

No.	Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
1	Promoter	-	-
2	Directors	-	-
3	KMPs	-	-
4	Related Parties	-	-

44 LEASE TRANSACTIONS

Lease liabilities included in the balance sheet

(₹ In Lakhs)

Particulars	31 March 2022	31 March 2021
Current	306.90	262.24
Non-current	-	306.90
Total	**306.90**	**569.14**

Amounts recognised in the statement of profit and loss

(₹ In Lakhs)

Particulars	31 March 2022	31 March 2021
Depreciation on right-of-use assets	292.47	292.47
Interest on Lease Liabilities	44.07	69.06
Expenses relating to short-term leases	289.43	394.77
Total	**625.97**	**756.30**

Contractual cashflows - lease liabilities

(₹ In Lakhs)

Particulars	31 March 2022	31 March 2021
- Not later than one year	306.90	262.24
- later than one year and not later than five years	-	306.90
- Later than five years	-	-
Total	**306.90**	**569.14**

45 STOCK OPTION PLANS

1 Employee Stock Option Plan– 2015

This Scheme shall be called the "Alicon Castalloy Limited – Employee Stock Option Scheme 2015 (ESOS 2015)".

The objective of the ESOS 2015 is to reward the Employees of the Company for their performance and to motivate them to contribute to the growth and profitability of the Company. The Company also intends to use this Scheme to retain talent in the organization. The Company views Employee Stock Options as instruments that would enable the Employees to share the value they create for the Company and align individual objectives of employees with objectives of the Company in the years to come.

The Shareholders in their meeting held on 30th December 2015 have resolved to authorize the Board to issue to the Employees of the Company, not more than 6,12,800 (Six Lakh Twelve Thousand Eight Hundred Only) Employee Stock Options under ESOS 2015 exercisable Equity Shares of face value of ₹ 5/- each fully paid up, being not more than 5% of the Issued Equity Share Capital of the Company as on March 31, 2015, to be issued and allotted by the Company (hereinafter referred as "Primary Shares"), in one or more tranches, with each such Option conferring a right upon the Employees to apply for one Equity Share in the Company, in accordance with the terms and conditions of ESOS 2015. The ESOS 2015 shall be administered by the Compensation Committee.

The Employee Stock Options granted may be exercised by the Option grantee at any time within a period of one year from the date of Vesting of the respective Stock Options or such other period as may be decided by the Compensation Committee from time to time. The shares issued upon exercise of options shall be freely transferable and will not be subject to any lock - in period after such exercise provided.

Notes forming part of the Financial Statements

Number and weighted average exercise prices of options granted, exercised and cancelled/lapsed during the financial year

Particulars	FY 2021-22		FY 2020-21	
	No. of shares	Weighted average exercise price	No. of shares	Weighted average exercise price
Options outstanding at the beginning of the year	2,000	124	130,948	124
Granted during the year	-	-	-	-
Forfeited / surrendered during the year	-	-	-	-
Exercised during the year	2,000	124	50,378	-
Lapsed during the year	-	-	78,570	124
Options outstanding at the end of year	-	-	2,000	124
Options exercisable at the end of the year	-	-	-	124
Weighted average remaining contractual life	NA		2.34 years	

The weighted average market price of the options exercised under Employees Stock Option Scheme -2015 on the date of exercise was ₹ 464.35/- (Previous year - ₹ 424.25).

No options are granted in the current year and previous year.

The expected price volatility is based on the historic volatility, adjusted for any changes to future volatility due to publicly available information.

The Company has not recorded any expenses regarding the options granted under ESOP 2015 scheme during the year.

2 **Employee Stock Option Plan– 2017**

This Scheme shall be called the "Alicon Castalloy Limited – Employee Stock Option Scheme 2017 ("ESOS 2017" or "Scheme").

The objective of the ESOS 2017 is to reward the Employees of the Company for their performance and to motivate them to contribute to the growth and profitability of the Company. The Company also intends to use this Scheme to retain talent in the organization. The Company views Employee Stock Options as instruments that would enable the Employees to share the value they create for the Company and align individual objectives of employees with objectives of the Company in the years to come.

The Shareholders by way of special resolution dated June 08, 2017 have authorized the Nomination and Remuneration Committee to grant not exceeding 6,75,000 (Six lacs seventy five Thousand only) Options to the Employees under the ESOS 2017, in one or more tranches, exercisable into not more than 6,75,000 (Six lacs seventy five Thousand only) Shares of face value of ₹ 5 (Rupees five) each fully paid-up, with each such Option conferring a right upon the Employee to apply for one Share of the Company, in accordance with the terms and conditions as may be decided under the ESOS 2017

Options granted under ESOS 2017 would Vest after 1 (one) year but not later than 4 (four) years from the date of grant of such Options

Notes forming part of the Financial Statements

Number and weighted average exercise prices of options granted, exercised and cancelled/lapsed during the financial year

Particulars	FY 2021-22		FY 2020-21	
	No. of shares	Weighted average exercise price	No. of shares	Weighted average exercise price
Options outstanding at the beginning of the year	135,000	5	270,000	5
Granted during the year	-	-	-	-
Forfeited / surrendered during the year	-	-	-	-
Exercised during the year	135,000	5	135,000	5
Lapsed during the year	-	-	-	-
Options outstanding at the end of year	-	-	135,000	5
Options exercisable at the end of the year	-	-	-	-
Weighted average remaining contractual life	NA		1.34 years	

The weighted average market price of the options exercised under Employees Stock Option Scheme -2017 on the date of exercise was ₹ 578/- (Previous year - ₹ 281.50).

No options granted in the current year and previous year under this scheme

The expected price volatility is based on the historic volatility, adjusted for any changes to future volatility due to publicly available information.

The Company recorded an employee compensation cost of ₹ 63.29 Lakhs (Previous year ₹ 244.94 Lakhs) in the Statement of Profit and Loss.

46 RESEARCH AND DEVELOPMENT

The Company has separate in-house research & development set-up which is involved in new product development, new process development etc. The details of R&D expenditure are as under:

(₹ In Lakhs)

Particulars	FY 2021-22	FY 2020-21
Capital expenditure	-	-
Revenue expenditure	-	-
Total R&D expenditure	**-**	**-**

47 BASIC AND DILUTED EARNINGS PER SHARE

(₹ In Lakhs)

Particulars		FY 2021-22	FY 2020-21
Nominal value per equity share	₹	5.00	5.00
Profit for the year	₹ in Lakhs	918.71	(746.17)
Weighted average number of basic equity shares	No. of shares	15,421,649	13,855,973
Effect of diluted shares	No. of shares	140,252	-
Weighted average number of diluted equity shares*	No. of shares	15,561,900	13,917,100
Earnings per share - Basic	No. of shares	5.96	(5.39)
Earnings per share - Diluted*	₹	5.90	(5.39)

* Effect of diluted shares is anti-dilutive due to loss incurred in the previous year.

Notes forming part of the Financial Statements

48 DISCLOSURE OF CAPITAL COMMITMENT & CONTINGENT LIABILITIES

1. Capital commitment

(₹ In Lakhs)

No.	Particulars	FY 2021-22	FY 2020-21
1	Estimated amount of contracts remaining to be executed on capital account	1,236.79	967.17
	Total	**1,236.79**	**967.17**

2. Contingent liabilities not provided for :

(₹ In Lakhs)

No.	Particulars	FY 2021-22	FY 2020-21
1	Stand by Letters of credit issued by Against foreign obligation related to subsidiary/Import	3,033.04	3,539.02
2	Performance and financial guarantees issued by the banks	277.32	781.82
3	corporate guarantees	507.96	430.50
4	Interest On Customs and related duties paid under protest for non fulfilment of export obligation	1,222.49	1,222.49
5	Assessment dues of VAT , CST & Central Excise	1,801.58	2,185.28
6	Pending cases in local civil court	666.32	688.32
7	Income Tax Assessment	1.92	1.92

49 INCOME TAXES

The income tax expense consists of following:

(₹ In Lakhs)

Particulars	FY 2021-22	FY 2020-21
Tax expense		
Current tax	238.34	-
Short/ (Excess) of earlier years	-	136.70
MAT credit entitlement	(64.33)	-
Deferred tax (benefit) / charge	271.38	57.83
Total tax expense	**445.39**	**194.53**
Other comprehensive income		
Remeasurements gains and losses on post employment benefits	18.48	(1.31)
Income tax expense reported in the statement of other comprehensive income	**18.48**	**(1.31)**

The deferred tax relates to origination/reversal of temporary differences.

Notes forming part of the Financial Statements

The reconciliation of estimated income tax expense at Indian statutory income tax rate to income tax expense reported in Statement of Profit or Loss is as follows:

(₹ In Lakhs)

Particulars	FY 2021-22	FY 2020-21
Profit/ (Loss) before tax	1,364.10	(551.64)
Indian statutory income tax rate	34.94%	34.94%
Expected tax expense	477.00	(193.00)
Tax Effect of adjustments to reconcile expected income tax expense to reported income tax expense	**0.17**	**-**
Effect of tax on earlier years	-	136.70
Tax rate difference on book profit as per Minimum Alternate Tax	(238.34)	-
Tax expenses accounted as no effect of Timing differences on MAT liability	207.05	-
Effect of weighted deductions, exemptions and deductions	-	46.65
Effect of deferred tax not recognised	-	204.18
Others (net)	(0.50)	-
Total tax expense	**445.39**	**194.53**

Deferred Tax

Item wise movement in deferred tax expense recognised in profit or loss / OCI

(₹ In Lakhs)

Particulars	FY 2021-22	FY 2020-21
- Property, plant and equipment	147.44	75.16
- Unwinding of enkei payable	-	-
- Leases	(10.57)	(24.40)
- Transaction cost on term loans amortised over the tenure of the loan	(4.37)	(4.75)
- Provision for doubtful debts and advances	108.15	(33.19)
- Provision allowed on payment basis	37.83	33.13
- Fair valuation of security deposit	11.35	10.57
Total expenses	**289.83**	**56.52**
- Recognised in Profit or Loss	271.38	57.83
- Recognised in Other Comprehensive Income	18.48	(1.31)
- Recognised in retained earnings on adoption of leases	-	-
	289.83	**56.52**

Notes forming part of the Financial Statements

The gross movement in the deferred tax for the year ended 31 March 2022 and 31 March 2021 is as follows:

(₹ In Lakhs)

Particulars	FY 2021-22	FY 2020-21
Net deferred tax liability (asset) at the beginning	**2,754.65**	**2,698.13**
(Credits) / charge relating to temporary differences	271.38	57.83
Temporary differences on other comprehensive income	18.48	(1.31)
Recognised in retained earnings on adoption of leases	-	-
Net deferred income tax liability (asset) at the end	**3,044.51**	**2,754.65**

As per our report of even date attached

For **Kirtane & Pandit LLP**
Chartered Accountants
Firm Regn No: 105215W/W100057

Parag Pansare
Partner
Membership No. 117309

Place: Pune
Date: 16 May 2022 .

On behalf of the Board of Directors of **Alicon Castalloy Ltd.**

S. Rai
Managing Director
DIN : 00050950

A.D.Harolikar
Director
DIN : 00239460

Rajeev Sikand
Chief Executive Officer

Vimal Gupta
Chief Finance Officer

Swapnal Patane
Company Secretary

Independent Auditor's Report on Consolidated Financial Statements

To the Members of
Alicon Castalloy Limited

REPORT ON THE AUDIT OF CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the accompanying Consolidated financial statements of Alicon Castalloy Limited (hereinafter referred to as the 'Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated 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 Company as at March 31, 2022, of consolidated loss (including other comprehensive income), consolidated changes in equity and its consolidated 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 consolidated 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 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated financial statements 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, 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.

Sr. No.	Key Audit Matter	Auditor's Response
1	**Property, Plant & Equipment** Valuation and existence of property, plant and equipment including assessment of useful lives and residual values Property, plant and equipment represents a significant proportion of the Company's asset base. The estimates and assumptions made to determine the carrying amounts, including whether and when to capitalize or expense certain costs, and the determination of depreciation charges are material to the Group's financial position and performance. The charges in respect of periodic depreciation are derived after estimating an asset's expected useful life and the expected residual value. Changes to asset's carrying amounts, expected useful lives or residual value could result in a material impact on the consolidated financial statements and hence considered as key audit matter.	Our audit approach consisted evaluation of design and implementation of controls, and testing the operating effectiveness of the internal controls over valuation of property, plant and equipment and review of useful lives; Periodic physical verification of property, plant and equipment: • Review of CAPEX business process, flow of documents/ information and their control's effectiveness • Substantive Tests on random sampling for all the major additions, deletions to the assets by applying all the characteristics of capital expenditure, proper classification of the same, with reference to the Holding Company's policy and accounting standards • We performed substantive testing for the determination of assets' useful lives and residual values with reference to management's judgments, including the appropriateness of past / existing asset lives and residual values applied in the calculation of depreciation. We also obtain certificates relating to useful lives of assets where, required.

Sr. No.	Key Audit Matter	Auditor's Response
		• We have reviewed the policy and the procedure of physical verification of PPE. • As a result of the above procedures, we did not identify any exceptions in relation to the Valuation and existence of property, plant and equipment including assessment of useful lives and residual values which will affect our opinion.
2	**Contingent Liability** The Holding Company is involved in indirect tax and other civil court litigations that are pending with various tax authorities. Whether a liability is recognized or disclosed as a contingent liability in the consolidated financial statements is inherently judgmental and dependent on assumptions and assessments. We placed specific focus on the judgements in respect to these demands against the Group. Determining the amount, if any, to be recognized or disclosed in the consolidated financial statements, is inherently subjective. Therefore, these litigations amount is considered to be a key audit matter.	Our procedures included, but were not limited to, the following: • Obtained an understanding from the management with respect to process and controls followed by the Company for identification and monitoring of significant developments in relation to the litigations, including completeness thereof. • Obtained the list of litigations from the management and reviewed their assessment of the likelihood of outflow of economic resources being probable, possible or remote in respect of the litigations. • Assessed management's discussions held with their legal consultants and understanding precedents in similar cases; • Obtained and evaluated the managements representation from the company's internal dedicated team and consultant opinion wherever required representing the Company before the various authorities. Assessed and validated the adequacy and appropriateness of the disclosures made by the management in the financial statements.

INFORMATION OTHER THAN THE CONSOLIDATED 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 Management Discussion and Analysis, Board's Report including Annexures to Board's 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 and, in doing so, 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.

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

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding 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 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 Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 Consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the Consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 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.

We communicate with those charged with governance of the Holding Company 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 MATTER

We did not audit the financial statements and other financial information, in respect of subsidiaries, whose financial statements include total assets of ₹ 6,718.56

lakhs as at March 31, 2022, and total revenue of ₹ 12,066.96 lakhs, net profit (including other comprehensive income) ₹ 1,391.00 lakhs and net cash inflows amounting to ₹ 3.84 lakhs for the year ended on that date respectively, as considered in the consolidated financial statements. These unaudited financial statements have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act insofar as it relates to the aforesaid subsidiaries, is based solely on such unaudited financial statements/information. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on financial statements and other financial information certified by the Management.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

A. As required by Section 143(3) of the Act, based on our audit we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit 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 so far as it appears from our examination of those books and reports of other auditors.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow 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, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2022 taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding Company is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

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

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

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

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

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 47 to the Consolidated financial statements.

ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.

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

iv. With respect to clause (e) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended:-

(a) The Management of the Holding Company has represented that, to the best of its knowledge and belief, other than as disclosed in the consolidated notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management of the Holding Company has represented, that, to the best of it's knowledge and belief, other than as disclosed in the consolidated notes to the accounts, no funds have been received by the Holding Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on such audit procedures that the auditor has considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.

v. The company has neither declared nor paid any dividend during the year. Thus, compliance with section 123 of the Companies Act, 2013 is not required.

For **Kirtane & Pandit LLP**
Chartered Accountants
Firm Registration No.105215W/W100057

Parag Pansare
Partner
Membership No.: 117309
UDIN: 22117309AQCADF7562

Pune, May 16, 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 Alicon Castalloy Limited 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")

We have audited the internal financial controls over financial reporting of ALICON CASTALLOY LIMITED ("the Holding Company") as of March 31, 2022 in conjunction with our audit of the Consolidated financial statements of the Holding Company and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Board of Directors of the Holding Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 Consolidated financial statements, whether due to fraud or error.

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

OPINION

In our opinion, the Holding Company has, in all material respects, maintained adequate internal financial controls over financial reporting as of March 31, 2022, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India and the Holding Company's internal financial controls over financial reporting were operating effectively as of March 31, 2022.

For **Kirtane & Pandit LLP**
Chartered Accountants
Firm Registration No.105215W/W100057

Parag Pansare
Partner
Membership No.: 117309
UDIN: 22117309AQCADF7562

Pune, May 16, 2022

alicon

Consolidated Balance Sheet
as at March 31, 2022

(₹ in Lacs)

Particulars	Note	As at March 31, 2022	As at March 31, 2021
Non-current assets			
Property, plant and equipment	3A	35,639.64	34,435.36
Capital work-in-progress	3A	1,947.10	2,116.93
Investment property	3B	232.95	242.06
Other Intangible assets	3C	2,674.53	1,327.33
Intangible assets Under development		674.12	659.77
Right-of-use of asset	3D	292.46	584.93
Financial assets			
Investments	4	0.65	0.69
Other financial assets	5	624.25	633.57
Income tax assets (net)		1,003.52	796.64
Other non-current assets	6	1,109.06	1,220.22
		44,198.28	**42,017.50**
Current assets			
Inventories	7	13,100.45	12,549.84
Financial assets			
Trade receivables	8	39,633.07	32,330.26
Cash and cash equivalents	9	1,109.67	1,463.51
Bank Balances other than Above (9)	10	441.81	423.41
Loans	11	35.15	109.99
Other financial assets	12	12.40	12.23
Other current assets	13	1,705.20	1,787.21
		56,037.75	**48,676.45**
TOTAL ASSETS		**100,236.03**	**90,693.95**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	805.60	695.51
Other equity	15	44,101.08	31,004.70
		44,906.68	**31,700.21**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	16	11,490.49	15,278.94
Lease liabilities	17	-	306.90
Provisions	18	680.02	771.58
Deferred tax liabilty (net)	19	3,044.49	2,754.66
		15,215.00	**19,112.08**
Current liabilities			
Financial liabilities			
Borrowings	20	14,616.61	19,560.89
Lease liabilities	21	306.90	262.24
Trade payables	22		
Due to micro and small enterprises		634.27	637.61
Due to other than micro and small enterprises		20,539.60	14,995.26
Other financial liabilities	23	2,679.54	3,039.29
Other current liabilities	24	1,103.68	1,185.79
Provisions	25	233.75	200.58
		40,114.35	**39,881.66**
TOTAL EQUITY AND LIABILITIES		**100,236.03**	**90,693.95**
Significant accounting policies	1 - 2		
Notes referred to above form an integral part of the consolidated financial statements	3 - 49		

As per our report of even date attached

For **Kirtane & Pandit LLP**
Chartered Accountants
Firm Regn No: 105215W/W100057

Parag Pansare
Partner
Membership No. 117309

Place: Pune
Date: 16 May 2022 .

On behalf of the Board of Directors of **Alicon Castalloy Ltd.**

S. Rai
Managing Director
DIN : 00050950

A.D.Harolikar
Director
DIN : 00239460

Rajeev Sikand
Chief Executive Officer

Vimal Gupta
Chief Finance Officer

Swapnal Patane
Company Secretary

Consolidated Statement of Profit and Loss

for the year ended March 31, 2022

(₹ in Lacs)

Particulars	Note	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue from operations	26	107,805.12	84,857.02
Other income	27	331.52	285.73
Total income		**108,136.64**	**85,142.75**
Expenses			
Cost of materials consumed	28	51,767.85	37,112.57
Purchase of stock-in-trade		3,090.47	2,233.48
Changes in inventories of finished goods , Stock-in-Trade and work-in-progress	29	(469.29)	(770.31)
Employee benefit expense	30	13,809.57	13,504.08
Depreciation and amortization expense	31	5,308.82	4,879.19
Finance costs	32	3,011.86	3,613.95
Other expenses	33	28,358.88	24,461.65
Total expenses		**104,878.16**	**85,034.61**
Profit/ (Loss) before tax		**3,258.48**	**108.14**
Tax expense	48		
Current tax		633.37	106.16
Deferred tax (benefit)/charge		271.38	57.83
MAT credit entitlement		(64.33)	-
Short/ (Excess) of earlier years (including MAT Credit)		-	136.70
Total tax expense		**840.42**	**300.69**
Profit/ (Loss) for the year		**2,418.06**	**(192.55)**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit plans		52.87	(3.74)
Net (loss) or gain on FVTOCI assets		(0.04)	0.11
Income tax on items that will not be reclassified to profit or loss		(18.48)	1.31
Exchange differences in translating the financial statements of foreign operations		(108.35)	85.05
Total other comprehensive income		**(74.00)**	**82.73**
Total comprehensive income for the year		**2,344.06**	**(109.82)**
Earnings per equity share for continuing operations (face value per share ₹ 5 each)			
Basic	46	15.68	(1.39)
Diluted	46	15.54	(1.39)
Significant accounting policies	1 - 2		
Notes referred to above form an integral part of the consolidated financial statements	3 - 49		

As per our report of even date attached

For **Kirtane & Pandit LLP**
Chartered Accountants
Firm Regn No: 105215W/W100057

Parag Pansare
Partner
Membership No. 117309

Place: Pune
Date: 16 May 2022 .

On behalf of the Board of Directors of **Alicon Castalloy Ltd.**

S. Rai
Managing Director
DIN : 00050950

A.D.Harolikar
Director
DIN : 00239460

Rajeev Sikand
Chief Executive Officer

Vimal Gupta
Chief Finance Officer

Swapnal Patane
Company Secretary

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

(₹ in Lacs)

Particulars		For the year ended March 31, 2022	For the year ended March 31, 2021
A.	**Cash flow from operating activities**		
	Net Profit / (Loss) before extraordinary items and tax	3,258.48	108.19
	Adjustments for:		
	Depreciation and amortisation	4,999.69	4,559.98
	Loss On sales of Fixed Asset	16.66	26.71
	Employee stock compensation cost	63.29	244.94
	Interest income	(33.32)	(28.95)
	Rent received	(197.08)	(180.75)
	Provision for doubtful trade and other receivables	3.40	272.30
	Amount written off during the year	(312.07)	(195.45)
	Finance cost	2,967.79	3,544.89
	Unrealised foreign exchange gain or loss	(165.67)	(55.38)
	Exchange difference in translating the financial statemnet of foreign oprations	(108.35)	85.05
	Impact on account of leases	30.23	69.81
	Sample sale written off	3.70	-
		7,268.27	**8,343.15**
	Operating profit / (loss) before working capital changes	**10,526.75**	**8,451.34**
	Changes in working capital:		
	(Increase) / Decrease in inventories	(550.61)	(1,953.15)
	(Increase) / Decrease in trade receivables	(6,794.61)	1,500.02
	(Increase) / Decrease in other bank balances	(18.40)	115.60
	(Increase) / Decrease in current loans	74.84	(58.72)
	(Increase) / Decrease in other current financial asset	(0.17)	(3.34)
	(Increase) / Decrease in other current assets	82.01	1,326.95
	(Increase) / Decrease in non-current financial assets	9.32	(84.25)
	(Increase) / Decrease in other non-current assets	111.16	(290.87)
	Increase / (Decrease) in trade payables	5,501.42	430.18
	Increase / (Decrease) in current other financial liabilities	(359.75)	1,157.30
	Increase / (Decrease) in other current liabilities	(82.11)	730.29
	Increase / (Decrease)in short-term provision	(91.56)	72.90
	Increase / (Decrease)in long-term provision	86.04	(3.46)
	Cash generated from operations	**8,494.33**	**11,390.79**
	Net income tax (paid) / refunds	(775.95)	(174.47)
	Net cash flow from / (used in) operating activities	**7,718.38**	**11,216.32**

Consolidated Cash Flow Statement

for the year ended March 31, 2022

(₹ in Lacs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
B. Cash flow from investing activities		
Capital expenditure on property plant and equipment	(5,958.57)	(3,824.84)
Capital expenditure on intangibles asset	(1,444.64)	(1,057.02)
Interest received	33.32	28.95
Rent received	197.08	180.75
Net cash flow from / (used in) investing activities	**(7,172.81)**	**(4,672.16)**
C. Cash flow from financing activities		
Finance costs	(2,967.79)	(3,544.89)
Borrowings / (Repayment) (Net) long term	(3,788.45)	2,603.15
Borrowings / (Repayment) (Net) short term	(4,944.28)	(4,585.42)
Proceeds from issue of equity shares	11,009.38	6.74
Share issue expense	(208.15)	-
Premium on issue of shares under ESOP scheme	(0.12)	-
Share application money pending allotment	-	62.47
Net cash flow from / (used in) financing activities	**(899.41)**	**(5,457.95)**
Net increase / (decrease) in Cash and cash equivalents	**(353.84)**	**1,086.21**
Cash and cash equivalents at the beginning of the year	1,463.51	377.3
Cash and cash equivalents at the end of the year	**1,109.67**	**1,463.51**
Components of cash and cash equivalents		
Cash on hand	14.25	53.73
Balances with banks in current accounts	1,095.42	1,409.78
	1,109.67	**1,463.51**
Significant accounting policies		**1 - 2**
Notes referred to above form an integral part of the consolidated financial statements		**3 - 49**

As per our report of even date attached

For **Kirtane & Pandit LLP**
Chartered Accountants
Firm Regn No: 105215W/W100057

Parag Pansare
Partner
Membership No. 117309

Place: Pune
Date: 16 May 2022 .

On behalf of the Board of Directors of **Alicon Castalloy Ltd.**

S. Rai
Managing Director
DIN : 00050950

A.D.Harolikar
Director
DIN : 00239460

Rajeev Sikand
Chief Executive Officer

Vimal Gupta
Chief Finance Officer

Swapnal Patane
Company Secretary

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Consolidated Statement of Changes in Equity
for the year ended March 31, 2022

(₹ in Lacs)

A	**Equity share capital**	
	Balance as at 1 April 2020	688.77
	Changes in equity share capital due to prior period errors	-
	Restated balance as at 1 April 2020	**688.77**
	Changes in equity share capital during 2020-21	6.74
	Balance as at 31 March 2021	**695.51**
	Changes in equity share capital due to prior period errors	-
	Restated balance as at 31 March 2021	**695.51**
	Changes in equity share capital during 2021-22	110.09
	Balance as at 31 March 2022	**805.60**

B Other equity

(₹ in Lacs)

Particulars	Share application money pending allotment	Surplus							
		Securities premium	Employee stock options outstanding (ESOP)	Captial reserve	General reserve	Surplus	Exchange difference intranslation the financial statement of foreign Oprations	Equity instruments through Other comprehensive income	Total
Balance as on 31 March 2020	**-**	**8,940.69**	**1,113.87**	**411.55**	**1,240.00**	**18,973.66**	**124.97**	**(0.18)**	**30,804.57**
Profit for the year	-	-	-	-	-	(192.55)	-	-	(192.55)
Other comprehensive income (net of tax)	-	-	-	-	-	(2.43)	85.05	0.11	82.73
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**(194.98)**	**85.05**	**0.11**	**(109.82)**
Transactions with owners recognised directly in equity									
Transfer to general reserve			(17.57)			18.14	-	-	0.57
Share based payments to employees	-	-	245.50	-	-	-	-	-	245.50
Premium on issue of shares under ESOP scheme	-	647.80	(648.37)	-	-	-	-	-	(0.57)
Options exercised but pending allotment	62.47	-	-	-	-	-	-	-	62.47
Balance as on 31 March 2021	**62.47**	**9,588.49**	**693.44**	**411.55**	**1,240.00**	**18,796.82**	**210.02**	**(0.07)**	**31,002.72**
Profit for the year	-	-	-	-	-	2,418.060	-	-	2,418.06
Other comprehensive income (net of tax)	-	-	-	-	-	34.39	(108.35)	(0.04)	(74.00)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**2,452.45**	**(108.35)**	**(0.04)**	**2,344.06**

Consolidated Statement of Changes in Equity
for the year ended March 31, 2022

(₹ in Lacs)

Particulars	Share application money pending allotment	Surplus: Securities premium	Employee stock options outstanding (ESOP)	Captial reserve	General reserve	Surplus	Exchange difference intranslation the financial statement of foreign Oprations	Equity instruments through Other comprehensive income	Total
Transactions with owners recognised directly in equity									
Share based payments to employees	-	-	63.29	-	-	-	-	-	63.29
Premium on issue of shares under ESOP scheme	(62.47)	819.08	(756.73)	-	-	-	-	-	(0.12)
Share application money received but pending allotment	10,973.36	-	-	-	-	-	-	-	10,973.36
Issue of equity shares	(10,973.36)	10,899.29	-	-	-	-	-	-	(74.07)
Share issue expense		(208.15)	-	-	-	-	-	-	(208.16)
Changes during the year	-	-	-	-	-	-	-	-	-
Balance as on 31 March 2022	**-**	**21,098.71**	**-**	**411.55**	**1,240.00**	**21,249.27**	**101.67**	**(0.11)**	**44,101.08**

1. Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of Section 52 of the Companies Act 2013.
2. ESOP reserve is used to recognise the grant date fair value of options issued to employees under the Employee stock option plan which are unvested as on the reporting date.
3. General reserve is created from time to time by way of transfer profits from surplus for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.
4. Capital reserve was created on acquisition of casting business of Atlas Castalloy in year 2014-15.
5. Equity Instruments through Other Comprehensive Income - This represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, under an irrevocable option, net of amounts reclassified to retained earnings when such assets are disposed of.

Significant accounting policies 1 - 2

Notes referred to above form an integral part of the consolidated financial statements 3 - 49

As per our report of even date attached

On behalf of the Board of Directors of **Alicon Castalloy Ltd.**

For **Kirtane & Pandit LLP**
Chartered Accountants
Firm Regn No: 105215W/W100057

Parag Pansare
Partner
Membership No. 117309

S. Rai
Managing Director
DIN : 00050950

A.D.Harolikar
Director
DIN : 00239460

Place: Pune
Date: 16 May 2022 .

Rajeev Sikand
Chief Executive Officer

Vimal Gupta
Chief Finance Officer

Swapnal Patane
Company Secretary

Notes forming part of the Consolidated Financial Statements

THE CORPORATE OVERVIEW

Alicon Castalloy Limited ("the Company") is a public limited company domiciled in India and is listed on Bombay Stock Exchange and National Stock Exchange. The Company is the manufacturer of aluminium alloy die castings mainly used in automotive segment of the industry in India. The Company' s products also cover non-auto sector of the Industry. The Company also exports its products to the countries like U.S.A. and U.K.

The consolidated financial statements comprise the financial statements of the company and its subsidiaries (together referred to as "the group").

1. BASIS OF PREPARATION

The financial statements of the group have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 ("the Act") [the Companies (Indian Accounting Standards) Rules, 2015, as amended] and other relevant provisions of the Act.

The consolidated financial statements were authorised for issue by the Board of Directors on 16 April 2022.

a) Basis of measurement

The financial statements have been prepared on a historical cost basis, except for the following items, which are measured on an alternative basis on each reporting date.

- Certain financial assets and liabilities (including derivative instruments) are measured at fair value.
- Defined benefit plans – plan assets are measured at fair value.
- Equity settled share-based payments – measured at grant date fair value.

b) Current versus non-current classification

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

An asset is classified as current when it is:

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

All other assets are classified as non-current.

A liability is classified as current when it is:

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

The group classifies all other liabilities as non-current.

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

c) Principles of consolidation

The consolidated financial statements comprise the financial statements of the company and its subsidiaries. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the holding company.

Notes forming part of the Consolidated Financial Statements

In preparing the consolidated financial statements, the Group has used the following key consolidation procedures:

- Combine like items of assets, liabilities, equity, income, expenses and cash flows of the holding company with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- Offset (eliminate) the carrying amount of the holding company's investment in each subsidiary and the holding company's portion of equity of each subsidiary. Business combinations policy explains accounting for any related goodwill.
- Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group. Profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and property, plant and equipment, are eliminated in full. However, intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 -Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

d) **Functional and presentation currency:**

The financial statements are presented in Indian Rupees (INR), which is the company's functional currency. All amounts disclosed in the Financial Statements including notes have been rounded off to the nearest Lakhs in Indian Rupee (INR) as per the requirements of Schedule III of the Companies Act, 2013; unless otherwise indicated.

2. SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the 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) **Property, plant and equipment**

- **Recognition and measurement**

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Cost comprises of purchase price and any directly attributable costs of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Borrowing costs attributable to construction or acquisition of a qualifying asset for the period up to the date, the asset is ready for its intended use are included in the cost of the asset to which they relate.

Pre-operative expenditure including trial run expenses comprising of revenue expenses incurred as reduced by the revenue generated during the period up to the date, the asset is ready for its intended use are treated as part of costs of that asset.

Capital work-in-progress comprises of the cost of property, plant and equipment that are not yet ready for their intended use as at the balance sheet date.

Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting date are disclosed under "Other non-current assets".

- **Subsequent costs**

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

- **Derecognition**

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net and disclosed within other income or expenses in the statement of profit and loss.

- **Depreciation methods, estimated useful lives and residual value**

  Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value. Depreciation is recognised in the statement of profit and loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment as prescribed in Schedule II of the Companies Act 2013, as assessed by the management of the group based on technical evaluation except in the case of following assets:

Description	Useful life considered
Plant & Machinery – Furnace	10 years
Plant & Machinery – Platform	18 years
Plant & Machinery – CNC/LPDC/GDC	10 years
Other Plant & Machinery	3 to 15 years
Buildings	3, 5 & 30 years
Computers – desktops, laptops	3 years
Electrical Installation and Equipment	3 to 15 years
Factory Equipment	3 to 15 years
Furniture & Fixture	5 & 7 years
Office Equipment	3, 5, 7 & 10 years
Dies & Pattern	4 to 7 years

  Freehold land is not depreciated.

b) **Intangible assets**

- **Recognition and measurement**

  Intangible assets are recognised when the asset is identifiable, is within the control of the group, it is probable that the future economic benefits that are attributable to the asset will flow to the group and cost of the asset can be reliably measured.

  Intangible assets acquired by the group that have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses.

- **Derecognition**

  An item of intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposal of intangible asset are determined by comparing the proceeds from disposal with the carrying amount of intangible asset and are recognised net and disclosed within other income or expenses in the statement of profit and loss.

- **Amortisation**

  Amortisation is calculated over the cost of the asset, or other amount substituted for cost. Amortisation is recognised in statement of profit and loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

  The estimated useful lives are as follows:

Computer and functional software	7 years

c) **Investment properties**

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the property are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

Investment properties are derecognised either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the statement of profit and loss in the period of derecognition.

d) **Leases**

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of

Notes forming part of the Consolidated Financial Statements

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:

- the contract involves the use of an identified asset - this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified.
- the Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Group has the right to direct the use of the asset. The Group has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Group has the right to direct the use of the asset if either:
- the Group has the right to operate the asset; or
- the Group designed the asset in a way that predetermines how and for what purpose it will be used.

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

Group as a lessee

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

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments.
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date.
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

e) Impairment of non-financial assets

The Group assesses at each balance sheet date whether there is any indication that an asset or cash generating unit (CGU) may be impaired. If any such indication exists, the group estimates the recoverable amount of the asset. The recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal or its value in use. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

f) Inventories

Raw materials, consumables, stores and spares are valued at lower of cost and net realisable value. Cost is determined using moving average method.

Work-in-process and finished goods are valued at lower of cost and net realisable value. Cost includes direct material and labour and a proportion of manufacturing overhead based on normal operating capacity. Cost is determined using standard cost which approximates actual cost.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

g) Cash and cash equivalents

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

h) Revenue recognition

The Group is primarily into selling of aluminum castings. Sales are recognised when substantial control of the products has been transferred to the customer, being when the products are delivered to the customer or its authorised representative and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Revenue from these sales is recognised based on the price specified in the contract, net of the estimated discounts, rebates, returns and goods and service tax. The Group's obligation to provide a refund for defects in the products is recognised as a provision. A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

The Group does not expect to have any contracts where the period between the transfer of the promised goods to the customer and payment by the customer exceeds one year. Accordingly, the group does not adjust any of the transaction prices for the time value of money.

The Group besides manufacturing the products from its raw materials, also converts raw materials supplied by its customers and accounts for the gross receipts as 'conversion income' once the job is completed and goods are dispatched to the customers. Income from development of such dies is accounted for in the year in which dies are completed and invoiced.

Other operating revenue represents income earned from the Group's principal activities and is recognised when the right to receive the income is established as per the terms of the contract.

i) Other income

- **Interest income**
  Interest income from debt instruments is recognised using effective interest rate method (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability.

- **Dividends**
  Dividends are recognised in the statement of profit and loss only when the right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the group, and the amount can be measured reliably.

- Any other income are accounted for on accrual basis.

j) Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing are initially recognized net of transaction cost incurred and measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in the statement of Profit and Loss over the period of the borrowings using effective interest method.

Notes forming part of the Consolidated Financial Statements

Interest and other borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized. Other interest and other borrowing cost are charged to profit and loss account.

k) Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies which are outstanding, as at the reporting period are translated at the closing exchange rates and the resultant exchange differences are recognised in the statement of profit and loss.

Non-monetary assets and liabilities denominated in foreign currencies that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction.

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate at the date of that balance sheet
- income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- All resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold, the associated exchange differences are reclassified to the statement of profit and loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

l) Employee Benefits

Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the services are classified as short-term employee benefits. Benefits such as salaries, wages, expected cost of bonus and short-term compensated absences, ex-gratia, performance pay etc. are recognised in the period in which the employee renders the related service.

Post-employment benefits

Defined contribution plans

Defined contribution plans are employee state insurance scheme and Government administered pension fund scheme for all applicable employees. The group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expenses when they are due.

Defined benefit plans

The employees' gratuity fund scheme is managed by a LIC, is the group's defined benefit plan. The present value of the obligation under such defined benefit plans is determined based on actuarial valuation using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, is based on the market yields on government securities as at the reporting date, having maturity periods approximating to the terms of related obligations.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets, are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income (OCI) in the period in which they occur. Remeasurements are not reclassified to the statement of profit and loss in subsequent periods.

In case of funded plans, the fair value of the plan's assets is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on net basis.

Notes forming part of the Consolidated Financial Statements

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the statement of profit and loss as past service cost.

Net interest is calculated by applying the discount rate to the net defined benefit liability or the fair value of the plan asset. The cost is included in employee benefit expense in the statement of profit and loss.

Other long-term employee benefits

The liabilities for earned leave which are not expected to be settled within twelve months after the end of the reporting period in which the employee render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employee up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating the terms of the related obligation. Remeasurements as a result of experience adjustments and change in actuarial assumptions are recognised in the statement of profit and loss. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

m) Share-based payments

Employees of the Group who are entitled to receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the grant date using fair valuation model.

That cost is recognised, together with a corresponding increase in share-based payment reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss represents the movement in cumulative expense recognised as at the beginning and at the end of the period and to be recognised in the employee benefits expense.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

n) Research and development cost

Research costs are expensed as and when incurred. Development costs are expensed as and when incurred, unless the technical and commercial feasibility of the project is demonstrated, future economic benefits are probable and the costs can be measured reliably. Research and development expenditure of a capital nature includes the cost of relevant fixed assets.

o) Income tax

Income tax expense comprises of current tax and deferred tax. It is recognised in the statement of profit and loss except to the extent that it relates to the items recognised directly in OCI.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable profits computed for the current accounting period. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred tax

Deferred tax is provided on temporary differences between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits (E.g. MAT Credit entitlement) and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that

Notes forming part of the Consolidated Financial Statements

is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

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

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

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

p) Government grant

Grants from the Government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions. Government grants relating to income are deferred and recognised in the statement of profit and loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

q) Provisions and contingencies

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

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

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost in the statement of profit and loss.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognise a contingent liability but discloses its existence in the financial statements.

Contingent assets are not recognised in financial statements, unless they are virtually certain. However, contingent assets are disclosed where inflow of economic benefits are probable.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

r) Fair value measurement

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

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

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

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

Notes forming part of the Consolidated Financial Statements

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

For the purpose of fair value disclosures, the group has determined classes of assets and liabilities based on the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

s) **Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition and measurement

Financial instruments are initially recognised when the entity becomes party to the contract.

Financial instruments are measured initially at fair value adjusted for transaction costs that are directly attributable to the origination of the financial instrument where financial instruments not classified at fair value through profit or loss. Transaction costs of financial instruments which are classified as fair value through profit or loss are expensed in the statement of profit and loss.

Subsequent measurement of financial assets

For the purposes of subsequent measurement, the financial assets are classified in the following categories based on the group's business model for managing the financial assets and the contractual terms of cash flows:

- those to be measured subsequently at fair value; either through OCI or through profit or loss
- those measured at amortised cost

For assets measured at fair value, changes in fair value will either be recorded in the statement of profit and loss or OCI. For investments in debt instruments, this will depend on the business model in which investment is held. For investments in equity instruments, this will depend on whether the group has made an irrevocable election at the time of initial recognition to account for equity investment at fair value through OCI.

The group reclassifies debt investments when and only when its business model for managing those assets changes.

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are satisfied:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- The contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of hedging relationship is recognised in the statement of profit and loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using effective interest rate (EIR) method.

Debt instruments at fair value through other comprehensive income (FVTOCI)

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent SPPI, are measured at FVTOCI. The movements in the carrying amount are recognised through OCI, except for the recognition of impairment gains and losses, interest revenue and foreign exchange gain or losses which are recognised in the statement of profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to the statement of profit and loss and recognised in other gains/ losses. Interest income from these financial assets is included in other income using EIR method.

Debt instruments at fair value through profit or loss (FVTPL)

Assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL. A gain or loss on debt instrument that is subsequently measured at FVTPL and is not a part of hedging relationship is recognised in the statement of profit and loss within other gains/ losses in the period in which it arises. Interest income from these financial assets is included in other income.

Equity investments

All equity investments in the scope of Ind AS 109 Financial Instruments are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the group may make an irrevocable election to recognise subsequent changes in the fair

Notes forming part of the Consolidated Financial Statements

value in OCI. The group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in OCI. There is no recycling of the amounts from OCI to the statement of profit and loss, even on sale of equity instrument.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

Subsequent measurement of financial liabilities

For the purposes of subsequent measurement, the financial liabilities are classified in the following categories:

- those to be measured subsequently at fair value through profit or loss (FVTPL)
- those measured at amortised cost

Following financial liabilities will be classified under FVTPL:

- Financial liabilities held for trading
- Derivative financial liabilities
- Liability designated to be measured under FVTPL

All other financial liabilities are classified at amortised cost.

For financial liabilities measured at fair value, changes in fair value will recorded in the statement of profit and loss except for the fair value changes on account of own credit risk are recognised in Other Comprehensive Income (OCI).

Interest expense on financial liabilities classified under amortised cost category are measured using effective interest rate (EIR) method and are recognised in statement of profit and loss.

Derecognition of financial instruments

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 retain substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

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

Impairment of financial assets

The group applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the financial assets mentioned below:

- Financial assets that are debt instrument and are measured at amortised cost
- Financial assets that are debt instruments and are measured as at FVOCI
- Trade receivables

The impairment methodology applied depends on whether there has been a significant increase in credit risk. Details how the group determines whether there has been a significant increase in credit risk is explained in the respective notes.

For impairment of trade receivables, the group chooses to apply practical expedient of providing expected credit loss based on provision matrix and does not require the Group to track changes in credit risk. Percentage of ECL under provision matrix is determined based on historical data as well as futuristic information.

Derivative financial instruments

Initial measurement and subsequent measurement

The group uses derivative financial instruments, such as forward currency contracts to hedge foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are recognised in statement of profit and loss.

Notes forming part of the Consolidated Financial Statements

t) **Cash dividend**

The group recognises a liability to make cash distributions to equity holders when the distribution is authorised and approved by the shareholders. A corresponding amount is recognised directly in equity.

u) **Earnings per share (EPS)**

Basic EPS is calculated by dividing the profit for the year attributable to equity holders of the group by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted EPS adjust the figures used in the determination of basic EPS to consider

- The after-income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

v) **Operating segments**

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Group. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Group.

w) **Significant accounting judgments, estimates and assumptions**

The preparation of the financial statements in conformity with Ind AS, requires the management to make judgments, estimates and assumptions that affect the amounts of revenue, expenses, current assets, non-current assets, current liabilities, non-current liabilities, disclosure of the contingent liabilities and notes to accounts at the end of each reporting period. Actuals may differ from these estimates.

Judgements

In the process of applying the Group's accounting policies, management have made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

Operating segment

Ind AS 108 Operating Segments requires Management to determine the reportable segments for the purpose of disclosure in financial statements based on the internal reporting reviewed by Chief Operating Decision Maker (CODM) to assess performance and allocate resources. The standard also requires Management to make judgments with respect to aggregation of certain operating segments into one or more reportable segment.

The Group has determined that the Chief Operating Decision Maker (CODM) is the Board of Directors (BoD). Operating segments used to present segment information are identified based on the internal reports used and reviewed by the BoD to assess performance and allocate resources.

Contingent liability

The Group has received various orders and notices from tax authorities in respect of direct taxes and indirect taxes. The outcome of these matters may have a material effect on the financial position, results of operations or cash flows. Management regularly analyses current information about these matters and discloses the information of related contingent liability. In making the decision regarding the need for creating loss provision, management considers the degree of probability of an unfavourable outcome and the ability to make a sufficiently reliable estimate of the amount of loss. The filing of a suit or formal assertion of a claim against the Group or the disclosure of any such suit or assertions, does not automatically indicate that a provision of a loss may be appropriate.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its estimates and assumptions on parameters available when the financial statements are prepared. Existing circumstances and assumptions about future developments, however, may change due to market conditions or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Defined benefit obligation

The cost of the defined benefit plans and other post-employment benefits and the present value of the obligations are determined using actuarial

Notes forming part of the Consolidated Financial Statements

valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future post-retirement medical benefit increase. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligations and extrapolated as needed along the yield curve to correspond with the expected term of the defined benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at intervals in response to demographic changes. Future salary increases are based on the expected future inflation rates for the country.

Further details about defined benefit obligations are provided in the respective note prepared elsewhere in the financial statements.

Deferred Tax

Deferred tax assets are recognised for all deductible temporary differences including the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits are unused tax losses can be utilised.

Estimation and underlying assumptions are reviewed on ongoing basis. Revisions to estimates are recognised prospectively.

x) **Recent accounting pronouncements**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed 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. These changes do not significantly change the requirements of Ind AS 103. The group does not expect the amendment to have any significant impact in its financial statements.

Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the group is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The group does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the group does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The group does not expect the amendment to have any significant impact in its financial statements.

Ind AS 116 – Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Group does not expect the amendment to have any significant impact in its financial statements.

Notes forming part of the Consolidated Financial Statements

3A PROPERTY, PLANT AND EQUIPMENT

Changes in the carrying amount of property, plant and equipment

(₹ in Lacs)

Particulars	Leasehold land	Freehold land	Buildings (refer note 1)	Factory Equipments	Plant and machinery	Electrical installations	Furniture and fixtures Owned	Computer	Office equiments	Quality control equipment	Motor vehicle	Dies and patterns	Asset taken on lease	Total
Gross carrying amount as at 1 April 2020	**1,265.47**	**1,860.33**	**5,056.55**	**3,177.34**	**40,376.93**	**2,403.79**	**1,970.48**	**502.04**	**804.31**	**683.74**	**578.23**	**8,515.20**	**595.37**	**67,789.78**
Additions/ (Adjustment)	-	-	27.13	112.45	1,613.68	3.16	-	3.78	16.25	7.72	2.00	1,617.36	-	3,403.53
Translation Adjustment	-	-	1.57	7.14	5.97	0.27	(1.64)	(43.02)	(3.71)	0.78	(48.24)	(1.61)	21.86	(60.63)
Disposal/ retirements/derecognition	-	-	42.63	0.63	268.31	-	0.50	-	-	-	10.35	56.92	-	379.34
Gross carrying amount as at 31 March 2021	**1,265.47**	**1,860.33**	**5,042.63**	**3,296.30**	**41,728.27**	**2,407.22**	**1,968.34**	**462.80**	**816.85**	**692.23**	**521.64**	**10,074.03**	**617.23**	**70,753.34**
Accumulated depreciation as at 1 April 2020	**68.72**	**-**	**1,568.93**	**2,177.35**	**18,674.13**	**1,515.62**	**1,195.88**	**475.00**	**537.88**	**453.35**	**455.79**	**4,603.50**	**533.85**	**28,146.10**
Depreciation	13.93	-	198.40	254.98	2,684.38	112.83	141.14	18.63	61.22	63.57	40.75	865.43	20.01	4,006.30
Translation Adjustment	-		0.70	(14.57)	(26.25)	0.27	(1.71)	(43.39)	(4.82)	(1.00)	(51.21)	(4.73)	19.63	107.55
Disposal/ retirements/derecognition	-	-	42.40	0.65	185.69	-	0.50	-	-	-	9.27	51.70	-	-
Accumulated depreciation as at 31 March 2021	**82.65**	**-**	**1,725.63**	**2,417.11**	**21,146.57**	**1,628.72**	**1,334.81**	**450.24**	**594.27**	**515.92**	**436.07**	**5,412.50**	**573.49**	**32,259.95**
Carrying amount as at 1 April 2020	**1,196.75**	**1,860.33**	**3,487.62**	**999.99**	**21,702.80**	**888.17**	**774.60**	**27.04**	**266.43**	**230.39**	**122.44**	**3,911.70**	**61.52**	**39,643.68**
Carrying amount as at 31 March 2021	**1,182.82**	**1,860.33**	**3,317.00**	**879.19**	**20,581.70**	**778.50**	**633.53**	**12.57**	**222.57**	**176.31**	**85.57**	**4,661.53**	**43.74**	**38,493.39**
Gross carrying amount as at 1 April 2021	**1,265.47**	**1,860.33**	**5,042.68**	**3,296.30**	**41,728.27**	**2,407.22**	**1,968.34**	**462.80**	**816.85**	**692.23**	**521.64**	**10,074.03**	**617.23**	**70,753.39**
Additions/ (Adjustment)	-	-	90.26	216.16	3,925.50	107.80	0.92	14.16	10.14	43.48	1.64	1,598.49	-	6,008.55
Translation Adjustment			(1.20)	(20.29)	(23.50)	(0.13)	(0.90)	(0.75)	(2.24)	(1.74)	(1.52)	(3.76)	(10.31)	(66.34)
Disposal/ retirements/derecognition	-	-	22.58	33.30	41.73	9.87	22.69	3.06	2.62	20.28	0.42	21.54	-	178.09
Gross carrying amount as at 31 March 2021	**1,265.47**	**1,860.33**	**5,109.16**	**3,458.87**	**45,588.54**	**2,505.02**	**1,945.67**	**473.15**	**822.13**	**713.69**	**521.34**	**11,647.22**	**606.92**	**76,517.51**
Accumulated depreciation as at 1 April 2021	**82.65**	**-**	**1,725.63**	**2,417.11**	**21,146.57**	**1,628.72**	**1,334.81**	**450.24**	**594.27**	**515.92**	**436.12**	**5,412.50**	**573.49**	**36,318.03**
Depreciation	13.93	-	195.00	219.78	2,857.12	112.68	132.21	9.83	60.52	49.80	27.53	1,067.99	17.47	4,763.86
Translation Adjustment	-		(0.60)	(12.81)	(19.16)	(0.13)	(0.88)	(0.63)	(2.31)	(1.49)	(1.56)	(2.76)	(10.11)	(52.45)
Disposal/ retirements/derecognition	-	-	22.55	28.85	36.83	9.05	16.63	(1.34)	2.54	20.16	0.40	15.90	-	151.57
Accumulated depreciation as at 31 March 2021	**96.58**	**-**	**1,897.48**	**2,595.23**	**23,947.71**	**1,732.21**	**1,449.51**	**460.78**	**649.94**	**544.07**	**461.69**	**6,461.83**	**580.85**	**40,877.87**
Carrying amount as at 1 April 2021	**1,182.82**	**1,860.33**	**3,317.05**	**879.19**	**20,581.70**	**778.50**	**633.53**	**12.57**	**222.57**	**176.31**	**85.52**	**4,661.53**	**43.74**	**34,435.36**
Carrying amount as at 31 March 2022	**1,168.89**	**1,860.33**	**3,211.68**	**863.64**	**21,640.83**	**772.80**	**496.15**	**12.38**	**172.19**	**169.63**	**59.65**	**5,185.39**	**26.07**	**35,639.64**

Note:
Refer note 21 and 25A for details of property, plant and equipment pledged as security for borrowings.21
All the title deeds of immovable properties are in the name of the company.

Notes forming part of the Consolidated Financial Statements

(a) **CWIP aging schedule**

As at 31 March 2022

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1,623.73	-	-	323.37	1,947.10
Projects temporarily suspended	-	-	-	-	-

As at 31 March 2021

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1,392.04	414.36	310.53	-	2,116.93
Projects temporarily suspended	-	-	-	-	-

3B INVESTMENT PROPERTY

Changes in the carrying amount of Investment property

(₹ in Lacs)

Particulars	Land	Building	Total
Gross carrying amount as at 1 April 2020	**109.80**	**269.08**	**378.88**
Additions	-	-	-
Gross carrying amount as at 31 March 2021	**109.80**	**269.08**	**378.88**
Accumulated depreciation as at 1 April 2020	**-**	**127.71**	**127.71**
Depreciation	-	9.11	9.11
Accumulated depreciation as at 31 March 2021	**-**	**136.82**	**136.82**
Carrying amount as at 1 April 2020	**109.80**	**141.37**	**251.17**
Carrying amount as at 31 March 2021	**109.80**	**132.26**	**242.06**
Gross carrying amount as at 1 April 2021	**109.80**	**269.08**	**378.88**
Additions	-	-	-
Gross carrying amount as at 31 March 2022	**109.80**	**269.08**	**378.88**
Accumulated depreciation as at 1 April 2021	**-**	**136.82**	**136.82**
Depreciation	-	9.11	9.11
Accumulated depreciation as at 31 March 2022	**-**	**145.93**	**145.93**
Carrying amount as at 1 April 2021	**109.80**	**132.26**	**242.06**
Carrying amount as at 31 March 2022	**109.80**	**123.15**	**232.95**

Reconciliation of fair value:

(₹ in Lacs)

Particulars	Investment property
Fair value as at 1 April 2020	**527.01**
Fair value difference	-
Fair value as at 31 March 2021	**527.01**
Fair value difference	-
Fair value as at 31 March 2022	**527.01**

Notes forming part of the Consolidated Financial Statements

The management is of the opinion that there is no significant change in fair valuation of investment property from previous years. Hence, the company has continued with the same value in the current year. All this fair value for investment properties forms part of Level 3 fair value.

These valuations are based on valuations performed by property valuer, an accredited independent valuer. The valuer is a specialist in valuing these types of properties. These valuations are generally based on ready reckoner rates available. All resulting fair value estimates for investment properties are included in Level 3.

The rent received from the investment property is ₹ 197.08 Lakhs (Previous year : ₹ 180.75 Lakhs).

3C INTANGIBLE ASSETS

Changes in the carrying amount of other intangible assets

(₹ in Lacs)

Particulars	Software	Intangible Asset technical know-how	Total
Gross carrying amount as at 1 April 2020	**802.07**	**-**	**802.07**
Additions	-	1,071.19	1,071.19
Translation Adjustment	2.42	-	2.42
Disposal/retirements/derecognition	143.00	-	143.00
Gross carrying amount as at 31 March 2021	**661.49**	**1,071.19**	**1,732.68**
Accumulated depreciation as at 1 April 2020	**443.93**	**-**	**443.93**
Depreciation	92.13	10.18	102.31
Trasnslation adjustment	2.11		2.11
Disposal/retirements/derecognition	143.00	-	143.00
Accumulated depreciation as at 31 March 2021	**395.17**	**10.18**	**405.35**
Carrying amount as at 1 April 2020	**358.14**	**-**	**358.14**
Carrying amount as at 31 March 2021	**266.32**	**1,061.01**	**1,327.33**
Gross carrying amount as at 1 April 2021	**661.49**	**1,071.19**	**1,732.68**
Additions	-	1,581.61	1,581.61
Translation Adjustment	(1.58)		(1.58)
Disposal/retirements/derecognition	7.68	-	7.68
Gross carrying amount as at 31 March 2022	**652.23**	**2,652.80**	**3,306.61**
Accumulated depreciation as at 1 April 2021	**395.17**	**10.18**	**405.35**
Depreciation	87.82	146.62	234.44
Trasnslation adjustment	(0.03)	-	(0.03)
Disposal/retirements/derecognition	7.68	-	7.68
Accumulated depreciation as at 31 March 2022	**475.28**	**156.80**	**632.08**
Carrying amount as at 1 April 2021	**266.32**	**1,061.01**	**1,327.33**
Carrying amount as at 31 March 2022	**176.95**	**2,496.00**	**2,674.53**

Notes forming part of the Consolidated Financial Statements

(a) Intangible assets under development aging schedule

As at 31 March 2022

Intangible assets under development	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	674.12	-	-	-	674.12
Projects temporarily suspended	-	-	-	-	-

As at 31 March 2021

Intangible assets under development	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	309.11	350.66	-	-	659.77
Projects temporarily suspended	-	-	-	-	-

3D RIGHT OF USE ASSET

Changes in the carrying amount of Investment property

(₹ in Lacs)

Particulars	Building	Total
Gross carrying amount as at 1 April 2020	**1,463.05**	**1,463.05**
Additions	-	-
Disposal/retirements/derecognition		-
Gross carrying amount as at 31 March 2021	**1,463.05**	**1,463.05**
Accumulated depreciation as at 1 April 2020	**585.65**	**585.65**
Depreciation	292.47	292.47
Disposal/retirements/derecognition	-	-
Accumulated depreciation as at 31 March 2021	**878.12**	**878.12**
Carrying amount as at 1 April 2020	**877.40**	**877.40**
Carrying amount as at 31 March 2021	**584.93**	**584.93**
Gross carrying amount as at 1 April 2021	**1,463.05**	**1,463.05**
Additions	-	-
Disposal/retirements/derecognition		-
Gross carrying amount as at 31 March 2022	**1,463.05**	**1,463.05**
Accumulated depreciation as at 1 April 2021	**878.12**	**878.12**
Depreciation	292.47	292.47
Disposal/retirements/derecognition	-	-
Accumulated depreciation as at 31 March 2022	**1,170.59**	**1,170.59**
Carrying amount as at 1 April 2021	**584.93**	**584.93**
Carrying amount as at 31 March 2022	**292.46**	**292.46**

Refer note for further disclosures on leases.

Notes forming part of the Consolidated Financial Statements

4 NON CURRENT INVESTMENTS

(₹ In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Quoted Investments		
Investments in equity instruments of other entities measured at fair value through Other Comprehensive Income		
Bank of Maharashtra	0.15	0.19
900 equity shares (PY 900) of having face value of ₹10 each		
Unquoted Investments		
Investments in equity instruments of other entities measured at fair value through Profit and Loss		
Shamrao Vitthal Co-operative bank*	0.50	0.50
2000 equity shares (PY 2000) of ₹25 each fully paid-up		
	0.65	**0.69**
Aggregate book value of quoted investments	0.15	0.19
Aggregate market value of quoted investments	0.15	0.19
Aggregate value of unquoted investments	0.50	0.50

*The Company has not performed fair valuation of its investment in unquoted equity shares which are classified as FVTPL, as the Company believes that impact of change on account of fair value is insignificant.

5 OTHER FINANCIAL ASSETS

(Unsecured, considered good unless otherwise stated)

(₹ In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Security Deposit to related parties		
Security deposits	465.05	432.55
Security Deposits other than related parties		
Security deposits	159.20	201.02
	624.25	**633.57**

Note :

(i) Loans are measured at amortised cost

(ii) Refer related party disclosure in note 42.

6 OTHER NON-CURRENT ASSETS

(Unsecured, considered good unless otherwise stated)

(₹ In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Capital advances	551.51	610.86
Balances with customs, excise and other government authorities	489.38	563.13
Deposits paid against appeal/ assessment	68.17	46.23
	1,109.06	**1,220.22**

No amount is due from any of the directors or officers of the Company, severally or jointly with any other person; or from firms where such director is a partner or from private companies where such director is a member.

Notes forming part of the Consolidated Financial Statements

7 INVENTORIES

(Valued at the lower of cost and net realisable value)

(₹ In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Finished goods	3,657.64	3,017.16
Semi Finished goods	4,142.46	4,264.86
Raw materials	3,309.93	2,485.29
Consumables & Spare Part	1,376.01	1,125.17
Packing Material	31.10	11.71
Dies under Development	583.31	1,645.65
	13,100.45	**12,549.84**

Finished goods [includes in transit of ₹ 320.62 Lakhs (Previous year : ₹ 135.45 Lakhs)]

8 TRADE RECEIVABLES

(₹ In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Trade receivables (Unsecured) :		
Considered good		
- From others	39,373.86	32,278.70
- From related parties	259.21	51.56
Credit Impaired		
- From others	3.40	312.07
	39,636.47	**32,642.33**
Less: Allowance for Credit Impairment	3.40	312.07
	39,633.07	**32,330.26**

Notes:

(i) Trade receivables from related parties are disclosed in note 42.

(ii) Trade receivables are measured at amortised cost.

(iii) Above balances are subject to confirmation & reconciliation if any.

9 CASH AND CASH EQUIVALENTS

(₹ In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Cash In hand	14.25	53.73
Balances with banks		
- In current accounts	1,095.42	1,409.78
	1,109.67	**1,463.51**

Notes forming part of the Consolidated Financial Statements

10 BANK BALANCES OTHER THAN (9) ABOVE

(₹ In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
- Unpaid dividend account	13.79	15.64
Margin money In FDR With remaining maturity of more than 3 months but less than 12 months	393.42	374.89
FDR With remaining maturity of more than 3 months but less than 12 months	34.60	32.88
	441.81	**423.41**

11 LOANS

(Unsecured, considered good unless otherwise stated)

(₹ In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Loan and advances to employees	35.15	109.99
	35.15	**109.99**

Notes:

(i) Loans are measured at amortised cost.

(ii) No amount is due from any of the directors or officers of the Company, severally or jointly with any other person; or from firms where such director is a partner or from private companies where such director is a member.

12 OTHER CURRENT FINANCIAL ASSETS

(Unsecured, considered good unless otherwise stated)

(₹ In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Interest accrued on term deposits	12.40	12.23
	12.40	**12.23**

Notes:

(i) Other current financial assets are measured at amortised cost.

13 OTHER CURRENT ASSETS

(Unsecured, considered good unless otherwise stated)

(₹ In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Advance to suppliers	127.95	138.87
Prepaid expenses	270.09	159.07
Balances with statutory authorities	882.99	1,435.19
Advance against expenses/others	46.39	53.13
Other assets	377.78	0.95
	1,705.20	**1,787.21**

No amount is due from any of the directors or officers of the Company, severally or jointly with any other person; or from firms where such director is a partner or from private companies where such director is a member.

Notes forming part of the Consolidated Financial Statements

14 SHARE CAPITAL

(₹ In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Authorised:		
20,000,000 (Previous year : 20,000,000) equity shares of ₹ 5 each fully paid up	1,000.00	1,000.00
	1,000.00	**1,000.00**
Issued subscribed and fully paid up:		
16,111,840 (Previous year : 13,910,121) equity shares of ₹ 5 each fully paid up	805.60	695.51
	805.60	**695.51**

14.1 Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year:

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of shares	(₹ In Lakhs)	Number of shares	(₹ In Lakhs)
Equity shares				
At the beginning of the year	13,910,121	695.51	13,775,121	688.76
Add: Issued during the year	-	-	-	-
Shares issued on exercise of employee stock options	187,378	9.37	135,000	6.75
Shares issued under Qualified Institutional Placement	1,481,481	74.08	-	-
Shared issued under Preferential Allotment	532,860	26.65	-	-
Outstanding at the end of the year	**16,111,840**	**805.60**	**13,910,121**	**695.51**

14.2 The Company has only one class of shares referred to as equity shares having a par value of ₹ 5. Each shareholder of equity shares is entitled to one vote per share.

14.3 In the event of liquidation of the Company, the holders of equity shares will be entitled to receive a share in the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

14.4 Number of equity shares held by each shareholder holding more than 5% shares in the Company are as follows:

(₹ In Lakhs)

Name of the shareholders	Number of shares as at 31 March 2022"	% of shares held	Number of shares as at 31 March 2021	% of shares held
Nastic Trading LLP	67,62,822	41.97%	67,62,822	48.62%
Shailendra Rai	11,07,899	6.88%	8,41,469	6.05%
Enkei Corporation	22,26,430	13.82%	19,60,000	14.09%
Axis Mutul Fund Trustee Ltd	10,16,459	6.31%	-	0.00%

14.5 Disclosures of Shareholdings of Promoters is set out below:

Equity shares of ₹ 10 each fully paid	As at March 31, 2022		% change	As at 31 March 2021	
Name of the Promoter	No. of Shares	No. of Shares		No. of Shares	No. of Shares
Shailendrajit Rai	11,07,899	6.88%	-0.83%	8,41,469	6.05%
Vinita Rai	1,520	0.01%	0.00%	1,520	0.01%

Notes forming part of the Consolidated Financial Statements

Equity shares of ₹ 10 each fully paid	As at March 31, 2022		% change	As at 31 March 2021	
Name of the Promoter	No. of Shares	No. of Shares		No. of Shares	No. of Shares
Meenal Gidwani	20	0.00%	0.00%	20	0.00%
Usha Rai	100	0.00%	0.00%	100	0.00%
Divya S Shailendrajit Rai	12	0.00%	0.00%	12	0.00%
Shefali Rai	12	0.00%	0.00%	12	0.00%
Ishaan Shailendrajit Rai	12	0.00%	0.00%	12	0.00%
U. C. Rai Holdings Private Limited	3,40,998	2.12%	-0.33%	3,40,998	2.45%
Skyblue Trading And Investments P Ltd	2,54,880	1.58%	-0.25%	2,54,880	1.83%
Pamela Trading LLP	2,86,000	1.78%	-0.28%	2,86,000	2.06%
Mithras Trading LLP	1,22,273	0.76%	-0.12%	1,22,273	0.88%
Nastic Trading LLP	67,62,822	41.97%	-6.64%	67,62,822	48.62%
Atlas Castalloy Limited	99,820	0.62%	-0.10%	99,820	0.72%

Equity shares of ₹ 10 each fully paid	As at March 31, 2021		% change	As at 31 March 2020	
Name of the Promoter	No. of Shares	No. of Shares		No. of Shares	No. of Shares
Shailendrajit Rai	8,41,469	6.05%	-0.06%	8,41,469	6.11%
Vinita Rai	1,520	0.01%	0.00%	1,520	0.01%
Meenal Gidwani	20	0.00%	0.00%	20	0.00%
Usha Rai	100	0.00%	0.00%	100	0.00%
Divya S Shailendrajit Rai	12	0.00%	0.00%	12	0.00%
Shefali Rai	12	0.00%	0.00%	12	0.00%
Ishaan Shailendrajit Rai	12	0.00%	0.00%	12	0.00%
U. C. Rai Holdings Private Limited	3,40,998	2.45%	-0.02%	3,40,998	2.48%
Skyblue Trading And Investments P Ltd	2,54,880	1.83%	-0.02%	2,54,880	1.85%
Pamela Trading LLP	2,86,000	2.06%	-0.02%	2,86,000	2.08%
Mithras Trading Llp	1,22,273	0.88%	-0.01%	1,22,273	0.89%
Nastic Trading LLP	67,62,822	48.62%	-0.48%	67,62,822	49.09%
Atlas Castalloy Limited	99,820	0.72%	-0.01%	99,820	0.72%

15 OTHER EQUITY

(₹ In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Share application money pending allotment	-	62.47
Securities premium	21,098.70	9,588.49
Employee stock options outstanding reserve	-	693.45
Captial reserve	411.56	411.56
General reserve	1,240.00	1,240.00
Surplus	21,249.20	18,796.54
Exchange difference in translating the financial statemnet of foreign oprations	101.67	212.20
Equity instruments through Other comprehensive income	(0.05)	(0.01)
	44,101.08	**31,004.70**

Notes forming part of the Consolidated Financial Statements

16 BORROWINGS

(₹ Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Term loans		
- From banks (secured)	11,011.40	11,455.65
- From financial institutions (secured)	4,571.65	5,492.40
Loan From Directors ((Unsecured)	-	1,500.01
	15,583.05	**18,448.06**
Less : Current maturities of long term borrowing	4,092.56	3,169.12
	11,490.49	**15,278.94**

Notes:

(i) Long-term borrowings include secured term loans at floating interest rates from State Bank of India, Bank of Maharashtra, Bajaj Finance Ltd, IDFC Bank Ltd, Kotak Mahindra Bank and HDFC Bank Ltd. which are repayable through monthly / Quarterly instalments.

(ii) Loans availed from State Bank of India, Bank of Maharashtra, Kotak Mahindra Bank , Bajaj Finance Ltd, HDFC Bank and IDFC Bank Ltd are secured by a first parri-passu charge by way of registered mortgage on the existing fixed assets except Land at Khed city. Loan availed from Bajaj Finance Ltd. is secured by exclusive charge on lease land at Khed city. Of these, ₹ 4092.56 Lakhs (PY ₹ 3169.12 Lakhs) are classified as current liabilities being repayable before March 31,2023.

(iii) Emergency Credit Line Guarantee Scheme 2.0 (ECLGS)-2 is launched by Government to provide additional liquidity to meet operational liabilities and support the business after unprecedented situation emerging out of COVID – 19 . Under this scheme there will be additional amount will be provided to the Borrower to the extent of 20% of the total Loans outstanding as on 29th Feb 21 .There is 100% Credit Guarantee from National Credit Guarantee Trustee Company Limited (NCGTC) on the additional credit facility and secondary charge on existing primary and collateral securities with the bankers. Under this scheme we have availed ₹ 6820 Lakhs in FY 2021-22 from Existing bank & financial institution.

(iv) There is no default, continuing or otherwise in repayment of instalment, loan, balance outstanding as the case may be and interest as on the balance sheet date.

(v) Borrowings are measured at amortised cost.

Notes forming part of the Consolidated Financial Statements

17 LEASE LIABILITIES

(₹ In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Lease liability	-	306.90
	-	**306.90**

Note:

Other financial liabilities are measured at amortised cost.

18 PROVISIONS

(₹ In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for employee benefits		
- Gratuity (Refer note 36(2))	522.55	613.64
- Compensated Absences	157.47	157.94
	680.02	**771.58**

19 DEFERRED TAX LIABILTIES (NET)

(₹ In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred tax liabilities		
- Property ,plant and equipment	3,337.30	3,189.86
- Lease payable	(5.05)	5.52
-Transaction cost on term loans amortised over the tenure of the loan	10.20	14.57
	3,342.45	**3,209.95**
Deferred tax assets		
- Provision for doubtful debts and advances	(0.01)	108.14
- Provision allowed on payment basis	285.75	323.58
- Fair valuation of security deposit	12.22	23.57
	297.96	**455.29**
Net deferred tax liability	**3,044.49**	**2,754.66**

Refer note 48 for further disclosures

Notes forming part of the Consolidated Financial Statements

20 BORROWINGS

(₹ In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Loans repayable on demand		
Working capital loans (secured)(Refer note (i) below)		
- From banks (secured).	7,524.05	10,891.77
- From financial institutions (secured).	3,000.00	5,500.00
Total Working capital loans	**10,524.05**	**16,391.77**
Liability from bank against Preshipment / PO funding		
(unsecured)(Refer note (ii) below)		
Current maturities of long term debt	4,092.56	3,169.12
	14,616.61	**19,560.89**

Notes:

(i) Short-term borrowings includes cash credit facilities availed from State Bank of India, Kotak Mahindra Bank (Formerly known as ING Vysya Bank), Bank of Maharashtra, IDFC Bank and Bajaj Finance Ltd. These borrowings are secured in favour of all the aforementioned banks by a first parri-passu charge by way of hypothecation of all stocks and receivables and a second parri-passu charge by joint deed of hypothecation on all fixed assets of the Company.

(ii) Unsecured Preshipment loans are availed from Kotak Mahindra Bank for funding purchase orders and working capital demand loan. These loans, are obtained at floating interest rates repayable through weekly instalments.

(iii) There is no default, continuing or otherwise in repayment of instalment, loan, balance outstanding as the case may be and interest as on the balance sheet date.

(iv) Borrowings are measured at amortised cost

21 LEASE LIABILITIES

(₹ In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Lease liability	306.90	262.24
	306.90	**262.24**

22 TRADE PAYABLES

(₹ In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	634.27	637.61
Total outstanding dues of creditors other than micro enterprises and small enterprises		
- Acceptances	9,012.52	2,319.30
- Others	11,527.08	12,675.96
	20,539.60	**14,995.26**
	21,173.87	**15,632.87**

Notes forming part of the Consolidated Financial Statements

Notes:

(i) Above trade payable include amount due to related parties of ₹ 2159.44 Lakhs and same has been disclosed in note no 39.

(ii) Trade payables are measured at amortised cost.

(iii) Above balances are subject to confirmation & reconciliation if any.

(iv) Dues to Micro and Small Enterprises

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act').

The Company has sent MSME confirmation to all the supplier & below disclosed dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act') to the extent confirmation received from supplier. The disclosure pursuant to the said MSMED Act are as follows.

(₹ In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	111.12	636.93
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	2.23	0.68
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
Further interest remaining due and payable for earlier years	4.73	4.05

23 OTHER CURRENT FINANCIAL LIABILITIES

(₹ In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Liabilities other than derivatives		
Current		
Accrued employee costs	748.49	904.00
Interest accrued and not due on borrowings	47.59	227.29
Unclaimed dividend	13.79	15.64
Payables in respect of PPE	842.07	606.17
Payables in respect of services	759.17	965.40
Royalty payable	45.23	66.37
Other liabilities	223.20	254.42
	2,679.54	**3,039.29**

Note:

(i) Liabilities are measured at amortised cost.

Notes forming part of the Consolidated Financial Statements

24 OTHER CURRENT LIABILITIES

(₹ In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Advances from customers	198.84	329.60
Statutory remittances (net)	904.84	856.19
	1,103.68	**1,185.79**

25 PROVISIONS

(₹ In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for employee benefits		
- Gratuity (Refer note 39(2))	116.60	88.94
- Compensated Absences	117.15	111.64
	233.75	**200.58**

26 REVENUE FROM OPERATIONS

(₹ In Lakhs)

Particulars	For the period ended March 31, 2022	For the year ended March 31 , 2021
Sale of products		
- Finished Goods	95,132.16	79,249.24
- Die Sales	5,705.55	830.11
- Sales traded goods	3,097.60	2,242.01
Other operating revenue		
- Scrap sale	3,465.97	2,141.55
- Export incentive	243.11	270.00
- Other Services	160.73	124.11
	107,805.12	**84,857.02**

The entire revenue from operations is recognised at point in time and relates to single operating segment i.e. Aluminium castings. Refer note no. 40 for further disclosures.

The information relating to trade receivables from revenue from operations is disclosed in note no. 8.

Details of products sold

(₹ In Lakhs)

Particulars	For the period ended March 31, 2022	For the year ended March 31 , 2021
Manufactured goods		
Castings made from aluminum alloys	96,624.18	79,423.34
Dies	5,705.55	830.11
	102,329.73	**80,253.45**
Scrap Sales	5,265.30	4,333.57
Other Services	243.11	270.00
Total	**107,838.14**	**84,857.02**

Notes forming part of the Consolidated Financial Statements

27 OTHER INCOME

(₹ In Lakhs)

Particulars	For the period ended March 31, 2022	For the year ended March 31 , 2021
Interest Received	33.32	28.95
Rental income	197.08	180.75
Miscellaneous Income	101.12	76.03
	331.52	**285.73**

28 COST OF MATERIALS CONSUMED

(₹ In Lakhs)

Particulars	For the period ended March 31, 2022	For the year ended March 31 , 2021
Inventory of materials at the beginning of the year	3,865.49	2,870.47
Purchases	51,531.13	38,107.59
Purchase of traded goods	3,090.47	2,233.48
Inventory of materials at the end of the year	3,628.77	3,865.49
	54,858.32	**39,346.05**

29 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

(₹ In Lakhs)

Particulars	For the period ended March 31, 2022	For the year ended March 31 , 2021
At the beginning of the year		
Finished Goods	3,615.76	2,650.33
Work-in-progress	3,715.05	3,861.38
	7,330.81	**6,511.71**
At the end of the year		
Finished Goods	4,705.23	2,831.75
Work-in-progress	3,094.87	4,450.27
	7,800.10	**7,282.02**
	(469.29)	**(770.31)**

The figures of purchases have been arrived by deducting the closing stock from the quantity/value of opening stock as increased by the consumption during the year.

30 EMPLOYEE BENEFITS EXPENSE

(₹ In Lakhs)

Particulars	For the period ended March 31, 2022	For the year ended March 31, 2021
Salaries, wages and bonus	11,836.96	11,279.84
Contributions to Provident and other Funds	1,089.20	1,112.29
Gratuity and leave encashment	175.33	198.62
Employee share based payments expenses (refer note 44)	63.29	244.94
Employee Welfare Expenses	644.79	668.39
	13,809.57	**13,504.08**

Notes forming part of the Consolidated Financial Statements

31 DEPRECIATION AND AMORTISATION EXPENSE

(₹ In Lakhs)

Particulars	For the period ended March 31, 2022	For the year ended March 31, 2021
Depreciation on property, plant and equipment (refer note 3A)	4,775.60	4,489.78
Depreciation on Investment property, (refer note 3B)	9.11	9.11
Amortization of intangible assets (refer note 3C)	231.64	87.83
Depreciation on Right-of-use of asset (refer note 3D)	292.47	292.47
	5,308.82	**4,879.19**

32 FINANCE COSTS

(₹ In Lakhs)

Particulars	For the period ended March 31, 2022	For the year ended March 31, 2021
Interest on term loan & working capital (Refer note i)	2,808.96	3,378.28
Other borrowing costs	158.83	166.61
Unwinding of interest on lease liability	44.07	69.06
	3,011.86	**3,613.95**

Note

(i) Includes amount of ₹ 12.50 lakh (Previous year : ₹ 13.61 lakh) pertaining to amortisation of transaction cost

33 OTHER EXPENSES

(₹ In Lakhs)

Particulars	For the period ended March 31, 2022	For the year ended March 31 , 2021
Manufacturing Expenses		
Consumption of stores and spares	8,566.32	7,067.57
Power and fuel	6,641.32	5,661.70
Processing charges	4,175.36	3,922.46
Repairs to Machinery	245.89	184.50
Repairs Maintenance -Others	193.22	139.99
Other Manufacturing Expenses	265.42	294.91
	20,087.53	**17,271.13**
Administrative Expenses		
Legal and Professional charges	812.62	638.79
Payment to Auditor	38.45	35.66
Rent	1,685.85	1,889.84
Corporate Social Responcibility Expenses	61.45	106.68
Other Administrative Expenses	2,212.19	1,630.30
	4,810.56	**4,301.27**
Selling and Distribution Expenses		
Selling and distribution expenses	3,460.79	2,889.25
	3,460.79	**2,889.25**
	28,358.88	**24,461.65**

34 FINANCIAL INSTRUMENTS

34.1 Financial Instruments by category

The carrying value of financial instruments by categories as on 31 March 2022 are as follows:

(₹ in Lacs)

Particulars	Amortised cost	FVTPL	FVTOCI	Total carrying value
Assets				
Investments in equity instruments	-	0.50	0.15	0.65
Trade receivables	39,633.07	-	-	39,633.07
Cash and cash equivalents	1,109.67	-	-	1,109.67
Other balances with banks	441.81	-	-	441.81
Loans	659.40	-	-	659.40
Other financial assets	12.40	-	-	12.40
Total Assets	**41,856.35**	**0.50**	**0.15**	**41,857.00**
Liabilities				
Borrowings	26,107.10	-	-	26,107.10
Lease liabilities	306.90	-	-	306.90
Trade payables	21,173.87	-	-	21,173.87
Other financial liabilities	2,679.54	-	-	2,679.54
Total Liabilities	**50,267.41**	**-**	**-**	**50,267.41**

The carrying value of financial instruments by categories as on 31 March 2021 are as follows:

(₹ in Lacs)

Particulars	Amortised cost	FVTPL	FVTOCI	Total carrying value
Assets				
Investments in equity instruments	-	0.50	0.19	0.69
Trade receivables	32,330.26	-	-	32,330.26
Cash and cash equivalents	1,463.51	-	-	1,463.51
Other balances with banks	423.41	-	-	423.41
Loans	743.56	-	-	743.56
Other financial assets	12.23	-	-	12.23
Total Assets	**34,972.97**	**0.50**	**0.19**	**34,973.66**
Liabilities				
Borrowings	34,839.83	-	-	34,839.83
Lease liabilities	569.14			569.14
Trade payables	15,632.87	-	-	15,632.87
Other financial liabilities	3,039.29	-	-	3,039.29
Total Liabilities	**54,081.13**	**-**	**-**	**54,081.13**

34.2 Fair value hierarchy

Financial assets and liabilities include cash and cash equivalents, other balances with banks, trade receivables, loans, other financial assets, trade payables and other financial liabilities whose fair values approximate their carrying amounts largely due to the short term nature of such assets and liabilities.

The following table presents fair value hierarchy of assets and liabilities measured at fair value as on 31 March 2022:

Particulars	As at March 31, 2022	Fair value measurement as at		
		Level 1	Level 2	Level 3
Investments in shares of Bank of Maharashtra	0.15	0.15	-	-

Notes forming part of the Consolidated Financial Statements

The following table presents fair value hierarchy of assets and liabilities measured at fair value as on 31 March 2021:

Particulars	As at March 31, 2021	Fair value measurement as at		
		Level 1	Level 2	Level 3
Investments in shares of Bank of Maharashtra	0.19	0.19	-	-

Valuation technique and significant unobservable inputs:

Level 2:

(i) Derivative financial assets are valued based on inputs that are directly or indirectly observable in the market.

Significant increase in discount rates and spreads above risk free rate, in isolation would result in lower fair values. A significant increase in volatility in revenue growth rates will result in higher fair value.

Fair value of financial assets and financial liabilities measured at amortised cost :

The management believes that the fair values of non-current financial assets (e.g. loans and others), current financial assets (e.g., cash and cash equivalents, trade receivables, loans and others excluding other derivative assets) and current financial liabilities (e.g. trade payables and other payables excluding derivative liabilities) approximate their carrying amounts.

The Company has not performed fair valuation of its investment in unquoted equity shares as mentioned in note no. 4 which are classified as FVTPL, as the Company believes that impact of change on account of fair value is insignificant.

34.3 Financial risk management

The Company's activities exposes it to market risks, credit risks and liquidity risks. The Company's management have overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risks are reviewed regularly to reflect changes in market conditions and the company's activities. Derivatives are used for hedging of foreign currency loan and not as a trading or speculative purposes.

The Company has exposure to the following risks arising from financial instruments :

a. Credit risk

Credit risk is the risk of financial losses to the Company if a customer or counterparty to financial instruments fails to discharge its contractual obligations. It arises primarily from the Company's receivables from customers. To manage this, the Company periodically assesses the key accounts receivable balances. As per Ind-AS 109 : Financial Instruments, the Company uses expected credit loss model to assess the impairment loss or gain.

The carrying amount of trade and other receivables and other financial assets represents the maximum credit exposure.

i. Trade receivables

The management has established accounts receivable policy under which customer accounts are regularly monitored. The Company has a dedicated sales team which is responsible for collecting dues from the customer within stipulated period. The management reviews status of critical accounts on a regular basis.

Trade receivables that were not impaired

Particulars	Carrying amount	
	March 31, 2022	March 31, 2021
Less Than 180 days	34,769.27	27,550.55
More than 180 days	4,863.80	4,779.71
Total	**39,633.07**	**32,330.26**

Notes forming part of the Consolidated Financial Statements

Movement in allowance For Credit Impairment

Particulars	₹ Lakhs
At 1 April 2020	**235.22**
Provided during the year	272.30
Amount written off / written back	(177.30)
At 31 March 2021	**312.07**
Provided during the year	3.40
Amount written off / written back	(312.07)
At 31 March 2022	**3.40**

ii. **Financial instruments and Cash deposits**

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with Company's policy. Company monitors rating, credit spreads and financial strength of its counter parties. Based on ongoing assessment Company adjust it's exposure to various counterparties.

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.

The Company has a view of maintaining liquidity and to take minimum possible risk for which company monitors its cash and bank balances periodically in view of its short term obligations associated with its financial liabilities.

The liquidity position at each reporting date is given below:

(₹ in Lacs)

Particulars	March 31, 2022	March 31, 2021
Cash and cash equivalents	1,109.67	1,463.51
Other balances with banks	441.81	423.41
Total	**1,551.48**	**1,886.92**

The following are the remaining contractual maturities of financial liabilities as on 31 March 2022.

Particulars	Repayable on demand	Less than one year	More than one year	Total
Borrowings	10,524.05	4,092.56	11,490.49	26,107.10
Lease liabilities	-	306.90	-	306.90
Trade payables	-	21,173.87	-	21,173.87
Other financial liabilities	13.79	2,665.75	-	2,679.54

Notes forming part of the Consolidated Financial Statements

The following are the remaining contractual maturities of financial liabilities as on 31 March 2021.

Particulars	Repayable on demand	Less than one year	More than one year	Total
Borrowings	16,391.77	3,169.12	15,278.94	34,839.83
Lease liabilities	-	262.24	306.90	569.14
Trade payables	-	15,632.87	-	15,632.87
Other financial liabilities	15.64	3,023.65	306.90	3,346.19

c. Market risk

Market risk is a risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. Market risk comprises three types of risk interest rate risk, currency risk and other price risk such as equity price risk. Financial instruments affected by market risk include borrowings, trade and other payables, foreign exchange forward contracts, security deposit, trade and other receivables and deposits with banks.

i. Foreign currency risk

Foreign currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate. Company transacts business in its functional currency (INR) and in other foreign currencies. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities, where revenue or expense is denominated in a foreign currency. The Company manages its foreign currency risk by hedging foreign currency denominated loan using foreign currency forward contracts . The Company negotiates the terms of those foreign currency forward contracts to match the terms of the hedged exposure.

The following foreign currency exposures have not been hedged by derivative instruments at the Balance Sheet date:

(in Lakhs)

Nature of exposure	Amount in foreign currency		Equivalent amount in ₹	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
USD				
Trade payables	7.38	564.33	41.98	41.98
Payable for PPE	-	-	251.87	251.87
Trade receivables	75.97	5,581.18	4,326.71	4,326.71
Cash and bank balance	0.02	1.63	1.57	1.57
Net liabilities / (assets)	**(68.60)**	**(5,018.49)**	**(4,034.43)**	**(4,034.43)**
EUR				
Trade payables	13.57	1,120.51	(253.58)	1,581.93
Payable for PPE	-	-	174.22	174.22
Trade receivables	58.23	4,905.89	632.17	3,526.88
Cash and bank balance	0.01	0.71	1.54	4.49
Net liabilities / (assets)	**(44.66)**	**(3,786.10)**	**(713.06)**	**(1,775.21)**
JPY				
Trade payables	11.37	7.57	(149.34)	(149.34)
Payable for PPE	-	-	-	-
Cash and bank balance	1.68	1.04	1.12	1.12
Net liabilities / (assets)	**9.69**	**6.53**	**(150.46)**	**(150.46)**
GBP				
Trade payables	0.20	20.13	4.26	4.26
Trade receivables	0.97	94.84	(162.51)	(162.51)
Cash and bank balance	0.00	0.06	0.06	(0.06)
Net liabilities / (assets)	**(0.77)**	**(74.77)**	**166.72**	**166.84**

Notes forming part of the Consolidated Financial Statements

Foreign currency sensitivity on unhedged exposure

Financial Year	Foreign currency	Change in foreign currency rates	Effect on profit before tax	Effect on pre-tax equity
For March 31, 2022	USD	+5%	201.72	201.72
		-5%	(201.72)	(201.72)
	EUR	+5%	35.65	35.65
		-5%	(35.65)	(35.65)
	JPY	+5%	7.52	7.52
		-5%	(7.52)	(7.52)
	GBP	+5%	(8.34)	(8.34)
		-5%	8.34	8.34
For March 31, 2021	USD	+5%	201.72	201.72
		-5%	(201.72)	(201.72)
	EUR	+5%	88.76	88.76
		-5%	(88.76)	(88.76)
	JPY	+5%	7.52	7.52
		-5%	(7.52)	(7.52)
	GBP	+5%	(8.34)	(8.34)
		-5%	8.34	8.34

Details of foreign currency loan that are hedged by derivative instruments or otherwise:

Particulars	Currency	Amount in foreign currency	Equivalent ₹	Maturity Profile	Fair Value in Balance Sheet
As at 31 March 2022	**USD**	-	-	NA	-
As at 31 March 2021	USD	-	-	NA	-

ii. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. At the reporting date the interest rate profile of the Company's interest bearing financial instruments are follows:

(₹ in Lacs)

Particulars	March 31, 2022	March 31, 2021
Variable rate instruments		
Borrowings	26,107.10	34,839.83

Interest rate sensitivity on variable rate instruments

(₹ in Lacs)

Particulars	March 31, 2022	March 31, 2021
Impact on profit before tax or pre-tax equity		
Increase by 50 basis points	(131.00)	(175.00)
Decrease by 50 basis points	131.00	175.00

35 CAPITAL MANAGEMENT

For the purpose of the Company’s capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company’s capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2022 and 31 March 2021.

Notes forming part of the Consolidated Financial Statements

36 AGEING OF TRADE RECEIVABLES

As at 31 March 2022

(₹ In Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	29,789.15	4,278.54	585.26	-	-	34,652.95
(ii) Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	3.40	-	-	3.40
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Subtotal	**29,789.15**	**4,278.54**	**588.66**	**-**	**-**	**34,656.35**
Unbilled receivables						4,980.12
Less : Allowance for credit impairment						3.40
Total						**39,633.07**

As at 31 March 2021

(₹ In Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	21,791.97	3,841.84	804.53	133.35	-	26,571.69
(ii) Trade Receivables –which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	178.72	133.35	-	312.07
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Subtotal	**21,791.97**	**3,841.84**	**983.25**	**266.70**	**-**	**26,883.76**
Unbilled receivables						5,758.58
Less : Allowance for credit impairment						312.07
Total						**32,330.27**

Notes forming part of the Consolidated Financial Statements

37 AGEING OF TRADE PAYABLES

As at 31 March 2022

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	634.27	-	-	-	634.27
(ii) Others	20,539.60	-	-	-	20,539.60
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	**21,173.87**	**-**	**-**	**-**	**21,173.87**

As at 31 March 2021

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	637.61	-	-	-	637.61
(ii) Others	14,995.26	-	-	-	14,995.26
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	**15,632.87**	**-**	**-**	**-**	**15,632.87**

38 OTHER INFORMATION

Details of Benami Property held

The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

Details of Loans and advances

(i) The Company has not advanced to or loaned to or invested funds in any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that such Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(ii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

Wilful Defaulter

The company has not been declared as a wilful Defaulter by any Financial Institution or bank as at the date of Balance Sheet.

Relationship with Struck off Companies

The Company do not have any transactions with companies struck off.

Stock statements

Quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts

Notes forming part of the Consolidated Financial Statements

Compliance with number of layers of companies

The company has complied with the provision of the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

Compliance with approved Scheme(s) of Arrangements

There are no Schemes of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

Discrepancy in utilization of borrowings

The company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date. There are no discrepancy in utilisation of borrowings.

Undisclosed income

The Company does not have any transaction that is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

Details of Crypto Currency or Virtual Currency

The company has not traded or invested in Crypto currency or Virtual Currency.

39 DETAILS OF EMPLOYEE BENEFITS AS REQUIRED BY IND-AS 19 - "EMPLOYEE BENEFITS ARE AS UNDER":

1 Defined contribution plan - Provident fund and other funds

The group has recognized following amounts in the profit & loss account for the year:

(₹ In Lakhs)

Particulars	FY 2021-22	FY 2020-21
Contribution to employee provident fund and other funds	1,089.20	1,112.29
Total	**1,089.20**	**1,112.29**

2 Defined benefit plan

i) The defined benefit plan comprises gratuity, which is funded.

ii) Actuarial gains and losses in respect of defined benefit plans are recognized in the Other Comprehensive Income (OCI).

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Gratuity is a benefit to an employee in India based on 15 days last drawn salary for each completed year of service with a vesting period of five years.

These defined benefit plans expose the Company to actuarial risks, such as longevity risk and interest rate risk.

Change in present value of defined benefit obligation

(₹ In Lakhs)

Particulars	FY 2021-22	FY 2020-21
Present value of defined benefit obligation at the beginning of the year	**1,051.72**	**1,008.70**
Current service cost	88.93	89.87
Interest cost	60.20	64.76
Actuarial loss / (Gain) recognised in other comprehensive income		
a) changes in financial assumptions	(62.82)	37.53
b) changes in demographic assumptions	-	5.70
c) experience adjustments	14.15	(41.80)
Past service cost	-	-
Benefits paid	(150.26)	(113.04)
Present value of defined benefit obligation at the end of the year	**1,001.92**	**1,051.72**

Notes forming part of the Consolidated Financial Statements

Change in the fair value of plan assets

(₹ In Lakhs)

Particulars	FY 2021-22	FY 2020-21
Fair Value of plan assets at the beginning of the period	**349.13**	**415.04**
Interest Income	18.41	27.44
Return on plan assets, excluding interest income	4.20	(2.32)
Contribution by the employer	164.11	22.00
Benefit paid from the fund	(150.26)	(113.04)
Fair Value of plan assets at the end of the period	**385.59**	**349.13**

Analysis of defined benefit obligation

(₹ In Lakhs)

Particulars	FY 2021-22	FY 2020-21
Present value of obligation as at the end of the year	(1,001.92)	(1,051.72)
Fair Value of Plan Assets at the end of the Period	385.59	349.13
Net asset (liability) recognized in the Balance Sheet	**(616.33)**	**(702.59)**
Bifurcation of liability as per Schedule III		
Current Liability	83.06	88.94
Non-Current Liability	533.26	613.66
Net (asset) / liability recognized in the Balance Sheet	**616.32**	**702.60**

Components of employer expenses/remeasurement recognized in the statement of Profit and Loss

(₹ In Lakhs)

Particulars	FY 2021-22	FY 2020-21
Current service cost	88.93	89.87
Net Interest Cost	41.79	37.32
Past Service Cost	-	-
Expenses recognized in the Statement of Profit and Loss	130.72	127.19

Components of employer expenses/remeasurement recognized in the Other Comprehensive Income (OCI)

(₹ In Lakhs)

Particulars	FY 2021-22	FY 2020-21
Actuarial loss / (gain)	(48.67)	1.43
Return on plan assets, Excluding interest income	(4.20)	2.32
Net (income)/expense recognized in the OCI	**(52.87)**	**3.75**

Analysis of defined benefit obligation

(₹ In Lakhs)

Particulars	FY 2021-22	FY 2020-21
Net opening provision in books of accounts	702.61	593.67
Employee Benefit Expense	130.72	127.19
Amounts recognized in Other Comprehensive Income	(52.87)	3.75
Contribution by the employer	(164.11)	(22.00)
Net (asset) / liability recognized in the Balance Sheet	**616.35**	**702.61**

Notes forming part of the Consolidated Financial Statements

Composition of the plan assets

(₹ In Lakhs)

Particulars	FY 2021-22	FY 2020-21
Policy of insurance	100.00%	100.00%
Total	**100.00%**	**100.00%**

Actuarial Assumptions:

(₹ In Lakhs)

Particulars	FY 2021-22	FY 2020-21
Discount rate	7.00%	6.35%
Salary Escalation	5.50%	5.50%

Withdrawal rates per annum

(₹ In Lakhs)

Particulars	FY 2021-22	FY 2020-21
- 25 years and below	5.00%	5.00%
- 26 to 35 years	4.00%	4.00%
- 35 to 45 years	6.00%	6.00%
- 46 to 55 years	2.00%	2.00%
- 56 years and above	1.00%	1.00%

a. The discount rate is based on prevailing yields of Indian Government Securities as at the Balance Sheet date for the estimated term of the obligation.

b. Salary Escalation Rate: The estimates of future salary increases takes into account the inflation, seniority, promotion and other relevant factors.

c. Assumptions regarding future mortality rates are the rates as given under Indian Assured Lives Mortality (2006-08) Ultimate.

Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Projected benefit obligation on current assumptions

(₹ in Lacs)

Particulars	FY 2021-22		FY 2020-21	
	Defined benefit obligation		Defined benefit obligation	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5 % movement)	957.72	1,049.65	1,010.16	1,096.47
Future salary growth (0.5 % movement)	1,046.92	959.14	1,094.26	1,011.37
Attrition rate (1 % movement)	1,006.42	997.19	1,054.07	1,049.22

Maturity profile of defined benefit plan

(₹ In Lakhs)

Particulars	FY 2021-22	FY 2020-21
Projected benefits payable in future years from the date of reporting		
1st Following year	136.36	207.37
2nd Following year	85.92	59.48
3rd Following year	60.97	81.49
4th Following year	58.22	68.54
5th Following year	72.12	45.63
Sum of years 6 to 10	368.95	386.22

Weighted average assumptions used to determine net periodic benefit cost

(₹ In Lakhs)

Particulars	FY 2021-22	FY 2020-21
Number of active members	787.00	816.00
Per month salary cost for active members	193.82	183.42
Average monthly salary (₹)	24,627.00	22,478.00
Average age (years)	39.83	39.12
Weighted average duration of the projected benefit obligation (years)	11.44	10.88
Average expected future service (years)	20.18	18.91
Average outstanding term of the obligations (Years)	10.05	8.67
Prescribed contribution for next year (12 Months)	83.06	88.93

40 SEGMENT INFORMATION

The Company's operating business predominantly relates to manufacture of Aluminium Castings thereof and hence the Company has considered "Aluminium Castings" as the single reportable segment.

Revenue bifurcation based on geographical areas

(₹ In Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Domestic sales	79,715.01	65,037.16
Export sales	28,090.11	17,284.20
	107,805.12	**84,857.02**

41 NET DEBT RECONCILIATION

Position of net debt

(₹ In Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Borrowings		
Non-current borrowings	11,490.49	15,278.94
Current borrowings	14,616.61	19,560.89
Less		
Cash and cash equivalents	1,109.67	1,463.51
Net debt	**24,997.43**	**33,376.32**

Notes forming part of the Consolidated Financial Statements

Movement in net debt

(₹ In Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Opening net debt	33,376.32	35,361.06
Cash flows	(8,378.89)	(1,984.73)
Foreign exchange adjustment	-	-
Opening interest accrued but not due	227.29	226.86
Closing interest accrued but not due	(47.59)	(227.29)
Interest expense	2,808.96	3,378.28
Interest paid	(2,988.66)	(3,377.85)
Closing net debt	**24,997.43**	**33,376.33**

42 RELATED PARTY DISCLOSURES

A. Relationship between the related parties:

Relationship	Name of related party
Subsidiary	Alicon Holding - GmbH
Step Down Subsidiary	Illichmann Castalloy - GmbH
Step Down Subsidiary	Illichmann Castalloy - sro
Group company	Atlas Castalloy Limited*

* Enterprise where the director has significant influence.

B. List of Key Management Personnel and their relatives:

Key Management Personnel (KMP)	Shailendrajit Rai	Managing Director
	Rajeev Sikand	Chief Executive Officer (CEO)
	Vimal Gupta	Chief Financial Officer (CFO)
	Swapnal Patane	Company Secretary
	Pamela Rai	Non-Executive Director
	Anil D Harolikar	Independent Director
	Vinay Punjabi	Independent Director
	Ajay Nanawati	Independent Director
	Veena Mankar	Independent Director
	Junichi Suzuki	Non-Executive Director
Relatives of KMP	Preeti Gupta	Relative of CFO

C. Transactions with related parties :

(₹ in Lacs)

No.	Aggregate of transaction	FY 2021-22	FY 2020-21
		Group company	Group company
1	Sales	16.03	74.15
2	Purchases	1,336.00	1,575.35
3	Rent paid	461.54	-
4	Expenses charged to the company	2,406.12	2,292.32
5	Expenses charged By the company	770.10	362.34

Notes forming part of the Consolidated Financial Statements

(₹ in Lacs)

No.	Aggregate of transaction	FY 2021-22	FY 2020-21
		Group company	Group company
6	PPE purchased (net)	1,639.47	1,796.81
7	Amount receivable at the end of the year	500.00	500.00
8	Amount payable at the end of the year	2,159.44	1,955.04

D. Transaction with related party of Key Managerial Personnel :

(₹ In Lakhs)

No.	Particulars	FY 2021-22	FY 2020-21
1	Rent paid	0.19	1.14

E. Compensation to key management personnel :

(₹ In Lakhs)

No.	Particulars	FY 2021-22	FY 2020-21
1	Short term employee benefits	316.46	237.77
2	Post-employment benefits	24.90	4.98
3	Commission	173.25	12.61
4	Share based payments	739.67	385.38
5	Sitting Fees	30.35	9.45
	Total	**1,284.63**	**650.19**

F Other Transaction with Key Management Personnel :

(₹ In Lakhs)

No.	Particulars	FY 2021-22	FY 2020-21
1	Loan From Director	-	1,582.30
2	Loan Repay to Director	1,500.00	-
3	Interest on Loan From Director	67.76	131.52
4	Loan payable at the end of the year	-	1,500.00

Note:

As the post-employment benefits is provided on an actuarial basis for the Company as a whole, the amount pertaining to key management personnel is not ascertainable and therefore not included above. The amount included above is the contribution made by company.

43 LEASE TRANSACTIONS

Lease liabilities included in the balance sheet

(₹ In Lakhs)

Particulars	31 March 2022	31 March 2021
Current	306.90	262.24
Non-current	-	306.90
Total	**306.90**	**569.14**

Notes forming part of the Consolidated Financial Statements

Amounts recognised in the statement of profit and loss

(₹ In Lakhs)

Particulars	31 March 2022	31 March 2021
Depreciation on right-of-use assets	292.47	292.47
Interest on Lease Liabilities	44.07	69.06
Expenses relating to short-term leases	289.43	1,595.12
Total	**625.97**	**1,956.65**

Contractual cashflows - lease liabilities

(₹ In Lakhs)

Particulars	31 March 2022	31 March 2021
- Not later than one year	306.90	262.24
- later than one year and not later than five years	-	306.90
- Later than five years	-	-
Total	**306.90**	**569.14**

44 STOCK OPTION PLANS

1 Employee Stock Option Plan– 2015

This Scheme shall be called the “Alicon Castalloy Limited – Employee Stock Option Scheme 2015 (ESOS 2015)”.

The objective of the ESOS 2015 is to reward the Employees of the Company for their performance and to motivate them to contribute to the growth and profitability of the Company. The Company also intends to use this Scheme to retain talent in the organization. The Company views Employee Stock Options as instruments that would enable the Employees to share the value they create for the Company and align individual objectives of employees with objectives of the Company in the years to come.

The Shareholders in their meeting held on 30th December 2015 have resolved to authorize the Board to issue to the Employees of the Company, not more than 6,12,800 (Six Lakh Twelve Thousand Eight Hundred Only) Employee Stock Options under ESOS 2015 exercisable Equity Shares of face value of ₹ 5/- each fully paid up, being not more than 5% of the Issued Equity Share Capital of the Company as on March 31, 2015, to be issued and allotted by the Company (hereinafter referred as “Primary Shares”), in one or more tranches, with each such Option conferring a right upon the Employees to apply for one Equity Share in the Company, in accordance with the terms and conditions of ESOS 2015. The ESOS 2015 shall be administered by the Compensation Committee.

The Employee Stock Options granted may be exercised by the Option grantee at any time within a period of one year from the date of Vesting of the respective Stock Options or such other period as may be decided by the Compensation Committee from time to time. The shares issued upon exercise of options shall be freely transferable and will not be subject to any lock - in period after such exercise provided.

Number and weighted average exercise prices of options granted, exercised and cancelled/lapsed during the financial year

Particulars	FY 2021-22		FY 2020-21	
	No. of shares	Weighted average exercise price	No. of shares	Weighted average exercise price
Options outstanding at the beginning of the year	2,000	124	130,948	124
Granted during the year	-	-	-	-
Forfeited / surrendered during the year	-	-	-	-
Exercised during the year	2,000	124	50,378	-
Lapsed during the year	-	-	78,570	124
Options outstanding at the end of year	-	-	2,000	124
Options exercisable at the end of the year	-	-	-	124
Weighted average remaining contractual life	NA		2.34 years	

The weighted average market price of the options exercised under Employees Stock Option Scheme -2015 on the date of exercise was ₹ 464.35/- (Previous year - ₹ 424.25).

No options are granted in the current year and previous year.

The expected price volatility is based on the historic volatility, adjusted for any changes to future volatility due to publicly available information.

The Company has not recorded any expenses regarding the options granted under ESOP 2015 scheme during the year.

2 Employee Stock Option Plan– 2017

This Scheme shall be called the "Alicon Castalloy Limited – Employee Stock Option Scheme 2017 ("ESOS 2017" or "Scheme").

The objective of the ESOS 2017 is to reward the Employees of the Company for their performance and to motivate them to contribute to the growth and profitability of the Company. The Company also intends to use this Scheme to retain talent in the organization. The Company views Employee Stock Options as instruments that would enable the Employees to share the value they create for the Company and align individual objectives of employees with objectives of the Company in the years to come.

The Shareholders by way of special resolution dated June 08, 2017 have authorized the Nomination and Remuneration Committee to grant not exceeding 6,75,000 (Six lacs seventy five Thousand only) Options to the Employees under the ESOS 2017, in one or more tranches, exercisable into not more than 6,75,000 (Six lacs seventy five Thousand only) Shares of face value of ₹ 5 (Rupees five) each fully paid-up, with each such Option conferring a right upon the Employee to apply for one Share of the Company, in accordance with the terms and conditions as may be decided under the ESOS 2017

Options granted under ESOS 2017 would Vest after 1 (one) year but not later than 4 (four) years from the date of grant of such Options

Notes forming part of the Consolidated Financial Statements

Number and weighted average exercise prices of options granted, exercised and cancelled/lapsed during the financial year

Particulars	FY 2021-22		FY 2020-21	
	No. of shares	Weighted average exercise price	No. of shares	Weighted average exercise price
Options outstanding at the beginning of the year	135,000	5	270,000	5
Granted during the year	-	-	-	-
Forfeited / surrendered during the year	-	-	-	-
Exercised during the year	135,000	5	135,000	5
Lapsed during the year	-	-	-	-
Options outstanding at the end of year	-	-	135,000	5
Options exercisable at the end of the year	-	-	-	-
Weighted average remaining contractual life	NA		1.34 years	

The weighted average market price of the options exercised under Employees Stock Option Scheme -2017 on the date of exercise was ₹ 578/- (Previous year - ₹ 281.50).

No options granted in the current year and previous year under this scheme

The expected price volatility is based on the historic volatility, adjusted for any changes to future volatility due to publicly available information.

The Company recorded an employee compensation cost of ₹ 63.29 Lakhs (Previous year ₹ 244.94 Lakhs) in the Statement of Profit and Loss.

45 RESEARCH AND DEVELOPMENT

The Company has separate in-house research & development set-up which is involved in new product development, new process development etc. The details of R&D expenditure are as under:

(₹ In Lakhs)

Particulars	FY 2021-22	FY 2020-21
Capital expenditure	-	-
Revenue expenditure	-	-
Total R&D expenditure	**-**	**-**

46 BASIC AND DILUTED EARNINGS PER SHARE

(₹ In Lakhs)

Particulars		FY 2021-22	FY 2020-21
Nominal value per equity share	₹	5.00	5.00
Profit for the year	₹ in Lakhs	2,418.06	(192.55)
Weighted average number of basic equity shares	No. of shares	15,421,649	13,855,973
Effect of diluted shares	No. of shares	140,252	-
Weighted average number of diluted equity shares*	No. of shares	15,561,900	13,855,973
Earnings per share - Basic	No. of shares	15.68	(1.39)
Earnings per share - Diluted*	₹	15.54	(1.39)

* Effect of diluted shares is anti-dilutive due to loss incurred in the previous year.

Notes forming part of the Consolidated Financial Statements

47 DISCLOSURE OF CAPITAL COMMITMENT & CONTINGENT LIABILITIES

1. Capital commitment

(₹ In Lakhs)

No.	Particulars	FY 2021-22	FY 2020-21
1	Estimated amount of contracts remaining to be executed on capital account	1,236.79	967.17
	Total	**1,236.79**	**967.17**

2. Contingent liabilities not provided for :

(₹ In Lakhs)

No.	Particulars	FY 2021-22	FY 2020-21
1	Stand by Letters of credit issued by Against forgein obligation related to subsidiary/Import	3,033.04	3,539.02
2	Performance and financial guarantees issued by the banks	277.32	781.82
3	Interest On Customs and related duties paid under protest for non fulfilment of export obligation	1,222.49	1,222.49
4	Assessment dues of VAT, CST & Central Excise	1,801.58	2,185.28
5	Pending cases in local civil court	666.32	688.32
6	Income Tax Assesment	1.92	1.92

48 INCOME TAXES

The income tax expense consists of following:

(₹ In Lakhs)

Particulars	FY 2021-22	FY 2020-21
Tax expense		
Current tax	633.37	106.16
Short/ (Excess) of earlier years	-	136.70
MAT credit entitlement	(64.33)	-
Deferred tax (benefit) / charge	271.38	57.83
Total tax expense	**840.42**	**300.69**
Other comprehensive income		
Remeasurements gains and losses on post employment benefits	18.48	(1.31)
Income tax expense reported in the statement of other comprehensive income	**18.48**	**(1.31)**

The deferred tax relates to origination/reversal of temporary differences.

The reconciliation of estimated income tax expense at Indian statutory income tax rate to income tax expense reported in Statement of Profit or Loss is as follows:

(₹ In Lakhs)

Particulars	FY 2021-22	FY 2020-21
Profit/ (Loss) before tax	3,258.48	108.14
Indian statutory income tax rate	34.94%	34.94%
Expected tax expense	1,139.00	38.00

Notes forming part of the Consolidated Financial Statements

(₹ In Lakhs)

Particulars	FY 2021-22	FY 2020-21
Tax Effect of adjustments to reconcile expected income tax expense to reported income tax expense		
Effect of tax on earlier years	-	136.70
Tax rate difference on book profit as per Minimum Alternate Tax	(238.34)	-
Tax expenses accounted as no effect of Timing differences on MAT liability	207.05	-
Effect of weighted deductions, exemptions and deductions	-	46.65
Effect of deferred tax not recognised	-	204.18
Effect of differential overseas tax rate	(266.87)	(124.39)
Others (net)	(0.42)	(0.45)
Total tax expense	**840.42**	**300.69**

Deferred Tax

Item wise movement in deferred tax expense recognised in profit or loss / OCI

(₹ In Lakhs)

Particulars	FY 2021-22	FY 2020-21
-Property, plant and equipment	147.44	75.16
-Unwinding of enkei payable	-	
-Leases	(10.57)	(24.40)
-Transaction cost on term loans amortised over the tenure of the loan	(4.37)	(4.75)
-Provision for doubtful debts and advances	108.15	(33.19)
-Provision allowed on payment basis	37.83	33.13
-Fair valuation of security deposit	11.35	10.57
Total expenses	**289.83**	**56.52**
- Recognised in Profit or Loss	271.38	57.83
- Recognised in Other Comprehensive Income	18.48	(1.31)
- Recognised in retained earnings on adoption of leases	-	-
	289.83	**56.52**

The gross movement in the deferred tax for the year ended 31 March 2022 and 31 March 2021 is as follows:

(₹ In Lakhs)

Particulars	FY 2021-22	FY 2020-21
Net deferred tax liability (asset) at the beginning	**2,753.65**	**2,697.13**
(Credits) / charge relating to temporary differences	271.38	57.83
Temporary differences on other comprehensive income	18.48	(1.31)
Recognised in retained earnings on adoption of leases	-	-
Net deferred income tax liability (asset) at the end	**3,043.51**	**2,753.65**

The COVID-19 pandemic has led to unprecedented disruption not only to the global economy, but also to the lives of people all around the world. On account of outbreak of Pandemic Covid-19 and declared nationwide lockdown, Company temporarily suspended its operations from March 23, 2020. With partial opening of lockdown the operations resumed on May 07, 2020, after obtaining necessary permissions from concerned State/Central Government

Notes forming part of the Consolidated Financial Statements

Authorities.To navigate safely through this pandemic, our key priority has been to maintain and secure our Company's operations, while also ensuring safety and well-being of our employees and business partners. We meticulously executed business plans and undertook requisite measures to secure our operations with the objective of preparing ourselves for the 'New Normal'.

The Company is monitoring the situation closely taking into account directives from the Governments. Management believes that it has taken into account all the possible impacts of known events arising from COVID-19 pandemic and the resultant lockdowns in the preparation of the financial statements including but not limited to its assessment of Company's liquidity and going concern, recoverable values of its property, plant and equipment, intangible assets and the net realisable values of other assets. The Company will continue to monitor any material changes to future economic conditions and consequential impact on its financial results.

49 For disclosoure mandated by schedule III of companies Act 2013,by way of additional information In, refer below:

Name of the entity in the Group	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	Amount	As % of consolidated profit or loss	Amount	comprehensive income As % of consolidated othere comprehensive income	Amount	As % of total comprehensive income	Amount
Parent								
Alicon Castalloy Limited	95.68%	42,965.45	37.99%	918.71	46.42%	34.35	40.66%	953.06
Subsidiaries								
Alicon Holding GmbH	-0.17%	(78.05)	0.00%	(0.01)	-1.89%	(1.40)	-0.06%	(1.41)
Illichmann Castalloy S.R.O	1.49%	667.21	52.56%	1,270.97	-69.89%	(51.72)	52.01%	1,219.25
Illichmann Castalloy GmbH	3.01%	1,352.07	9.45%	228.39	-74.64%	(55.24)	7.39%	173.15
	100%	44,906.68	100%	2,418.06	100%	(74.00)	100%	2,344.06

As per our report of even date attached

For **Kirtane & Pandit LLP**
Chartered Accountants
Firm Regn No: 105215W/W100057

Parag Pansare
Partner
Membership No. 117309

Place: Pune
Date: 16 May 2022 .

On behalf of the Board of Directors of **Alicon Castalloy Ltd.**

S. Rai
Managing Director
DIN : 00050950

A.D.Harolikar
Director
DIN : 00239460

Rajeev Sikand
Chief Executive Officer

Vimal Gupta
Chief Finance Officer

Swapnal Patane
Company Secretary

ALICON CASTALLOY LIMITED
CIN: L99999PN1990PLC059487
Registered Office: Gat No. 1426, Village Shikrapur,Taluka - Shirur, District Pune - 412 208, Maharashtra
T: +91 2137 677100, Email: investor.relations@alicongroup.co.in, Website: www.alicongroup.co.in

Notice

NOTICE is hereby given that the 32nd Annual General Meeting of the members of Alicon Castalloy Limited will be held at 11.00 AM on Tuesday, the 27th day of September 2022 through Video Conference/ Other Audio Visual Means, to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the –

   a) Audited Standalone Balance Sheet as on 31st March 2022 and Statement of Profit & Loss for the year ended on that date together with the reports of the Board of Directors and the Auditors thereon; and

   b) Audited consolidated Balance Sheet as on 31st March 2022 and Statement of Profit & Loss for the year ended on that together with the report of Auditors thereon.

2. To declare dividend for the financial year 2021-22.

3. To appoint a Director in place of Mrs. Pamela Rai, who retires by rotation, but being eligible, offers herself for reappointment.

4. To appoint Auditors and fix their remuneration and in this regard, pass the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), M/s. Kirtane & Pandit LLP, Chartered Accountants (Registration No.105215W/W100057), be and are hereby re-appointed as Auditors of the Company for an another term of 5 (five) consecutive years from the conclusion of this Annual General Meeting till the conclusion of the 37th Annual General Meeting of the Company on such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the Auditors."

SPECIAL BUSINESS

5. 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 Section 196, 197 and 203 and all other applicable provisions of the Companies Act,2013 ("the Act") (including any statutory modifications or re-enactment thereof for the time being in force) read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Articles of Association of the Company and subject to approval of the Central Government required if any, the consent of the members of the Company be and is hereby accorded for the re-appointment of Mr. S. Rai (DIN 00050950) as the Managing Director of the Company for a period of five years with effect from 1st November 2022 to 31st October, 2027 (both days inclusive) on such terms and conditions as set out below :

1. Basic Salary: In the scale of ₹ 5,00,000/- per month and increase of ₹ 50,000/- every year.

2. Commission: 0.5% of the profit before tax of the Company in every financial year in addition to salary, perquisites and allowances payable.

3. Perquisites and allowances :

   a) In addition to the salary and commission payable, the Managing Director shall also be entitled to perquisites and allowances like accommodation (furnished or otherwise) or house rent allowance and house maintenance allowance in lieu thereof; together with reimbursement of medical/ accident insurance, leave travel concession for himself and his family, club fees and such other perquisite and allowances in accordance with the rules of the Company or as may be agreed to by the Board of Directors and the Managing Director.

      All such perquisites and allowances will be subject to a maximum of an amount equal to the annual salary.

   b) For the purpose of calculating the above ceiling, perquisites and allowances shall be evaluated as per the Income Tax Rules wherever applicable. In the absence of any such rules, perquisites and allowances shall be evaluated at actual cost. Provision for use of Company's car for official duties and telephone at residence shall not be included in the computation of perquisites and allowances for the purpose of calculating the ceiling.

c) Company's contribution to Provident Fund and Superannuation Fund or Annuity Fund, to the extent these either singly or together are not taxable under the Income Tax Act. Gratuity payable as per the rules of the Company and encashment of leave at the end of the tenure shall not be included in the computation of limits for the remuneration or perquisites aforesaid.

d) One month's leave with full pay and allowance for every eleven months of service. However, leave accumulated but not availed of will be allowed to be encashed.

e) Benefits under loan and other schemes in accordance with the practice, rules and regulations in force from time to time.

f) Such other benefits as may be provided by the Company to other senior officers of the Company from time to time.

g) Managing Director shall be entitled to reimbursement of entertainment and all other expense incurred in course of the Company's business.

h) Managing Director shall not be paid any sitting fees for attending the meeting of Board of Directors or Committee thereof.

"**RESOLVED FURTHER THAT** in case of loss or inadequacy of profit in any financial year of the Company, the payment of salary, perquisites and other allowance shall be governed by the limits prescribed under Schedule V of the Act."

"**RESOLVED FURTHER THAT** Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be required from time to time to give effect to the aforesaid resolution."

6) To consider and if thought fit, to pass the following Resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules made thereunder, the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 as amended and enacted from time to time read with all circulars and notifications issued thereunder (hereinafter referred to as "SEBI SBEB Regulations"), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'SEBI LODR Regulations'), the Memorandum and Articles of Association of the Company and further subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, the approval of the members of the Company be and is hereby accorded to the introduction and implementation of Alicon Castalloy Limited – Employee Stock Option Scheme-2022 (hereinafter referred to as the "ESOS-2022") authorising the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee, which the Board has constituted to exercise its powers, including the powers, conferred by this resolution and under Regulations 5 of the SEBI SBEB Regulations, 2021) to create, and grant from time to time, in one or more tranches, not exceeding 3,00,000 (three lacs) Employee Stock Options to or for the benefit of such employee(s), who are in permanent employment of the Company, including any Whole-time Director of the Company or subsidiary company, present or future, in or outside India, or for the benefit of such persons as designated by the Company for the employment within the meaning of the Scheme (other than Promoters of the Company or the persons belonging to the Promoter Group of the Company, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding Equity Shares of the Company), as may be decided under ESOS-2022, exercisable into not more than 3,00,000 (three lacs) Equity Shares of face value of ₹5/- (Rupees five only) each fully paid-up, on such terms and in such manner as the Board may decide in accordance with the provisions of the applicable laws and the provisions of ESOS-2022."

"**RESOLVED FURTHER THAT** the Equity Shares so issued and allotted as mentioned hereinbefore shall rank pari passu with the then existing equity shares of the Company."

"**RESOLVED FURTHER THAT** in case of any corporate action(s) such as rights issues, bonus issues, sub-divisions, merger and sale of division and others, if any, additional Equity Shares are to be issued by the Company to the Option grantees for the purpose of making a fair and reasonable adjustment to the Employee Stock Options granted earlier, the ceiling on the number of Options mentioned in the resolution above, shall be deemed to be increased to the extent of such additional Equity Shares issued."

"RESOLVED FURTHER THAT in case the Equity Shares of the Company are consolidated, then the number of Equity Shares to be allotted and the exercise price payable by the option grantees under the ESOS-2022 shall automatically stand augmented in the same proportion as the present face value of ₹ 5/- (Rupees five only) per Equity Share bears to the revised face value of the equity shares of the Company after such consolidation, without affecting any other rights or obligations of the said grantees."

"RESOLVED FURTHER THAT the Board including designated committee of the Board, if any, be and is hereby authorised to take requisite steps for listing of the Equity Shares allotted under ESOS-2022 on the Stock Exchanges where the Equity Shares of the Company are listed."

"RESOLVED FURTHER THAT the Company shall conform to the Indian Accounting Standards and accounting policies prescribed from time to time under the SEBI SBEB Regulations and any other applicable laws and regulations to the extent relevant and applicable to the ESOS- 2022."

"RESOLVED FURTHER THAT the Board including designated committee of the Board, if any, be and is hereby authorized at any time to modify, change, vary, alter, amend, suspend or terminate the ESOS-2022 subject to the compliance with the applicable laws and regulations and to do all such acts, deeds, matters and things as may at its absolute discretion deems fit, for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard without being required to seek any further consent or approval of the members and further to execute all such documents, writings and to give such directions and or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the ESOS-2022 and to do all other things incidental and ancillary thereof."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things, as may, at its absolute discretion, deems necessary including authorizing or directing to appoint Merchant Bankers, Brokers, Solicitors, Registrars, Compliance Officer, Investors Service Centre and other Advisors, Consultants or Representatives, being incidental to the effective implementation and administration of ESOS-2022 as also to make applications to the appropriate authorities, parties and the Institutions for their requisite approvals and to settle all such questions, difficulties or doubts whatsoever, which may arise and take all such steps and decisions in this regard."

7) To consider and if thought fit, to pass the following Resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules made thereunder, the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 as amended and enacted from time to time read with all circulars and notifications issued thereunder (hereinafter referred to as "SEBI SBEB Regulations"), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'SEBI LODR Regulations'), the Memorandum and Articles of Association of the Company and further subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed, while granting such approvals, permissions and sanctions, the approval of the Company be and is hereby accorded authorising the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee, which the Board has constituted or may constitute to exercise its powers, including the powers conferred by this resolution) to offer and grant from time to time such number of Options in one or more tranches under Alicon Castalloy Limited – Employee Stock Option Scheme-2022 ("ESOS-2022") exercisable into equal number of Equity Shares of face value of ₹5/- each fully paid up as per terms of ESOS-2022, which may exceed 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant of Option to the following permanent employee of the Company:

S. No.	Name of the Employee	Designation
1	Mr. Rajeev Sikand	Chief Executive Officer

"

By Order of the Board of Directors

(S. Rai)
Managing Director
(DIN 00050950)

Place: Pune
Date: 1st September 2022

NOTES :

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013,('the Act') relating to the Special Business to be transacted at the Annual General Meeting ('AGM') is annexed hereto.

2. In view of the ongoing COVID-19 pandemic, the Ministry of Corporate Affairs (MCA), vide its General Circular No. General Circular No. 14/2020 dated 8th April 2020, General Circular No. 17/2020 dated 13th April 2020; General Circular No. 20/2020 dated 5th May 2020, General Circular No. 22/2020 dated June 15,2020, General Circular No. 33/2020 dated September 28,2020, General Circular No. 39/2020 dated December 31 2020 and Circular No. 02/2021 dated January 13 2021 and Circular No. 02/2022 dated May 05 2022 (collectively "MCA Circulars") and Securities and Exchange Board of India ("SEBI") vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12 2020 ; Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 21 2021 and SEBI Circular No. SEBI/HO/CFD/CMD2/2022/62 dated May 13 2022 (collectively "SEBI Circulars") have permitted companies to conduct AGM through Video Conferencing or other audio visual means("VC/OAVM"), subject to compliance of various conditions mentioned therein. In compliance with the aforesaid mentioned MCA Circulars and SEBI Circulars and the applicable provisions of the Companies Act, 2013 and the rules made thereunder, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the 32nd AGM of the Company is being convened and conducted through VC/OAVM.

3. As the AGM shall be conducted through VC / OAVM, the facility for appointment of Proxy by the Members is not available for this AGM and hence, the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.

4. Institutional / Corporate Members are requested to send a scanned copy (PDF / JPEG format) of the Board Resolution authorizing its representatives to attend and vote at the AGM, pursuant to Section 113 of the Act, on email id of ucshukla@rediffmail.com.

5. The Register of Members and Share Transfer Books of the Company will be closed from **Wednesday, 21st September 2022 to Tuesday, 27th September 2022 (both days inclusive)** for the purpose of Annual General Meeting and Dividend for FY 2021-22.

6. The Board at its Meeting held on 16th May 2022 has recommended final dividend of ₹ 2.25 per equity share for the FY 2021-22

7. Final Dividend as recommended by the Board of Directors for the financial year ended 31st March 2022, if approved at AGM, will be payable to those members of the Company ; who hold shares ;

(i) In demat mode, based on the list of beneficial owners to be received from NSDL and CDSL as the close of business hours on Tuesday, 20th September 2022, being the cut-off date.

(ii) In physical form, if the names appear in the Company's Register of Members on Tuesday, 20th September 2022, being the cut-off date.

ELECTRONIC DISPATCH OF ANNUAL REPORT AND PROCESS FOR REGISTRATION OF EMAIL ID FOR OBTAINING COPY OF ANNUAL REPORT

8. In line with the MCA and SEBI circulars, the notice of the 32nd AGM along with the Annual Report 2021-22 are being sent only by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories. Members may please note that this Notice and Annual Report 2021-22 will also be available on the Company's website at www.alicongroup.co.in and websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively.

9. Members holding shares in physical mode and who have not updated their email addresses with the Company are requested to update their email addresses by writing to the RTA on email id gamare@unisec.in along with the copy of the signed request letter mentioning the name and address of the Member, self-attested copy of the PAN card, and self-attested copy of any document (eg.: Driving License, Election Identity Card, Passport) in support of the address of the Member. Members holding shares in dematerialized mode are requested to register / update their email addresses with the relevant Depository Participants. In case of any queries / difficulties in registering the e-mail address, Members may write to RTA of email id – gamare@unisec.in.

PROCEDURE FOR JOINING THE AGM THROUGH VC/OAVM:

10. Members will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned **above for Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under **"Join meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the

remote e-Voting instructions mentioned in the notice to avoid last minute rush.

11. The Members can join the AGM in the VC/OAVM mode 15 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 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

12. Members are encouraged to join the Meeting through Laptops for better experience.

13. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

14. 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.

15. 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.

16. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08 2020, April 13 2020 and May 05 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with 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 venue voting on the date of the AGM will be provided by NSDL.

PROCEDURE TO RAISE QUESTIONS / SEEK CLARIFICATIONS WITH RESPECT TO ANNUAL REPORT:

17. As the AGM is being conducted through VC / OAVM, for the smooth conduct of proceedings of the AGM, Members are encouraged to express their views / send their queries in advance mentioning their name, demat account number / folio number, email id, mobile number @investor.relations@alicongroup.co.in. Questions / queries received by the Company on or before 22 September 2022, between 9.00 AM IST. and 5.00 PM IST will be considered. Only those Members who have pre-registered themselves for queries will be allowed to express their views/ask questions during the AGM.

18. Members, who would like to express their views or ask questions during the AGM, may use chat facility to raise questions to moderator. The moderator then will ask one by one question during the meeting. The queries raised by the Members will be replied by the Company suitably.

19. The Company reserves the right to restrict the number of questions, as appropriate for smooth conduct of the AGM.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING ANNUAL GENERAL MEETING (AGM) ARE AS UNDER :

The remote e-voting period begins on 24th September 2022, 9.00 AM and ends on 26th September 2022, 5.00 PM. The remote e-voting module shall be disabled by NSDL for e-voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 20th September 2022, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 20th September 2022.

20. Members facing any technical issue or help in login issue during the AGM 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. Please find below details of NSDL official for queries. Mrs. Pallavi Mhatre, Manager, NSDL.

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.	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. **NSDL Mobile App is available on** App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of **e-Voting service provider i.e. NSDL**. Click on **NSDL** to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in 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 provided links for the respective ESP i.e. **NSDL** where the e-Voting is in progress.

Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. 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.

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 022- 23058738 or 022-23058542-43

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 :

5. Password details for shareholders other than Individual shareholders are given below:

   a) If you are already registered for e-Voting, then you can user 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, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to **ucshukla@rediffmail.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 **"e-Voting"** tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to (Name of NSDL Official) at evoting@nsdl.co.in

21. 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 **gamare@unisec.in**.

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to **gamare@unisec.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.

22. 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 the AGM shall be the same person mentioned for Remote e-voting.

GENERAL INFORMATION

23. Members are requested to note that pursuant to the provisions of Section 124 of the Companies Act, 2013, the amount of Dividend unclaimed or unpaid for a period of 7 years from the date of transfer to Unpaid Dividend Account, shall be transferred to the Investor Education & Protection Fund (IEPF) set up by Government of India and no claim shall lie against the Fund or the Company after the transfer of Unpaid or Unclaimed Dividend amount to the Government.

The Following are the details of dividend paid by the Company and their respective due dates of transfer to such Fund of the Central Government, which remains unpaid:

Date of Declaration of Dividend	Dividend of the Year	Due date of Transfer to the Government
30th December 2015	2014- 2015	2nd February 2023
29th September 2016	2015- 2016	2nd November 2023
26th September 2017	2016- 2017	30th October 2024
31st January 2018 (Interim Dividend)	2017-2018	6th March 2025
22nd September 2018 (Final Dividend)	2017- 2018	26th October 2025
06th February 2019 (Interim Dividend)	2018 - 2019	12th March 2026
26th July 2019 (Final Dividend)	2018 - 2019	29th August 2026
12th March 2020	2019 - 2020	16th April 2027

Members who have not en-cashed their Dividend are requested to make their claims to the Company immediately.

The Members are also requested to note that all Shares on which Dividend remains unclaimed for seven consecutive Years or more shall be transferred to the IEPF account in compliance with Section 124 of the Companies Act, 2013 and the applicable Rules. In view of this, Members are requested to claim their Dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/ shares have been transferred to IEPF, may claim the same by making an application to the IEPF Authority after complying with the procedure prescribed under the IEPF Rules.

24. Details as per Regulation 36(3) of Listing Regulations, 2015 in respect of the Directors seeking re-appointment at the AGM, forms integral part of the Notice. Other details as required under Secretarial Standard – 2 are included in the Corporate Governance Report, which forms part of the Annual Report. The Directors have furnished the requisite consents/ declarations for their Re-appointment.

25. The Members, who still hold share certificates in physical form, are advised to dematerialize their shareholding to avail the benefits of dematerialization, which includes easy liquidity since the trading is permitted in dematerialized form only, electronic transfer, savings in stamp duty and elimination of possibility of loss of documents and bad deliveries.

26. The Board upon re-commendation of Audit Committee, have proposed re-appointment of M/s. Kirtane & Pandit LLP, Chartered Accountants, as the Statutory Auditors another term of 5 (five) consecutive years from the conclusion of this Annual General Meeting till the conclusion of the 37th Annual General Meeting of the Company .

27. The Board of Directors has appointed Mr. Upendra Shukla, a Practicing Company Secretary, Mumbai as the Scrutinizer for the e-voting process, and voting at the venue of the AGM in a fair and transparent manner.

28. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes casted at the Meeting, thereafter unlock the votes through e-voting in the presence of at least two witnesses, not in the employment of the Company and make, not later than three (3) days from the conclusion of the Meeting, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman of the Company, who shall countersign the same.

    The scrutinizer shall submit his report to the Chairman, who shall declare the result of the voting. The results declared along with the scrutinizer's report shall be placed on the Company's website www.alicongroup.co.in and on the NSDL website www.evoting.nsdl.com. The said report also be filed with BSE & NSE.

PROCEDURE FOR INSPECTION OF DOCUMENTS:

29. All the documents referred to in the accompanying Notice and Explanatory Statements, shall be available for inspection through electronic mode. Members seeking to inspect such documents can send an email to investors.relations@alicongroup.co.in .

30. During the AGM, the Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Act, the Register of Contracts or arrangements in which Directors are interested under Section 189 of the Act and the Certificate from Auditors of the Company certifying that the ESOP Schemes of the Company are being implemented in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 shall be available for inspection upon login at NSDL e-voting system at https://www.evoting.nsdl.com.

Registered Office :
Gat No.1426, Village Shikrapur, Taluka Shirur,
Dist, Pune, Maharashtra.

By Order of the Board
Alicon Castalloy Ltd.

S. Rai
Managing Director

Place: Pune
Date: 1st September 2022

EXPLANATORY STATTEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT,2013

Item No.5

Considering the significant growth achieved by the Company under the able leadership of Mr. S. Rai as the Managing Director and meticulous handling of the COIVD-19 situation, the Board of Directors in its meeting held on 11th August 2022 had in accordance with the recommendation made by the Nomination and Remuneration Committee and subject to approval of the members of the Company, re-appointed of Mr. S. Rai as Managing Director for an another term of five years with effect from 1st November 2022 on such remuneration, terms and conditions as laid down in the resolution mentioned in item no. 5 of the notice convening the meeting.

Mr. S. Rai is a Chartered Accountant from the Institute of Chartered Accountant from England & Wales, U.K. Mr. S. Rai is associated with the Company as the Managing Director since its inception. Mr. S. Rai is an instrumental in spearheading the growth of the Company and under his leadership, the Company has grown from '0' to ₹ 1,000 crores Company. To-day, the Company has attained a leadership position in casting industry. In view of the valuable contribution towards overall development and strategies of the Company, the Board of Directors recommends this resolution to be passed as a Special Resolution.

Mr. S. Rai is also the Promoter of the Company and is holding 11,07,899 Equity Shares in his individual name and is controlling in aggregate 89,76,368 shares together with his family and associate concerns.

Brief resume of Mr. S. Rai, nature of his experience in specific functional areas and names of companies in which he holds directorship and membership/chairmanship of the Board Committee, shareholding and relationships between Directors inter-se as stipulated under Secretarial Standard on General Meetings [SS-2] and Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are provided in the annexure to the notice.

Mr. S. Rai will attain the age of 70 years on 1st February 2026. Considering the credentials of Mr. S. Rai in terms of his qualification and experience, your Directors are of the opinion that service of Mr. Rai is indispensable and it would be in the utmost interest of all the stakeholders of the Company that he do continue as Managing Director for the full term of his appointment of 5 (five) years. Hence, his appointment may also be deemed to be within the provisions of Section 196(3) of the Act.

Mr. S. Rai and Mrs. Pamela Rai being the relative, be deemed to be interested in the proposed resolution to the extent of their shareholding interest and the remuneration he will be entitled to as the Managing Director.

Save and except the above, none of the other Directors, key managerial personnel or their relatives is in any way concerned or interested financially or otherwise in the resolution.

Information under Section II of Part II of Schedule V of the Companies Act,2013:

I. General Information:

1.	Nature of Industry	:	Aluminium alloy castings
2.	Date or expected date of commencement of commercial production	:	The Company is already in the production since 1996.
3.	In case of new companies, expected date of commencement of activities as per project approved by the financial institutions appearing in the prospectus	:	Not Applicable

4. Financial performance based on given indicators

(₹ in lacs)

	2021-2022 (₹ in lacs)	2020-2021 (₹ in lacs)
Sales(Net)	95747	73184
Earning before interest, depreciation & taxes	9344	7467
Net profit (after tax)	919	(746)
Amount of dividend paid	2.25	Nil
Rate of dividend declared	45%	Nil

5. Foreign investments or collaboration, if any as on 31/03/2022

Foreign Director Investment: Indian ₹ 1,11,32,150/-

There is no foreign collaboration.

II. Information about the appointee:

1. Background details :

Mr. S. Rai is a Chartered Accountant from the Institute of Chartered Accountant from England & Wales, U.K. Mr. S. Rai is 66 years and has more than 40 years experience in business management and administration. He is associated with the Company as the Managing Director since its inception. Mr. S. Rai is an instrumental in spearheading the growth of the Company and under his leadership, the Company has grown to many folds.

2. Past remuneration (for the last three years)

₹ in lacs

Year	2021-2022	2020-2021	2019-2020
Amount	52.73	47.88	84.93

The above figures include Company's contribution to Provident Fund, Superannuation Fund, Provision for Gratuity and commission on profits.

3. Recognition of awards : Nil

4. Job Profile and his suitability :

Subject to supervision and guidance of the Board of Directors, the Managing Director shall have the general control of the business of the Company with power to appoint and dismiss employees, to enter into contracts on behalf of the Company in ordinary course of the business and to do and perform all acts, deeds and things, which in the ordinary course of the business, he may consider necessary or proper or expedient in the interest of the Company. Considering the vast experience of more than 40 years particularly in casting industry, the Company would definitely benefit from his guidance.

5. Remuneration proposed :

Details of remuneration proposed are given in the resolution in the accompanying notice.

6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person:

Taking into consideration the qualifications, skill and experience of Mr. S. Rai, his job profile and the nature and size of the Company's business, there is no meaningful comparative remuneration profile with respect to industry and size of the company, which can be provided under this section.

7. Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any:

Mr. S. Rai is the Promoter of the Company and is related to Mrs. Pamela Rai, Director of the Company. Other than this Mr. S. Rai has no pecuniary relationship with the Company or with key managerial personnel except to the extent of remuneration being paid to him as Managing Director of the Company.

III. Other Information:

1. Reasons for loss or inadequate profits:There is no inadequacy of profit for the financial year 2021-22.

2. Steps taken or proposed to be taken for improvement:

Further improving sale margins, better cost control and reduction, focus on working capital and interest management. Efforts are also being made to increase exports besides domestic sales.

3. Expected increase in productivity and profits in measurable terms:

With good growth in new order flow and improved working, we expect an improving trend in revenue and profits with a fuller return to normative numbers in coming years.

IV. Disclosure:

1. All elements of remuneration Package such as salary, benefits, Bonuses, stock options, pension, etc. of all the directors:

None of the Director (except the Managing Director), is paid any remuneration. Other Directors on the Board get sitting fees for attending the Board and Committee meetings.

2. Details of fixed component and performance linked incentives alongwith the performance criteria:

The remuneration consists of fixed salary. Managing Directors is entitled to receive commission at the rate of 0.5% of the profit before tax.

3. Service contracts, notice period and severance fees:

Service contract is for a period of five years from 1st November 2022. There is no notice period and no severance pay is payable on termination of appointment.

4. Stock option details, if any, and whether the same is issued at a discount as well as the period over which accrued and over which exercisable;

Managing Director is not entitled to any stock options.

Item No. 6

Equity based compensation is considered to be an integral part of employee compensation across sectors, which enables alignment of personal goals of the employees with organizational objectives. Your Company believes in rewarding its employees including Directors of the Company for their continuous hard work, dedication and support, which has led the Company on the growth path. The Company intends to implement Employee Stock Option scheme with a view to attract and retain key talents working with the Company by way of rewarding their performance and motivate them to contribute to the overall corporate growth and profitability.

The Shareholders in their 25th Annual General Meeting held on 30th December, 2015 had approved the Alicon Castalloy Limited – Employee Stock Options Scheme-2015 (ESOS-2015) under which the Company had committed to grant 6,12,800 Options to its employees. Though on 2nd August, 2016 4,65,333 Options were granted to employees at various levels of the management, only 3,06,277 Options were exercised and the remaining were elapsed and the Company could not grant further Options due to various reasons including prevailing uncertainty on account of Covid-19 pandemic, etc. Since the Company had committed to grant Options upto 6,12,800 whereas only 3,06,277 Options were exercised and the said Scheme has elapsed, it is proposed to introduce a new scheme viz. Employee Stock Options Scheme-2022 under the which only 3,00,000 Options would be granted, which are about outstanding Options of ESOS-2015 scheme.

Accordingly, the Nomination and Remuneration Committee of the Directors ('Committee') and the Board of Directors of the Company at their respective meetings held on 23.08.2022 and 01.09.2022 had approved the introduction of the Scheme, subject to approval of the members of the Company

In terms of Section 62(1) (b) of the Companies Act, 2013 and rules made thereunder read with Regulations 6 of the Securities and Exchange Board of India (Share Base Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI SBEB Regulations"), the Company seeks members' approval in respect of ESOS-2022 and grant of Stock Options to the eligible employees of the Company.

The main features of the ESOS 2022 are as under:

a) Brief description of the scheme:

The Company proposes to introduce the ESOS-2022 with a primarily view to attract, retain, incentivise and motivate the existing employees of the Company, new employees joining the Company and its Whole-time Directors that would lead to higher corporate growth. The ESOS-2022 contemplates grant of options to the eligible employees (including whole-time Directors), as may be determined in due compliance of SEBI SBEB Regulations and provisions of the ESOS-2022. After vesting of Options, the eligible employees earn a right (but not obligation) to exercise the vested Options within the exercised period and obtain equity shares of the Company subject to payment of exercise price and satisfaction of any tax obligation arising thereon.

The Committee shall act as Compensation Committee for the administration of ESOS- 2022. All questions of interpretation of the ESOS-2022 shall be determined by the Committee and such determination shall be final and binding upon all persons having an interest in ESOS-2022.

b) Total number of Options to be granted:

A total number of 3,00,000 (three lacs) Options exercisable into 3,00,000 (three lacs) Equity Shares would be available for being granted to eligible employees of the Company under ESOS-2022. Each Option, when exercised would be converted into one Equity share of ₹5/- each fully paid-up.

Options lapsed or cancelled due to any reason including the reason of lapse of exercise period or due to resignation of the employees/ Directors or otherwise, would be available for being re-granted at a future date. The Committee is authorized to re-grant such lapsed / cancelled Options as per the ESOS-2022

Further, the SEBI SBEB Regulations require that in case of any corporate action(s) such as rights issues, bonus issues, sub-divisions, consolidations, merger and sale of division and others, a fair and reasonable adjustment needs to be made to the Options granted. In this regard, the Committee shall adjust the number and price of the Options granted in such a manner that the total value of the options granted under ESOS-2022 remain the same after any such corporate action. Accordingly, if any additional Options are issued by the Company to the option grantees for making such fair and reasonable adjustment, the ceiling of 3,00,000 (three lacs) shall be deemed to be increased to the extent of such additional Options issued.

c) Identification of classes of employees entitled to participate in ESOS-2022

All employees of the Company including Whole-time Directors (hereinafter referred to as 'employees') shall be eligible subject to determination or selection by the Committee. Following classes of employees/ Directors are eligible being

1. an employee as designated by the Company, who is exclusively working in India or outside India; or
2. a Whole-time Director of the Company, who is not a Promoter or persons belonging to promoter group, but excluding an Independent Director; or
3. an employee as defined in sub-clauses (1) or (2) of a Group Company including subsidiary or its associate company in India or outside India, or of a holding company of the company; but excludes –
    a. an employee, who is a Promoter or belongs to the Promoter Group; and
    b. a Director, who either by himself or through his relatives or through any body corporate, directly or indirectly, holds more than ten percent of the outstanding equity shares of the company.

d) **Requirements of vesting and period of vesting**
All the Options granted on any date shall vest not earlier than 1 (one) year and not later than a maximum of 4 (Four) years from the date of grant of Options as may be determined by the Committee.

Options shall vest essentially based on continuation of employment and apart from that the vesting will be subject to Individual performance parameters as the Committee may specify additionally.

e) **Maximum period within which the options shall be vested:**
All the Options granted on any date shall vest not later than a maximum of 4 (Four) years from the date of grant of options as may be determined by the Committee.

f) **Exercise price or pricing formula:**
The exercise price shall be determined by the Committee at its sole discretion, which shall not be less than the face value of the share as on the date of grant of such Options.

g) **Exercise period and the process of Exercise:**
The Exercise period would commence from the date of vesting and will expire on completion 5 (Five) years from the date of respective vesting or such other shorter period as may be decided by the Committee from time to time.

The vested Option shall be exercisable by the Option grantee by a written application to the Company expressing his/her desire to exercise such Options in such manner and on such format as may be prescribed by the Committee from time to time. Exercise of Options shall be entertained only after payment of requisite Exercise Price and satisfaction of applicable taxes by the Option grantee. The Options shall lapse, if not exercised within the specified exercise period.

h) **Appraisal process for determining the eligibility of employees under ESOS-2022:**
The appraisal process for determining the eligibility shall be decided from time to time by the Committee. The broad criteria for appraisal and selection may include parameters like tenure of association with the Company, performance during the previous years, contribution towards strategic growth, contribution to team building and succession, cross-functional relationship, corporate governance, etc.

i) **Maximum number of Options to be issued per employee and in aggregate:**
The maximum number of Options that may be granted to any specific employee of the Company under the ESOS-2022 in any financial year and in aggregate under the ESOS-2022 shall not exceed 2,00,000 (two lacs) Options. [

j) **Maximum quantum of benefits to be provided per employee under the ESOS-2022:**
Apart from grant of Options as stated above, no monetary benefit are contemplated under the ESOS-2022.

k) **Route of ESOS-2022 implementation:**
The ESOS-2022 shall be implemented and administered directly by the Company. In case Company wishes otherwise, it may be intimated to the members in due course as per applicable laws.

l) **Source of acquisition of shares under the ESOS-2022:**
The ESOS-2022 contemplates fresh/new issue of shares by the Company.

m) **Amount of loan to be provided for implementation of the scheme(s) by the company to the trust, its tenure, utilization, repayment terms, etc:**
This is currently not contemplated under the present ESOS-2022.

n) **Maximum percentage of secondary acquisition:**
This is not relevant under the present ESOS-2022.

o) **Accounting and Disclosure Policies:**
The Company shall follow the IND AS/Guidance Note on Accounting for Employee Share-based Payments and/or any relevant Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India or any other competent authorities from time to time, including the disclosure requirements prescribed therein.

p) **Method of Option valuation:**
The Company shall adopt 'intrinsic/fair value method' for valuation Options as prescribed under Guidance Note or under any relevant accounting standard notified by appropriate authorities from time to time.

q) **Terms and conditions for buy-back, if any, of specified securities/Options covered granted under the ESOS-2022:**
Subject to the provisions of the then prevailing applicable laws, the Committee shall determine the procedure for buy-back of Options granted under the ESOS-2022 if to be undertaken at any time by the Company, and the applicable terms and conditions thereof.

r) **Lock-in Period:**
The shares issued pursuant to exercise of Options shall not be subject to any lock-in period instructions except such restrictions as may be prescribed under applicable laws including that under the Code of Conduct framed, if any, by the Company under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended.

s) **Declaration:**

In case the Company opts for expensing of share based employee benefits using the intrinsic value, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized, if it had used the fair value of the Options and the impact of this difference on profits and on Earning Per Share ("EPS") of the Company shall also be disclosed in the Directors' report.

A draft copy referred to in this Notice will be available for inspection electronically until the last date of voting. Members seeking to inspect such documents may send an e-mail to investor.relations@alicongroup.co.in .

Key Managerial Personnel of the Company including their relatives may be deemed to be interested or concerned in the resolution, except to the extent of their entitlements under the ESOS-2022. None of the Directors is interested or in way concerned in this resolution.

Item No.7

The Board has sought your approval to implement Alicon Castalloy Limited – Employee Stock Option Scheme-2022. The Company consistently believes in the philosophy of creating entrepreneurial teams to operate its businesses and create superior shareholder return. It would be implemented keeping in view the incentivization requirements of the key employees through equity based compensation.

Mr. Rajeev Sikand, Group Chief Executive Officer, who is leading the current team, has retained sufficient interest in the business and for that reason grant of 2,00,000 (three lacs fifty thousand) Employee Stock Options as indicated in the resolution has been proposed to retain and incentivize driving performance leading to improved corporate growth and profitability.

It is considered critical that Mr. Rajeev Sikand, who is leading the current team, continues to be aligned with the Company's future and retains sufficient interest. For that reason grant of 2,00,000 (two lacs) Employee Stock Options as indicated in the resolution has been proposed to retain and incentivize whilst driving performance leading to improved corporate growth and profitability.

In the background above, approval of the members is being sought for the issue of so much of the Employee Stock Options to the Group Chief Executive Officer of the Company as aforesaid, in one or more tranches, exercisable into Equity Shares of the Company being equal to or exceeding 1% of the Issued Capital of the Company. Directors recommend the passing of the resolution as stated at item No.6 of the notice convening the annual general meeting.

Mr. Rajeev Sikand, CEO and his relatives may be deemed to be interested in this resolution to the extent of their entitlement as indicated hereinabove. None of the Directors and other Key Managerial Personnel and their relatives is interested or concerned in this resolution.

By Order of the Board
For Alicon Castalloy Ltd.

S. Rai
Managing Director

Place: Pune
Date: 1st September 2022

Registered Office :
Gat No. 1426, Village Shikrapur,
Taluka Shirur, Dist. Pune,
Maharashtra.

Details of Directors seeking appointment/ re-appointment at the ensuing 32nd Annual General Meeting to be held on Tuesday, the 27th September 2022 as required under Secretarial Standard on General Meetings [SS-2] and Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Name of the Director	Mrs. Pamela Rai	Mr. S. Rai
Date of Birth	28.07.1956	19.01.1956
Date of Appointment	29/09/2014	27.04.2005
Qualification	B.A. (Psychology)	C.A., U.K.
Brief Profile	She has vast experience in H.R. and CSR activities.	He has about 40 years experience in management and administration. He is associated with the Company since its inception. He is also promoter of the Company
Directorship held in other Public Companies (excluding Section 8 and foreign Companies)	Atlas Castalloy Ltd. Silicon Meadows Engineering Services Ltd.	Atlas Castalloy Ltd. Silcion Meadows Engineering Services Ltd. Enkei Wheels (India) Ltd.
Memberships/Chairmanship of committees of other companies (includes only Audit & Shareholders/ Investors Grievance/Stakeholders Relationship Committee)	Nil	Nil
Shareholding in the Company (Equity)	Nil	11,07,899

ALICON CASTALLOY LIMITED

CIN: L99999PN1990PLC059487

IF UNDELIVERED, PLEASE RETURN TO:

REGISTERED OFFICE:

GAT NO.1426, VILLAGE - SHIKRAPUR,
TALUKA - SHIRUR, DISTRICT PUNE - 412 208
WWW.ALICONGROUP.CO.IN

Concept, Content & Design
WYATT Prism COMMUNICATIONS (info@wyatt.co.in)