Date: August 27, 2022

To, **The Secretary,** **BSE Limited,** P.J. Towers, Dalal Street, Mumbai- 400 001 Scrip Code: 539542	To, **The Secretary,** **National Stock Exchange of India Ltd.,** Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandera (E), Mumbai – 400 051 Symbol: LUXIND

Sub: Submission of Annual Report 2022-22 (including Notice of 27th Annual General Meeting) for the Financial Year ended 31st March 2022

Respected Sir/Madam,

In furtherance to our letter dated 09th August, 2022 wherein it was informed that the Annual General Meeting of the Company (AGM) of the Company is scheduled to be held on 20th September, 2022.

Pursuant to Regulation 30 read with Part A (Para A) of Schedule III and Regulation 34(1)(a) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), please find enclosed the Notice of the 27th Annual General Meeting (AGM) of the Members of the Company and the Annual Report of the Company for the Financial Year ended 31st March, 2022. The same is also being sent to the shareholders electronically who have registered their email-ids and can be accessed on Company's website at www.luxinnerwear.com.

Thanking You
Yours faithfully,
For LUX INDUSTRIES LIMITED

Smita Mishra
Smita Mishra
(Company Secretary & Compliance Officer)
M.No: A26489

Enclosed: as above

PREMIUMISING

Premiumising!

Lux Industries Limited
Annual Report **2021-22**

Forward-looking statement
This document contains statements about expected future events and financial and operating results of Lux Industries Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the management's discussion and analysis of the annual report. The Annual Report has been prepared on the basis of consolidated numbers. Also, figures of FY 2019-20, FY 2020-21 and FY 2021-22 represent the impact of the merger and figures of FY 2018-19 and off earlier years are pre-merger figures.

contents

Premiumising!

For decades, the Lux brand was synonymous with mass market innerwear products.

In the last few years, the Company shifted the needle.

The decisive shift was marked by two initiatives.

One, the Company began to enhance its exposure to outerwear products (through organic and amalgamation initiatives).

Two, the Company began to market a larger proportion of value-added products.

These initiatives represent the emergence of a new Lux, its initiatives captured in one word.

'Premiumising'.

LUX

Revenue by geography
FY 2021-22

Domestic: **93%**
International: **7%**

Lux Industries Limited.

In the last five decades, Lux has emerged as arguably the largest mid-sized hosiery brand in India.

The Company possesses a diversified portfolio of home-grown brands, resulting in market outperformance.

The Company is focused on widening its presence from a multi-regional brand to a pan-India company.

The Company is deepening its governance with the objective to strengthen visibility, predictability and sustainability.

The Company expects the complement of these initiatives will enhance value for all stakeholders.

Vision
To keep creating new benchmarks for quality and comfort, the two fundamentals that lay the foundation of our Company and take it to the epitome of success

Mission
To be recognised as the Indian hosiery company globally and to drive the industry towards sustainable growth and development

Values
- To ensure complete satisfaction and utmost comfort for every consumer by creating top notch products
- To constantly bring about change in our methods of production through sustained innovation and stringent quality control practices
- Creating new business along with customer satisfaction is the driving force behind our economic engine. Lux Industries Limited will strive to adhere to the highest ethical standards and transparency in all its business dealings and transactions

Legacy
The Company was incorporated in 1957 by the late Mr. Girdhari Lal Todi as Biswanath Hosiery Mills. In 1995, the Company evolved into Lux Industries Limited. The Company has since emerged as a premier player in India's branded innerwear and outerwear segments.

Manufacturing potential
The Company comprises seven manufacturing units across the country with a cumulative capacity of 34 crore garment pieces a year. The Company's manufacturing units are located in Dankuni, Srijan Logistic Park and Sankrail Industrial Park (West Bengal), Tiruppur and Avinashi (Tamil Nadu), Ludhiana (Punjab) and Ghaziabad (UP).

Ratings
The Company retained its credit rating at AA+ for long-term bank facilities in FY 2021-22, validating its financial strength.

Listing
The Company's equity shares are listed on the Bombay Stock Exchange and National Stock Exchange where they are actively traded. The Company's market capitalisation was ₹6588.55 crore based on the NSE closing price as on 31st March, 2022.

Brands
The Company comprises a basket of 11 prominent brands. The Company's Power Brands enjoy a recall for comfort, innovation and a superior price-value proposition. The Company offers a mix of 100+ products for men, women and children across ages, geographies and seasons.

Certifications
The Company was certified for ISO 9001:2015, validating its credentials to consistently manufacture quality products. The Company is acknowledged as a Two Star Export House by the Government of India.

Presence
The Company's pan-India distribution network comprises more than 1170 dealers and 2 lakh+ retailers. The Company exports products to around 46 countries under its proprietary brands.

Our transformative JOURNEY

1957 Mr Girdhari Lal Todi set out to make everyday innerwear comfort a reality for Indians through the establishment of Biswanath Hosiery Mills.

1970 The second generation of entrepreneurs from within the Todi family was handed over the management control.

1992 The first television advertisement *'Ye Andar Ki Baat Hai'*, featuring Sunny Deol, was launched.

1993 Lux began to export products to the Middle East, Africa and Europe. The Company launched Lux Venus, its economy category product.

1994 Lux became the first hosiery brand to organise a business conference for dealers.

1995 Lux Industries Limited was incorporated as a Public Limited Company, making Lux the flagship Company of the group.

1998 Lux widened its pan-India footprint and established its New Delhi office.

2000 The Company launched GenX, a youth-centric and economical innerwear for men across metros, semi-metros and sub-urban areas.

2001 The Company launched its flagship brand Lux Cozi.

2003 The Lux IPO was launched; the issue was oversubscribed four times.

2005 The Company launched Lux Cott's Wool under its thermal category.

2007 The Company launched Lux Inferno under its mid-premium segment.

2010 The Company conceived its premium brand ONN; Shahrukh Khan was engaged as its brand ambassador.

2012 Lux Industries launched women's leggings brand Lyra and this differentiated bottom wear product emerged among the Company's most notable success stories.

2013 Lux became the IPL Comfort Partner for teams like Kings XI Punjab and Pune Warriors India.

2014 Lux Cozi became title sponsor at the Zee Cine Awards, the world's biggest Viewer's Choice Awards, seen by over 700 million viewers in 168 countries.

2015 The shares of Lux Industries were listed on NSE and BSE.

2016 Sushant Singh Rajput became the brand ambassador of Lux Cozi.

Lux commenced Eastern India's largest hosiery product manufacturing unit in Dankuni, West Bengal.

Lux became one of the primary sponsors of Kolkata Knight Riders.

Lux launched Lux Cozi Glo, a sub brand of Lux Cozi.

2017 Varun Dhawan was signed as Lux Cozi brand ambassador.

Lux launched its women's innerwear range – Lux Cozi Her.

Lux organised the largest sectoral conference for all dealers.

2018 Lux organised the largest-ever distributors' conference in the hosiery textiles industry (900+ distributors).

Amitabh Bachchan was on-boarded as brand ambassador for Lux Venus and Lux Inferno.

Lux Classic was re-launched as Lux Venus Classic.

Lux launched Lyra lingerie.

2019 Lux launched India's first scented vest under brand Lux Cozi.

Lux launched One8, a premium category brand.

Kartik Aaryan was onboarded as brand ambassador for Lux Inferno and Tapasee Pannu for Lyra.

Lux launched Lux Nitro, a casual wear product line.

2020 Lux launched CozyWorld, a retail venture.

2021 J. M. Hosiery & Co. Limited (JMHL) and Ebell Fashions Private Limited (Ebell) were merged with Lux Industries Limited, the appointed date being 1st April, 2020.

Lux launched a successful campaign *'Ikkis khoobiyon wali baniyaan'* for Lux Cozi vests.

2022 Lux onboarded Salman Khan as the brand ambassador for Lux Venus.

Satish Kaushik was signed for Lux Cott's Wool.

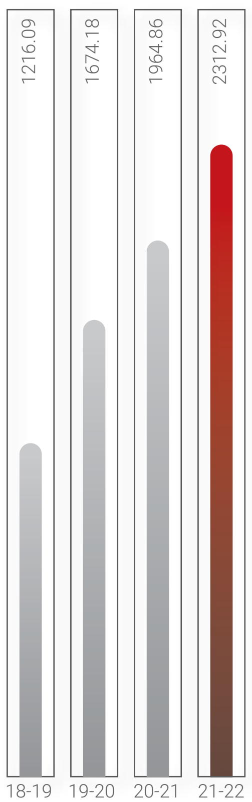
Sourav Ganguly was signed for Lux Cozi.

Lux ventured to launch exclusive ONN retail stores.

Lux renamed Lux Venus Classic as Lux Classic.

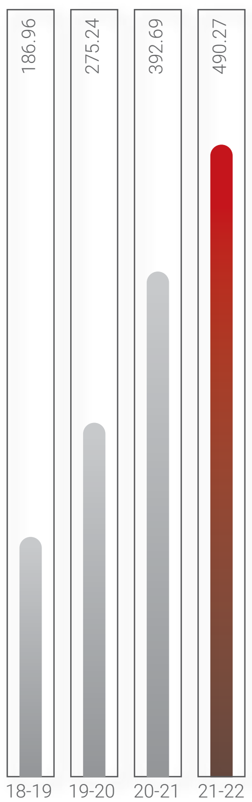
At Lux, our brand has generated superior multi-year growth

Revenues
(₹ crore)



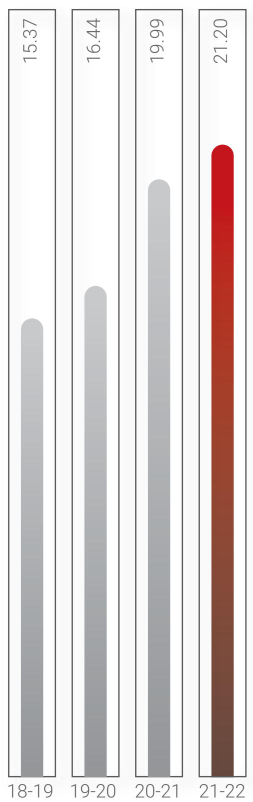
Performance
Increase in revenue by ₹348.06 crore corresponding to a growth of 17.71% during FY 2021-22.

EBITDA
(₹ crore)



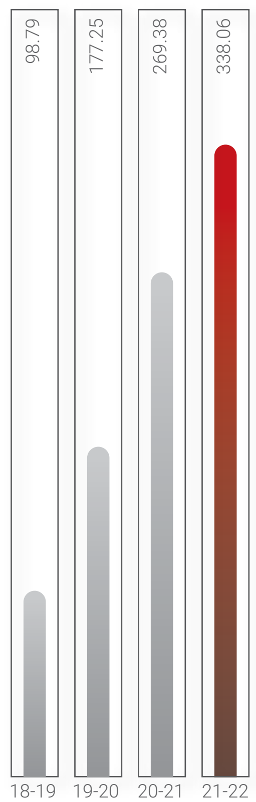
Performance
Increase in EBITDA by ₹97.58 crore during FY 2021-22, which was a growth of around 25%.

EBITDA margin
(%)



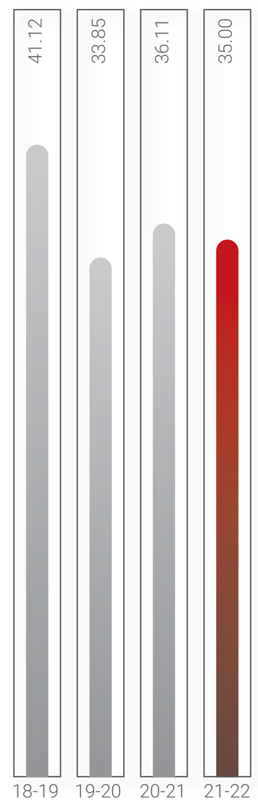
Performance
EBITDA margin improved by 121 bps during FY 2021-22 mainly because of an improvement in gross profit margin.

Net profit
(₹ crore)



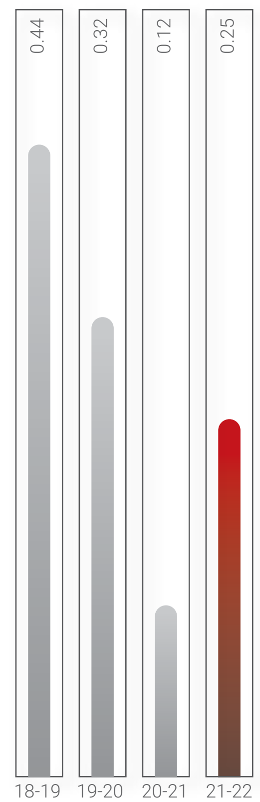
Performance
Increase in net profit was by ₹68.68 crore or 25.50% during FY 2021-22, indicating the Company's growth remained profitable.

ROCE
(%)



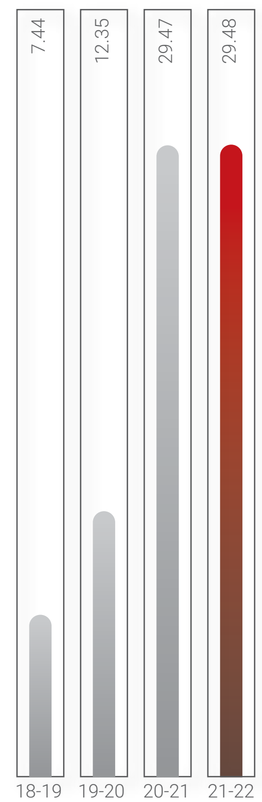
Performance
There was a marginal decline in ROCE by 111 bps in FY 2021-22, partly reflecting the need to stock expensive resource inventory.

Debt-equity ratio
(x)



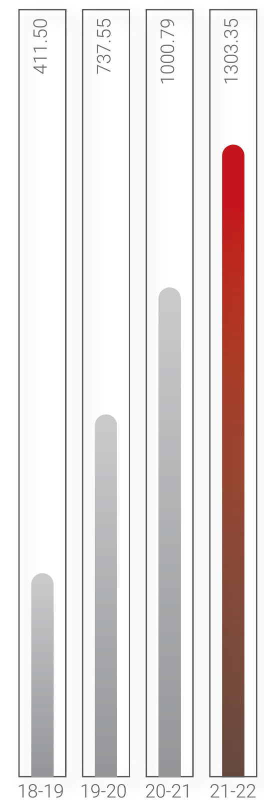
Performance
The Company's debt-equity ratio rose to 0.25x in FY 2021-22, mainly because of borrowed investment in the working capital.

Interest cover
(x)



Performance
The Company's interest cover was maintained at around 29.48x in FY 2021-22, validating the attractive liquidity available with the Company.

Net worth
(₹ crore)



Performance
The Company's net worth increased by ₹302.56 crore or around 30% during FY 2021-22, an achievement in a challenging year.

Figures of FY 2019-20 , FY 2020-21 and FY 2021-22 represents the impact of the merger and figures of FY 2018-19 are pre-merger figures

Lux. An Indian company with a multi-continental presence.

47
Countries of the Company's presence, FY 2021-22

Lux. Premiumising its personality and performance

In the past...
Most consumers indicated '*Kuch achcha sasta dikhaiye*'

Today...
Most consumers indicate '*Kuch badhiya dikhaiye*'

How India is changing

- Larger wardrobes
- Increased aspirations
- Lower price sensitivity
- Enhanced vanity
- Greater access to global trends

How Lux is adapting

- Strengthened its brand
- Amalgamated Group companies
- Extended from innerwear to outerwear
- Enhanced the premium proportion of its product mix
- Graduated from regional to a pan-India presence

How the evolution is becoming visible

Increase in FY 2021-22 revenues by 18% over FY 2020-21

Increase in proportion of premium products by 182 bps to 13.56%

Increase in EBITDA margin by 121 bps to 21.20%

How this reflected in the revenue mix, FY 2021-22

54% Mid-premium

32% Economy segment

14% Premium segment

Proportion of Lux revenues derived from different price segments, FY 2021-22

₹ **2312.92**
crore, revenue reported in FY 2021-22

₹ **490.27**
crore, EBITDA reported in FY 2021-22

A transforming India is creating an unprecedented opportunity for Lux

Overview

Lux has been in business for more than five decades.

In the early years of the Company's existence, there was a conviction that innerwear hosiery was an item of fundamental clothing that would always be required.

Around that time, India had a population of 907.57 million. A number of people used innerwear as their workday piece of clothing. The product range was limited. Purchase was intended to last for months (if not years).

However, the management of our Company could see what lay ahead. It felt that India would move to better innerwear quality, wider product range, superior manufacturing technologies and a greater role for the brand.

Over time, this perspective was validated. As India grew in terms of population, incomes and aspirations, the offtake of innerwear increased. We now have a scenario where innerwear is ubiquitous – for its sheer variety, sizes, quality, accessibility, extension into outwear and superior price-value proposition.

The inspiring India story

Several people asked me after Lux's record performance during the last financial year: 'Where does the Company go from here?'

My answer is consistent. We go where India goes. We scale how India scales. We evolve how India evolves.

My answers are based on where India has come from in the last 30 years and the rapidly transforming India story.

India is the world's fastest growing major country, the third largest economy by purchasing power parity and the fifth largest at the current exchange rate. The country has grown 8 to 9% in 25 years in dollar terms. The gap between India and China is far narrower in PPP versus GDP measured using official exchange rates.

India is now the world's seventh largest consumer economy, having risen from the 12th position 25 years ago. The quantum of consumer spending has grown six times during this period; US consumer spending merely doubled (albeit on a larger base) while that in Japan remained almost unchanged. This indicates that a powerful income current is presently under way within India, about to emerge as the world's most populous country by 2023.

India recently accounted for the fastest forex accumulation in the world, the highest inward remittance from abroad and the highest share of IT in services exports. Besides, India's export growth is the second highest in the world and the fifth highest foreign direct investment recipient.

Despite the general perception of a relatively modest Indian industry performance (versus services), India's industrial growth in the last 25 years has been second only to China. Today, India has the 5th largest industrial economy in the world, up from the 13th in 1996. The size of industry has jumped six times in dollar terms during this period.

India is one of the most attractive countries by consumer demand. This has been driven by a combination of strong income growth, relatively low penetration levels (when compared with countries with similar size and demographics) for most consumer products, a young population and rising aspirations. India rose from the eighth to the second position in 25 years when measured by growth in per head consumer demand.

As the world seeks to broad-base its supply chain with moderation in its excessive dependence on China, a new opportunity is emerging for Indian textile companies like Lux. An entry into large global supply chains could translate into a large, visible and sustainable revenue pipeline, an incentive to reinvest and grow faster.

Drivers of India's growth

At Lux, we are optimistic that the India growth story will not just sustain but will accelerate. I see the following catalysts of India's growth through the Twenties, some inflation spike in our resource costs notwithstanding.

Population: India will emerge as the most populous country by 2023. The country adds around 1% to its population annually – around 14 million, widening the market for consumer-driven and retail-driven companies like Lux.

Desires: Population growth means nothing if the incremental population is not economically productive. The population that is now emerging possesses higher aspirations than their predecessors; they wish to wear, eat and live better. The result has been a decline in price-sensitivity and a willingness to spend higher for something better.

Formalising: There is an industry shakeout transpiring through India. Following the introduction of GST, we are seeing a formalisation of India's innerwear hosiery sector. This means that consumption is shifting from unorganised to organised brands as the cost difference that unorganised players once enjoyed is declining and the overall value proposition is gravitating towards organised brands.

China + 1: As the world seeks to broad-base its supply chain with moderation in its excessive dependence on China, a new opportunity is emerging for Indian textile companies like Lux. An entry into large global supply chains could translate into a large, visible and sustainable revenue pipeline, an incentive to reinvest and grow faster.

Our achievement

A five-year perspective is a reasonable period across which to appraise the performance of a company.

When you apply this prism to Lux, what you get is a picture of attractive growth.

If you take FY 2017-18 as the base year, what you get is a remarkable sequence of our year-on-year performance.

Lux reported revenues of ₹1079.36 crore during FY 2017-18 and revenues of ₹2312.92 crore during FY 2021-22.

Lux reported EBITDA of ₹156.07 crore during FY 2017-18 and an EBITDA of ₹490.27 crore during FY 2021-22.

Lux delivered an EBITDA margin of 14.46% during FY 2017-18 and an EBITDA margin of 21.20% during FY 2021-22.

Lux paid ₹25.42 crore of interest during FY 2017-18 and ₹16.01 crore during FY 22.

During FY 2021-22, Lux's brand wise performance has been summarised as under:

Categories	% of total revenues
Premium	13.56
Mid-premium	54.28
Economy	32.16

Governance

There is a growing premium on governance in business success.

As I understand it, governance is the capacity to be completely trusted, not only for a systems-driven enterprise but also by the virtue of periodic validation of the system.

At Lux, we have lived this governance ethic. During the last few years, the Company merged its Group companies into its listed flagship organisation. At Lux, we are taking our governance commitment ahead. The Company engaged the reputed EY as a part of its governance-deepening team. The Company strengthened its GST and other compliances. The Company will soon graduate to one of the Big Four accounting firms for its audit, embracing global standards of accounting interpretation.

Optimism

As India moves deeper into a dramatic growth decade, we expect that growth to translate to the textiles sector and then to companies like ours focused on making Indians look and feel better.

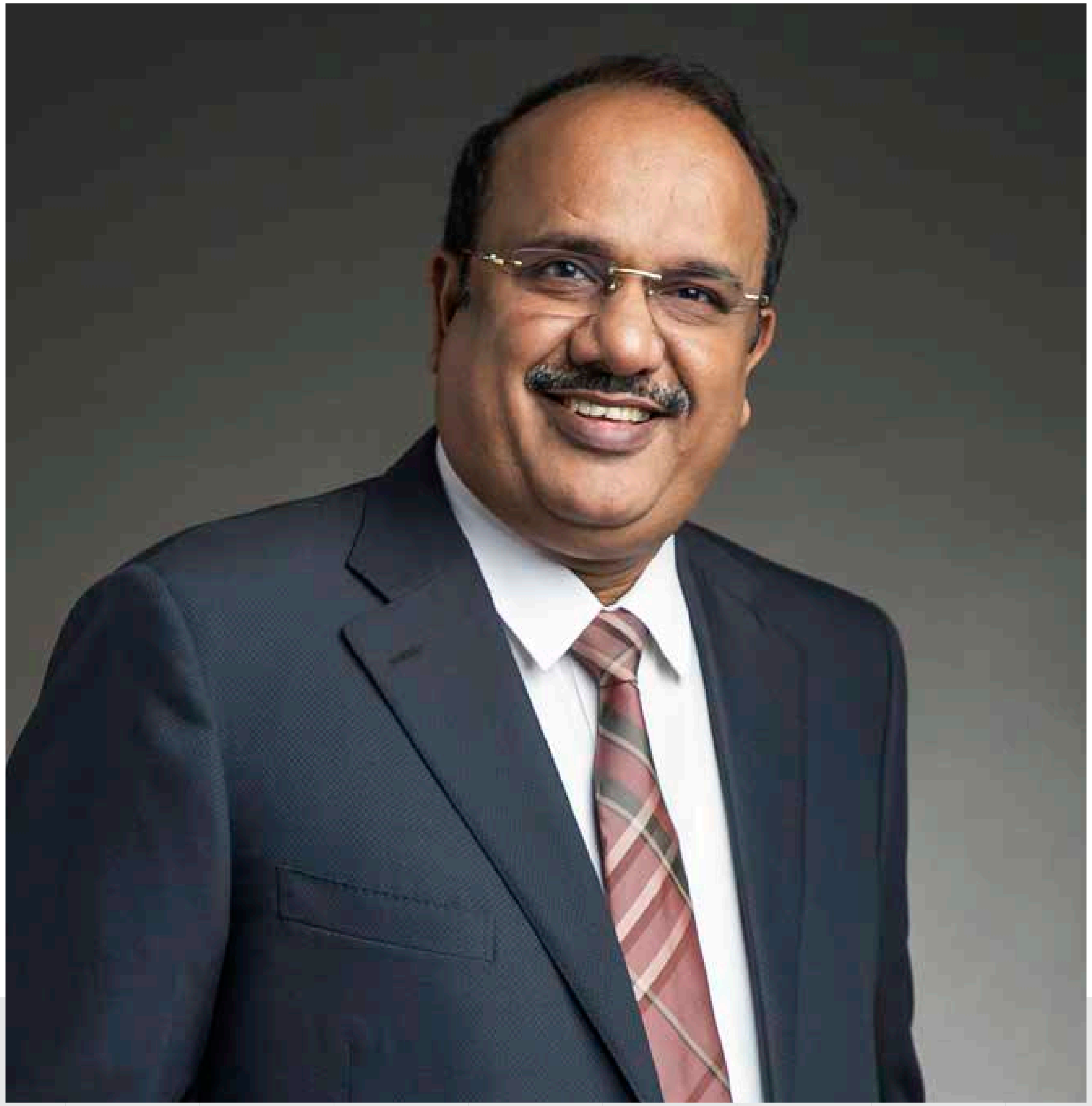
At Lux, we see ourselves at the bottom end of a long growth curve. We don't just see ourselves growing; we see ourselves growing at an attractive gallop, we see ourselves growing around superior realisations, we see ourselves extending from the usual inner wear to fashionable outerwear and we see a deepening of our recall – 'If you need any respect-enhancing hosiery product, Lux will be able to provide.'

Our time starts now.

Ashok Kumar Todi, Chairman

REVIEW

Managing Director's operations review



On the overall, revenues increased 18%, EBIDTA and PAT strengthened by 25% to Rs. 490.27 crore and Rs. 338.06 crore respectively. We believe that the complement of the two D's – distribution and digitalisation – are emerging as game-changers.

13.56
%, proportion of value-added products in FY 2021-22

11.74
%, proportion of value added products in FY 2020-21

Overview

A mere appraisal of what we achieved from a financial perspective during the last financial year will not do justice to our growth story.

During FY 2019-20, Lux Industries reported revenues of ₹1674.18 crore and in FY 2021-22, it reported revenues of ₹2312.92 crore. The 38% growth in revenues over two years, during one of the most challenging socio-economic phases in the country's existence, underlines our commitment to value-creation, governance and sustainability.

The results shows that we were able to nullify the grave challenges posed to us by the pandemic by utilising our progressive work ethic, multi-brand product portfolio and dedicated employee strength.

To safeguard the well being of the employees, the Company also organised a vaccination drive in FY 2021-22 to fight the virus away.

Context

The improvement in our performance during the year under review might pass off as business as usual for most. The

Managing Director's operations review

REV

principal message that I wish to convey is that the opposite was true. The year under review proved to be a roller coaster, marked by sharp movements in resource costs. A significant increase in raw material costs could not be easily or immediately passed on to consumers.

This increase in raw material costs stretched our working capital management. The slowdown in winter wear offtake added to our inventory and carrying costs. Inventory accounted for 73% of our working capital in FY 2020-21 and in FY 2021-22, we could not make any substantial improvement in this regard for the reasons indicated.

The way raw material costs moved, it would have been usual for a decline in our margins and profits. However, what was creditable was that the Company reported profitable growth, the increase in costs notwithstanding. On the overall, revenues increased 18%, EBIDTA and PAT strengthened by 25% to Rs. 490.27 crore and Rs. 338.06 crore respectively.

This improvement was reflected in the improved hygiene of our financials. Despite the sharp upheaval on the cost front, EBITDA margin strengthened 121 bps to 21.20%; interest cover stood at 29. These numbers indicate that despite facing possibly the most unprecedented cost challenge in our memory, the Company strengthened its business.

Brand Lux

The singular reason that lay at the core of our outperformance during the year under review was the Lux brand.

The brand has emerged considerably larger than it was a few years before. The brand is more than the label on a specific product; it represents a consolidated recall not only for the specific brand that it represents but also for all the brands of the Company. The result is that 'Lux' has evolved from a product connotation to an umbrella assurance.

The brand was more visible than ever, staying on top of the consumer's unaided recall.

The brand was more potent, generating even more focused recalls related to attributes of reliability, superior price value, portfolio solution and respect.

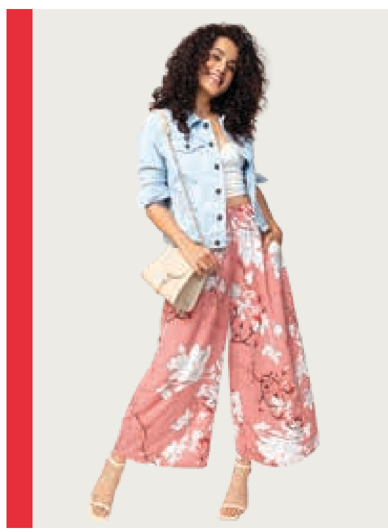
The result is that even as we were compelled to raise sticker prices to absorb the unprecedented increase in raw material costs, we were pleasantly surprised – not entirely unexpected – that this increase was accepted by consumers.

We were also pleasantly surprised when most of our customers upgraded their purchases, moving higher in the value chain, seeking better products and willing to pay more for them. The result is that the proportion of value-added products (innerwear) increased from 11.74% in FY 2020-21 to 13.56% in FY 2021-22.

There has been a significant increase in the contribution of outerwear to our overall revenue across the last two years. The premium segment revenues within the Company grew 36% while the economy segment grew 19%, validating our decision to invest in the former.

Our principal premium brands performed creditably; Lyra crossed ₹300 crore in revenues, up 35% over the previous year; ONN rose from revenues of ₹79 crore in FY 2020-21 to touch ₹120 crore during the year under review, catalysed by direct dealer engagement to a position of maturity.

These are not mere linear increases within our operational landscape; they represent business-strengthening trends likely to graduate Lux into the next orbit.



Lux will complete a ₹110 crore capital expansion in FY 2022-23, which comprises a state-of-art manufacturing facility in West Bengal.

Distribution game-changer

At Lux, we did not just promote our brands; we widened and deepened our distribution network so that products would be available just where consumers needed them.

This was easier said than done. In a country as vast as India, there is a premium on the ability to place products on the right shelves. For one, the sheer geographic spread of the country makes it challenging to place products on a large number of shelves backed by ongoing engagements with retailers. Besides, there is a premium on the need to replenish stocks that have sold with timeliness, ensuring that the shelves are never over-stocked or under-provided.

We believe that the complement of the two D's – distribution and digitalisation – are emerging as game-changers. The country's vast landmass is an advantage and a handicap; the advantage is derived from its size, which indicates that to achieve a faithful presence across the country one needs to keep growing over the years; the handicap is from the perspective that at any given moment there is a vast products pipeline floating within the system, a waste of monetisable material.

At Lux, our objective is to moderate the quantum of products within the pipeline, replenish the sold material with speed, generate higher inventory turns and enhance incremental margins through superior and timely service.

Digitalisation, data analysis and a first-hand understanding of consumer preference empowers the company to customise products from a region-to-region perspective as opposed to assuming that what worked well in, say Delhi, will work as well in Kolkata.

Outlook

Lux will complete a ₹110 crore capital expansion in FY 2022-23, which comprises a state-of-art manufacturing facility in West Bengal.

The increased proportion of revenues from premium products is expected to enhance margins; the stable outsourcing eco-system will be scaled to respond to the growing appetite of the retail marketplace.

Growing exports will address a widening China +1 opportunity, enhancing the Company's global footprint.

At Lux, we are optimistic that the Company's take-off based on these initiatives shall translate into enhanced value for those associated with our Company.

Pradip Kumar Todi
Managing Director

How Lux has created a **financial foundation for a multi-year value-accretive journey**

Overview

Our overarching message is that Lux continued to secure its financial foundation during the year under review even as it was faced with unprecedented challenges.

This financial foundation comprises low long-term debt, enduring brand, long standing trade relationships, rising wallet share, accruals-driven capital expenditure and strong working capital management.

The Company built a complement of two businesses – hosiery innerwear and outerwear - with the objective to broad-base risk, widen margins and strengthen sustainability. The Company's performance of FY 2021-22 was creditable on account of sustained demand growth, a demand shift from China to India (China + 1 factor) and higher realisations. On the other hand, this improvement was achieved in the face of challenges (social, political and economic): the pandemic-induced slowdown, commodity inflation, shortage of shipping containers, rise in oil prices, increased logistics costs and the Ukraine-Russia war. The Company's most creditable achievement in the circumstances was that it continued to build its brand and Balance Sheet.

Clarity

The management possesses a strategic financial clarity that is expected to translate into sustainable value-accretive growth. This clarity comprises the following features: sustained brand-driven revenue growth, protected or improved credit rating, attractively under-borrowed Balance Sheet, balanced accruals/debt-funded capital expenditure, low cost of debt (short-term and long-term) and effective cost management.

Revenue growth and mix

Lux reported profitable growth during the year under review. Revenues grew 18%, EBITDA grew 25% and profit after tax strengthened 25%. The revenues reported by the Company during the year under review were the highest in its existence. The growth in revenues helped amortise fixed costs effectively, strengthening profitability.

Capital efficiency

At Lux, we aspire to generate a return higher than what our risk partners (shareholders) would generate if they invested in alternative asset classes. The Company enjoys a track record of maximising capital efficiency by generating economies of scale from the mass segment, graduating from the mass market towards premiumisation, increasing revenues per rupee of brand spend, growing a consumption appetite, re-investing accruals and building a competitive advantage. The Company strengthened its EBITDA margin 121 bps during the year under review to 21.20%. Net profit margin strengthened 91 bps to 14.62%.

Revenue mix

At Lux, the outerwear business was introduced to enhance value-addition, widen the product basket, increase captive consumption and emerge as a respected textiles player.

At Lux, we believe that the best margins lie in outerwear where the presentability and product superiority has a corresponding influence on value-addition. In view of this, a disproportionately large proportion of the Company's business-strengthening investment is being directed towards the manufacture of premium (innerwear and outerwear) products.

Credit rating

At Lux, we demonstrated our commitment to enhance margins, strengthen net worth and moderate long-term debt during the year under review. The average cost of debt was 4.85%, 544 bps lower than in the previous financial year. An important influence on the cost of this debt was the credit rating of the Company.

The objective of the Company will be to report a creditable performance during the current year and seek an improved rating. A stronger credit rating will make it possible for us to enhance low-priced debt availability, strengthening a virtuous cycle of access to growth funds (external) leading to timely capex and superior margins. We see the rating as a measure of our competitiveness and our objective will be to keep enhancing our credit rating to the highest level.

Liquidity

At Lux, financial liquidity enhances our capacity to invest in capital expenditure largely through our earnings, negotiate better with vendors in exchange for immediate payment and showcase our liquidity to attract credible stakeholders. Given a choice between maximising revenues with stretched liquidity or moderate-to-high revenues with enhanced liquidity, the Company will select the latter.

The Company measures liquidity by net cash on the books (cash less debt), interest cover (EBIT divided by interest expense) and the gearing ratio. Net worth was ₹1303 crore and total debt ₹330.22 crore as on 31st March, 2022 as against ₹1001 crore and ₹123.60 crore respectively as on 31st March, 2021. This visible reliance on net worth represented a buffer in a volatile world. In FY 2021-22, interest cover was 29 and the debt-equity ratio stood at 0.25 (including short-term debt) and 0.01 (excluding short-term debt).

Capital expenditure

At Lux, we invested ₹74.27 crore (24% of its gross block as on 31st March, 2022) and by the virtue of the capital expenditure being allocated principally to plant and machinery along with land for further expansion of our manufacturing capabilities, the Company expects to grow profitably.

Debt moderation

At Lux, debt moderation is integral to our long-term profitability. In the past, when the Company invested in greenfield capital expenditure, it did so largely from accruals. Even in a challenging FY 2021-22, when the external environment proved challenging, the Company mobilised ₹204.90 crore of short-term debt to fund its growing business. The Company moderated long-term debt during the last three years, selecting to grow the business largely through its earnings. Interest outflow declined from ₹21.06 crore in FY 2019-20 to ₹12.72 crore in FY 2020-21 and to ₹16.01 crore in FY 2021-22. As an index of the Company's treasury management, the average cost of debt was 4.85% while the Company generated an average 35% return on equity.

Working capital hygiene

The Company addressed the need to manage working capital hygiene within tolerance limits through stable terms of trade with customers, marketing product variants enjoying strong offtake, marketing value-added products and increasing the proportion of cash-and-carry revenues.

However, the working capital cycle (days of turnover equivalent) extended from 122 days in FY 2020-21 to 188 days in FY 2021-22. The Company's receivables were 85 days of turnover in FY 2020-21 and 102 days during the year under review; inventory increased from 89 days of turnover equivalent to 132 days during the same period to increase purchases and build up winter wear inventory (that could not be liquidated).

Capital allocation discipline

The Company will continue to grow its business through an increase in capacity utilisation, manufacture of a larger proportion of value-added products and enhanced manufacturing capacity. These approaches are expected to strengthen capital efficiency. Even after the investment of ₹74.27 crore in gross block, the Company possessed a gross cash balance of ₹140.19 crore.

Liquidity

The Company continued to prioritise financial liquidity in FY 2021-22. It finished the year under review with ₹140.19 crore in gross cash and ₹330.22 crore in total debt.

Financial objectives

The Company will seek to grow revenues without stretching working capital management. It will address the challenge of inflation through prudent procurement and inventory management.

Saurabh Bhudolia,
Chief Financial Officer

BRANDS

How we are premiumising

We amalgamated Group companies

In FY 2020-21, two major group companies were merged with Lux Industries Limited.

This amalgamation achieved more than mere enhance revenues; it strengthened the Company's premium and mid-premium profile.

The merger catalysed the Company's premiumisation in various ways.

One, it attracted products like leggings and women lingerie into the Lux portfolio, spaces where the Company was not earlier present.

Two, the blended EBITDA margin of the Company has significantly improved compared to the pre-merger level.

Three, the two Group companies added ₹527.22 crore to the Company in FY 2020-21 and ₹655.06 crore in FY 2021-22, 27% and 28% of the amalgamated turnover across the two years.

Four, the amalgamation provided Lux with a complement of premium brands that created an attractive critical mass of premium products on which to grow the Company into a new direction.

The amalgamation helped evolve the positioning of Lux from the mass market to the mass-class market, enhancing profitability.

BRANDS

How we are premiumising

Growing the premium brands

During the last few years, Lux has decisively extended beyond its sub-economy and mid-market hosiery recall.

The Company has increasingly reinforced its premium ONN brand and launched the clutter-cutting One8.

The Company has not just emphasised the premiumness in the end product; it has created an entire premium and mid-premium eco-system.

This distinctive eco-system has been marked by a new manufacturing facility, trained workers and differentiated packaging.

The result is that the shifting of the ship's direction has begun to reflect in the financials: In the premium category the ONN brand grew 52% to ₹120 crore in FY 2021-22 comprising the full range of outer and inner wear; average realisation per ONN item was at least 41% higher than the overall Lux mid-priced average.

However, in the mid-premium category; GenX, which came into the Company following the amalgamation, grew 24% to ₹127.55 crore in revenues during the year under review.

Lyra revenues grew 34.60% to ₹302 crore in FY 2021-22, comprising women's leggings, athleisure, t-shirts, pyjamas, track pants and innerwear (women's lingerie).

How we are premiumising

Extending our presence to South India

Lux is investing deeper to widen its pan-India presence.

The Company is enhancing its presence in South India.

This will evolve the Company from a multi-regional presence to a truly pan-Indian brand.

More specifically, the Company will address the growing prosperity of the region through its premium brands portfolio.

The Company's deeper presence in South India will enhance volumes and value, catalysing the next growth phase of the Company.

BRANDS

Benefits of the Company's online presence

- Showcase premium and semi premium product range without space restriction
- Create an online community with a preference for premium products
- Focus on repeating premium product sales through targeted marketing
- Sample consumer feedback to evolve the product mix

How we are premiumising

Building an e-commerce personality

During the last few years, Lux has enhanced its online visibility.

The Company forged marketing arrangements with prominent marketplaces like Amazon, Myntra, Flipkart, Ajio, PayTM and Nykaa Fashion.

The Company shifted from outsourcing a number of online activities to insourcing through its focused proprietary team.

The online focus was directed to showcasing and marketing a range of premium products.

The online presence has helped shift the Company's needle from a conventional male-centric positioning to a multi-gender relevance (through increased offtake of the Lyra brand).

This has had a positive influence on the older Lux brands (Lux Venus and Lux Cozi white vests), strengthening the Company's overall realisations average.

The result was that online revenues have increased during the year under review.

The Company intends to sustain double-digit online revenue growth and generate at least 2% of revenues from online sales across the foreseeable future.

This initiative is expected to enhance the proportion of revenues for premium products, reinforcing Lux's recall as a company that markets superior value-added products.

How we are premiumising

Lux strengthened its positioning

During the last few years, Lux has evolved its promotion with the objective to inspire a fresh recall, strengthen realisations and premiumise its brand.

For instance, the Company launched a campaign to distinguish Lux's white vests from competing alternatives.

The Company wove the product's positioning around 21 distinctive attributes, encapsulated in the line *'Ikkis khoobiyon wali baniyaan.'*

The Company positioned the product around a 100% cotton positioning and naturalness, ideal for a tropical climate.

This re-positioning of a conventional product catalysed the offtake of the Company's conventional product during FY 2021-22. Besides, it empowered the Company to pass cost increases to consumers faster than its competition.

This inspired the recall that when it came to Lux's lowest common denominator – the white vest – it was different and premium in its own way.

Stakeholder Value-Creation Report

How Lux is enhancing value for its stakeholders

An integrated, inclusive and sustainable approach

VALUE

Overview

In the modern world and in our Company, it is no longer enough to enhance shareholder value. The operative term being increasingly used is 'stakeholder value'. By this reference, 'stakeholder' does not merely refer to the interest group that owns shares in our Company. It refers to every single individual or sentient being likely to be influenced by the Company's brand, product or operations. In short, it refers to everyone and everything, living or not.

This framework attempts to explain how value is sought to be created in an integrated manner across all stakeholders, a measure by which companies are now beginning to be appraised. This Integrated Value-Creation Report is being increasingly respected for its appraisal of 'hard' and 'soft' initiatives in its reporting format.

The report draws on diverse strands (financial, management commentary, governance, remuneration and sustainability reporting) in explaining an organisation's ability to create, enhance and sustain value.

Interestingly, the influence of an Integrated Report enhances an understanding across diverse stakeholders (employees, customers, suppliers, business partners, local communities, legislators, regulators and policymakers), underlining the need for an organisation to enhance value in a sustainable manner.

Our sustainability framework

Strategy
- Manufacture products that enhance lifestyles or address unmet needs
- Ensure environment responsibility through plants, products and processes
- Provide a large products basket servicing a wide consumer range

Manufacturing excellence
- Maximise asset utilisation
- Invest in cutting-edge technologies
- Manufacture of quality products in each location

Environment integrity
- Moderate resource consumption per unit of production
- Protect environment balance in the regions of our presence
- Benchmark as per prevailing compliance standards

Procurement economies
- Procure the best resource quality
- Deepen outsourcing through better terms of trade
- Procure sustainably through superior supply chain relationships

Brand and customer capital
- Invest in corporate and product brands
- Widen the products portfolio and consumer choice
- Launch products of the future; create markets

People competence
- Enhance talent productivity
- Invest in knowledge, experience and passion
- Deepen the culture of outperformance

Distribution footprint
- Global footprint across 46+ countries
- Reach products where consumers are
- Address primary customers (channel partners)

Financial structure
- Moderate debt / debt cost
- Strengthen working capital efficiency
- Focus on premium products

Community support
- Provide community support
- Focus on integrated development
- Engage in a sustainable way for extended impact

The competitive advantage of Lux

Brand
In a largely undifferentiated product segment marked by low brand loyalty and high price sensitivity, the Company emphasised product differentiation through branding, celebrity endorsements and enhanced quality. The Company invested 7% of its revenues in branding in FY 2021-22.

Premium
The proportion of revenues derived from premium brands increased from negligible in FY 2017-18 to 14% in FY 2021-22, a sign of portfolio premiumness in a sector often dismissed as commodity..

State-of-the-art
The Company enhanced the use of cutting-edge imported equipment. The Company imported the latest and updated technology - sewing & stitching machine from Brother Machinery Taiwan and Pegasus Sewing Machine Pte Ltd., Singapore, knitting machine from United Texmac, China and Mayer & Cie, Germany, moulding machine from Triopan, AG, Switzerland, cutting machine from Morgan Tecnica, Italy, and sewing machine from Sewing Solutions, Hong Kong, enabling it to manufacture more than 34 crore garment pieces ever year, the largest in the Indian innerwear textiles sector. The Company is engaged in another expansion, comprising cutting-edge equipment that will be commissioned during the current year.

Profitable growth
The Company reported 17.71% revenue growth corresponded by a 25.50% bottom-line increase in FY 2021-22.

Trust
The Company outsources its production from across an eco-system comprising more than 40,000 workers around the highest quality standards and responsible practices.

Financial robustness
The Company's gearing stood at 0.25 in FY 2021-22 compared to 0.44 in FY 2018-19; interest cover strengthened from 7.44 in FY 2018-19 to 29.48 in FY 2021-22. The Company's credit-rating was maintained at AA+ for long-term bank facilities.

Exclusive outlets
The Company is among the few large organised brands in India's innerwear sector with a presence in EBOs and large format stores, enhancing the offtake of premium products.

Knowledge
The Company retained nearly 90% of its senior management across the last three years. More than 50% employees had been with the Company for ten years or more as on 31st March, 2022.

Governance commitment
The Company's governance has reflected in complete alignment with the certification and compliance needs of its business, reflected in strategic stability, workplace safety, eco-friendliness, commitment to customer interests and statutory adherence.

Extensive distribution network
The Company's success is driven by an aggressive expansion of its product reach and the effective servicing of channel partners. The Company worked through 1170+ exclusive distributors channels with an engagement of ten years or more and attrition of less than 1%.

Exports
The Company exported products to 46 countries; exports accounted for 7% of revenues in FY 2021-22.

Wide range
The Company offers a range of products starting from ₹24 to ₹1790 per piece - more than 100 products across 11 Power Brands and more than 5000 SKUs, translating into arguably the largest innerwear cum outerwear hosiery range in India.

Experience
The Company's promoters possess a multi-decade knowledge of the business drawn from family elders. This is reflected in a rich exposure to commodity trends, consumer preferences, distribution relationships and brand building.

Drivers of value at Lux

At Lux, we believe that the interplay of value for our various stakeholders has translated into superior profitability and sustainability.

Stakeholder
Our **employees** possess knowledge of how to grow the business across a range of functions (procurement, manufacturing, branding, sales, distribution, finance etc.).

Focus
Our focus is to recruit prudently, provide an exciting workplace, generate stable employment and enhance productivity.

Stakeholder
Our **communities** provide the social capital (education, culture etc.).

Focus
Our focus is to support and grow communities through consistent engagement.

Stakeholder
Our **customers** keep us in business through a consistent purchase of products, generating the financial resources necessary to sustain operations.

Focus
Our focus is to provide a diversified products range across innerwear and outerwear products (perfect blend of style, affordability and comfort) to our customers.

Stakeholder
Our **vendors** provide a credible and continuous supply of resources (yarn) and services (stitching and dyeing).

Focus
Our focus is to maximise procurement (around our quality standards) at a declining average cost, strengthening our sustainability.

Stakeholder
Our **shareholders** provided capital when we went into business.

Focus
Our focus is to generate attractive cash flows, rising margins, growing RoCE and enhanced investment value.

Stakeholder
Our **government** provides us with a stable structural framework that ensures law, order, policies etc.

Focus
Our focus is to play the role of a responsible citizen by paying our taxes and other dues on time and in full.

Engaging with our stakeholders

We recognise the importance of fostering deep relationships with key stakeholders through transparent engagement. We focus on improving our credibility and rapport. We categorised our key stakeholders as follows:

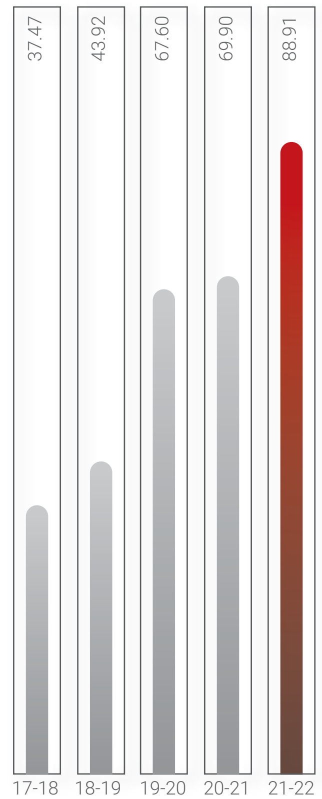
Stakeholder group	Customers	Government, competent authorities	Employees	Suppliers	Investors and funders
Lux's considerations	Our products are used by masses and therefore it is imperative that we provide quality hosiery products. We focus on producing quality products	Our ability to produce, market and distribute products is dependent on certain regulatory approvals by government authorities and ongoing compliances	Employees play a critical role in ensuring that we achieve our objectives. We seek to continuously understand their needs, challenges and aspirations	These stakeholders play an important role in enabling us to meet our commitments to customers	As providers of capital, these stakeholders require to be kept informed of material developments impacting the Company and prospects
Stakeholder interests	• Quality, availability, accessibility and affordability • Consistent, reliable and on-time product supply • Impact of sub-optimal products or any quality concerns which may arise	• Legal and regulatory compliance • Social and environmental impact of operations • Tax revenues and investments	• Job security • Equitable remuneration, performance incentives and benefit structures • Diversity and inclusivity • Performance management, skills development and career planning • Reputation as an ethical employer • Employee health, safety and wellness	• Fair engagement terms and timely settlement • Ongoing communication on our expectations and service levels provided	• Growth in revenue, EBITDA and returns on investment • Appropriate management of capital expenditure, working capital and expenses • Gearing, solvency and liquidity • Dividends • Security over assets, ethical stewardship of investments and good corporate governance • Fair executive remuneration
How we engage	• Engage with primary buyers (trade partners), and distributors • Transparent communication with primary customers through commercial discussions and meetings	• Audits of manufacturing sites by regulatory authorities to ensure Good Manufacturing Practice (GMP) and regulatory compliance • Participation in industry bodies • Reports and interactions aimed at confirming legislative and regulatory compliance policies and processes • Involvement in government programs aimed at creating jobs and uplifting disadvantaged communities	• Direct engagements by supervisors and business management • Induction and internal training • Employee wellness campaigns	• Conducting various training programs	• Dedicated investor and analyst presentations • Stock exchange announcements, media releases and published results • Annual General Meetings • Investor relations section on Lux's website
Capitals impacted	• Intellectual • Manufactured	• Manufactured • Social & relationship • Natural	• Human	• Social & relationship • Financial	• Financial

Our long-term business strategy

Strategic focus	Vendor focus	Shareholder focus	Customer focus	Employee focus	Community focus	Government focus
Key enablers	Lux has generated a growing appetite for resources and services. The Company provides a robust platform for yarn, stitching and dyeing vendors with a long-term focus.	Lux emphasises governance, operational excellence, cost leadership and transparency. The Company is focused on profitable revenue growth. The Company announced an Interim Dividend of 600% in FY 2021-22 The Company merged group companies in FY 2021-22.	Lux has emerged as a brand of choice. The Company widened its product basket and price range (₹24 to ₹1790 per SKU). The Company comprises 1170+ distributors and 2 lakh + retail points.	Lux is an employer of more than 2600 people across locations. The Company facilitated personal and professional development, strengthening people retention and superior knowledge use.	Lux is engaged in community-strengthening initiatives near its production facilities.	Lux pays timely taxes, generates local employment, complies with laws and enriches communities where it is present.
Material issues / addressed	Superior use of cutting-edge technologies leading to differentiated solutions.	Creating the basis of long-term viability through a superior price-value proposition.	Enhancing revenue visibility through diversified product offerings.	Creating a professional culture seeking overarching excellence in everything the Company does.	Allocated 2% of its profit towards CSR activities.	The Company paid ₹134.46 crore to the exchequer in FY 2021-22.

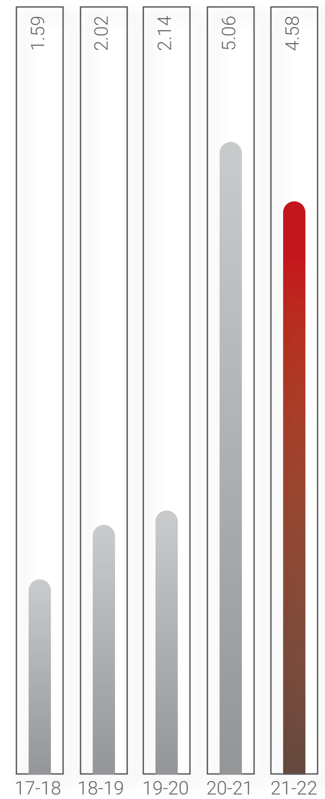
Our value-creation in numbers

Employee value
(₹ crore)



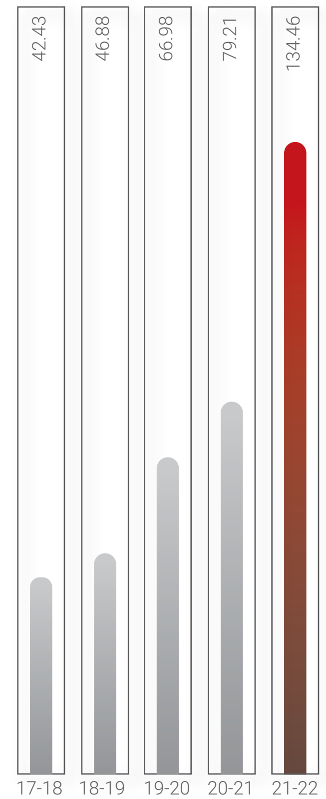
The Company has invested a progressively larger amount in employee remuneration, underlining its role as a responsible employer.

CSR spending
(₹ crore)



The Company enriched communities across its presence through initiatives aimed at providing safe drinking water, food and clothes, education, healthcare, rural and urban infrastructure development, support programs for old-age homes, environmental protection and the promotion of traditional art & culture.

Taxes paid
(₹ crore)



The Company reinvested in the nation where it operates through the prompt payment of taxes and other statutory dues.

How Lux is enhancing shareholder value

Overview of our value-accretive business model
At Lux, we recognise that we had been provided precious equity capital by shareholders to enter the business and grow it thereafter. We are committed to enhance shareholder value through an interplay of initiatives.

How we enhanced our valuation

Capital appreciation

2386.28
₹ in crore, market capitalisation, 31st March, 2020

5257.58*
₹ in crore, market capitalisation, 31st March, 2021

6588.55
₹ in crore, market capitalisation, 31st March, 2022

*Note: * Calculation based on shares including those allotted pursuant to the scheme of merger.*

VALUE

How we intend to enhance shareholder value

Our digital personality

- Increased focus on e-business
- Alliance with online partners (Amazon, Myntra, Paytm, Flipkart, Nykaa Fashions and others)
- Averaged ~4000 orders per day by 31st March, 2022
- Focus on enhancing online throughput and digital personality
- To reach ₹100 crore annual sales in three years

Sustain revenue outperformance

- Widen our brands portfolio and increase output
- Enhance asset lightness (through outsourcing)
- Increase Lux's EBO footprint and online revenues
- Enhance presence in South India
- Deepen visibility in the ladies and children's categories

Increase exports

- Capitalise on China + 1 global movement
- Products were exported to 46 countries
- Exports accounted for 7% of revenues, FY 2021-22
- Focus on increasing exports to 60+ countries by 2025

Premiumisation

- Graduation from mass brands to mass-and-class brands
- Directed to enhancing revenue per item sold
- Projected revenue of ₹500 crore from the premium wear category by FY 2024-25
- Deeper presence across categories like bottom wear, loungewear and innerwear
- Stronger positioning of value-added brands like ONN, One8, Lyra and Genx

Enhance liquidity

- Objective to launch brands and price products in line with our net cash surplus objective
- Cash surpluses to enhance our opportunity-readiness
- Empowers proactive purchase of cotton yarn
- Ability to buy media space around a superior value proposition
- Provide resource to invest patiently in the high-margin end of the business

Widening our distribution footprint

- One of the largest hosiery sector distribution networks in India
- Strong presence in North, East and West India
- Proposed expansion in South India
- Focus on mid-premium and premium segments

Strengthen working capital management

- Focus on moderating working capital as a proportion of the total capital employed
- Focus on moderating the tenure of the working capital cycle (purchase to receivables)
- Focus on enhancing inventory turns at the earliest
- Focus on moderating the receivables cycle in FY 2022-23
- Focus on growing the Company with disproportionately lower working capital

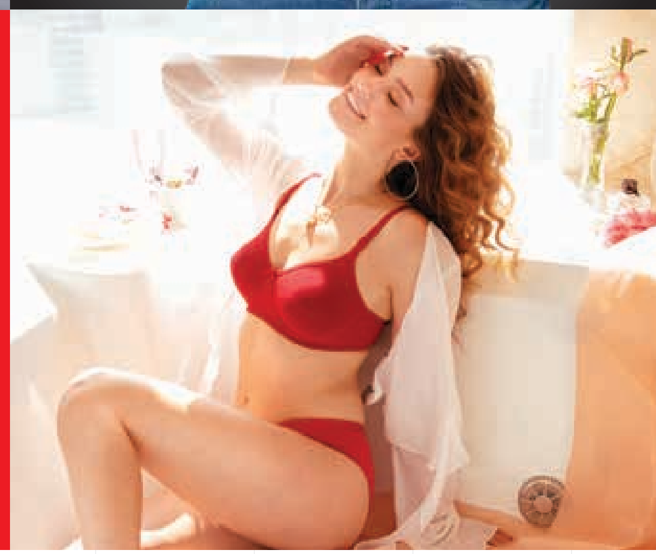
Deeper governance commitment

- Commitment to do the right things the right way
- Strengthen processes; make the Company relatively people-independent and more framework-driven
- Enhanced strategic predictability; greater delegation towards professionals
- Appointed EY as internal auditor; it instituted IFC-benchmarked internal controls

Timely capex

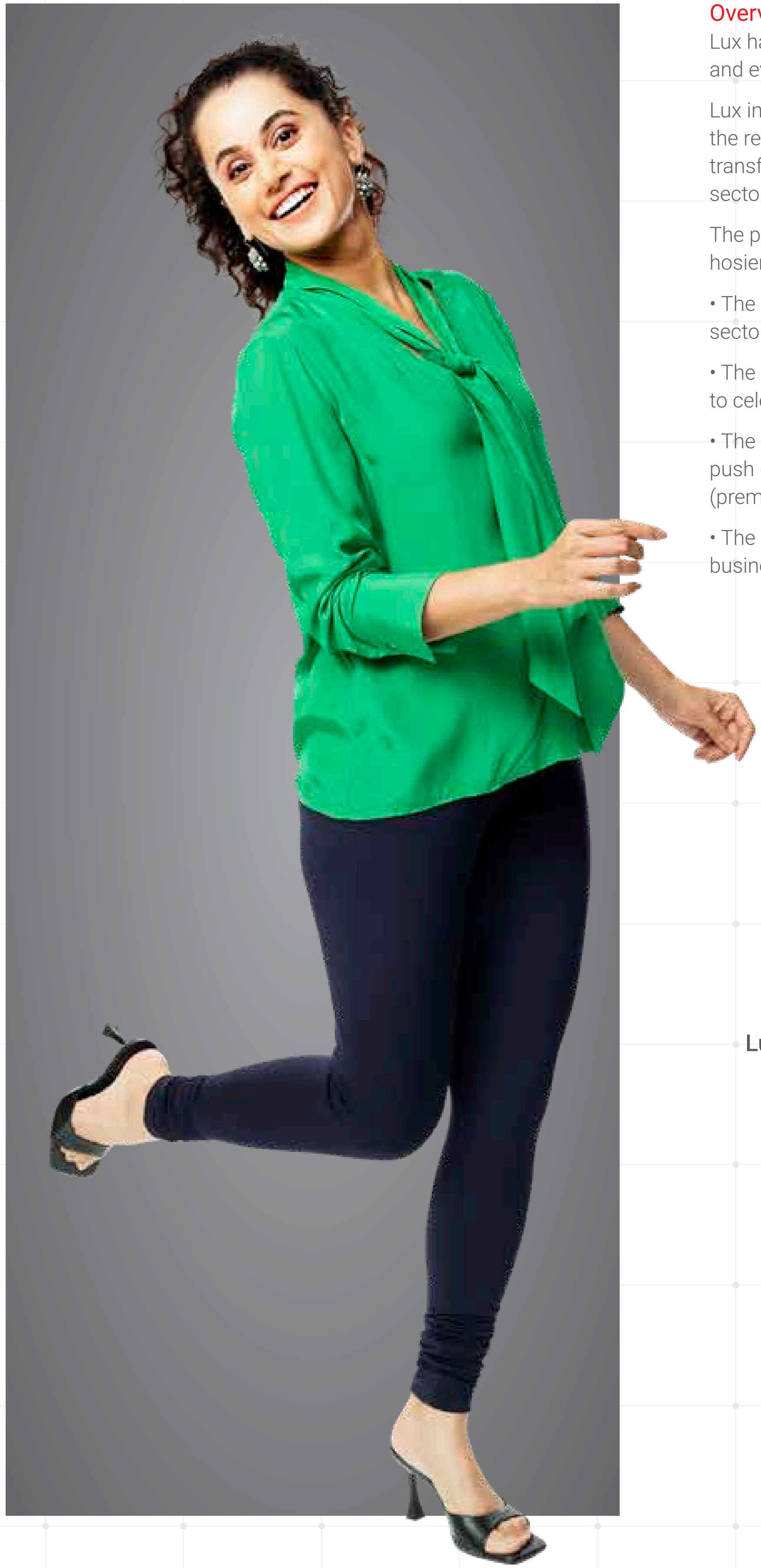
- Capex in progress during the current year
- Capex to enhance production capacity
- ₹110 crore capacity expansion funded from Internal accruals

Our Brands Report FY 2021-22



Brand spending (₹ crore)

92.57	134.69	105.52	152.57
FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22



Overview

Lux has played the role of a catalyst in growing and evolving its sector.

Lux influenced the adoption of standards by the rest of the players of this large sector, transforming from just another player into a sectorial influence.

The prominent contributions of Lux to India's hosiery sector have comprised the following:

- The evolution of India's unorganised hosiery sector to brand-driven organised
- The graduation from generic brand recognition to celebrity endorsements
- The ability to transform a conventional product push (price discounting) to a consumer pull (premium pricing)
- The ability to graduate a local, regional or zonal business into international scale

The performance of our brands by category

Premium category
ONN, Lux premium and One8

Grew **36%**
in FY 2021-22

Mid-premium category
Lux Cozi, Lux Inferno, Lux Cottswool, Lyra and Genx

Grew **13%**
in FY 2021-22

Economy category
Lux Venus, Karishma and others

Grew **19%**
in FY 2021-22

The growth of fast growing brands

ONN TOTAL COMFORT

Crossed
₹ **120** crore
in revenues

Emerging from the shadows
Maturing with speed
Likely to grow faster
Double-digit percentage growth

My Life My Lyra

Cruised through
₹ **300** crore
revenue benchmark
Women's wear brand
Now extending beyond leggings
Emerging as a sophisticated lingerie brand
Now entered revenue breakout phase

one8 X VIRAT KOHLI

Apex of the premiumisation strategy
Endorsed by Virat Kohli
Passed trial stage
Accepted by consumers
Positioned to gain momentum

Our brands at work...

Helped the Company enhance margins

1964.86
Turnover (₹ in crore) FY 2020-21

2312.92
Turnover (₹ in crore) FY 2021-22

19.99
EBITDA margin%, FY 2020-21

21.20
EBITDA margin%, FY 2021-22

269.38
PAT (₹ in crore) FY 2020-21

338.06
PAT (₹ in crore) FY 2021-22

What makes our brand management distinctive

Portfolio: Coming together of brands with different characteristics

Evolved: Brand communication has evolved; it comprises the character of a brand that has 'arrived'

Incubation: Capacity to nurse and nurture brands until maturity (sometimes for years)

Clarity: Clarity on how the brand will reflect a distinctive character; plug unmet needs

LUX

Our powerful brand basket

Brands

MEN'S INNERWEAR | WOMEN'S INNERWEAR | ATHLEISURE

1993	Lux Venus
1997	Lux Karishma
1998	Lux Touch
2000	GenX
2001	Lux Cozi
2003	Lux Cozi Big Shot
2005	Lux Cott's Wool
2007	Lux Inferno
2009	Lux Mozze
2010	ONN
2012	Lyra
2016	Lux Cozi Glo
2017	Lux Cozi Her
2019	One 8
2019	Lux Nitro
2022*	Lux Classic

*Lux Venus Classic renamed as Lux Classic.

Our business drivers

Manufacturing excellence

Key highlights, FY 2021-22

The Cotlook-A index started the year around 77 and peaked at approximately 120 in November 2021, an increase of 55%. Prices of all other major fibres increased 35-45%. This resulted in increased raw material costs during FY 2021-22 (on constant volumes).

This increase in raw material costs stretched the Company's working capital. The slowdown in winter wear offtake added to inventory costs.

The Company manufactured 34 crore garment pieces a year.

Even during these unprecedented times, the Company maintained a high capacity utilisation.

Finance

Key highlights, FY 2021-22

The Company's revenue increased by ₹348.06 crore, resulting in a growth of 17.71% during FY 2021-22.The Company reported a PAT of ₹338.06 crore and operating cash flow of ₹228.47 crore.

The Company's working capital cycle increased marginally because of an increase in raw material purchases during FY 2021-22 compared with the previous year (on constant volumes).

Sales and distribution

Key highlights, FY 2021-22

The Company is focused on widening and deepening its distribution network so that products are available just where consumers need them.

The Company intends to establish retailer engagement in the foreseeable future at constant volumes.

How Lux is strengthening its positioning as a responsible corporate citizen

Overview

Lux has a holistic approach towards the highest standards of health, safety and environment. This approach is defined in the Company's Health Safety and Environment policy (HSE policy), covering the provision of a safe workplace, clean environment and stakeholder health.

We believe that the highest standard of HSE reinforces our position as a responsible corporate citizen. A responsible HSE approach strengthens our performance in various ways.

One, it leads to lower work interruptions, strengthening our brand and increasing our product portfolio.

Two, it protects workforce interests, enhancing employee and knowledge retention.

Three, it helps moderate direct and indirect costs.

Four, there is a growing correlation between corporate respect and clean HSE performance, translating into stronger credit rating.

Lux's approach

The Company considers its Health, Safety and Environmental Policy to be a vital component in the success of the business. The Company's senior management continuously plans, monitors and reviews activities to ensure effective HSE management. Their involvement in these processes, through visible and active commitment, sets the example essential for staff and workforce engagement and promotes safe and healthy working conditions with a minimising impact on the environment. This generates a holistic culture in line with company values that improves its performance standards.

The HSE policy involves practices to ensure that all operations are carried out in a way that ensures the environment and the safety and health of its employees, employees of third-party companies and others who may be affected by the Company's undertakings are not prejudiced. The Board recognises that effective leadership is a key to business success and encourages its employees, including its vendors, to bring new ideas to the business and maintain good behavioural standards to ensure that all go home safely at the end of the day. The Company believes that strong leadership with proper employee engagement results in a safe environment.

The HSE Policy at Lux is committed to excellence and leadership in protecting the environment and the safety and health of its employees, workers, staff, vendors and visitors.

Guiding principles

The Company adopted the following guiding principles to effectively comply with its HSE standards:

• Comply with applicable safety, health and environmental laws and regulations.

• Recognise appropriate safety and environmental management as one of the priorities; establish policies, programmes and practices for conducting operations in a healthy, safe and environmentally sound manner.

• Strive to increase awareness of environmental issues, impact of the Company's activities on the environment and educate, train and motivate members of the Company to conduct activities in an environmentally responsible manner.

• Strive to increase the community's understanding of how to work safely, reduce injuries and minimise events that could adversely affect the safety and health of individuals and the environment.

• Foster openness and dialogue, including the involvement of and communication with the community, anticipating and responding to their concerns about potential hazards and impacts of operations, services or wastes.

• Develop, design and operate our facilities and conduct our activities taking into consideration the safe and efficient use of energy and materials, the sustainable use of renewable resources, the minimisation of adverse environmental impact and waste generation, and the safe and responsible reuse, recycling or disposal of wastes or byproducts.

• Promote the adoption of these guiding principles by agents or contractors acting on behalf of the Company, encouraging and where appropriate, requiring improvements in their practices to make them consistent with those of the Company and encourage the wider adoption of these principles by suppliers.

• Encourage pollution prevention and waste abatement through institutional changes, such as purchasing policies and specifications.

• Require all related community and stakeholders and others using company property or engaging in any company business activities to comply with applicable safety, health, and environmental laws, and regulations.

• Contribute to the development of employee policy and to business, governmental programs, and training initiatives that enhance environmental awareness and protection.

Commitments

The Company is committed to comply with applicable safety, health and environmental laws and regulations that govern its work.

Accident prevention

The Company is committed to:

• Working to prevent or mitigate human or economic losses arising from accidents and adverse occupational exposures.

• Encouraging employees to take an active role in their own safety and health and the safety and health of those around them.

• Fostering openness and dialogue between employees, supervisors, administrators and other members of the Company community as a whole to facilitate a cooperative effort in the prevention of workplace injuries and encouraging employees to timely report incidents and accidents.

Pollution prevention

The Company is committed to:

• Identifying and implementing the best pollution prevention opportunities.

• Reducing waste and the consumption of resources (materials, fuel, and energy).

• Pursuing opportunities for reuse, recovery, and recycling, as opposed to disposal.

• Minimising significant adverse environmental impacts in its operations, through the use of integrated environmental management procedures and planning, and through encouragement and involvement of the workforce community.

Continuous improvement

The Company is committed to:

Improve its policies, programmes and environmental and safety performance, taking into account regulatory changes, technical developments and scientific understanding, the Company's needs, and community expectations.

Our environment commitment

At Lux, we made prudent investments to reinforce our positioning as a responsible environment-respecting apparel company. The Company is on a path of investing in environment-friendly technology in its factories.

Our Company has 1 MW rooftop solar panel at Dankuni (West-Bengal) unit and 40-45% of our total power requirement addressed through renewable sources.

The Company saved 2 lakh litres of water every day through its state-of-the-art processing technology.

The Company sustained its status of zero emissions or process waste; around 95% of waste generated in the cutting process was resold and recycled; our products are made of around 90% natural fibre as prinicipal raw material and we use recyclable material for packaging.

Our social commitment

Safety is the measure by which the successful organisations are being increasingly appraised. Companies are increasingly respected for their ability to return employees safely to their homes each day, protect the interests of communities living proximate to the Company's operations and safeguard the well-being of consumers.

Lux is committed to ensure safe practices and safe materials use for the benefit of its employees, vendors and community. In view of this, the Company has invested in continuous improvements in Quality, Occupational Health, Safety & Environmental (QHSE) management and sustainable development.

COVID-19 safety measures

• New taps were installed at the factory premises for encouraging frequent hand wash

• Regular temperature checking before entering the factory and office premises

• Free distribution of disposable masks on regular basis to all employees especially to the factory workers

• Twice a day sanitisation for all offices and factories before and after the office and factory hours

• Hot *kaadha* (ayurvedic drink) was provided to all employees daily to boost their immunity

Lux's community development engagement

Overview

The Company strives to adhere to the highest standards of ethical and responsible business conduct. It believes in giving back to society, resulting in a healthy engagement with the communities in which it operates.

During the year under review, the Company's CSR initiatives were primarily disected towards supporting projects in the areas of healthcare and providing quality education to the unprivileged and tribal children. The Company will continue to fulfil its role as a responsible corporate citizen by making positive changes through community development initiatives. The Company run its major projects through its own foundation and deals with the registered trusts and / or section 8 companies which are undertaking such schemes. The Company spent ₹4.60 crore towards CSR commitments during the year under review.

Major projects undertaken in FY 2021-22

Health

Developed the Out Patient Department at Tata Medical Centre in West Bengal.

Developing one consultation room at the state-of-the-art cancer care center at Tiruppur.

Supported differently-abled children by gifting hearing aid machines

Education

Providing support for building one residential school project for over 1000 underprivileged girls at Joka, West-Bengal.

Our esteemed management

Mr. Ashok Kumar Todi, *Chairman*

He is a commerce graduate and has been engaged in the hosiery business for over five decades. He has expertise in marketing the products of Lux and making strategies for the growth & expansion of the business across India. He has formulated various schemes for distributors, retailers and consumers from time to time. He is also involved in various philanthropic activities through organisations across the nation.

Mr. Pradip Kumar Todi, *Managing Director*

He graduated in Commerce and looks after the manufacturing functions and product development for the Company. He has rich technical know-how of the hosiery sector and his expertise is in the areas of developing new patterns, yarn combinations and knitting technologies which have helped the Company to introduce new and innovative products. His efforts towards decreasing production costs and introduction of new products have helped Lux to enhance its profit margin.

Mr. Navin Kumar Todi, *Executive Director*

He is a commerce graduate and is engaged with the Company for more than 21 years. He manages the GenX and Lux Cozi Her brands. He also oversees operations of the Tiruppur unit. He is responsible for product premiumisation, new brands and product categories.

Mr. Rahul Kumar Todi, *Executive Director*

He has completed his post-graduation in Marketing from GRD, Coimbatore. He is engaged with the Company for more than 17 years. He oversees several functions like finance, personnel and operations, among others.

Mr. Saket Todi, *Executive Director*

He has completed his post-graduation in Brand Management from Mudra Institute of Communications (MICA) and has extensive knowledge in marketing. He has been actively involved in the premiumisation of the Company's brand ONN and its export market. He has introduced in-house capacity for stitching for better quality and cost control. He helped the Company expand its footprint by 24+ countries.

Mr. Udit Todi, *Executive Director*

He has pursued M.Sc. in Finance from The London School of Economics and Political Science (LSE) and Economics (Hons) from St. Stephen's College, Delhi. He has been instrumental behind launching Company's brand Lyra, which has been emerging as the market leader. He was also involved in setting up the Dankuni facility with cost optimisation.

Mr. Saurabh Kumar Bhudolia, *Chief Financial Officer*

He is a qualified Chartered Accountant with more than 18 years of experience in Corporate Finance, Accounts, Planning, Risk Management, Merger and Acquisitions, among others. He possesses strong business and financial acumen, instrumental in fundraising, investor relationship. Earlier he worked as a CFO in Future Lifestyle and in his career handled multiple roles in Tata Steel, Mondelez and Sula Vineyards.

Board of Directors

01. **Mr. Ashok Kumar Todi,** *Chairman*
02. **Mr. Pradip Kumar Todi,** *Managing Director*
03. **Mr. Navin Kumar Todi,** *Executive Director*
04. **Mr. Rahul Kumar Todi,** *Executive Director*
05. **Mr. Saket Todi,** *Executive Director*
06. **Mr. Udit Todi,** *Executive Director*
07. **Mr. Nandanandan Mishra,** *Independent Director*
08. **Mr. K. K. Agarwal,** *Independent Director*
09. **Mr. Snehasish Ganguly,** *Independent Director*
10. **Ms. Rusha Mitra,** *Independent Director*
11. **Mr. Rajnish Rikhy,** *Independent Director*
12. **Ms. Ratnabali Kakkar,** *Independent Director*

Corporate Information

Board of Directors

Mr Ashok Kumar Todi
Chairman

Mr Pradip Kumar Todi
Managing Director

Mr Navin Kumar Todi
Executive Director

Mr Rahul Kumar Todi
Executive Director

Mr Saket Todi
Executive Director

Mr Udit Todi
Executive Director

Mr Nandanandan Mishra
Independent Director

Mr K. K. Agrawal
Independent Director

Mr Snehasish Ganguly
Independent Director

Mrs Rusha Mitra
Independent Director

Mr Rajnish Rikhy
Independent Director

Mrs Ratnabali Kakkar
Independent Director

Chief Financial Officer

Mr Saurabh Kumar Bhudolia

Company Secretary and Compliance Officer

Mrs Smita Mishra

Registrar and Share Transfer Agents

KFin Technologies Limited
(Previously known as Karvy Fintech Private Limited)

Karvy Selenium Tower B, Plot – 31-32,
Gachibowli, Financial District,
Nanakramguda, Hyderabad – 500032
E-mail: einward.ris@kfintech.com

Auditors

M/s. S.K. Agrawal and Co
Chartered Accountants LLP

Suite Nos. 606-608
The Chambers, Opp. Gitanjali Stdm.
1865, Rajdanga Main Road, Kasba
Kolkata - 700107

Bankers

Indian Bank
(Erstwhile Allahabad Bank)
Large Corporate Branch
State Bank of India
Overseas Branch, Strand Road
HDFC Bank
Stephen House Branch
Qatar National Bank
Indian Branch, Mumbai

Registered Office

Lux Industries Limited
39, Kali Krishna Tagore Street, Kolkata - 700007
Phone: +91 33-22598155
Fax: +91 33-4001 2001

Corporate Office

PS Srijan Tech Park, 10th Floor DN-52,
Sector-V, Salt Lake City,
Kolkata - 700091
Phone: +91 33-40402121
Fax: +91 33-4001 2001
Email: investors@luxinnerwear.com
Website: www.luxinnerwear.com

Directors' Report

Dear Shareholders,

Your Directors are pleased to present the 27th Annual Report and the Audited Statement of Accounts for the financial year ended March 31, 2022.

1. Financial Highlights

(₹ in Crores)

Particulars	Standalone		Consolidated	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Revenue from Operations	2,273.00	1,938.42	2,295.88	1,952.52
Other Income	16.99	12.34	17.04	12.34
Total Revenue	2,289.99	1,950.76	2,312.92	1,964.86
Profit Before Tax	459.27	366.09	455.92	362.11
Tax Expense (Including Deferred Tax)	117.88	92.72	117.86	92.73
Profit after Tax	341.39	273.37	338.06	269.38

2. Operating & Financial Performance

Past two years have been difficult for the world economy on account of the COVID-19 pandemic. Repeated waves of infection, supply chain disruptions and more recently, inflation have created particularly challenging times for all the business sectors. During the financial year 2021-22 gone by, despite the economy being affected by the second and third wave of pandemic, your Company has shown a consistent growth. Gradual unlocking of the economy, record vaccinations, improvement in consumer demand, continued policy support towards industries by the government in the form of Aatma Nirrbhar Bharat Abhiyan and further reinforcements in 2021-22 have led to an upturn in the performance of the industrial sector. The pandemic brought with it unprecedented challenges that fashion businesses could not have possibly fathomed. E-commerce is expanding steadily in the country, creating one of the biggest revolutions in fashion. More and more customers are getting hooked on to the e-commerce network, searching products that best match their style and wallet.

The new financial year 2022-23 is expected to be a promising time for fashion retail and e-commerce in India. As per the economic survey of Ministry of Finance for Industry and Infrastructure, Textile Industry is the second largest employment generator in the country, next only to agriculture. In the last decade, close to ₹203,000 crores have been invested in this industry with direct and indirect employment of about 105 million people.

Company continuous focus on brand building activities strengthening its product portfolio implementation and adoption of latest technology in manufacturing processes have aided Company in consistently achieving results that are considerably above industry averages. On the supply chain aspect, Company has one of the largest distribution networks which is the core strength of the Company.

During the financial year ended March 31, 2022, the revenues grew by 18% to ₹2,312.92 crores, despite Covid-19 pandemic. Moreover, the EBITDA and PAT were at ₹490.27 crores and ₹338.06 crores respectively, registering a growth of 25% each.

All factories worked efficiently during the year despite the controlled COVID-19 environment. Safety measures and processes have been installed and improved upon at all factories and work sites. All COVID-19 protocols and compliances have been strictly followed.

There is no change in the nature of the business of the Company.

3. Composite Scheme of Arrangement

During the year under review, the Scheme of Amalgamation of J. M. Hosiery & Co Limited ("JMHL") and Ebell Fashions Private Limited ("Ebell") with Lux Industries under Section 230 to 232 of the Companies Act, 2013 (the "Scheme"), sanctioned by the Hon'ble NCLT, Kolkata Bench vide its order dated March 25, 2021 with the Appointed Date April 01, 2020 became effective from May 01, 2021. Pursuant to the Scheme, 48,18,681 equity shares were allotted by the Company to the shareholders of the JMHL & Ebell on May 08, 2021.

4. Performance of Subsidiary Company

Artimas Fashions Private Limited

During the year under review, Artimas Fashions Private Limited has captured good market segment under the brand name of One8- Brand of Indian Cricket Team's Former Captain Virat Kohli and has recorded growth of 60.83% in Revenues. The Revenue for the current financial year was ₹26.02 crores as compared to ₹16.18 crores in the previous financial year.

5. Dividend

Over the years, Lux has always believed in sharing its prosperity with its shareholders, through a formal disbursement of profits to its shareholders.

During the Financial Year 2021-22, interim dividend of 600% i.e. ₹12/- per equity share at the face value of ₹2/- each was declared by Board of Directors on November 01, 2021. The Dividend Distribution Policy of the Company is annexed as **Annexure 'A'** to the Board's Report.

6. Capex and Liquidity

The Company has approved a greenfield expansion plan of ₹110 crores in the last financial year which is on track. With the capex coming on stream, the Company is expecting to generate an incremental sale of ₹400 Crores from it. Company will continue the journey of investing in innovation and capability building which will yield to gains in the market share and operating model efficiencies.

7. Material Changes and Commitments

No material changes and commitments have occurred from the date of close of the financial year till the date of this Report, which affects the financial position of the Company.

8. Reclassification of Promoters/Promoter Group to Public

During the financial year 2021-22, Ms. Neha Poddar & Ms. Shilpa Agarwal Samriya, belonging to the Promoter Group of the Company, have requested the Company for reclassification from 'Promoter & Promoter Group Category' to 'Public' Category on June 23, 2021. As on the date of this report, the status of said application is ongoing and subject to approval of shareholders.

9. Significant & Material Orders

There are no significant and material orders passed by any regulators or courts or tribunals impacting the going concern status and the Company's operations in future.

10. Consolidated Financial Statements

The Consolidated Financial Statements of the Company are prepared in accordance with the relevant Indian Accounting Standards issued by the Institute of Chartered Accountants of India and forms an integral part of this report.

Pursuant to section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing salient features of the financial statements of Subsidiaries is given in Form AOC-1 and annexed as Annexure- "L"

11. Share Capital

Issued, subscribed and Paid up Equity Share Capital of the Company stood at ₹6,26,35,362 as at March 31, 2022 comprising of 3,00,71,681 equity shares of ₹2/- each fully paid up (plus forfeited share capital amounting ₹24,92,000).

During the Financial Year 2021-22, pursuant to the Scheme of Amalgamation as sanctioned by Hon'ble NCLT, Kolkata vide its order dated March 25, 2021 with Appointed date being April 01, 2020, 48,18,681 equity shares were allotted by the Company on May 08, 2021 to the shareholders of the J.M. Hosiery & Co Limited and Ebell Fashions Private Limited.

The shares issued pursuant to Scheme and were ranking pari-passu with the existing equity shares of the Company.

12. Transfer to Reserves

The Company has not transferred any amount to the General Reserve during the financial year under review.

13. Transfer to Investor Education and Protection Fund

During the financial year under review, the Company has transferred unpaid/unclaimed dividend, amounting to ₹80,850/- for Financial Year 2013-14 to the Investor Education and Protection Fund (IEPF) of the Central Government of India.

Dividend which was declared for the year ended March 31, 2015 at the Annual General Meeting held on September 24, 2015, which remains unclaimed, will be transferred to the Investor Education and Protection Fund (IEPF) of the Central Government by November, 2022 pursuant to the provisions of the section 124 and 125 of the Companies Act, 2013. Thereafter no claim shall lie on the Company for these unclaimed dividends. Shareholders will have to make their claim with the IEPF Authority following the appropriate rules in this regard.

Equity Shares corresponding to the dividend unclaimed for seven consecutive years will also be transferred to the Demat account of the IEPF Authority. Individual notices and necessary newspaper publication will be made in this regard.

4,500 Equity shares in respect of 1 folios corresponding to the dividend for the year ended on March 31, 2014 which remained unclaimed for seven consecutive years were transferred to the IEPF Authority in compliance with Section 124 of the Companies Act, 2013 read with rule 6 of the Investor Education and Protection Fund (Accounting Audit, Transfer and Refund) Rules, 2017 necessary individual notices to concerned Shareholders were served and advertisements in newspapers were published by the Company in this regard.

Equity Shares corresponding to the dividend declared for the year ended on March 31, 2015 and remaining unclaimed for seven consecutive years will also be transferred to the IEPF, if the dividend is not encashed within October 31, 2022. Individual notices will be sent to the concerned Shareholders and advertisements will be published in the newspapers in this regard. The advertisement will also be made available on the website of the Company.

List of shareholders whose dividend remained unclaimed till date of ensuing AGM will be uploaded on the website of the Company www.luxinnerwear.com under heading 'Investors' Section. Shareholders are requested to check their unpaid dividend from the list and contact the Registrar & Share Transfer Agent or Company Secretary to encash these unpaid dividends.

14. Deposits

The Company has not accepted any deposits from the public in terms of Section 73 of the Companies Act, 2013 and rules made there under during the year under review.

15. Particulars of Loans, Guarantees or Investments

Particulars of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security provided is proposed to be utilized by the recipient are provided in the Standalone Financial Statement. (Refer Note 48 to the Standalone Financial Statement).

16. Internal Control System and their adequacy

Your Company has in place adequate internal control system (including internal financial control system) commensurate with its size and the nature of its business for the purchase of inventories, fixed assets and with regard to the sale of goods and services. Details in respect of adequacy of internal financial controls with reference to the Financial Statements are stated in Management Discussion and Analysis which forms part of this Report.

17. Corporate Social Responsibility Initiatives

Pursuant to section 135 of the Companies Act 2013, read with rules made there under, the Company has constituted a Corporate Social Responsibility (CSR) Committee (the "CSR Committee") comprising Mr. Ashok Kumar Todi, Mr. Pradip Kumar Todi & Mr. Kamal Kishore Agrawal. The Committee monitors and oversees various CSR initiatives of the Company.

The Company' CSR initiatives are based primarily towards supporting projects in the areas of healthcare and providing quality education and to promote education to the unprivileged and tribal children. The Company run its major project through its own foundation, the Lux Foundation, it deals with the registered trusts and / or section 8 companies which are undertaking the CSR activities.

In the financial year Company is running two major projects, one is related to developing one OPD (Out Patient Department) at Tata Medical Centre in West- Bengal and the other is related to provide support for building one residential school project for over 1000 underprivileged girls at Joka, West-Bengal. Along with this, the Company is also taking initiative for developing one consultation room at State of Art Cancer Care Center at Tiruppur, providing support to differently abled children by gifting them hearing aid and contributing towards environment by tree plantation.

During the year under review, the Company has spent an amount of ₹4.58 Crores towards CSR obligation.

The CSR Policy may be accessed on the Company's website at the link: http://s3.amazonaws.com/luxs/ckeditors/pictures/95/original/CSR_Policy.pdf

The Annual Report on CSR activities is annexed herewith as **Annexure 'B'**

18. Management Discussion and Analysis Report

Pursuant to Regulation 34(2) (e) read with Part B of Schedule V of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, Management Discussion and Analysis Report for the year 2021-22 is annexed as **Annexure 'C'** forming part of this Report.

19. Corporate Governance

The Company is committed to maintain good Corporate Governance practices. Pursuant to Regulation 34(3) read with Part C of Schedule V of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, a separate section on Corporate Governance together with a certificate from the Company's Auditor confirming compliance is set out in **Annexure 'D'** and **Annexure 'F'** respectively forming part of this report.

20. CEO and CFO Certification

As required under Part B of Schedule II read with Regulation 17(8) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the CEO and CFO certification on the accounts of the Company as given by Mr. Pradip Kumar Todi, Managing Director and Mr. Saurabh Kumar Bhudolia, Chief Financial Officer is set out in Annexure 'E' forming part of this report. Further a declaration on the Code of Conduct is also part of it.

21. Directors & Key Managerial Personnel

The shareholders, at the 26th Annual General Meeting of the Company held on September 28, 2021, regularized the appointment of Mr. Navin Kumar Todi, Mr. Rahul Kumar Todi, Mr. Saket Todi & Mr. Udit Todi as Executive Directors of the Company and of Mr. Rajnish Rikhy & Mrs. Ratnabali Kakkar as Independent Directors of the Company with effect from May 25, 2021. Mrs. Prabha Devi Todi has resigned from the post of Directorship of the Company with effect from May 25, 2021.

As required under Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the certificate on Non-disqualification of Directors by Practising Company Secretary is annexed as **Annexure 'G'** to the Board's Report.

Retirement by Rotation

Mr. Pradip Kumar Todi, Managing Director (DIN: 00246268) and Mr. Navin Kumar Todi, Executive Director (DIN: 00054370), are liable to retire by rotation and, being eligible, offers themselves for re-appointment. The Directors recommend their re-appointment. Brief profile of Mr. Pradip Kumar Todi, Managing Director and Mr. Navin Kumar Todi, Executive Director of the Company are furnished in the annexure to the notice of the ensuing Annual General Meeting as required under the Code of Corporate Governance.

As on March 31, 2022, the Key Managerial Personnel (KMP) of the Company in compliance with the provision of section 203 of the Companies Act, 2013 are as under:-.

Sl. No.	Name of the KMP	Designation
1.	Mr. Ashok Kumar Todi	Whole-time Director
2.	Mr. Pradip Kumar Todi	Managing Director
3.	Mr. Navin Kumar Todi	Executive Director
4.	Mr. Rahul Kumar Todi	Executive Director
5.	Mr. Saket Todi	Executive Director
6.	Mr. Udit Todi	Executive Director
7.	Mr. Saurabh Kumar Bhudolia	Chief Financial Officer
8.	Mrs. Smita Mishra	Company Secretary & Compliance Officer

Re-appointment of Director

The term of five years of Mr. Ashok Kumar Todi (DIN: 00053599) as Whole Time Director and Chairman of Company will expire on September 29, 2022. Considering his remarkable journey, relentless efforts and contribution towards the growth and expansion of the company, the Nomination and Remuneration Committee and Board of Directors at their meeting held on August 09, 2022 have recommended to re-appoint Mr. Ashok Kumar Todi (DIN: 00053599) as Whole Time Director and Chairman of the Company for another term of 5 years commencing from September 30, 2022 till September 29, 2027. His reappointment is placed for shareholders' approval at the 27th Annual General Meeting of the Company.

Brief profile of Mr. Ashok Kumar Todi is furnished in the annexure to the notice of the ensuing Annual General Meeting as required under the Code of Corporate Governance.

Declarations from Independent Directors

All Independent Directors of the Company have given declarations under section 149(7) of the Companies Act, 2013 ("Act"), that they meet the criteria of independence as laid down under section 149(6) of the Act and Regulation 25 of the Listing Regulations.

The Board of the Company comprises of six Independent Directors and all of them are registered with the databank. Further, Mr. Nandanandan Mishra , Mr. Kamal Kishore Agarwal and Mr. Snehasish Ganguly are exempted from the requirement of proficiency test owing to their experience and remaining independent directors have passed the proficiency test.

Familiarisation Program

At the time of appointing a director, a formal letter of appointment is given to him / her, which, inter alia, explains the role, function, duties and responsibilities expected of him/her as a Director of the Company. The format of the letter of appointment is available on the website at https://luxs.s3.amazonaws.com/uploadpdf/upload+pdf/Cgovernance/id_02.pdf The Director is also explained in detail, the various compliances required from him/her as a director under various provision of Companies Act, 2013, and such other rules and regulations.

The Directors are also updated about the financials of the Company and new product launches. They are also provided with the booklets relating to the business and operations of the Company. They are updated on the changes in relevant corporate laws relating to their roles and responsibilities as Directors, from time to time.

During the financial year under review, the Company organized familiarization programs for the Directors on February 03, 2022 in accordance with the requirements of Listing Regulations. The Directors were also provided with relevant documents, reports and internal policies to enable them to familiarize with the Company's procedures and practices, from time to time, besides regular briefing by the members of the senior leadership team.

The details of such familiarization programs for Independent Directors may be accessed on the Company 's website: -

http://s3.amazonaws.com/luxs/ckeditors/pictures/201/original/Lux_Familiarisation_Programme.pdf

Board Evaluation

Pursuant to the provisions of section 178 of Companies Act, 2013 and Regulation 17 and 19 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the Board has carried out an evaluation of its own performance, the performance of individual directors as well as the working of its Audit, Nomination & Remuneration Committees. The manner in which the evaluation has been carried out has been explained in Nomination & Remuneration Policy in the Corporate Governance Report.

Further, the Independent Directors of the Company met once during the year on February 03, 2022 to review the performance of the Executive Directors, Chairman of the Company and performance of the Board as a whole. Details of separate meeting of Independent Director are given in the Corporate Governance Report.

Remuneration Policy

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report. And also has been posted on the Company's website: - https://luxs.s3.amazonaws.com/investor/pdf/Nomination_Remuneration_policy.pdf

Meetings

During the year under review, eight Board Meetings and four Audit Committee Meetings were convened and held. Details are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and such other rules and regulations.

Board Procedure

The Board of Directors meets from time to time to transact the business in respect of which the Board's attention is considered necessary. The Board meets at least once in each quarter, which is scheduled in advance. There is a well-laid procedure to circulate detailed agenda papers to the Directors before each meeting and in exceptional cases these are tabled. The Directors discuss and express their views freely and seek clarifications on items of business taken up in the meetings. The discussions are held in a transparent manner. Various decisions emanating from such meetings are implemented to streamline the systems and procedures followed by the Company.

The Board regularly reviews the strategic, operational policy and financial matters of the Company. The Board has also delegated its powers to the Committees. The Board reviews the compliance of the applicable laws in the meeting. The Budget for the financial year is discussed with the Board at the commencement of the financial year and the comparison of the quarterly/ annual performance of the Company vis-a-vis the budgets is presented to the Board before taking on record the quarterly/ annual financial results of the Company. The requisite information as required is provided to the Board.

The information as specified in Regulation 17(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is regularly made available to the Board.

22. Director`s Responsibility Statement

Pursuant to the requirement under section 134 clause (c) of sub section (3) of the Companies Act, 2013, the directors confirm:

a. that in the preparation of the annual accounts for the year ended March 31, 2022, the applicable accounting standards have been followed along with proper explanation relating to material departure, if any;

b. that such accounting policies as mentioned in the notes to annual accounts have been selected and applied consistently and judgments and estimates have been made that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2022 and of the profit of the Company for the year ended on that date;

c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. that the annual accounts of the Company have been prepared on a 'going concern basis;

e. that proper internal financial controls are in place and that the financial controls are operating effectively;

f. that proper systems to ensure compliance with the provisions of all applicable laws are in place and that such systems were adequate and operating effectively.

23. Related Party Transactions

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions made by the Company with the Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the Company at large during the year under review.

All the related party transactions were reviewed by the Audit Committee. There were no contracts, arrangements or transactions entered into during fiscal 2022 that fall under the scope of Section 188(1) of the Companies Act, 2013. As required under the Companies Act, 2013, the prescribed Form AOC-2 is appended as **Annexure - H** to the Board's report

During the year under review, the RPT policy was amended by the Company in its Board Meeting held on February 03, 2022 to make in line with circular issued by SEBI vide circular no. SEBI/ LADNRO/GN/2021/22. Dated May 05, 2021, SEBI/L AD-N RO/GN/2021/55 dated November 09, 2021 & SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021, and the same has been updated on the website:

http://s3.amazonaws.com/luxs/ckeditors/pictures/194/original/RPT_Policy_modified_Lux.pdf

Further as required under Part A of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 following promoters are holding more than 10% of shareholding with whom transactions were held by the Company.

1. Mr. Ashok Kumar Todi
2. Mr. Pradip Kumar Todi
3. Mrs. Prabha Devi Todi
4. Mrs. Bimla Devi Todi

Disclosure of transaction with above-mentioned promoters are given in the notes no. 33 to accounts.

24. Subsidiaries, Associate and Joint Ventures Companies

The Company has one subsidiary i.e Artimas Fashions Private Limited (Unlisted Private Limited Company). Further the Company does not have any associate and there were no joint ventures entered into by the Company.

25. Vigil Mechanism

The Company has a vigil mechanism contained in the Whistle Blower Policy, in terms of section 177 of the Companies Act 2013 and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to deal with instances of fraud and mismanagement, if any. The purpose of this policy is to provide a framework to promote responsible and secure whistle blowing.

The Whistle Blower Policy also provides employees to report instances of leak of unpublished price sensitive information as required under sub-regulation 6 of Regulation 9A of SEBI (Prohibition of Insider Trading) Regulations, 2015. It protects employees wishing to raise a concern about serious irregularities within the Company.

A quarterly report with number of complaints, if any, received under the Policy and their outcome is placed before the Audit Committee and the Board. The policy on vigil mechanism may be accessed on the Company 's website: -

http://s3.amazonaws.com/luxs/ckeditors/pictures/196/original/WHISTLE_BLOWER_POLICY.pdf

26. Auditors & Audit Reports

i. Statutory Auditors:

M/s S K AGRAWAL AND CO CHARTERED ACCOUNTANTS LLP (Firm Registration Number: 306033E) who were appointed at the 22nd Annual General Meeting held on September 21, 2017 as Statutory Auditors of the Company to hold office for a term of five consecutive years, would be completing their first term of appointment upon conclusion of the ensuing Annual General Meeting of the Company and accordingly are eligible for re-appointment. The

Audit Committee has proposed, and the Board of Directors of the Company has recommended the appointment of S K AGRAWAL AND CO CHARTERED ACCOUNTANTS LLP (Firm Registration Number: 306033E) as the Statutory Auditors of the Company to hold office for a second term of five consecutive years commencing from the conclusion of 27th AGM scheduled on September 20, 2022 till the conclusion of the 32nd AGM to be held in the year 2027, subject to the approval of the shareholders.

The Company has also received letter from M/s S K AGRAWAL AND CO CHARTERED ACCOUNTANTS LLP (Firm Registration Number: 306033E) to the effect that their appointment, if made, would be within the prescribed limits under Section 141 (3) of the Act and that they are not disqualified from appointment as Statutory Auditors of the Company.

The Auditors' Report on the Financial Statements of the Company for the year ended March 31, 2022 does not contain any qualifications, reservations or adverse remarks. The Auditor's Report is enclosed with the Financial Statements and forms part of the Annual Report.

The observation made in the Auditors' Report read together with relevant notes thereon are self-explanatory and hence do not call for any further comments under Section 134 of the Companies Act, 2013.

ii. Secretarial Auditors and Secretarial Audit Report:

As required under section 204 (1) of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Mohan Ram Goenka of M/s MR & Associates, Practicing Company Secretaries to undertake the Secretarial Audit of the Company. The Secretarial Auditor's Report is annexed herewith as Annexure 'I'.

iii. Internal Auditors:

Ernst & Young LLP (EY), were appointed as the Internal Auditors of the Company to conduct the Internal Audit for the Financial Year 2021-22 in accordance with the provisions of Section 138 of the Act read with the Companies (Accounts) Rules, 2014. The Audit Committee considers and reviews the Internal Audit Report submitted by the Internal Auditor on a quarterly basis.

iv. Cost Audit and Cost Records:

The provisions of Section 148 of the Companies Act, 2013, with respect to maintenance of Cost records and Cost Audit are not applicable to the Company.

27. Insider Trading Code

In compliance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ('the PIT Regulations') on prevention of insider trading, the Company had instituted a comprehensive Code of Conduct for regulating, monitoring and reporting of trading by Insiders. The said Code lays down guidelines, which advise Insiders on the procedures to be followed and disclosures to be made in dealing with the shares of the Company and cautions them on consequences of non-compliances. There were no changes made in the Code by the Company in the financial year 2021-22. The Company has further put in place a Code of practices and procedures of fair disclosures of unpublished price sensitive information during the year under review no changes in this Code was made by the Company. Both the aforesaid Codes are in line with the PIT Regulations. The code may be accessed on the Company's website.

http://s3.amazonaws.com/luxs/ckeditors/pictures/98/original/Insider_trading_code.pdf

28. Ratings

During Financial Year 2021-22 under review, Acuite Ratings & Research Limited (previously known as SMERA Ratings Limited) has maintained the following ratings given to the Company in the financial year 2021-22:-

(₹ in Crores)

Ratings	Amount	Category	Remarks
ACUITE AA+	374.18	Long-Term Bank Facilities	Revised
ACUITE A1+	1.50	Short Term Bank Facilities	Reaffirmed
ACUITE A1+	50.00	Commercial Paper	Withdrawn

29. Annual Return

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2022 is available on the Company's website at http://s3.amazonaws.com/luxs/ckeditors/pictures/235/original/Draft_MGT_7_Final.pdf

30. Business Responsibility Report

In compliance with regulation 34(2) (f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Business Responsibility Report(BRR) is prepared and forms part of the Annual Report as **Annexure 'J'**. The Report provides a detailed overview of initiatives taken by the Company from environmental, social and governance perspectives.

31. Risk Management

In accordance with the SEBI Listing Regulations, the Board of Directors of the Company is responsible for framing, implementing and monitoring the risk management plans of the Company. The Company has a "Risk Management Policy" to identify risks associated with the Company, assess its impact and take appropriate corrective steps to minimize the risks that may threaten the existence of the Company. The Enterprise Risk Management (ERM) framework of the Company is comprehensive and robust enough to respond against any uncertainty. It has risk identification, analysis, evaluation and treatment mechanism, ensuring that smallest factor of uncertainty present in any layer is identified, evaluated and treated suitably. Annual risk assessment exercise is conducted in line with the framework, existing risks, their mitigation actions are evaluated, and new risks are identified.

Risk Management Committee (RMC) of the organization reviews the risks, adequacy of mitigating actions and identifies the new risks. The committee has half-yearly meetings. The RMC of the Company reviews the risk register and effectiveness of mitigating actions and takes strategic decisions to ensure that organization successfully achieves the business objectives and fulfils expectations of all its stakeholder. Corporate Risk Register is reviewed annually by Board. An update on ERM plan is presented and deliberated upon in the RMC meetings on half yearly basis and at least once in a year at the Board level. The Audit Committee has additional oversight over financial risks and controls. During the year under review, the RMC evaluated the risk management system of the Company. It also reviewed the Cyber related risk and action initiated by the management to minimize the impact on the Company.

During the year under review Company has revised its Risk Management Policy in the Board Meeting held on November 01, 2021 to make in line with the SEBI circular no. SEBI/ LADNRO/GN/2021/22. Dated May 05, 2021 and the same has been updated on the website:

http://s3.amazonaws.com/luxs/ckeditors/pictures/165/original/RISK_MANAGEMENT_POLICY_LIL.pdf

32. Industrial Relation

During the year under review, the industrial relations remained cordial and stable. The directors wish to place on record their appreciation for the excellent cooperation received from the employees at all levels.

33. Particulars of Employees

As on March 31, 2022, total number of employees on the records of the Company was 2678 as against 2382 in the previous financial year.

Disclosure required in respect of employees of the Company, in terms of provisions of Section 197 (12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith as Annexure- K and forms part of Directors' Report. In terms of first proviso to Section 136(1) of the Companies Act, 2013, the Director's Report is being sent excluding the information on employees' particulars mentioned in Section 197(12) of the Companies Act, 2013 and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, which is available for inspection by the Members at the Registered Office of the Company during business hours on all working days, except Sundays and National Holidays up to the date of the 27th AGM. If any Member is interested in inspecting the same, such Member may write to the Company Secretary in advance on investors@luxinnerwear.com.

Particulars of Employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:-

I. Details of Employees employed throughout the financial year who were in receipt of the remuneration for that year which, in aggregate, was not less than ₹1.02 Crore are: 6

II. Employees employed for a part of the financial year and who were in receipt of the remuneration during for that financial year at a rate not less than ₹8,50,000 per month: 6

III. Employees employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company: None

Directors place on record their appreciation for the significant contribution made by all employees, who through their competence, dedication, hard work, co-operation and support, have enabled the Company to cross new milestones on a continual basis.

34. Prevention of Sexual Harassment at workplace

The Company is committed to provide a work environment which ensures that every employee is treated with dignity, respect and equality. There is zero tolerance towards sexual harassment. Any act of sexual harassment invites serious disciplinary action. The Company has established policy against Sexual Harassment for its employee. The Company had also constituted an internal complaint committee, for Prevention of Sexual Harassment. The policy allows any employee to freely report any such act and prompt action will be taken thereon. No complaints were received during the year under review.

35. Codes and Board Policies

The Company strives to conduct its business and strengthen its relationships in a manner that is dignified, distinctive and responsible. It adheres to highest ethical standards to ensure integrity, transparency, independence and accountability in dealing with its stakeholders. Accordingly, the following codes and policies have been adopted by the Company:

- Code of Conduct
- Vigil Mechanism/Whistle Blower Policy
- Risk Management Policy
- Nomination and Remuneration Policy
- Related Party Transaction Policy
- Corporate Social Responsibility Policy
- Code of Internal Procedure and conduct to Prohibit Insider Trading in Securities of Lux Industries limited ("Company").
- Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)
- Policy on Preservation of documents/Archival Policy
- Policy on Disclosure of Material Events
- Policy for Prevention of Sexual Harassment at Workplace
- Business Responsibility Policy
- Dividend Distribution Policy
- Policy on determining Material Subsidiaries.

The Company has not approved any new policy during the year, however some existing policies were amended and revised by the board as required under Companies Act, 2013 and SEBI (Listing Obligations and Disclosures Requirements) (Amendment) Regulations, 2018. The policies are reviewed periodically by the Board and updated as needed.

During the year board revised the following policies:

Name of the Policy	Summary of Key Changes	Web link (if any)
Risk Management Policy	The Risk Management Policy was amended in line with SEBI (LODR) Regulations, 2015 as amended from time to time.	http://s3.amazonaws.com/luxs/ckeditors/pictures/165/original/RISK_MANAGEMENT_POLICY_LIL.pdf
Related Party Transaction Policy	The Related Party Transaction Policy was amended in line with SEBI (LODR) Regulations, 2015 as amended from time to time.	http://s3.amazonaws.com/luxs/ckeditors/pictures/194/original/RPT_Policy_modified_Lux.pdf

36. Conservation of Energy, Technology Absorption and Foreign Exchange Earning and Outgo:

The particulars relating to conservation of energy, technology absorption and foreign exchange earnings and outgo required to be disclosed under section 134(3) (m) of the Companies Act, 2013, are annexed here to and forms part of this report as Annexure 'M'.

37. Insurance

The Company has taken adequate insurance to cover the risks to its employees, property (land and buildings), plant, equipment, other assets and third parties.

38. The details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 ('Code'):

During the year under review, neither the Company filed any application nor any proceeding is pending against it.

39. The details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof:

Not applicable.

40. Acknowledgement

The Board wishes to place on record its sincere appreciation for the continued assistance and support extended to the Company by its customers, vendors, investors, business associates, banks, government authorities, employees and other stakeholders.

41. Annexures forming part of Board Report

The Annexures referred to in this Report and other information which are required to be disclosed are annexed herewith and form a part of this Report of the Directors:

Annexure	Particulars
Annexure – A	Dividend Distribution Policy
Annexure – B	Annual Report on Corporate Social Responsibility (CSR) Activities
Annexure – C	Management Discussion and Analysis Report
Annexure – D	Report on Corporate Governance
Annexure – E	Certification by Managing Director and Chief Financial Officer of the Company
Annexure – F	Auditors' Certificate on Corporate Governance
Annexure – G	Certificate from Practicing Company Secretary
Annexure – H	Particulars of contracts / arrangements made with related parties in Form AOC-2
Annexure – I	Secretarial Auditor's Report
Annexure – J	Business Responsibility Report ('BRR')
Annexure – K	Details pertaining to remuneration as required under section 197 (12) of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014
Annexure – L	Statement containing salient features of the financial statements of Subsidiaries in Form AOC-1
Annexure – M	Conservation of Energy, Technology Absorption and Foreign Exchange Earning and Outgo

For and on behalf of the Board of Directors

Sd/-
Ashok Kumar Todi
Chairman
DIN: 00053599

Place: Kolkata
Date: May 30, 2022

Annexure 'A' to Board's Report

Dividend Distribution Policy of Lux Industries Limited

1. Scope Purpose and Objective

The Securities Exchange Board of India (SEBI) on July 08, 2016 has notified the SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2016 (Regulations).

Vide these Regulations, SEBI has inserted Regulation 43A after Regulation 43 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which requires top five hundred listed companies (based on market capitalization of every financial year) to formulate a Dividend Distribution Policy, which shall be disclosed in its Annual Report and on its website.

Lux Industries Limited (the "Company") being one of the top five hundred listed Company as per the criteria mentioned above, the Company has approved and adopted this Dividend Distribution Policy (the "Policy") at its meeting held on February 13, 2017.

The intent of the Policy is to broadly specify the external and internal factors including financial parameters that shall be considered while declaring dividend and the circumstances under which the shareholders of the Company may or may not expect dividend and how the retained earnings shall be utilized, etc.

The Policy shall not apply to:

- Determination and declaration of dividend on preference shares, as the same was as per the terms of issue approved by the shareholders
- Distribution of dividend in kind, i.e. by issue of fully or partly paid bonus shares or other securities, subject to applicable law;
- Buyback of Securities.

The Policy is not an alternative to the decision of the Board for recommending dividend, which is made every year after taking into consideration all the relevant circumstances enumerated hereunder or other factors as may be decided as relevant by the Board.

2. Effective Date

The Policy shall become effective from the date of its adoption by the Board i.e. February 13, 2017.

3. Definitions

- Act" shall mean the Companies Act, 2013 including the Rules made there under, as amended from time to time.
- "Applicable Laws" shall mean the Companies Act, 2o13 and Rules made there under, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; as amended from time to time and such other act, rules or regulations which provides for the distribution of Dividend.
- "Company" shall mean Lux Industries Limited.
- "Board" or "Board of Directors" shall mean Board of Directors of the Company.
- "Dividend" shall mean Dividend as defined under Companies Act, 2013.
- "MD & CEO" shall mean Managing Director and Chief Executive Officer of the Company.
- "Policy or this Policy" shall mean the Dividend Distribution Policy.
- "SEBI Regulations" shall mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 together with the circulars issued there under, including any statutory modification(s) or re-enactment(s) thereof for the time being in force.

4. Parameters and Factors for declaration of Dividend

The dividend pay-out decision of the Board depends upon the following financial parameters and internal and external factors-

4.1 Financial Parameters

4.1.1 Financial parameters and Internal Factors:

i. Operating cash flow of the Company

ii. Net operating profit after tax

iii. Profit available for distribution

iv. Earnings Per Share (EPS)

v. Working capital requirements
vi. Capital expenditure requirement
vii. Business expansion and growth
viii. Likelihood of crystallization of contingent liabilities, if any
ix. Up gradation of technology and physical infrastructure
x. Creation of contingency fund
xi. Acquisition of brands and business
xii. Cost of Borrowing
xiii. Past dividend payout ratio / trends

4.1.2 External Factors:

The Board of Directors of the Company would consider the following external factors before declaring or recommending dividend to shareholders:

i. Economic environment
ii. Capital markets
iii. Global conditions
iv. Statutory provisions and guidelines
v. Dividend pay-out ratios of companies in the same industry.

4.1.3 Dividend Payout Ratio:

Board of Directors shall endeavor to maintain the Dividend Payout Ratio* (Dividend/ Net Profit after Tax for the year) as near as possible to 25% of Lux Industries Limited's Standalone profit after tax, subject to

- Company's need for Capital for its growth plan
- Positive Cash Flow and other parameters stated in the policy.

4.2 Circumstances under which the Shareholders of the Company may or may not expect dividend

The decision regarding dividend pay-out is a crucial decision as it determines the amount of profit to be distributed among shareholders of the Company and the amount of profit to be retained in business. The decision seeks to balance the dual objectives of appropriately rewarding shareholders through dividends and retaining profits in order to maintain a healthy capital adequacy ratio to support future growth. The shareholders of the Company may not expect dividend in the following circumstances, subject to discretion of the Board of Directors:

i. Proposed expansion plans requiring higher capital allocation
ii. Decision to undertake any acquisitions, amalgamation, merger, joint ventures, new product launches etc. which requires significant capital outflow
iii. Requirement of higher working capital for the purpose of business of the Company
iv. Proposal for buy-back of securities
v. In the event of loss or inadequacy of profit

4.3 Utilization of retained earning

The Board may retain its earnings in order to make better use of the available funds and increase the value of the stakeholders in the long run. The decision of utilization of the retained earnings of the Company shall be based on the following factors:

- Market expansion plan.
- Product expansion plan.
- Increase in production capacity
- Modernization plan.
- Diversification of business
- Long term Strategic plans
- Replacement of Capital assets
- Where the cost of debt is expensive
- Dividend Payment.

Such other criteria's as the Board may deem fit from time to time.

4.4 Manner of dividend payout

4.4.1 In case of final dividend:

i. Recommendation, if any, shall be done by the Board, usually in the Board meeting that considers and approves the annual financial statements, subject to approval of the shareholders of the Company.
ii. The dividend as recommended by the Board shall be approved/declared at the Annual General Meeting of the Company.
iii. The payment of dividends shall be made within the statutorily prescribed period from the date of declaration, to those shareholders who are entitled to receive the dividend on the record date/book closure period, as per the applicable law.

4.4.2 In case of interim dividend:

i. Interim dividend, if any, shall be declared by the Board.

ii. Before declaring interim dividend, the Board shall consider the financial position of the Company that allows the payment of such dividend.

iii. The payment of dividends shall be made within the statutorily prescribed period from the date of declaration to the shareholders entitled to receive the dividend on the record date, as per the applicable laws.

iv. In case no final dividend is declared, interim dividend paid during the year, if any, will be regarded as final dividend in the Annual General Meeting.

4.4.3 Parameters to be adopted with regard to various classes of shares

Since the Company has issued only one class of equity shares with equal voting rights, all the members of the Company are entitled to receive the same amount of dividend per share. The Policy shall be suitably revisited at the time of issue of any new class of shares depending upon the nature and guidelines thereof.

5. Disclosures

The Dividend Distribution Policy shall be disclosed in the Annual Report and on the website of the Company i.e. at www.luxinnerwear.com

6. Policy Review and Amendments

6.1 This Policy would be subject to revision/amendment in accordance with the guidelines as may be issued by Ministry of Corporate Affairs, Securities Exchange Board of India or such other regulatory authority as may be authorized, from time to time, on the subject matter.

6.2 The Company reserves its right to alter, modify, add, delete or amend any of the provisions of this Policy.

6.3 In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such Amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions here under and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

For and on behalf of the Board of Directors

Sd/-
Ashok Kumar Todi
Chairman
DIN:00053599

Place: Kolkata
Date: May 30, 2022

Annexure 'B' to Boards Report

Annual Report on Corporate Social Responsibility (CSR) Activities

1. A brief outline of the Company 's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:

The Company strongly believes in development of and giving back to the society. Long term view is taken in implementation of the CSR program. The objective of the Company is to improve quality of life with direct intervention with the society. During the year the CSR expenditure was done in the following areas identified by the Company :

- Promotion of education
- Promotion of health care through support for medical facilities
- Ensuring Environmental Sustainability
- Covid Relief Measures
- Supporting economically backward group
- Animal welfare
- Support to elderly people
- Promotion of traditional art and culture

The Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013 and Rules made thereunder. The CSR Policy provides for carrying out CSR activities in respect of those areas as provided in Schedule VII of the Companies Act, 2013.

2. Composition of CSR committee:

Sl. No.	Name of the Committee Member	Designation	Number of Meetings of CSR Committee held during the year	Number of Meetings of CSR Committee attended during the year
1.	Mr. Ashok Kumar Todi	Chairman/ Whole time Director	4	4
2.	Mr. Pradip Kumar Todi	Member/ Managing Director	4	4
3.	Mr. Kamal Kishore Agrawal	Member/ Independent Director	4	4

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company :

The details are disclosed on the Company's website at http://s3.amazonaws.com/luxs/ckeditors/pictures/95/original/CSR_Policy.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 (attach the report).

The Company at present is not required to carry out impact assessment in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014.

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 Crores)*	Amount required to be set-off for the financial year, if any (₹ In Crores)
1.	2018-19	0.06	-
2.	2019-20	-	-
3.	2020-21	0.22	-
	Total	**0.28**	**Nil**

*The Company has spent in excess of the mandatory requirement under the Companies Act, 2013 but the same is not proposed to be set off.

6. Average net profit of the Company for last three financial years:

Average net profit: ₹229 Crores

7. (a) **Two percent of average net profit of the Company as per section 135(5):** ₹4.58Crores

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

   (c) **Amount required to be set off for the financial year, if any:** Nil

   (d) **Total CSR obligation for the financial year (7a+7b-7c):** ₹4.58 Crores

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

Total amount spent for the financial year (₹ In Crores)	Amount Unspent (₹ In crores)				
	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
4.58	Nil	N.A.	N.A.	Nil	N.A.

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

Sr No	Name of projects	Item from the list of activities in schedule 7 of the Act	Local Area (Yes/ No)	Location of the Project		Amount Allocated for the Project (₹ in lakhs)	Amount Spent in Current FY (₹ in lakhs)	Amount transferred to unspent CSR A/c for the project as per Sec 135(6) of the Act	Mode of Implementation (Direct Yes/No)	Detail of Implementing Agency	
				State	District					Name	CSR Registration Number
1	Help us help them (residential school project)	II	Yes	WB	Kolkata	200.00	50.00	-	No	Lux Foundation	CSR00004331

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

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 Spent for the projects (₹ In lakhs)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation -Through Implementing Agency	
				State	District			Name	CSR Registration Number
1	Promotion of Education	Schedule VII (ii) Promotion of Education	Yes	West Bengal	Kolkata	26.62	No	Lux Foundation	CSR00004331
			No	Tamil Nadu	Tiruppur	20.02	Yes	Direct	N.A.
2	Healthcare	Schedule VII(i) Promoting healthcare	Yes	West Bengal	Kolkata	190.00	No	Lux Foundation	CSR00004331
			Yes	West-Bengal &Tamil Nadu	Kolkata & Tiruppur	32.60	Yes	Direct	N.A.
3	Social Welfare	Schedule VII (iii) Social Welfare of Socially and economically backward group	Yes	West Bengal	Kolkata	22.16	Yes	Direct	N.A.
			No	Tamil Nadu	Tiruppur Coimbatore				
			No	Uttar Pradesh	Mathura	65.00	No	Lux Foundation	CSR00004331
4	Animal Welfare	Schedule VII (iv) Animal Welfare	Yes	West Bengal	Kolkata	20.00	No	Lux Foundation	CSR00004331
			No	Rajasthan	Salasar				
					Jaipur				
5	Ensuring Environmental Sustainability	Schedule VII (iv) Ensuring Environmental Sustainability	No	Tamil Nadu	Tiruppur	3.00	Yes	Direct	N.A.
6	Covid Relief Measures	Covid Relief Measures	Yes	West Bengal	Kolkata	12.66	Yes	Direct	N.A.
			No	Tamil Nadu	Tiruppur				
7	Promotion of traditional art and culture	Schedule VII (v) Promotion of traditional art and culture	Yes	Uttar Pradesh	Vrindavan	16.00	Yes	Direct	N.A.
			No	Maharashtra	Pune				
	Total					**408.06**			

(d) **Amount spent in Administrative Overheads:** Nil

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

(f) **Total amount spent for the Financial Year (8b+8c+8d+8e):** ₹ 4.58 Crores

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

Sl. No.	Particulars	Amount (₹ In Crores)
(i)	Two percent of average net profit of the Company as per section 135(5)	4.58
(ii)	Total amount spent for the Financial Year	4.58
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

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

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹ Crores)	Amount spent in the reporting Financial Year (in ₹ Crores)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (in ₹ Crores)
				Name of the Fund	Amount (₹ In Crores)	Date of Transfer	
1.	2018-19	-	-	-	-	-	-
2.	2019-20	0.52	0.52	-	-	-	-
3.	2020-21	-	-	-	-	-	-
	Total	**0.52**	**0.52**	**-**	**-**	**-**	**-**

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

Sl. No.	Project ID	Name of the Project	Financial Year in which project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the project - Completed / Ongoing
1.	-------------- NOT APPLICABLE ----------------							

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: Not Applicable

(a) **Date of creation or acquisition of the capital asset(s):** N.A.

(b) **Amount of CSR spent for creation or acquisition of capital asset. :** N.A.

(c) **Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.:** N.A.

(d) **Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset):** N.A.

11. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5):

The Company has met its CSR obligation in full for the Financial Year 2021-22.

For and on behalf of the Board of Directors

Sd/-
Ashok Kumar Todi
Chairman (CSR Committee)
DIN: 00053599

Sd/-
Pradip Kumar Todi
Managing Director
DIN: 00246268

Place: Kolkata
Date: May 30, 2022

Management Discussion and Analysis

Global economic overview

Global growth is projected to slow from an estimated 6.1 percent in 2021 to 3.6 percent in 2022 and 2023. Beyond 2023, global growth is forecast to decline to about 3.3 percent over the medium term. Crucially, this forecast assumes that the conflict remains confined to Ukraine, further sanctions on Russia exempt the energy sector and the pandemic's health and economic impacts abate over the course of 2022. Moreover, the war in Ukraine has increased the probability of wider social tensions. Inflation is expected to remain elevated for longer than in the previous forecast, driven by war-induced commodity price increases and broadening price pressures. For 2022, inflation is projected at 5.7 percent in advanced economies and 8.7 percent in emerging market and developing economies.

Real GDP growth (%)	2021-2022	2020-2021
World output	3.6	6.1
Advanced economies	3.3	5.0
Emerging and developing economies	3.8	6.3
India	8.2	(7.3)

(Source: IMF Data Mapper, IMF- World Economic Outlook Apr 22, World Bank, UNCTAD)

Indian economic overview

India's GDP rebounded from a de-growth of 7.3 per cent in 2020-21 to a growth of 8.2 per cent in 2021-22, and is projected to grow above 7 percent in 2022-23. There were positive features of the Indian economy during the year under review.

- Indian economy estimated to grow by 9.2 percent in real terms in 2021-22 (as per first advanced estimates) subsequent to a contraction of 7.3 percent in 2020-21. GDP projected to grow by 8- 8.5 percent in real terms in 2022-23.
- In 2021-22, agriculture and allied industries are predicted to grow by 3.9%, industry by 11.8%, and services by 8.2%.
- In 2021-22, demand for consumption is expected to increase by 7.0%, Gross Fixed Capital Formation (GFCF) by 15%, exports by 16.5%, and imports by 29.4%
- Foreign exchange reserves crossed USD 600 billion in the first half of 2021-22 and touched US $ 633.6 billion as of December 31, 2021.
- The value of goods exported from India delivered 40 per cent growth to a record $417.8 billion during 2021-22, surpassing the government's target by 5 per cent. Foreign direct investments increased 15 per cent to USD 74.01 billion in 2021.
- India raised over ₹97,000 crore through asset monetisation, which was higher than the target.
- India was the largest recipient of global remittances. India's foreign exchange reserves stood at an all-time high of USD 642.45 billion as of September 3, 2021.
- Index of Industrial Production (IIP) grew at 17.4 percent (YoY) during April-November 2021 as compared to (-)15.3 percent in April-November 2020.
- India enjoys a comparative advantage in terms of skilled manpower and in cost of production relative to other major textile producers. India's textile and apparel exports (including handicrafts) stood at USD 44.4 billion in FY22, a 41% increase YoY. Exports of readymade garments including cotton accessories stood at USD 6.19 billion in FY22.
- The textiles industry (including dyed and printed) attracted Foreign Direct Investment (FDI) worth USD 3.99 billion from April 2000-March 2022. 100% FDI (automatic route) is allowed in the Indian textile sector.
- Companies involved in home textiles are using technology to optimise their value chain.
- However, retail inflation in March 2022 at 6.95 per cent was above the RBI's tolerance level of 6 per cent and at a 17-month high. The fiscal deficit was estimated at ~₹15.91 trillion for the year ending March 31, 2022, on account of a higher government expenditure during the year under review.

[Source: IMF Data Mapper List 2022, Economic Survey 2021-22 (Estimates of Jan 2022), Indian Brand Equity Foundation (IBEF) and leading Newspaper articles]

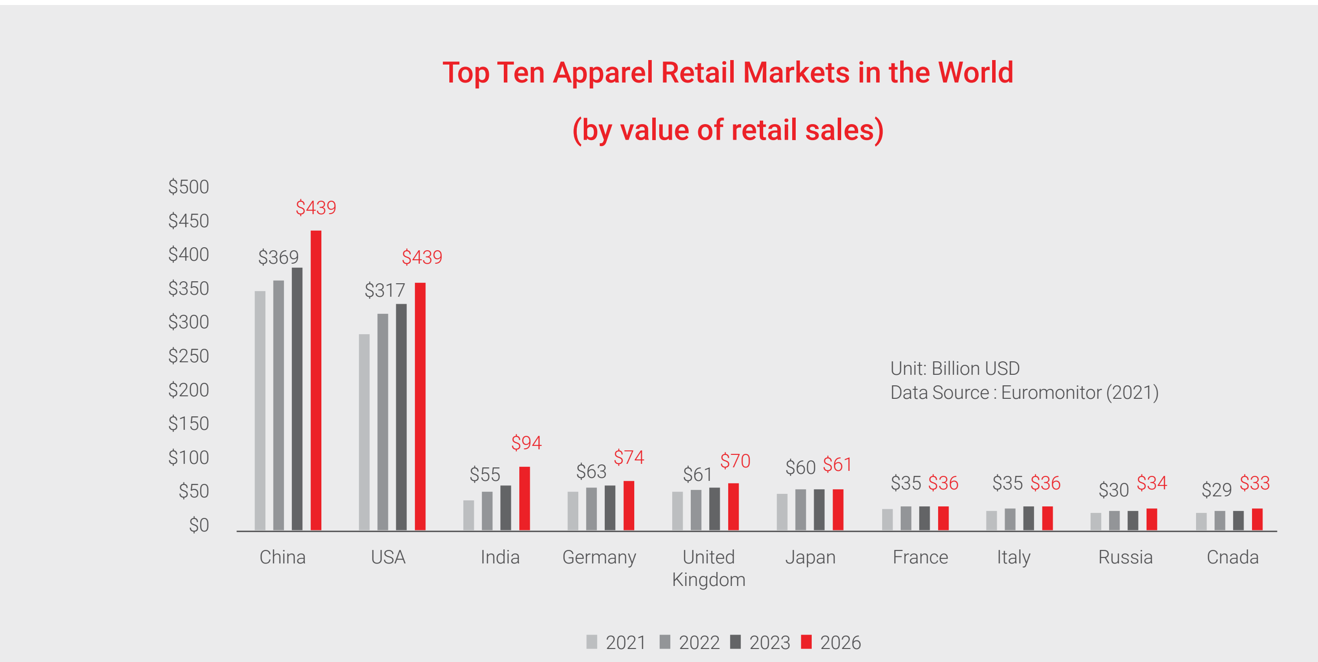
Global textile and apparel industry overview

The global textile market was pegged at US $654.7 billion in 2021 and expected to reach USD 821.87 billion, growing at a CAGR of 6% during the forecasted period. The growth is attributed to the companies repositioning their operations and reviving from the COVID-19 impact, which had earlier led to limiting containment measures like social distancing, remote working, and the shutdown of commercial activities inducing operational challenges.

As per industry estimates, the global apparel retail market was expected to grow by 7.6-8.6% percent in 2021-2022. The Asia-Pacific region, North America and Western Europe were expected to account for over 80% of the retail sales, positioning the geographies as the world's largest apparel consumption markets.

The growing e-commerce platforms that promote sales and distribution of various textile and apparel products will steer the sectorial demand. Additionally, strict government regulations to establish labor safety is influencing the demand for personal protective clothing, requiring wool or treated cotton as raw material, is catalyzing market growth. Increasing awareness towards health and hygiene has led to growing demand for medical textiles in the healthcare industry. Besides, growing environment concern is influencing the demand for sustainable and natural fibres like cotton, hemp, linen, silk, creating prospects for market growth. Growth of 'smart' textiles is propelled owing to increasing adoption of technological components in fabrics which helps to monitor external stimuli and translate them into data. These products are widely applicable in numerous industries which will open new technological avenues required in the production of textile products over the forecast period.

(Source: Research and Markets, Business wire, shenglufashion.com)



(Source: Euromonitor)

Indian textile and apparel industry overview

The textile industry is one of the largest source of employment generation in India with an estimated 45 million people directly engaged in this sector including a large number of women and rural population. India is the second largest producer of textiles globally which includes apparel, home and technical products. The country has an export value of US $ 37.11 billion, making it the fifth largest exporter worldwide. The domestic apparel and textile industry contributes 5% to India's GDP, 7% of industry output in value terms and 12% of the country's export earnings. The industry offers direct employment to more than 45 million people and 100 million people in allied industries. (Source: PIB press release)

SWOT analysis

Strengths

- Abundant raw material availability helps the industry to control production costs and moderate the lead-time across operation
- Availability of low cost and skilled manpower
- The cultural diversity and rich heritage of the country provides inspiration base to the designed to create attractive designs
- Increasing income levels, growing urbanisation and growth of the purchasing population steer domestic demand
- Manufacturing flexibility ensures increased productivity.
- Augmenting digital capability with investments in automation (SAP Hana) for enhanced operational control.
- Aggressive reinvestment in the business with focus on premiumization.
- Overhauled credit policy to strengthen working capital.

Weaknesses

- Increasing dependence on cotton.
- Spinning sector lacks modernization and there is a requirement of introducing new technology.
- Shooting power costs and high export lead times are reducing India's export competitiveness across the textile chain.
- Unfavorable labour laws

Opportunities

- The new Economic Cooperation and Trade Agreements with Australia and the UAE will open multiple opportunities for textiles and handloom. Indian textile exports to Australia and the UAE will now face zero duties, and the government is expecting that soon, Europe, Canada, the UK and GCC countries would also welcome Indian textile exports at zero duty. Supply chain management and information technology has a crucial role in apparel manufacturing
- Increasing requirement for value added products
- Growing foreign direct investments
- Evolving retail sector and malls offer headroom for growth
- Growing seasons per year has led to reduction of fashion cycles.

Threats

- Fluctuations in basic raw material prices (cotton, yarn and fabric) could hamper profitability.
- Cut-throat competition from China.
- Restrictions imposed due to third wave of COVID-19 could hamper growth
- Supply chain disruptions due to COVID-19 outbreak could affect growth
- Entry of foreign players

Government initiatives

- To boost man-made fibre exports, the Government removed the anti-dumping duty on Purified Terephthalic Acid, Viscose Staple Fibre and Acrylic. The Government permitted the extension of RoSCTL scheme up to March 2024 to improve export competitiveness related to Indian apparel and made-ups.
- The Government approved the setting up of Seven Pradhan Mantri Mega Integrated Textile Region and Apparel (PM MITRA) parks in greenfield/brownfield sites with an outlay of ₹4,445 crores for seven years up to 2027-28. These parks will enable the textile industry to become globally competitive, attract large investment and boost employment generation.
- The Government approved Production Linked Incentive (PLI) Scheme for Textiles, with an approved outlay of ₹10,683 crore to promote production of MMF apparel, MMF fabrics and Technical Textiles.
- The Government allocated an outlay of ₹1000 Crores for advance research and innovation in technical textiles at par with the best in the world. Research topics in 94 categories (fibres and composites, geo textiles, agro textiles, protective textiles, medical textiles, defence textiles, sports textiles, and environmentally friendly/ biodegradable technical textiles) were identified and research proposals invited.

The government is implementing various schemes (Amended Technology Upgradation Fund Scheme, Schemes for the development of the Powerloom Sector, Scheme for Integrated Textile Parks, SAMARTH- The Scheme for Capacity Building in Textile Sector, Jute (ICARE- Improved Cultivation and Advanced Retting Exercise), Integrated Processing Development Scheme (IPDS), Silk Samagra, National Handloom Development Programme, National Handicraft Development Programme, Integrated Wool Development Programme (IWDP) etc.) catering exclusively for the promotion and development of textile sector on a pan-India basis.

(Source: PIB press release on Textile and Clothing Sector, March 2022)

Sectorial demand drivers

Less input cost: India's input cost in terms of skilled workforce and availability of substantial raw materials are comparatively less compared to other nations

Growing online retail sector: The online retail market in India is estimated at 25% of the total organized retail market and expected to reach 37% by 2027-30.

Millennial demand: India possesses one of the youngest populations in the world, with a median age of 29. Millennials include 34% of the total population of the country and 47% of the nation's working population driving the growth for India's textile market.

Affluent middle-class: Over the past decade, aspiring and affluent households earned ₹5 Lakh to ₹20 Lakh, influencing domestic consumption. Affluent households witnessed a twofold increase since 2008 from 10 million to 24 million. Aspirers enhanced from 31 million households to 57 million. Elites earning beyond ₹20 Lakhs increased from 3 million to 9 million.

Increasing aspirations: The country's aspirations are increasing coupled with increasing population, manifested by advanced lifestyle.

Increasing population: India has the second largest population in the world with a total of 1.39 billion people in 2021 and is expected to surpass China by 2027 according to estimates by United Nations.

Urbanization: India's urban population stood at 35%, around 400 million more are expected to become urban dwellers by 2050. As the population increases, India's urban population is estimated to expand to 40% by 2030.

Western wear demand: In the global western wear market, India is expected to grow at a CAGR of 12.2% in terms of value. The demand for western wear is expected to be driven by factors such as increasing urbanization coupled with economic productivity of 40% of the population.

Increasing fashion consciousness: Growth in disposable income and exposure to digital and other media led to increasing consumer awareness.

E-commerce growth: India e-commerce market is anticipated to reach USD 111.40 billion by 2024 from USD 46.20 billion in 2020, increasing at a 19.24% CAGR, with grocery and fashion/apparel expected to be the major source of growth. The market is further expected to reach US $ 200 billion by 2026.

(Sources: Economic Times, Wazir Advisors, Live mint, Einpresswire.com, IBEF)

Indian innerwear sector overview

The innerwear industry in India is emerging as one of the fastest growing categories in over the last few decades. Once known for being merely an essential innerwear has transformed as a trendsetter in the apparel industry and is associated with style, comfort, and a fashion statement. The Indian innerwear market currently estimated to account for ~9 percent of the total domestic fashion retail market. The pandemic fueled work from home and hybrid work culture along with increasing awareness on health, fit, and personal hygiene coupled with the growing millennials are factors leading to the growth of the innerwear market.

The Company's overview

Lux Industries Limited commenced its operations in 1995 has become among the premiere players of the textile and apparel sector, contributing for a 15% share of the organized men's innerwear market. The Company provides more than 100 products across 11 powerful brands and ~ 5000 SKUs. The Company has a total seven manufacturing facilities that possess a cumulative capacity of 34 crores garment pieces a year. The Company's comprises 1170+ distributors and 2 Lakh+ retail points. The Company exports products to 46 nations.

Outlook

In anticipation of growing demand, the Company is looking to complete the capacity expansion during the FY 2022-23, which will be a state-of-art manufacturing facility in West Bengal. The Company is also looking at capacity expansion with increased infrastructure and facilities in Ludhiana.

The increased proportion of revenues from premium products will led to enhance overall margin of the Company.

Exports could address a widening China +1 opportunity, enhancing the Company's global footprint.

Segment-wise or product wise performance

The Company is engaged in the business of manufacturing knitted garments and there is no separate reportable segment.

Financial overview

Analysis of the statement of profit and loss

- **Revenues:** Revenue increased by 17.71% from ₹1,964.86 crores in 2020-21 to ₹2312.92 crores in 2021-22.
- **Expenses:** Total expenses increased by 15.86% from ₹1,602.75 crores in 2020-21 to ₹1857:00 crores in 2021-22.

Analysis of the Balance Sheet

Sources of funds

- The capital employed by the Company increased by 30% from ₹1,037.88 crores as on March 31, 2021 to ₹1348.41 crores as on March 31, 2022.
- Return on capital employed, a measurement of returns derived from every rupee invested in the business, stood at 35.00% in 2021-2022 compared to 36.11% in 2020-21.
- The net worth of the Company increased by 30% from ₹1,000.79 crores as on March 31, 2021 to ₹1303.35 crores as on March 31, 2022.
- Total debt increased by 167% to ₹330.22 crores as on March 31, 2022. The Company's interest cover stood at a comfortable 29x in 2021-22.

Applications of funds

Property, plant and equipment (PPE)

PPE (gross) of the Company increased by 19.04% from ₹236.65 crores as on March 31, 2021 to ₹281.70 crores as on March 31, 2022 due to an increase in land, plant and machinery.

Working capital management

Current assets of the Company increased by 35% from ₹1,275.39 crores as on March 31, 2021 to ₹1721.51 crores as on March 31, 2022 due to the increasing scale of business of the Company.

The Current and Quick Ratios of the Company stood at 2.59 and 1.33 in 2021-22 compared to 2.81 and 1.76, respectively in 2020-21. The inventory days stood at 132 in 2021- 22 compared to 89 in 2020-21. Gross Cash and Cash equivalents of the Company stood at ₹140.19 crores as on March 31, 2022.

Key financial ratios and numbers

Particulars	2020-21	2021-22	% change
Debt-equity ratio	0.12	0.25	108.33
RONW (%)	26.92	25.94	-3.64
Debtors Turnover (days)	85	102	20.00
Inventory turnover (days)	89	132	48.31
Interest coverage ratio (x)	29.47	29.48	0.03
Current Ratio	2.81	2.59	-7.83
Operating profit margin (%)	19.99	21.20	6.05
PAT margin (%)	13.71	14.62	6.64

Detail of significant changes in Key Financial Ratios:

Debt-equity ratio: The debt - equity ratio as increased in the current period on account of increased working capital need of the Company.

Inventory turnover (days): Inventory Turnover days is on a higher side mainly because of building up the inventory by seeing the price volatility in Raw material.

Change in RONW: The change in RONW is on account of change in the retained earnings.

Risk management

The Company possesses an exceptionally well-defined risk management framework. The primary goal of risk management is to recognize, supervise and undertake preventative steps with reference to incidents that may create risks for the business.

The detail about the Risk Management Committee of the Company is part of Corporate Governance Report of the Annual Report.

Major risks

Geographic risk: Global economic recovery might be delayed due to the third wave of COVID-19 and various new variants of the virus, being invented, which could create adversities in international trade and affect global demand and exports.

Mitigation: The Company has exported its products to 46 nations and aims to extend its presence in new markets. The Company generated 7% revenues from exports in 2021-22.

Competition risk: Lux has witnessed intense competition from domestic branded players and Asian countries like Sri Lanka, China and Taiwan.

Mitigation: The Company judiciously invested in R&D, quality control, cost optimization, prompt delivery and an extensive distribution network resulted into superior product quality and competitiveness.

Commodity price risk: Fluctuations in basic raw material prices (cotton, yarn and fabric) could hamper profitability.

Mitigation: The Company managed to counterpoise the fluctuations due to its robust ever- lasting supplier relationship and long-term contracts. The Company captivated higher raw material prices through its backward integrated facility in Dankuni, West-Bengal.

Changing fashion trends risk: The Company's inefficacy to cope up with transforming fashion trends could lead to loss of sales and revenue.

Mitigation: The Company has a well-furnished design team that offers an assortment of choice through more than 100 products under 15 brands.

Liquidity risk: Liquidity crunch can create adverse impact on regular operations

Mitigation: The Company is reinforced its cash flows in the business to support the temporary requirement of working capital and company is also mitigating the risk through conscious financial planning and analysis and by forecasting cash flow regularly, monitoring and optimizing net working capital and managing existing credit facilities.

Safety risk: The garments industry is labour-intensive and uncovered to risks occurring from accidents, injury and health.

Mitigation: The Company developed and implemented critical safety benchmarks across manufacturing facilities and established training needs identification protocol at each level.

Human resource risk: Highly skilled and qualified workforce is required to strengthen the growth of the business.

Mitigation: As on March 31, 2022, the Company's employee strength stood at more than 2600. The Company managed to retain 90% of its employees during the year under review.

Internal control systems and their adequacy

The Company's internal control system (including internal financial control system) has been monitored continuously and updated to ensure that assets are safeguarded, regulations established are complied with and pending issues are promptly addressed. The reports presented by internal auditors are reviewed by the audit committee on a routine basis. The committee makes note of the audit observations and takes corrective actions, if necessary. The committee maintains constant dialogue with statutory and internal auditors to make sure that internal control systems are operating effectively.

Human resources and industrial relations

The Company believes that the quality of the employees is crucial for its success and wishes to equip them with new skills so that they can uninterruptedly cope up with ongoing technological advancements. Various training programmes were organised during the year in different areas such as technical skills, behavioral skills, business excellence, general management, advanced management, leadership skills, customer orientation, safety, values and code of conduct. The Company's employee strength stood at more than 2600 as on March 31, 2022.

Cautionary statement

The statements made in this section describe the Company's objectives, projections, expectation and estimations which may be 'forward looking statements' within the meaning of applicable securities laws and regulations.

Report on Corporate Governance

[Pursuant to Part C of Schedule V of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015]

1. Company's philosophy on Corporate Governance

The Company is committed to the highest standards of Corporate Governance practices with ethical behavior and business principles as its roots and creation of long-term value as its goal, these standards not only ensure integrity and accountability but also promote long term economic interest of the Stakeholders of the Company. The Company makes all legal and regulatory compliances. Apart from accepting the role of a responsible Corporate Representative, the Company recognizes the fact that good Corporate Governance is an essential pre-requisite for sustained growth.

2. Board of Directors

a. Composition and Category of the Directors:

The Board of the Company has good and diverse mix of Executive and Non-Executive Directors. As on date of this report, the Company's Board of Directors comprised of twelve directors. The Chairman of the Board is an Executive Promoter Director. In addition, the Board comprises of eleven other Directors; five Promoter Executive Directors, two women Non-Executive Independent Directors (as prescribed under Regulation 17(1) of SEBI (LODR) (Amendment) Regulations, 2018) and remaining four being Non– Executive Independent Directors. None of the Directors on the Board were member of more than ten Committees or acted as Chairman of more than five Committees, (as prescribed in Regulation 26 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015) across all companies in which they were Director. Moreover, none of the Directors were acting as Independent Director in more than seven listed companies and none of the Independent Director who has served as a Whole Time Director in any listed Company was an Independent Director in more than three listed companies.

The composition of the Board of Directors is in conformity with Listing Regulations and Companies Act, 2013. The number and name of other Directorship, Committee position held by the directors as a Member/ Chairman as on March 31, 2022, attendance at the meetings and shareholding of the directors are as under:

Name of the Director	Name of the Company [1]	Category of Directorship	No. of other Directorships[2]	No. of Committee Memberships[3]		No. of Board Meeting attended during the FY 2021-2022 [4 & 5]	Attendance at last AGM[6]	No. of shares held[7]
				Chairman	Member			
Executive & Non- Independent Director								
Mr. Ashok Kumar Todi,	Lux Industries Limited	Executive Chairman	12	-	1	8/8	Yes	36,58,654
Mr. Pradip Kumar Todi,	Lux Industries Limited	Executive Managing Director	18	-	-	6/8	Yes	44,15,290
Mr. Navin Kumar Todi	Lux Industries Limited	Executive Director	-	-	-	7/7	Yes	3,25,363
Mr. Rahul Kumar Todi	Lux Industries Limited	Executive Director	-	-	-	7/7	Yes	4,60,653
Mr. Saket Todi	Lux Industries Limited	Executive Director	5	-	-	6/7	Yes	7,94,876
Mr. Udit Todi	Lux Industries Limited	Executive Director	11	-	-	4/7	Yes	8,38,876

Name of the Director	Name of the Company [1]	Category of Directorship	No. of other Directorships[2]	No. of Committee Memberships[3]		No. of Board Meeting attended during the FY 2021-2022 [4 & 5]	Attendance at last AGM[6]	No. of shares held[7]
				Chairman	Member			
Non- Executive & Independent								
Mr. Nandanandan Mishra	Lux Industries Limited United Credit Limited	Non-Executive Independent Director	1	1	3	8/8	Yes	Nil
Mr. Snehasish Ganguly	Lux Industries Limited	Non-Executive Independent Director	9	1	2	2/8	Yes	Nil
Mr. Kamal Kishore Agrawal	Lux Industries Limited	Non-Executive Independent Director	-	-	1	8/8	Yes	Nil
Mrs. Rusha Mitra	• Lux Industries Limited • Harrisons Malayalam Limited • GKW Ltd • Texmaco Rail & Engineering Limited • Naga Dhunseri Group Ltd. • PCBL Limited • Quest Capital Markets Limited • GMMCO Limited	Non-Executive Independent Director	8	3	7	8/8	Yes	Nil
Mr. Rajnish Rikhy	Lux Industries Limited	Non-Executive Independent Director	-	-	-	7/7	Yes	31,000
Mrs. Ratnabali Kakkar	Lux Industries Limited	Non-Executive Independent Director	1	-	1	6/7	Yes	Nil

Notes:

[1] Name of the Company includes directorship held in Indian Listed Companies.

[2] Other Directorships includes Directorships held in listed, unlisted and private limited companies.

[3] In accordance with Regulation 26 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Memberships / Chairmanships of only the Audit Committees and Stakeholders' Relationship Committees of all Public Limited Companies (including Lux Industries Limited) have been considered.

[4] Mrs. Prabha Devi Todi has resigned from the post of Directorship of the Company with effect from May 25, 2021 and she has not attended any meeting during the year under review.

[5] Mr. Navin Kumar Todi, Mr. Rahul Kumar Todi, Mr. Saket Todi, Mr. Udit Todi, Mr. Rajnish Rikhy and Mrs. Ratnabali Kakkar were appointed as director of the Company with effect from May 25, 2021. There have been seven meetings held since their appointment.

[6] The 26th AGM was held on September 28, 2021.

[7] The details of the shareholding of the directors is as on March 31, 2022.

b. **Details of Board Meeting held during the Year:** During the year under review eight Board meetings were held and particulars of the meetings are given below. The maximum interval between any two meetings was not more than 120 days.

Date of Board Meeting	April 28, 2021	May 25, 2021	June 25, 2021	July 27, 2021	November 01, 2021	January 28, 2022	February 03, 2022	March 11, 2022
Board Strength	7	12	12	12	12	12	12	12
No. of Directors Present	5	12	12	11	10	9	10	9

c. **Disclosure of relationships between directors inter-se:**

Mr. Ashok Kumar Todi, Mr. Pradip Kumar Todi, Mr. Navin Kumar Todi, Mr. Rahul Kumar Todi, Mr. Saket Todi and Mr. Udit Todi are related to each other. Mr. Ashok Kumar Todi and Mr. Pradip Kumar Todi are brothers and Mr. Navin Kumar Todi & Mr. Rahul Kumar Todi are the son of elder brother of Mr. Ashok Kumar Todi and Mr. Pradip Kumar Todi, Mr. Saket Todi is the son of Mr. Ashok Kumar Todi and Mr. Udit Todi is the son of Mr. Pradip Kumar Todi. Apart from this relationship there is no other inter-se relation amongst the Directors.

d. **Familiarisation Programme for Independent Directors:**

The Company organizes familiarisation programme generally forming a part of Board process and sometimes separate programme for Independent Directors were also held by Company Secretary & functional heads. Such programmes include briefing on Regulatory changes and the implications thereof; Annual operating plan and performance of the Company; Major business customers of the Company; Strategic investments in the Company; Different Products of the Company.

The Board members are also provided with relevant documents, reports and internal policies to facilitate familiarisation with the Company's procedures and practices, from time to time.

During the Financial Year under review on February 03, 2022, Company organized a separate programme for Independent Directors of the Company. The details of Company's Familiarisation Programme for Directors are posted on the Company's website, and can be viewed at the following link:

http://s3.amazonaws.com/luxs/ckeditors/pictures/201/original/Lux_Familiarisation_Programme.pdf

e. **Key Board qualifications, expertise and attributes:**

The board of the Company comprises qualified members who bring in the required skills, competence and expertise that allow them to make effective contribution to the board and its committee. The Board members are committed to ensuring that the Company's board is in compliance with the highest standards of corporate governance.

Following is the list of the core skills/competencies and expertise which are taken into consideration while nominating candidate to serve on the board.

- Accounting & Finance - experience in financial management, tax administration, professional knowledge, and experience in the field of industry, commerce, business, and corporate management.
- Sales & Marketing – experience in formulating and monitoring various policies for growth and expansion of business.
- Brand Promotion & Advertisement – experience in brand management and developing strategies to grow market share, build brand awareness and enhance enterprise reputation.
- Product Development & Production – skill in developing new patterns, optimum use of resource and knowledge of various production technology.
- Legal – experience in the area of various law applicable to Company for smooth functioning of board without any hindrance.
- Printing and Packaging – Expert in printing and packaging that helps the Company to develop new packaging and quality printing.
- Board service and governance – Service on a public Company board to develop insights about maintaining board and management accountability, protecting shareholder interests, and observing appropriate governance practices.
- Leadership - Extended leadership experience for a significant enterprise, resulting in a practical understanding of organizations, processes, strategic planning, and risk management. Demonstrated strengths in developing talent, planning succession, and driving change and long-term growth.
- Growth Expansion and strategy – Experience in expanding the business presence in domestic and overseas market. Introducing innovative schemes for acquisition and retention of customers and value chain partners.

In the matrix below, the core skills/ competencies and expertise of individual Board members have been highlighted. However, the absence of a mark against a member's name does not necessarily mean the member does not possess the corresponding qualification or skill.

Name	Board Service, Leadership & Governance	Sales & Marketing	Product Development Production & Packaging	Brand Promotion & Advertisement	Accounting and Finance/ Legal	Growth, Expansion & Strategy
Mr. Ashok Kumar Todi	✓	✓		✓		✓
Mr. Pradip Kumar Todi	✓		✓			✓
Mr. Navin Kumar Todi	✓	✓	✓	✓	✓	
Mr. Rahul Kumar Todi	✓	✓	✓		✓	
Mr. Saket Todi	✓	✓	✓	✓	✓	✓
Mr. Udit Todi	✓	✓	✓	✓	✓	✓
Mr. Nandanandan Mishra	✓	✓			✓	
Mr. Snehasish Ganguly	✓		✓			
Mr. Kamal Kishore Agrawal	✓				✓	
Mr. Rajnish Rikhy	✓	✓			✓	✓
Mrs. Rusha Mitra	✓				✓	✓
Mrs. Ratnabali Kakkar	✓	✓				✓

f. Independent Directors:

The Independent Directors of the Company are individuals of eminence & repute in their respective fields, and they actively contribute to the strategic direction, operational excellence & Corporate Governance of the Company. In accordance with the criteria set for selection and Nomination of Independent Directors and for determining their independence, the Nomination and Remuneration ('NR') Committee of the Board, inter alia, considers the qualifications, positive traits, areas of expertise and Directorships/ Committee memberships held by these individuals in other companies. The Board considers the NR Committee's recommendation and takes appropriate decisions in appointment of the Independent Directors.

The board further believes that the independent directors are independent of management and meet the requirements set forth in the Companies Act, 2013, the Rules made thereunder, and SEBI (LODR) Regulation, 2015.

In accordance with Rule 8(5)(iii)(a) of the Companies (Accounts) Rules, 2014, Mr. Rajnish Rikhy and Mrs. Ratnabali Kakkar were appointed as Independent Directors at the 26th Annual General Meeting. When assessing each director's performance, the board found their contributions to be satisfactory. The Board believes that they uphold the highest standards of ethics, possess integrity and have the necessary knowledge and experience.

During the year under review, the Independent Directors met on February 03, 2022, inter alia, to evaluate:

1. The performance of Non-Independent Directors and the Board of Directors as a whole.
2. The performance of the Chairman of the Company, considering the views of the Executive and Non-Executive Directors.
3. The quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the independent Directors were present at the meeting.

g. Reason for the resignation of an Independent Director:

During the year under review, no independent director resigned from the Company.

3. Audit Committee

The Company has an Audit Committee at the Board Level, with the powers and role that are in accordance with Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013.

a. Composition and meetings of Audit Committee:

The composition of the Audit Committee as on March 31, 2022 and particulars of the meetings attended by the members are given below:

Name of the Committee Member	Designation	Category	No. of Meetings attended*
Mr. Nandanandan Mishra	Chairman	Independent, Non-Executive	4/4
Mr. Snehasish Ganguly	Member	Independent, Non-Executive	2/4
Mr. Kamal Kishore Agrawal	Member	Independent, Non-Executive	4/4

* During the year, the Committee members met on May 25, 2021, July 27, 2021, November 01, 2021 and February 03, 2022.

All the members possess knowledge of corporate finance, accounts and Company law. The executive responsible for the finance and accounts functions and the representative of Statutory Auditors and Internal Auditors are regularly invited by the Audit Committee to its meetings. Company Secretary of the Company acts as the Secretary of the Audit Committee.

b. Brief description of terms of reference of the Audit Committee:

Brief terms of reference of the Audit Committee include the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information, to ensure that the financial statements are true and accurate and provide sufficient information.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the Statutory Auditor and the fixation of their audit fees.
3. Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors.
4. Reviewing, with the management, the annual financial statements before submission to the Board for approval.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
6. Reviewing, with the management, performance of Statutory and Internal Auditors, adequacy of the internal control systems.
7. Reviewing the adequacy of internal audit function including the structure of internal audit department, Staffing seniority of the official heading the department.
8. Reviewing the findings of any internal investigation by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control system of material nature and reporting the matter of the Board.
9. Discussion with Internal Auditors with respect to the coverage and frequency of internal audits as per the annual audit plan, nature of significant findings and follow up thereof.
10. Obtaining an update on the Risks Management Framework and the way risks are being addressed.
11. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
12. Reviewing the utilization of loans and/or advances from/investment by the holding Company in the subsidiary exceeding ₹100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loan/advances/investment already made by the Company.
13. Audit Committee can: -
    a. Call for comments of auditors about internal control systems, scope of audit and their observations.
    b. Review the financial statements before submission to the board and may discuss related issue with Internal/Statutory Auditors and Management.
    c. Full access to information contained in the records of Company.

Detailed terms of reference of the Audit Committee have been uploaded in the Company website: http://www.luxinnerwear.com/upload%20pdf/Cgovernance/policies_11.pdf

4. Nomination and Remuneration Committee

The Company has a Nomination and Remuneration Committee at the Board level, with powers and role that are in accordance with Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178 of the Companies Act, 2013 or any other laws/rules, as applicable or amended from time to time.

i. Composition and attendance of the Nomination & Remuneration Committee:

The composition of the Nomination & Remuneration Committee as on March 31, 2022 and particulars of the meetings attended by the members are given below:

Name of the Committee Member	Designation	Category	No. of Meeting attended*
Mr. Kamal Kishore Agrawal	Chairman	Independent, Non- Executive	1/1
Mr. Snehasish Ganguly	Member	Independent, Non- Executive	1/1
Mr. Nandanandan Mishra	Member	Independent, Non- Executive	1/1
Ms. Ratnabali Kakkar (w.e.f. 25.05.2021)	Member	Independent, Non- Executive	0/0

* During the year the Committee Members met once on May 25, 2021.

ii. Brief description of terms of reference of the Nomination & Remuneration Committee:

Brief terms of reference of the Committee include the following:

1. Review the composition and size of the Board in order to ensure that the Board is comprised of members reflecting the proper expertise, skills, attributes and personal and professional backgrounds for service as a Director of the Company, as determined by the Committee.
2. Formulate the criteria for determining qualifications, positive attributes and independence of a Director and KMPs. Further recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel (KMPs)
3. Formulate criteria for evaluation of Independent Directors and the Board.
4. Devise a policy on board diversity.
5. Recommend to the Board, all remuneration, in whatever form, payable to senior management and other employees of the Company.

Detailed terms of reference of the Nomination and Remuneration Committee has been uploaded on the website of the Company. http://www.luxinnerwear.com/upload%20pdf/Cgovernance/policies_12.pdf

iii. Policy for selection and Appointment of Directors, KMP and Senior Management and their Remuneration

The Nomination and Remuneration (N&R) Committee has adopted a Policy which, inter alia, deals with the manner of selection of Board of Directors, Whole Time Director, Managing Director and KMP and their remuneration. The contents of the policy are as below:

A. Appointment and Removal of Director, KMP and Senior Management

Appointment criteria and qualifications:

1. 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.
2. 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 are sufficient / satisfactory for the concerned position.
3. The Company shall not appoint or continue the employment of any person as Managing Director/Whole-time Director/Manager 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.

- **Term / Tenure:**
  1. Managing Director/Whole-time Director/ Manager (Managerial Person):
     - The Company shall appoint or re-appoint any person as its Managerial Personnel 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.

2. 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.

- At the time of appointment of Independent Director, it should be ensured that number of Boards on which such Independent Director serve 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.

- **Evaluation:**

  Pursuant to the provisions of the Act, read with Rule 8 of the Companies (Account) Rules, 2014 and Listing Regulations, the Board will carry out an annual evaluation of its own performance, and the performance of its committees as well as the individual directors.

- **Removal:**

  Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made there under or under any other applicable Act, rules and regulations, the Committee may recommend to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management subject to the provisions and compliance of the said Act, rules and regulations.

- **Retirement:**

  The Director, KMP and Senior Management shall retire as per the applicable provisions of the Companies Act, 2013, SEBI(LODR) Regulations, 2015 as applicable from time to time and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

B. Provisions Relating to Remuneration of Managerial Person, KMP and Senior Management

1. General:

1. The remuneration / compensation / commission etc. to Managerial Person, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior / post approval of the shareholders of the Company, wherever required.

2. The remuneration and commission to be paid to Managerial Person shall be as per the statutory provisions of the Companies Act, 2013, and the rules made there under for the time being in force, SEBI(LODR) Regulations, 2015 as applicable from time to time.

3. Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Managerial Person.

   Increments will be effective from the date of reappointment or from April 1, as the case may be, within the slab approved by the shareholders.

4. Where any insurance is taken by the Company on behalf of its Managerial Person, KMP 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.

2. Fixed pay:

Managerial Person, KMP and Senior Management shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee in accordance with the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force, SEBI(LODR) Regulations, 2015 as applicable from time to time. The break-up 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 on the recommendation of the Committee and approved by the shareholders, wherever required.

3. **Minimum Remuneration:**

   If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managerial Person in accordance with the provisions of Schedule V of the Companies Act, 2013.

4. **Provisions for excess remuneration:**

   If any Managerial Person draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013, SEBI (LODR) Regulations, 2015 as applicable from time to time he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company.

5. **Limit of Remuneration/Commission:**

   Remuneration/Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the net profits of the Company computed as per the applicable provisions of the Companies Act, 2013

D. **Board Diversity Policy**

- **Purpose:**

  The need for diversity in the Board has come into focus post the changes in the provisions of the Companies Act, 2013 and the corporate governance requirements as prescribed by Securities and Exchange Board of India (SEBI) under Listing Regulations.

  The NRC has framed this Policy to set out the approach to diversity on the Board of the Company.

- **Scope:**

  This Policy is applicable to the Board of the Company.

- **Policy Statement:**

  The Company recognizes the importance of diversity in its success. Considering the global footprint of the Company, it is essential that the Company has as diverse a board as possible.

  A diverse board will bring in different set of expertise and perspectives. The combination of board having different skill set, industry experience, varied cultural and geographical background and gender diversity will bring a variety of experience and viewpoints which will add to the strength of the Company.

  While all appointments to the Board are made on merit, the diversity of board in aggregate will be of immense strength to the board in guiding the Company successfully through various geographies.

  The committee reviews and recommends appointments of new Directors to the Board. In reviewing and determining the board composition, the committee will consider the merit, skill, experience, gender, and other diversity of the board.

- **Monitoring and Reporting:**

  The committee will report annually, in the Corporate Governance section of the Annual Report of the Company, the process it employed in board appointments. The report will include summary of this policy including purpose and the progress made in achieving the same.

5. Stakeholder Relationship Committee (Previously known as Shareholders Grievance Committee)

The Company has a Stakeholder Relationship Committee at the Board Level to look into various issues relating to shareholders including transfer and transmission of shares, non-receipt of dividend, Annual Report, shares after transfer and delay in transfer of shares. In addition, the Committee looks into other issues including status of dematerialisation / re- materialisation of shares as well as system and procedures followed to track investor complaints and suggest measures for improvement from time to time. To expedite the transfer in the physical segment, necessary authority has been delegated by the Board to a Committee called as Share Transfer Committee.

During the year the Company has received 2 complaints which were resolved to the satisfaction of the shareholders and no investors complaint is pending as on March 31, 2022.

Mrs. Smita Mishra, Company Secretary of the Company, is the Compliance Officer for complying with the requirements of SEBI Regulations.

(a) Composition of Stakeholder Relationship Committee:

The composition of the Stakeholder Relationship Committee and particulars of the meetings attended by the members are given below:

Name of the Committee Member	Designation	Category	No. of Meeting attended*
Mr. Snehasish Ganguly	Chairman	Independent, Non-Executive	0/1
Mr. Nandanandan Mishra	Members	Independent, Non-Executive	1/1
Ms. Ratnabali Kakkar (w.e.f. 25.05.2021)	Member	Independent, Non-Executive	1/1
Mr. Ashok Kumar Todi	Member	Non-Independent, Executive	1/1

* During the year the Committee Members met once on February 03, 2022 and the meeting was chaired by Mr. Nandanandan Mishra.

(c) Brief terms of Reference of the Stakeholder Relationship Committee

Brief terms of reference of the Committee include the following:

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.
- Reviewing of measures taken for effective exercise of voting rights by shareholders.
- Reviewing of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Reviewing of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

5A. Risk Management Committee

In terms of Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has constituted Risk Management Committee to mitigate risks by devising policies for it. The composition of the committee is as under:

(a) Composition of Risk Management Committee:

The composition of the Risk Management Committee and particulars of the meetings attended by the members are given below:

Name of the Committee Member	Designation	Category	No. of meetings attended*
Mr. Ashok Kumar Todi	Chairman	Non- Independent, Executive	2/2
Mr. Pradip Kumar Todi	Member	Non- Independent, Executive	2/2
Mr. Kamal Kishore Agrawal	Member	Independent, Non-Executive	2/2
Mr. Rajnish Rikhy (w.e.f. 25.05.2021)	Member	Independent, Non-Executive	2/2

* During the year, the Committee members met on November 01, 2021, and February 03, 2022. The gap between the two meetings does not exceeds 180 days as per the requirement of the Listing Regulations.

(b) Terms of Reference of Risk Management Committee

The terms of reference of the Risk Management Committee are as per Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, or any other laws/rules, as applicable or amended from time to time.

Business Risk Evaluation and Management is an ongoing process within the Organization. The Company has a robust risk management framework to identify, monitor and minimize risks as also identify business opportunities.

The objectives and scope of the Risk Management Committee broadly comprise of:

1. Oversight of risk management performed by the executive management.
2. Reviewing the risk management policy and framework in line with local legal requirements and SEBI guidelines.
3. Reviewing risks and evaluate treatment including initiating mitigation actions and ownership as per a pre-defined cycle.

4. Defining framework for identification, assessment, monitoring, mitigation and reporting of risks.
5. Within its overall scope as aforesaid, the Committee shall review risks trends, exposure, and potential impact analysis and mitigation plan.
6. Formulating a detailed risk management policy which shall include:
   (a) A framework for identification of internal and external risks specifically faced by the listed entity, 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.
7. Ensuring that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.
8. Monitoring and overseeing implementation of the risk management policy, including evaluating the adequacy of risk management systems.
9. Periodically reviewing the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity.
10. Keeping the board of directors informed about the nature and content of its discussions, recommendations, and actions to be taken.
11. Reviewing Appointment, Removal and terms of remuneration of the Chief Risk Officer (if any).

5B. Corporate Social Responsibility (CSR) Committee

The role of the CSR committee is to, inter alia, monitor, review and provide strategic direction to the Company's CSR initiatives. The terms of reference of the Corporate Social Responsibility Committee are as per section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014 or any other laws/rules, as applicable or amended from time to time. Its mandate includes recommending to the Board of Director's a CSR Policy, expenditure to be incurred on CSR and monitor CSR activities.

The Company is focused to address the objectives and requirements set for CSR, both in letter and spirit of the provisions of the Companies Act, 2013.

(a) Composition of Corporate Social Responsibility (CSR) Committee:

The composition of the Corporate Social responsibility Committee and particulars of the meetings attended by the members are given below:

Name of the Committee Member	Designation	Category	No. of meetings attended*
Mr. Ashok Kumar Todi	Chairman	Non- Independent, Executive	4/4
Mr. Pradip Kumar Todi	Member	Non- Independent, Executive	4/4
Mr. Kamal Kishore Agrawal	Member	Independent, Non-Executive	4/4

*During the year, the Committee members met on May 25, 2021, July 27, 2021, November 01, 2021 and February 03, 2022.

5C. Committee of Directors

The Company has a Committee of Directors constituted in terms of section 179(3) of Companies Act, 2013.

(a) Composition of Committee of Directors:

The composition of the committee as on March 31, 2022, is as under:

Name of the Committee Member	Category
Mr. Ashok Kumar Todi Chairman	Non- Independent, Executive Director
Mr. Pradip Kumar Todi Member	Non- Independent, Executive Director

(b) Attendance of Members at the Committee of Directors meetings held during the year:

During the Financial Year ended March 31, 2022, nine meetings of the Committee of Directors were held on: -

1. April 09, 2021
2. May 08, 2021
3. June 22, 2021
4. July 16, 2021
5. September 15, 2021
6. October 06, 2021
7. November 01, 2021
8. January 28, 2022
9. March 12, 2022

All the members had attended all the above-mentioned meetings.

(c) Terms of Reference of Committee of Directors

Brief terms of reference of the Committee include the following:

- Borrow money.
- Invest fund of the Company.
- Grant loan or give guarantee or provide security in respect of loans made by the Company.
- Opening and closing of bank account in the name of Company.
- Changing the mode of operations of various bank accounts.

5D. Share Transfer Committee

The ambit of the Share Transfer Committee is to streamline work related to share transfers and approval of processing relating to remat and demat. The composition of the committee is as under:

(a) Composition of Share Transfer Committee:

The composition of the committee is as under:

Name	Designantion	Category
Mr. Ashok Kumar Todi	Chairman	Non- Independent, Executive Director
Mr. Pradip Kumar Todi	Member	Non- Independent, Executive Director

(b) Attendance of Members at the Share Transfer Committee meetings held during the year:

During the year under review no share transfer committee meeting was held.

6. Remuneration of Directors

a. **Pecuniary Material Relationship:** None of the Non-Executive Independent Directors have any pecuniary material relationship or transactions with the Company for the year ended March 31, 2022.

b. **Criteria of making payments to Non- executive Director:** The remuneration / commission shall be in accordance with the statutory provisions of the Companies Act, 2013, and the rules made there under for the time being in force, SEBI (LODR) Regulations, 2015 as applicable from time to time.

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 the maximum amount as provided in the Companies Act, 2013, per meeting of the Board or Committee, SEBI (LODR) Regulations, 2015 as applicable from time to time. However, subject to the discretion of the Board, if deem necessary, the Independent Director may receive different sitting fees per meeting as per the Nomination and Remuneration Policy.

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

c. **Disclosures with respect to remuneration:**

a. Payment to Executive Directors: The details of Remuneration to the Executive Directors for the year ended March 31, 2022, is given below in tabular form below:

(₹ in Crores)

Name of Directors	Mr. Ashok Kumar Todi	Mr. Pradip Kumar Todi	Mr. Navin Kumar Todi	Mr. Rahul Kumar Todi	Mr. Saket Todi	Mr. Udit Todi
Salary	4.28	4.28	1.53	1.53	1.53	1.53
Stock option	-	-	-	-	-	-
Severance Fees	-	-	-	-	-	-
Tenure/Service Contract	September 30, 2017 to September 29, 2022.	September 28, 2019 to September 29, 2024	May 25, 2021 to May 24, 2026	May 25, 2021 to May 24, 2026	May 25, 2021 to May 24, 2026	May 25, 2021 to May 24, 2026
Notice Period	As per policy of the Company.					

Notes: -

1. The Company does not pay any performance linked incentive to any director or employee.
2. Expenses incurred for travelling, board and lodging including their respective spouses and attendant(s) during business trips, any medical assistance provided including their respective family members; and provision of cars for use on the Company's business and telephone expenses at residence shall be reimbursed at actuals and not considered as perquisites.

3. The company does not have any employee stock option plans.

4. The overall remuneration payable to all the Executive and Non-Executive directors is within the limit prescribed under Section 197 along with Schedule V of the Companies act, 2013.

b. Payment to Non-Executive Directors: The Non-executive directors have been paid sitting fees for attending Board and Committee meetings. The details thereof is given below.

(₹ in crores)

Sl No.	Name of Directors	Sitting Fees		Total
		Board Meeting	Other Committee*	
1	Mr. Nandanandan Mishra	0.04	0.05	0.09
2	Mr. Kamal Kishore Agrawal	0.04	0.08	0.12
3	Mr. Snehasish Ganguly	0.02	0.02	0.04
4	Mrs. Rusha Mitra	0.04	0.02	0.06
5	Mr. Rajnish Rikhy	0.04	0.01	0.05
6	Mrs. Ratnabali Kakkar	0.03	0.01	0.04

*The sitting fees is rounded off to the nearest integer.

7. General Body Meeting

a) Location and time, where last three Annual General Meetings were held are given below:

AGM	Date and Time	Venue	Special Resolution
26th	September 28, 2021, 11.00 a.m.	Through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM")	(i) Appointment of Mr. Navin Kumar Todi (DIN: 00054370) as Executive Director (ii) Appointment of Mr. Rahul Kumar Todi (DIN: 00054279) as Executive Director (iii) Appointment of Mr. Saket Todi (DIN: 02821380) as Executive Director (iv) Appointment of Mr. Udit Todi (DIN: 02017579) as Executive Director
25th	September 24, 2020, 11.00 a.m.	Through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM")	Nil.
24th	September 05, 2019, 11.00 a.m.	India Power Convergence Centre, Plot no. X-1, 2&3, Block-EP Sector – V, Salt Lake City, Kolkata – 700091.	Re-appointment of Mr. Pradip Kumar Todi (DIN 00246268) as Managing Director.

b) Passing of Resolutions by Postal Ballot:

No postal ballot was conducted during the financial year 2021-22, and at the forthcoming AGM also, there is no items on the agenda that needs approval by Postal Ballot.

c) Extra-ordinary General Meeting:

No Extra-ordinary General Meeting was held by the Company during the Financial Year 2021-22.

8. Means of Communication

a. **Quarterly Results:** Pursuant to Regulation 33 of Listing Regulations, the Company has regularly furnished within the prescribed timeline the quarterly un-audited, as well as annual audited financial results to all the Stock exchanges i.e., BSE & NSE.

b. **Newspapers wherein results normally published:** Quarterly and Annual financial results are also published in English language national daily newspaper Business Standard, Financial Express, Economic Times newspapers, circulating in the whole of India and Arthik Lipi/Ei Samay (Bengali), published in the vernacular language in state where registered office of the Company is situated.

c. **Website:**

Company's Website

Pursuant to Regulation 46 of the Listing Regulations, the Company's website, www.luxinnerwear.com contains a dedicated functional segment, Investor Section where all the information meant for the shareholders are available, including information on Directors, Shareholding Pattern, Quarterly Reports, Financial Results, Annual Reports, Press Releases, details of unpaid/unclaimed dividends and various policies of the Company.

NSE Electronic Application Processing System (NEAPS):

NEAPS is a web-based application designed by the National Stock Exchange of India Ltd. ('NSE') for corporate filings. All periodical compliance related filings, like shareholding pattern, corporate governance report, media releases, and corporate actions are filed electronically on NEAPS.

Further, in January 2022, NSE introduced New Digital Portal for filing of Information with the Exchange – for Equity Announcements & Disclosures under SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011. The information can be accessed on the website of NSE: https://www.nseindia.com/

BSE Corporate Compliance & Listing Centre (Listing Centre):

The Listing Centre of BSE Ltd. is a web-based application designed for corporate filings. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are filed electronically on the Listing Centre. The information can be accessed on the website of BSE: https://www.bseindia.com/

d. **News Releases and Presentations:**

Official news releases and official media releases are sent to Stock Exchanges on which the shares of the Company are listed and are also uploaded on the Company's website at www.luxinnerwear.com.

e. **Presentations to Institutional Investors/ Analysts:**

During the year presentation were made to Institutional Investors/ Analysts and intimation about the same were duly given to Stock Exchanges and copy of Investor Presentation of Company is also available on the website of the Company www.luxinnerwear.com

f. **Annual Report:**

The Annual Report containing, inter alia, the Audited Financial Statements, Directors' Report, Auditors' Report, the Management Discussion and Analysis (MDA) Report and other important information is circulated as desired and is also available on the Company's website at www.luxinnerwear.com.

g. **Green Initiative:**

Information is uploaded on Company's website and other information are sent to the members in electronic form to save paper whose e-mail ids are registered with Company.

9. General Shareholder Information

a. **Annual General Meeting:**

Date,Time and Venue	September 20, 2022 at 11:00 a.m. through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM")
Book closure dates	September 14, 2022 to September 20, 2022 (both days inclusive)
Dividend payment date	During the year 2021-22, interim dividend of ₹12/- per share was declared on November 01, 2021. The Board has not recommended final dividend.

b. **Financial Year and Calendar:**

Financial Year	April 1 to March 31
Financial calendar: (Tentative)	
First Quarterly Results	2nd week of August, 2022
Second Quarterly Results	2nd week of November, 2022
Third Quarterly Results	1st week of February, 2022
Fourth Quarterly Results	3rd week of May, 2023
Annual General Meeting	September, 2023

c. **Details of Stock Exchange & Stock Code:**

Exchange	Address	Code
Bombay Stock Exchange Limited (BSE)	Phiroze Jeejeebhoy Towers, Dalal Street Mumbai- 400001	539542
National Stock Exchange Limited (NSE)	Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai – 400 051	LUXIND

d. **Payment of Listing Fee:**

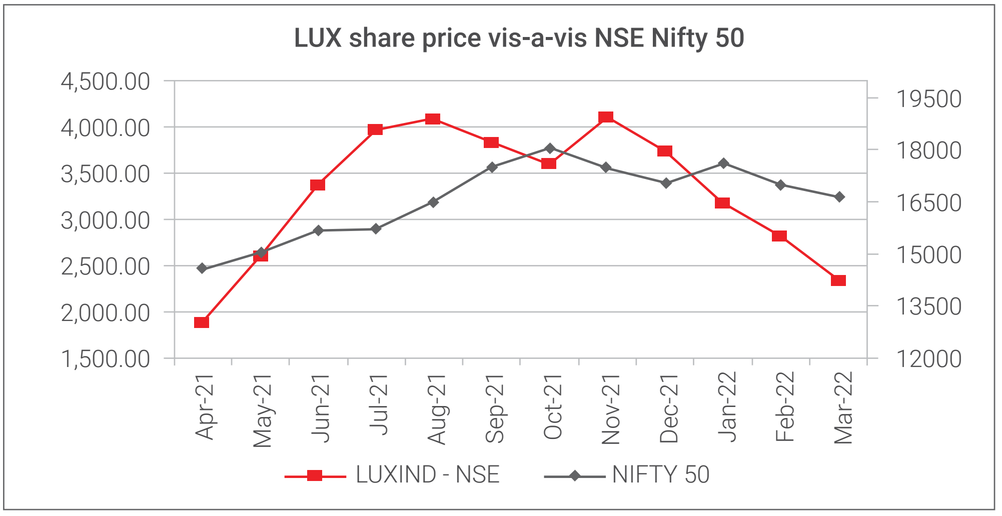
Annual listing fees for the year 2021-22 have been duly paid to the above Stock Exchanges.

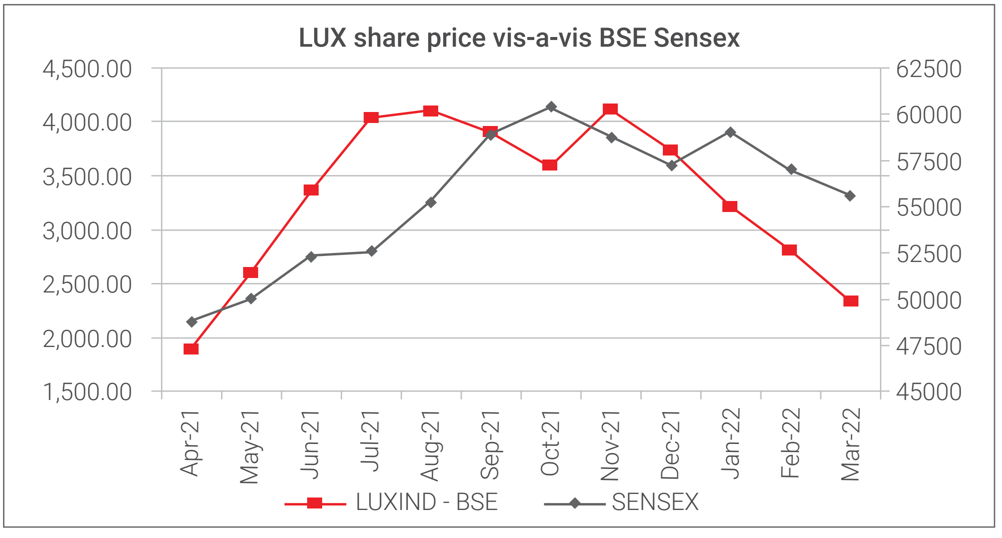
e. Stock Price data

Month	The National Stock Exchange of India Ltd. (NSE)			Bombay Stock Exchange Limited (BSE)		
	High (₹)	Low (₹)	Volume (No. of Shares)	High (₹)	Low (₹)	Volume (No. of Shares)
April, 2021	2,009.95	1,748.00	1768205	2,006.35	1,775.00	60965
May, 2021	3,323.90	1,875.00	6313715	3,322.75	1,876.00	371253
June, 2021	3,780.00	2,944.50	2288567	3,777.55	2,949.95	184680
July, 2021	4,350.00	3,585.40	1426828	4,500.00	3,560.00	111123
August, 2021	4,343.00	3,811.05	1217426	4,340.75	3,856.10	73505
September, 2021	4,200.00	3,430.05	1079098	4,375.00	3,431.45	61403
October, 2021	3,847.40	3,330.55	929298	3,840.00	3,328.05	62684
November, 2021	4,644.00	3,562.00	2337850	4,641.50	3,589.65	169648
December, 2021	3,991.60	3,480.00	981678	3,987.95	3,478.90	71832
January, 2022	3,927.90	2,420.00	3596147	3,925.00	2,501.00	252098
February, 2022	3,172.40	2,428.10	1334442	3,183.40	2,427.30	112954
March, 2022	2,514.00	2,150.00	1370437	2,510.95	2,150.00	145032

f. Performance in comparison to the Broad-based indices

Graphical representation of movement of share price of the Company in line with indices of NSE and BSE:





g. **In case the securities are suspended from trading, the directors report shall explain the reason thereof:** Not applicable.

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

Particulars	Local Address
KFin Technologies Limited **(Previously known as Karvy Fintech Private Limited,)** "Karvy Selenium Tower B", Plot No. 31 & 32, Financial District, Nanakramguda, Gachibowli, Hyderabad-500 032. Toll Free No: 18003094001 Fax: +91-40-23420814 E-Mail: einward.ris@kfintech.com	**KFin Technologies Limited** **(Previously known as Karvy Fintech Private Limited,)** Apeejay House, Block "B", 3rd Floor 15, Park Street, Kolkata – 700016 Tel: +033-66285934/901

i. **Share Transfer System:**

Shares lodged in physical form with the Company and its Registrar and Shares Transfer Agent are processed and returned duly transferred, within 15-20 days normally, except in cases where any dispute is involved.

In case of shares held in Demat mode, the transfer takes place instantaneously between the transferor, transferee and the Depository Participant through electronic debit/credit of accounts involved.

The Company has share transfer committee which looks after the share transfer process. In compliance with the Listing Regulations, a Practicing Company Secretary carries out audit of the System of Transfer annually and issues a certificate to that effect is issued.

j. **Distribution of Shareholding as on March 31, 2022**

Sr. No.	Range of Shares held	No. of Shareholders	Percentage	No. of Shares	Percentage
1	1 - 5000	59055	99.80	2311094	7.69
2	5001 - 10000	51	0.09	352971	1.17
3	10001 - 20000	26	0.04	363649	1.21
4	20001 - 30000	12	0.02	294731	0.98
5	30001 - 40000	3	0.01	104933	0.35
6	40001 - 50000	5	0.01	233573	0.78
7	50001 - 100000	6	0.01	388218	1.29
8	100001 and above	18	0.03	26022512	86.53
	TOTAL:	**59,176**	**100.00**	**3,00,71,681**	**100.00**

k. **Shareholding pattern as on March 31, 2022:**

Category	Number of		Percentage to total equity
	Shareholders	Shares	
A. Promoters and Promoters Group - Indian Promoters	14	22238140	73.95
B. Public Shareholding - Corporate Bodies	393	426182	1.42
- NBFC	-	-	-
- Banks	1	13	0.00
- Indian Financial Institutions	-	-	-
- Non-Resident Non Repatriable	411	36605	0.12
- Non-Resident Indians	888	61509	0.20
- Qualified Institutional Buyer	1	1426317	4.74
- Foreign Portfolio Corp	73	847844	2.82
- Mutual Funds	4	1983942	6.60
- Alternative Investment Fund	3	213854	0.71
- IEPF	1	15210	0.05

Category	Number of		Percentage to total equity
	Shareholders	Shares	
- Indian Public	55870	2746402	9.13
- HUF	899	109287	0.36
- Trust	3	83	0.00
- Clearing Members	90	75580	0.25
Total	**57,752**	**3,00,71,681**	**100.00**

l. **Dematerialisation of Shares:**

- The Company has arrangements with both NSDL and CDSL to establish electronic connectivity for scrip less trading and as on March 31, 2022, 99.99% of the paid-up share capital is held in dematerialised form.
- The Annual Custodial Charges to NSDL and CDSL have been paid.
- The ISIN Number allotted to Company's Shares is INE150G01020.

Shares held in Demat and physical mode as of March 31, 2022

Category	Number of		Percentage to total equity
	Shareholders	Shares	
A. Demat mode:			
No. of Shares held by NSDL	19415	26961392	89.66
No. of Shares held by CDSL	39707	3108079	10.33
Total	**59,122**	**3,00,69,471**	**99.99**
B. Physical mode	54	2210	0.01
Grand total	**59,176**	**3,00,71,681**	**100.00**

m. **Outstanding global depository receipts or american depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity:** Not applicable.

n. **Unclaimed Dividend:**

Section 123 of the Companies Act, 2013, mandates that companies should transfer dividend that has been Unpaid / Unclaimed for a period of seven years from the unpaid account to the Investor's Education and Protection Fund (IEPF). In accordance with the following schedule, the dividend for the years mentioned below, if unclaimed within a period of seven years, will be transferred to IEPF.

Year	Dividend Type	Dividend per share (₹)	Date of declaration	Due date for Transfer
2014-2015	Final	6.00	September 26, 2015	November 03, 2022
2015-2016	Interim	6.00	March 12, 2016	March 19, 2023
2015-2016	Final	1.00	September 27, 2016	November 04, 2023
2016-2017#	Final	1.40	September 21, 2017	October 28, 2024
2017-18 #	Final	2.00	September 27, 2018	November 04, 2025
2018-19#	Final	3.50	September 21, 2019	October 28, 2026
2019-20#	Interim	10.00	February 13, 2020	March 20, 2027
2019-20#	Final	2.50	September 24, 2020	November 01, 2027
2021-22#	Interim	12.00	November 01, 2021	December 08, 2028

#Note: For the financial year 2014-2015 and 2015-2016 the Company declared dividend on the face value of 10/- each and dividend declared in the remaining financial years were at the face value of ₹2/-each.

The Company is sending periodic communication to the concerned shareholders, advising them to lodge their claims with respect to unclaimed dividend. Shareholders are cautioned that once unclaimed dividend is transferred to IEPF, no claim shall lie in respect thereof with the Company. Further detail process of sending dividend and shares to IEPF and for claiming shares and dividend is provided in the director's report section of this Annual Report.

As per Regulation 34(3) read with Schedule V of the Listing Regulations, there are no shares lying in the Suspense Account of the Company, so details are not applicable.

During the year, the unpaid shares in the Suspense Account were transferred to IEPF account as per prescribed law.

o. **Outstanding GDRs/ADRs/warrants or any other convertible instruments, conversion date and likely impact on equity:** Not applicable.

p. **Commodity price risk or foreign exchange risk and hedging activities:** The Company has not engaged in any commodity hedging activities details related to foreign exchange risk is given in notes to the Financial Statements.

q. **Location of Plants:**

1. S. F. 473/1B1, Avinashi Lingam Palayam, Palangarai Village, Avinashi (T.K.), Coimbatore – 641 654	2. Mollaber, Janai, Durgapur Expressway, Dankuni, Hooghly, West Bengal-712702.	3. Sankrail Industrial Park, Jalan Complex, Kendwa, Howrah (W.B.)
4. Angeripalayam Main Road 11/5, Shahstri Nagar, Tiruppur- 641602, Tamil Nadu.	5. B-XXXII-1429/11, Jujhar Singh Nagar, Gahlewal Pind, Rahon Road, Ludhiana -141008.	6. Srijan Logistic Park, West Bengal.
7. E-5, Sec- D1, Tronica City, Loni, Ghaziabad- 201102		

r. **Address for Correspondence:**

KFin Technologies Limited **(Previously known as Karvy Fintech Private Limited)** "Karvy Selenium Tower B", Plot No. 31 & 32, Financial District, Nanakramguda, Gachibowli, Hyderabad-500 032. Toll Free No: 18003094001 Fax: +91-40-23420814 E-Mail: einward.ris@kfintech.com	**Secretarial Department** Lux Industries Limited, 39, Kali Krishna Tagore Street, Kolkata- 700 007 Tel:033-40402121 Fax:033-40012001 E-mail: investors@luxinnerwear.com

s. **Credit Rating:**

The rating obtained by the Company during the financial year were provided in the Directors' Report section of this Annual Report.

10. Other Disclosures

a. **Disclosure on materially significant related party transactions that may have potential conflict with the interests of the Company at large:**

Transactions with related parties as per Indian Accounting Standard (IND AS-24) 'Related Party Disclosures' issued by the Institute of Chartered Accountants of India are disclosed in Notes to accounts.

There were no materially significant related party transactions which could have potential conflict with interest of the Company at large. The Company's Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions is available on the website of the Company and can be accessed at

http://s3.amazonaws.com/luxs/ckeditors/pictures/194/original/RPT_Policy_modified_Lux.pdf

b. **Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years:**

There has been no instance of non-compliance by the Company on any matter related to capital markets during the last three years and hence no penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority.

c. **Establishment of Vigil Mechanism:**

The Company has a vigil mechanism contained in the Whistle Blower Policy, in terms of section 177 of the Companies Act, 2013 to deal with instances of fraud and mismanagement, if any. The purpose of this policy is to provide a framework to promote responsible and secure whistle blowing. It protects employees wishing to raise a concern about serious irregularities within the Company.

A quarterly report with number of complaints, if any, received under the Policy and their outcome placed before the Audit Committee and the Board. Further no personnel have been denied access to the audit committee at any instances. The policy on vigil mechanism may be accessed on the Company's website. http://www.luxinnerwear.com/upload%20pdf/Cgovernance/policies_10.pdf

d. **Disclosure of Non-Mandatory Requirement:**

- **Chairman's Office:**

  The Company has an Executive Chairman and the office with required facilities is provided and maintained at the Company's expenses for use by the Chairman.

- **Nomination and Remuneration Committee:**

  The Company has constituted a Nomination and Remuneration Committee and the full details of the same are available in the report.

- **Shareholders Rights:**

  The financials are normally published in Business Standard (English), Financial Express (English), Economic Times (English) and Ei Samay (Bengali) newspapers and therefore, have not been separately circulated to the shareholders.

- **Audit Qualification:**

  The Company has moved towards a regime of unqualified financial statement.

e. **Web link where policy for determining 'material' subsidiaries is disclosed**

The Board of Directors of the Company formulated the policy for determining "material subsidiaries" to comply with the requirements of Regulation 24 of the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 ("SEBI (LODR) Regulations, 2015") for such material subsidiaries.

Same can be accessed on the Company's website: -

http://s3.amazonaws.com/luxs/ckeditors/pictures/181/original/Lux_Policy_for_determination_of_Material_Subsidiary.pdf

f. **Web link where policy on dealing with related party transactions;**

Pursuant to the Listing Regulations, the Board Directors ('Board') of the Company has formulated a policy on dealing with related party transactions and it can be accessed on the Company's website: -

http://s3.amazonaws.com/luxs/ckeditors/pictures/194/original/RPT_Policy_modified_Lux.pdf

g. **Disclosure of commodity price risks and commodity hedging activities:** The Company has not entered any commodity hedging activities.

h. **Detail of total fees paid to statutory auditor**

The details of total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part, are as follows:

(₹ In Crores)

Type of Service	2021-22	2020-21
Audit fees	0.30	0.28
Others	0.08	0.03
Total	**0.38**	**0.31**

i. **Complaints pertaining to sexual harassment**

The following is reported pursuant to section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and regulation 34(3) read with sub-clause 10(l) of Clause C of Schedule V of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015:

Particulars	Numbers
Number of complaints filed during the financial year	Nil
Number of complaints disposed of during the financial year.	Nil
Number of complaints pending as on end of the financial year.	Nil

j. **Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount:** Not applicable.

k. **Risk Management:**

The Company has risk management committee which makes periodic review and reporting to the Board of Directors of risk assessment with a view to minimize risk.

l. **Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).**

Pursuant to the Scheme of Amalgamation 48,18,681 equity shares were allotted by the Company on May 8, 2021 to the shareholders of the JMHL & Ebell (Transferor Companies) on preferential allotment basis. Since, shares were issued pursuant to the swap ratio, no funds were raised in the said allotment.

m. **Compliance with Governance Framework**

The Company is in compliance with all mandatory requirements under the Listing Regulations.

n. **Legal Proceedings**

There is no pending case related to any dispute.

o. **Disclosures with respect to demat suspense account/ unclaimed suspense account** – No shares are in suspense account/ unclaimed suspense account.

p. **Recommendation of Committee:** The Board has accepted all the recommendations of the committees of the Board.

q. **The disclosures of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 shall be made in the section on corporate governance of the annual report:** All the requirements mentioned are complied with.

r. **The corporate governance report shall also disclose the extent to which the discretionary requirements as specified in Part E of Schedule II have been adopted:** The disclosures are covered under the para 'Disclosure of Non-Mandatory Requirement' of this Report.

Certifications

a. MD and CFO Certification

The MD and CFO certification on the financial statements and internal control is separately annexed separately to the Board's Report. (Refer **Annexure E**)

Further, the Company has laid down a comprehensive Code of Conduct ('Code') for the Board and Senior Management of the Company.

The Company has received affirmations from Board Members as well as Senior Management confirming their compliance with the said Code for the FY 2021-22. An annual declaration signed by the Managing Director, & CFO to this effect forms part of this Report.

The Code is available on the website of the Company at: http://www.luxinnerwear.com/upload%20pdf/Cgovernance/code%20of%20conduct.pdf

b. Compliance certificate of the Auditors

The Statutory Auditors have certified that the Company has complied with the conditions of Corporate Governance as stipulated in Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the same is annexed separately to the Board's Report. (Refer **Annexure F**)

c. Certificate from Company Secretary in Practice

MR & Associates, Practicing Company Secretaries has issued a certificate as required under the Listing Regulations, confirming that none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as director which is annexed separately to the Board's report as Annexure "G".

For and on behalf of the Board of Directors

Sd/-
Ashok Kumar Todi
Chairman
DIN: 00053599

Place: Kolkata
Date: May 30, 2022

Annexure 'E' to Board's Report

Certification by Managing Director and Chief Financial Officer of the Company

As required under Regulation 17(8) read with Part B of Schedule II of the SEBI(LODR) Regulations, 2015, We, Pradip Kumar Todi, Managing Director and Saurabh Kumar Bhudolia, Chief Financial Officer of Lux Industries Limited, to the best of our knowledge and belief certify that:

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

    a. these statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading.

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

2. We further state that to best of our knowledge and belief, there are no transactions entered into by the Company, which are fraudulent, illegal or violate the Company's code of conduct.

3. We and the Company's other Certifying Officers are responsible for establishing and maintaining internal controls and procedures for the Company, and we have evaluated the effectiveness of the Company's internal controls and procedure.

4. We and the Company's other Certifying Officers have indicated, based on our most recent evaluation, whichever applicable, to the Company's auditors and to the Audit Committee:

    a. significant changes, if any, in the internal control over financial reporting during the year.

    b. significant changes if any, in the accounting policies during the year and that the same has been disclosed in the notes to financial statements; and

    c. instance of significant fraud of which we have become aware of and the involvement therein, if any of the management or an employee having significant role in the Company's internal control system over financial reporting.

As required under Schedule V of the SEBI(LODR) Regulations, 2015, We further declare that all members of the Board and Committees and all Senior Management Team have affirmed compliance with the Code of Conduct of the Company for the financial year 2021-22.

	Sd/-	Sd/-
	Pradip Kumar Todi	**Saurabh Kumar Bhudolia**
Place: Kolkata	*Managing Director*	*Chief Financial Officer*
Date: May 30, 2022	(DIN: 00246268)	

Annexure 'F' to Board's Report

Auditors' Certificate on Corporate Governance.

To
The Members of
Lux Industries Limited

1. We, S K AGRAWAL AND CO CHARTERED ACCOUNTANTS LLP, the statutory auditors of Lux Industries Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2022, as stipulated in regulation 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

Management's Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.

3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

Auditor's Responsibility

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

5. 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.

6. 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 issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. Based on our examination of the relevant records and according to the information and explanations provided to us by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulation 17 to 27 and clauses (b) to (i) of regulation 46 (2) and para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2022.

Other Matter

9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For S K AGRAWAL AND CO
CHARTERED ACCOUNTANTS LLP
Chartered Accountants
Firm Registration No. – 306033E/E300272

Sandeep Agrawal
Partner
Membership No 058553
UDIN: 22058853AJWVYH4215

Place: Kolkata
Date: May 30, 2022

Annexure 'G' to Board's Report

Certificate of Non-Disqualification Of Directors

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

To,
The Members,
Lux Industries Limited
39, Kali Krishna Tagore Street
Kolkata 700007.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Lux Industries Limited having CIN L17309WB1995PLC073053 and having registered office at 39, Kali Krishna Tagore Street, Kolkata 700007 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10 (i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name Of The Directors	DIN	Date of Appointment in Company
1.	Mr. Ashok Kumar Todi	00053599	21/07/1995
2.	Mr. Pradip Kumar Todi	00246268	21/07/1995
3.	Mr. Nandanandan Mishra	00031342	31/07/2007
4.	Mr. Kamal Kishore Agrawal	01433255	10/03/2008
5.	Mr. Snehasish Ganguly	01739432	10/10/2003
6.	Mrs. Rusha Mitra	08402204	29/03/2019
7.	Mr. Rahul Kumar Todi	00054279	25/05/2021
8.	Mr. Navin Kumar Todi	00054370	25/05/2021
9.	Mr. Udit Todi	02017579	25/05/2021
10.	Mr. Saket Todi	02821380	25/05/2021
11.	Mr. Rajnish Rikhy	08883324	25/05/2021
12.	Mrs. Ratnabali Kakkar	09167547	25/05/2021

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For M R & Associates
Company Secretaries
A Peer Reviewed Firm
Peer Review Certificate No.: 720/2020

M.R. Goenka
Partner
FCS No. :4515
C P No. :2551
UDIN: F004515D000387953

Place: Kolkata
Date: May 30, 2022

Annexure 'H' to Board's Report

Particulars of contracts / arrangements made with related parties in Form AOC-2

[Pursuant to Clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013, and Rule 8(2) of the Companies (Accounts) Rules, 2014 – AOC-2]

This Form pertains to the disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013, including certain arm's length transactions under third proviso thereto.

- **Details of contracts or arrangements or transactions not at arm's length basis**

  There were no contracts or arrangements, or transactions entered into during the year ended March 31, 2022, which were not at arm's length basis.

- **Details of material contracts or arrangement or transactions at arm's length basis**

  There were no material contracts or arrangements, or transactions entered into during the year ended March 31, 2022.

For and on behalf of the Board of Directors

	Sd/-	Sd/-
	Ashok Kumar Todi	**Pradip Kumar Todi**
Date: May 30, 2022	*Chairman*	*Managing Director*
Place: Kolkata	DIN : 00053599	DIN:00246268

Annexure 'I' Secretarial Auditor's Report

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 of Managerial Personnel) Rules, 2014]

To,
The Members,
Lux Industries Limited
39, Kali Krishna Tagore Street
Kolkata 700007

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

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

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

i) The Companies Act, 2013 (the Act), amendment 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 Borrowings;

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

   a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

   c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable regulations / guidelines/circulars as may be issued by SEBI from time to time;

   e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

We further report that, there were no actions/ events in pursuance of;

(a) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 / The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 as applicable;

(b) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

(c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 read with Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021.

(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 / The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 as applicable;

We further report that as per the representation made by the Management no specific laws are applicable to the Company except for general laws like Factories Act, 1948, Industrial Dispute Act, 1947, Payment of Wages Act, 1936 and other applicable labour laws, Environment (Protection) Act, 1986 and other environment laws etc.

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India and to the extent amended and notified from time to time.

(ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange Limited.

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

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

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

All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

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

We further report that SEBI vide Order No. WTM/SM/ISD/ISD_ISD/16598/2022-23 dated May 27, 2022 (modifying its Interim Ex-parte Order No WTM/SM/ISD/56/2021-22 dated January 24, 2022) restrained Mr. Udit Todi, one of the Directors of the Company, from dealing in securities of Lux Industries Limited until further orders.

We further report that during the audit period, the Company had:

i) made allotment on 08.05.2021 pursuant to the scheme of Amalgamation ("Scheme") of M/s J.M. Hosiery & Co Limited (Transferor Company 1) and M/s Ebell Fashions Private Limited (Transferor Company 2) with M/s Lux Industries Limited (Transferee Company) of 48,18,681 (Forty Eight Lacs Eighteen Thousand Six Hundred and Eighty One) fully paid-up Equity Shares of ₹2/- (Rupee Two Only) each at par, to the Shareholders of the Transferor Company 1 and Transferor Company 2.

ii) obtained approval of shareholders by way of Special Resolution vide Annual General Meeting dated September 28, 2021 for appointment of Mr. Navin Kumar Todi (DIN: 00054370) as Executive Director of the Company.

iii) obtained approval of shareholders by way of Special Resolution vide Annual General Meeting dated September 28, 2021 for appointment of Mr. Rahul Kumar Todi (DIN: 00054279) as Executive Director of the Company

iv) obtained approval of shareholders by way of Special Resolution vide Annual General Meeting dated September 28, 2021 for appointment of Mr. Saket Todi (DIN: 02821380) as Executive Director of the Company.

v) obtained approval of shareholders by way of Special Resolution vide Annual General Meeting dated September 28, 2021for appointment of Mr. Udit Todi (DIN: 02017579) as Executive Director of the Company

This Report is to be read with our letter of even date which is annexed "**ANNEXURE - A**" and forms an Integral Part of this Report.

For M R & Associates
Company Secretaries
A Peer Reviewed Firm
Peer Review Certificate No.: 720/2020

M.R. Goenka
Partner
FCS No.: 4515
C P No.: 2551
UDIN : F004515D000388052

Place : Kolkata
Date : May 30, 2022

ANNEXURE - A

(TO THE SECRETARIAL AUDIT REPORT OF LUX INDUSTRIES LIMITED FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022)

To,
The Members,
Lux Industries Limited
39, Kali Krishna Tagore Street
Kolkata 700007

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

1. Maintenance of Secretarial Records is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the Audit practices and processes as where appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial Records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations and standards is the responsibilities of the management. Our examination was limited to the verification of procedures on test basis.
6. As regard the books, papers, forms, reports and returns filed by the Company under the provisions referred to in our Secretarial Audit Report in Form MR-3 the adherence and compliance to the requirements of the said regulations is the responsibility of management. Our examination was limited to checking the execution and timeliness of the filing of various forms, reports, returns and documents that need to be filed by the Company with various authorities under the said regulations. We have not verified the correctness and coverage of the contents of such forms, reports, returns and documents.
7. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For M R & Associates
Company Secretaries
A Peer Reviewed Firm
Peer Review Certificate No.: 720/2020

M.R. Goenka
Partner
FCS No.: 4515
C P No.: 2551
UDIN : F004515D000388052

Place : Kolkata
Date : May 30, 2022

Annexure 'J' to Board's Report

Business Responsibility Report

The Business Responsibility Report for the year ended March 31, 2022 has been issued in compliance with the requirements of Regulation 34(2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and forms a part of the Director's Report of the Company, for the financial year 2021-22

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

Corporate Identity Number (CIN) of the Company	L17309WB1995PLC073053
Name of the Company	Lux Industries Limited
Registered Office Address	39, Kali Krishna Tagore Street, Kolkata-70007.
Website	www.luxinnerwear.com
E-mail Id	cs@luxinnerwear.com
Financial Year reported	2021-22
Sectors that the company is engaged (Industry activity code wise)	Group*: 143 Class: 1430 Sub-Class: 14309 Description: Manufacture of other knitted and crocheted apparel including hosiery. *As per classification under National Industrial Classification.
List three key products/services that the Company manufactures/ provides (as in balance sheet)	Vests Briefs Thermal wear
Total number of locations where business activity is undertaken by the Company	The headquarter of the Company is in Kolkata. We have 7 manufacturing plants in 4 States in the country: State/Union Territory Location - Tamil Nadu: Tirupur, West Bengal: B.T.Road, Dhulagarh, Srijan Logistic Park, Dankuni, Punjab: Ludhiana, U.P: Ghaziabad.
Markets served by the Company - Local/ State/National/ International	We have a global footprint that serves both in National and International Markets. International markets are served through exports, currently, we are catering to 47 countries and are committed to cover more countries by 2025.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

(₹ In Crores)

Paid up Capital	6.26
Total Turnover	2289.99
Total Profit after tax	341.39
Total Spending on Corporate Social Responsibility (CSR) as percentage of average net profits (%)	Our total spending on CSR is ₹4.58 Crs which is 2% of average net profits of the last three financial years
List of activities on which expenditure in (4) above has been incurred	(a) Promotion of Education (b) Medical Facilities (c) Social Welfare (d) Animal Welfare (e) Promotion of traditional art and culture (f) Ensuring Environmental Sustainability. (g) COVID Relief Measures.

SECTION C: OTHER DETAILS

Does the Company have any Subsidiary Company?	The Company has One Subsidiary i.e. Artimas Fashions Private Limited.
Do the Subsidiary Company participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	No.
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%]	Currently, the Company is carrying the BR initiative individually. The Company does not mandate its suppliers/distributors to participate in the Company's BR initiatives. However, they are encouraged to adopt such practices and follow the concept of running business with responsibility.

SECTION D: BUSINESS RESPONSBILITY (BR) INFORMATION

Details of Director responsible for implementing BR Policies- (Name, DIN, Designation, Contact Details)	1) Mr. Ashok Kumar Todi DIN:00053599 Designation: Chairman Contact Details: 033-40402121 2) Mr. Pradip Kumar Todi DIN:00246268 Designation:Managing Director Contact details:033-40402121 3) Mr. Kamal Kishore Agarwal DIN:01433255 Designation: Independent Non-Executive Director Contact details: 9830007755
Details of BR head responsible for implementing BR Policies (Name, Designation, Contact Details)	Mr. Saurabh Kumar Bhudolia, Designation: Chief Financial Officer, Mobile:033-40402132. E-mail Id:saurabh.bhudolia@luxinnerwear.com

The National Voluntary Guidelines on Social, Environment and Economic Responsibilities of Business (NVGs), released by the Ministry of Corporate Affairs, has adopted nine areas of Business Responsibility. The same are mentioned below:

Principle 1 [P1] BUSINESS SHOULD CONDUCT AND GOVERN THEMSELVES WITH ETHICS, TRANSPARENCY AND ACCOUNTABILITY.	**Principle 2 [P2]** BUSINESSES SHOULD PROVIDE GOODS AND SERVICES THAT ARE SAFE AND CONTRIBUTE TO SUSTAINABILITY THROUGHOUT THEIR LIFE CYCLE.	**Principle 3 [P3]** BUSINESSES SHOULD PROMOTE THE WELLBEING OF ALL EMPLOYEES.	**Principle 4 [P4]** BUSINESSES SHOULD RESPECT THE INTERESTS OF, AND BE RESPONSIVE TOWARDS ALL STAKEHOLDERS, ESPECIALLY THOSE WHO ARE DISADVANTAGED, VULNERABLE AND MARGINALISED.
Principle 5 [P5] BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS.	**Principle 6 [P6]** BUSINESSES SHOULD RESPECT, PROTECT AND MAKE EFFORTS TO RESTORE THE ENVIRONMENT.	**Principle 7 [P7]** BUSINESSES, WHEN ENGAGED IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A RESPONSIBLE MANNER.	**Principle 8 [P8]** BUSINESSES SHOULD SUPPORT INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT.
Principle 9 [P9] BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CUSTOMERS AND CONSUMERS IN A RESPONSIBLE MANNER.			

(a) The detailed compliance of the above-mentioned Principles, by the Company are mentioned below:

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
P1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability	Lux Code of Conduct and Whistle Blower Policy								
P2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.	**Lux's Health, Safety and Environment Policy** (Lux HSE Policy)								
P3	Businesses should promote the well-being of all employees.	Lux HSE Policy.								
P4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized	Lux Corporate Social Responsibility Policy								
P5	Businesses should respect and promote human rights	Lux Code of Conduct								
P6	Businesses should respect, protect, and make efforts to restore the environment.	Lux HSE Policy								
P7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner	Lux Code of Conduct								
P8	Businesses should support inclusive growth and equitable development.	Lux Corporate Social Responsibility Policy								
P9	Businesses should engage with and provide value to their customers and consumers in a responsible manner.	Lux Code of Conduct								
1	Do you have a policy/ policies for the following Principles	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	The company has taken into account relevant stakeholder's interest while formulating the BR Policy.								
3	Does the policy conform to any national / international standards? If yes, specify?	Yes, the Policy conforms to national and international standards. Since Lux is ISO certified Company in relation to quality it complies with International Standards.								
4	Has the policy being approved by the Board? Who has signed the Policy? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Yes, the BR policy has been approved by the Board in their meeting held on 10.11.2016 and the Policy was signed by Managing Director of the Company.								
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	The Corporate Social Responsibility (CSR) Committee of the Board of Directors is responsible for implementation of BR policies. The members of the CSR Committee are as follows: i. DIN Number: 00053599 Name: Mr. Ashok Kumar Todi Designation: Chairman ii. DIN Number: 00246268 Name: Mr. Pradip Kumar Todi Designation: Managing Director iii. DIN Number: 01433255 Name: Mr. Kamal Kishore Agarwal Designation: Independent Non-Executive Director								
6	Is the Policy uploaded on the website of the Company? what is its link?	Yes, the weblink is as follows: www.luxinnerwear.com								

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	The Company has uploaded its BR Policy on its website.								
8	Does the company have in-house structure to implement the policy/ policies.	Yes.								
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	The board has given responsibility to CSR Committee of the Company to redress the stakeholder's grievances.								
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Yes, the Company has an external agency to carry out independent audit of the working of its BR policy.								

(b) Governance related to BR

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

  Annually.

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

  Yes, Company has published its BR Report annually which forms part of the Directors Report under Annual report of the Company for the financial year 2021-22 and the same can be viewed under investor section on the website of the Company, the weblink is as follows: www.luxinnerwear.com

SECTION E: PRINCIPLE WISE PERFORMANCE

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

No.	Questions	Yes/No
1	Does the policy relating to ethics, bribery and corruption cover only the company? Does the above mentioned policy extend to the Group/JV/Suppliers/Contractors/ NGOs/Others	All the companies in Lux Group and its employees are covered by the Policy relating to ethics, bribery and corruption. The Company's Code of Conduct ensures that all its employees, suppliers and vendors respect human rights not only among themselves, but also within communities in which they operate. Lux has instituted a set of policies, codes, and guidelines to govern its employees. This mechanism includes directors, senior executives, officers, employees and third parties including suppliers and customers associated with Lux. In this regard Company has following policies: Code of Conduct and Business Ethics: This Code is applicable to Company's directors, senior management and employees. All those concerned are required to strictly adhere to this Code of Conduct and Business Ethics. Any violation of any Code of Conduct is/ shall be viewed strictly and shall lead to disciplinary action, up to and including discharge. The Company has established a vigil mechanism for employees and directors to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. This Policy does not extend to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others. However, the Company encourages them to participate in the BR initiatives of the Company.
2	Details of stakeholder complaints received in the past financial year and what % was satisfactorily resolved by the management? If so, provide details thereof.	No complaints of this nature was received in the past financial year.

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

No.	Questions	Yes/No
1	List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/ or opportunities	NA
2	Does the company have procedures in place for sustainable sourcing (including transportation)?	Yes, the Company has taken few initiatives relating to long term sustainable contracts made with large suppliers for raw materials.
3	What percentage of your inputs was sourced sustainably? Also, provide details thereof	It is difficult to ascertain the percentage of inputs sourced. All inputs have sustainable source inplace.
4	Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If Yes, What steps have been taken to improve their capacity and capability of local and small vendors?	Yes, while the criteria for selection of goods and services is quality, reliability and price, Lux gives preference to small organisations, particularly promoted by entrepreneurs from socially backward communities.
5	Does the company have a mechanism to recycle products and waste?What is the percentage of recycling of products. Also, provide details thereof/ What is the percentage of recycling of waste. Also, provide details thereof	Yes, the nature of the Company's business is such that there are no emissions or process wastes. Around 95% cutting waste generated are resaled and ultimately recycled. We declare recycling details on product packaging.

Principle 3 : Businesses should promote the wellbeing of all employees

No.	Questions	Yes/No
1	Total number of employees	2678
2	Total number of employees hired on temporary/ contractual/casual basis	53
3	Number of permanent women employees	329
4	Number of permanent employees with disabilities	Nil
5	Do you have an employee association that is recognized by management? What percentage of your permanent employees is members of this recognized employee association?	The Company does not have any employee association.
6	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 endof the financial year.	Child labour, forced labour, involuntary labour is prohibited in the workplace as stated in the Company's Code of Conduct. The Company has adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (India) and the Rules thereunder. During the financial year 2021-22, the Company has not received any complaints on sexual harassment, child labour, forced labour, involuntary labour and discriminatory environment. Further, no such complaint was received in the past year as well.
3	What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year? (a) Permanent Employees (b) Permanent Women Employees (c) Casual/ Temporary/Contractual Employees (d) Employees with Disabilities	All the categories of employees mentioned here have been covered through our training modules. Training on health and safety is imparted to employees as a part of the induction training.

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

No.	Questions	Yes/No
1	Has the company mapped its internal and external stakeholders?	Yes. We have mapped and identified external stakeholders, including disadvantaged, vulnerable and marginalised stakeholders. Our stakeholders include – employees, customers, dealers, suppliers, investors, media, government and regulators and peers and industry ecosystem.
2	Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.	Yes, there are no such stakeholders.
3	Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof.	There is contract engagement, audit and physical verifications of documents of all vendors and other stakeholders to ensure that they have a sustainable business, generate sufficient profits, pay remuneration and social security benefits to their employees, follow all safety and ethical process and supply products consistent in quality and specifications.

Principle 5: Businesses should respect and promote human rights.

No.	Questions	Yes/No
1	Does the above mentioned policy extend to the Group/JV/Suppliers/Contractors/NGOs/Others	All the companies in Lux Group are covered by the BR Policy. As a socially responsible organisation, the Company is committed to protect and safeguard human rights. Your Company has put in place a Code of Conduct which is applicable on the Board of Directors and Senior Executives one level below the Directors, including all functional heads, though we expect our stakeholders to adhere and uphold the standards contained therein.
2	How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?	No complaints of this nature was received in the past financial year.

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

No.	Questions	Yes/No
1	Does the above mentioned policy extend to the Group/JV/Suppliers/Contractors/NGOs/Others	All the companies in Lux Group are covered by the Business Responsibility Policy and therefore, there is no separate environmental policy. Lux itself follows and also persuades and encourages its external stakeholders to move towards environmental friendly practices.
2	Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? please give hyperlink for webpage, Does the company identify and assess potential environmental risks?	Not applicable. Lux is engaged in a non-polluting industry and do not contribute to environmental issues such as climate, global warming to alarming extent.
3	Does the company have any project related to Clean Development Mechanism? If so, provide details thereof.	Not applicable.
4	Whether any environmental compliance report is filed?	Not applicable.

No.	Questions	Yes/No
5	Has the company undertaken any other initiatives on – Clean Technology?, Energy Efficiency?, Renewable energy?	In the field of energy efficiency- Use of renewable energy- Installed 1 MW rooftop solar panel at its Dankuni plant; 40-45% of the total power requirements were addressed through renewable sources. Installed energy saving LED lighting systems in the plants. Replaced legacy equipment with advanced technology that consumes less energy. The Company is in path of investing in environment friendly technology in its factories.
6	Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?	Not applicable. Lux is basically engaged in manufacturing hosiery goods, the nature of Company's business is such that there are no significant emissions or process wastes so do not require approval from pollution control department.
7	Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.	Not applicable.

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

No.	Questions	Yes/No
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 or its executive(s) is the member, or associated with the (a) Bharat Chamber of Commerce; (b) Merchant Chamber of Commerce; (c) Indian Chamber of Commerce; (d) Federation of Hosiery Manufacturers Association of India; (e) West Bengal Hosiery Association; and (f) South India Hosiery Association.(g) Federation of Indian Export Organisations.
2	Have you advocated/lobbied through above associations for the advancement or improvement of public good? If yes specify the broad areas:- Governance and Administration, Economic Reforms,Inclusive Development Policies, Energy security, water, food security, Sustainable Business Principles and others.	Yes, Lux has participated in industry body consultations in the following areas: a. Governance and Administration, b. Economic Reforms, c. Inclusive Development Policies, d. Tax and other legislation.

Principle 8: Businesses should support inclusive growth and equitable development

No.	Questions	Yes/No
1	Does the company have specified programs/ initiatives/projects in pursuit of the policy related to Principle 8? details thereof.	Yes. The Company has policy on CSR and programs that are being pursued as part of this.
2	Details of Programs:	The Company' CSR initiatives are based works primarily towards supporting projects in the areas of healthcare and providing quality education and to promote education to the unprivileged and tribal children. The Company run its major project through its own foundation and the foundation, deals with the registered trusts and / or section 8 companies which are undertaking such schemes. In the financial year Company is running two major project one is related to developing one OPD at Tata Medical Centre in West- Bengal and the other is related to provide support for building one residential school project for over 1000 underprivileged girls at Joka, West-Bengal. Apart from this the Company is also taking initiative for developing one consultation room at State of Art Cancer Care Center at Tiruppur, support to differently abled children by gifting hearing aid and tree plantation. During FY 2021-22 Company has identified COVID relief measures, healthcare and education as its core areas and supported marginalised and most impacted segments of society through Corporate Social Responsibility activities.
3	Are the programmes/projects undertaken through, in-house team, own foundation, external NGO, government structures, any other organization?	Through its own foundation (Lux Foundation), external registered trust, NGO, local municipal bodies and government structures.
4	Have you done any impact assessment of your initiative?	Each program has its short-term and long-term goals, reviewed regularly as per the defined timelines. The impact is measured by the overall societal outcomes.
5	What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.	Refer the CSR report as **Annexure B** to the Board's Report.
6	Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain	Yes. Most of our programs are participatory in nature and focus on institution development and capacity building and each of the projects is having an outcome which is acknowledged by the community. We work with partners who have a grass root understanding of the community that make it successful, both in the short term and long term.

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

No.	Questions	Yes/No
1	What percentage of customer complaints/ consumer cases are pending as on the end of financial year.	The Company has dedicated customer care department to deal with the customer complaints. All complaints are duly addressed.
2	Does the company display product information on the product label, over and above what is mandated as per local laws? additional information	Yes. Lux in all its products sticks labels which displays all the information that is required as per local laws and any other applicable laws.
3	Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising, anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof	No.
4	Did your company carry out any consumer survey/ consumer satisfaction trends?	Yes, Lux from time to time takes feedback from distributors, agents directly by conducting conference.

For and on behalf of the Board of Directors

Sd/-
Ashok Kumar Todi
Chairman
DIN: 00053599

Place: Kolkata
Date: May 30, 2022

Annexure 'K' to Board's Report

Details pertaining to remuneration as required under section 197 (12) of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(1) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2021-22, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2021-22 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sl. No	Name of the Director/ KMP	Director Identification Number (DIN)	Designation	% increase of remuneration in the financial year 2021-22	Ratio of remuneration to MRE
1	Mr. Ashok Kumar Todi	00053599	Whole Time Director	50.17	405.49
2	Mr. Pradip Kumar Todi	00246268	Managing Director	50.17	405.49
3	Mr. Navin Kumar Todi#	00054370	Executive Director	NA	145.38
4	Mr. Rahul Kumar Todi#	00054279	Executive Director	NA	145.38
5	Mr. Saket Todi#	02821380	Executive Director	NA	145.38
6	Mr. Udit Todi#	02017579	Executive Director	NA	145.38
7	Mr. Saurabh Kumar Bhudolia*	N.A	Chief Financial Officer (CFO)	NA	73.12
8	Mrs. Smita Mishra	N.A	Company Secretary and Compliance Officer	28.57	17.06

Mr. Navin Kumar Todi, Mr. Rahul Kumar Todi, Mr. Saket Todi and Mr. Udit Todi were appointed during the financial year. Hence percentage increase is not comparable with the previous financial year

* Mr. Saurabh Kumar Bhudolia was appointed during previous financial year. Hence percentage increase is not comparable with the previous financial year.

Note:-

(i) MRE - Median Remuneration of employees based on annualized salary

(ii) Sitting fees paid to Non-Executive Independent Directors during the year is not considered as remuneration for ratio calculation purpose. The sitting fees for every Board or Committee meeting attended by each Director was increased from ₹5,000 to ₹50,000 in the Financial Year 2021-22 w.e.f 25.05.2021.

(2) In the financial year, there was decrease of 4.07% in the Median Remuneration of Employees.

(3) No. of permanent employees on the rolls of the Company as on March 31, 2022 was 2,678.

(4) Average percentage increase made in the salaries of the employees other that the managerial personnel in the financial year was 28% whereas the increase in the managerial personnel was 132%. The Average increase in remuneration of employees compared to increase in remuneration of KMP is in line with the performance of the Company over period of time. There is no exceptional increase in the Managerial Remuneration.

(5) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

For and on behalf of the Board of Directors

Sd/-
Ashok Kumar Todi
Chairman
DIN: 00053599

Place: Kolkata
Date: May 30, 2022

Annexure 'L' to Board's Report

Form AOC-1

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

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

Part "A": Subsidiaries

(₹ in Crores)

Sl. No.	Particulars	Name
1.	Name of the subsidiary	Artimas Fashions Private Limited
2.	Reporting period for the subsidiary concerned, if different from the holding Company 's reporting period	N.A.
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A.
4.	Equity Share capital	0.20
5.	Reserves & surplus	(13.16)
6.	Total assets	41.78
7.	Total Liabilities	54.74
8.	Investments	-
9.	Turnover	25.97
10.	Profit before taxation	(3.32)
11.	Provision for taxation	(0.02)
12.	Profit after taxation	(3.29)
13.	Proposed Dividend	-
14.	% of shareholding	50.97%

For and on behalf of the Board of Directors

Sd/-
Ashok Kumar Todi
Chairman
DIN: 00053599

Place: Kolkata
Date: May 30, 2022

Annexure 'M' to Board's Report

Information Under Section 134 (3) (M) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014 and forming part of Director's Report for the year ended March 31, 2022

A. CONSERVATION OF ENERGY

i) The steps taken or impact on conservation of energy:-

Our Company continuously strives to conserve energy and source it from renewable sources. In our plants, we install energy-efficient LED lights for energy conservation.

Further, the maintenance and improvement of machinery and equipments are made from time to time with energy efficiency in mind.

ii) The steps taken by the Company for utilizing alternate source of energy:-

The Company has installed 1 Mega-watt solar power plants at its Dankuni Unit located in West Bengal as an alternate renewable energy source. Additionally, we are in the process of upgrading other units with the same or other technology.

iii) The Capital Investment on energy conservation equipments:-

No direct identifiable investment pertaining to conservation of energy was done during the year, other than maintenance and up-gradation of machines and equipments. Hence the amount of investment cannot be directly measured.

B. RESEARCH & DEVELOPMENT AND TECHNOLOGY ABSORPTION

a. Expenditure on Research & Development (R & D):-

R & D are carried out separately by the Hosiery Association. There is therefore no expenditure incurred on this account.

b. Technology absorption, adaptation and innovation:-

(i) The efforts made towards technology absorption: The Company keeps a close watch on the technological developments pertaining to its industry. Up-gradation and replacement of old machines is done as and when required in order to maintain high quality of output.

(ii) The benefits derived through use of the machines: By using new technology, the Company is able to produce the finest quality of knitted products. It has enabled to reduce wastage, expedite the production process and reduction in the inventory of WIP.

(iii) The details of imported technology [imported during the last three (3) years reckoned from the beginning of the financial year]:

(a) The Company has imported following machines with the latest and updated technology:-

- Sewing & Stitching Machine from Brother Machinery Taiwan.
- Sewing & Stitching Machine from Pegasus Sewing Machine Pte Ltd., Singapore
- Knitting Machine from United Texmac, China.
- Knitting Machine from Mayer & Cie, Germany.
- Moulding Machine from Triopan, AG, Switzerland.
- Cutting Machine, from Morgan Tecnica, Italy.
- Sewing Machine, from Sewing Solutions, HongKong

(b) The year of import: F.Y. 2021-22.

(c) Whether technology has been fully absorbed: Partially absorbed during the year.

C FOREIGN EXCHANGE EARNINGS AND OUTGO

a. Activities relating to exports, initiatives taken to increase exports, development of new export market for products and exports plans: During the year the Company export edits products to Middle East Countries, Africa, Australia and South East Countries.

b. Information in respect of Foreign Exchange Earning and Outgo is:

(₹ in crores)

Sl. No.	Particulars	Current Year	Previous Year
i)	**Earning**	158.68	130.85
ii)	**Outgo**		
	Capital Goods	8.18	9.86
	Expenses	5.66	1.62
	Total	**13.84**	**11.48**

For and on behalf of the Board of Directors

Sd/-
Ashok Kumar Todi
Chairman
DIN: 00053599

Place: Kolkata
Date: May 30, 2022

Independent auditor's report

To the Members of

Lux Industries Limited

Report on the Audit of the Standalone Financial Statements

Opinion

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

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

Basis for Opinion

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

Key Audit Matters

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

We have determined the matters described below to be the key audit matters to be communicated in our report. For each matter below, our description of how our audit addressed the matter is provided in that context.

Key audit matters	How our audit addressed the key audit matter
Revenue from sale of goods *(as described in note 23, to the standalone financial statements)*	
The Company recognizes revenues when control of the goods is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. In determining the sales price, the Company considers the effects of rebates and discounts (variable consideration). The terms of arrangements in case of domestic and exports sales, including the timing of transfer of control, the nature of discount and rebates arrangements, delivery specifications including incoterms, create complexity and judgment in determining sales revenues. The risk is, therefore, that revenue may not be recognised in accordance with terms of Ind AS 115 'Revenue from contracts with customers', and accordingly, it is determined to be a key audit matter in our audit of the standalone financial statements.	Our audit procedures amongst others included the following: ▪ Considered the appropriateness of the Company's revenue recognition policy in terms of Ind AS 115 'Revenue from contracts with customers'. ▪ Assessed the design and tested the operating effectiveness of internal financial controls related to revenue recognition. ▪ Performed sample tests of individual sales transaction and traced to sales invoices and other related documents. In respect of the samples selected, tested that the revenue has been recognized in accordance with Ind AS 115. ▪ Selected sample of sales transactions made pre and post year end and tested the period of revenue recognition based on underlying documents. ▪ Selected samples of rebates and discounts during the year, compared them with the supporting documents and performed re-calculation of those variable considerations as per scheme documents. ▪ Assessed the adequacy of relevant disclosures made in the standalone financial statements.

Other Information

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

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

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

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

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

   (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

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

(f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

(g) In our opinion, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

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

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 32 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. a) As represented by the management, to the best of its knowledge and belief, and as more fully disclosed in note 47 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other 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) As represented by the management, to the best of its knowledge and belief, and as more fully disclosed in note 47 to the standalone financial statements, 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; and

c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The interim dividend declared and paid by the Company during the year and until the date of this audit report is in accordance with section 123 of the Act. The Company has not proposed any final dividend for the year.

For **S K AGRAWAL AND CO**
CHARTERED ACCCOUNTANTS LLP
Chartered Accountants
ICAI Firm Registration Number: 306033E/E300272

Sandeep Agrawal
(Partner)
Membership Number: 058553
UDIN: 22058553AJWUZQ5449

Place of Signature: Kolkata
Date: May 30, 2022

Annexure 1 referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: Lux Industries Limited ("the Company")

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

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

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

(b) All Property, plant and equipment have not been physically verified by the management during the year but there is a regular programme of verification of all the Property, plant and equipment over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) The title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in note 4 to the standalone financial statements included in property, plant and equipment are held in the name of the Company except for the following:

₹ in Crores

Description of Property	Gross carrying value	Held in name of	Whether promoter, director or their relative or employee	Period held – indicate range, where appropriate	Reason for not being held in the name of Company
Freehold land	2.32	Ebell Fashions Private Limited	NA	September 21, 2020	Ebell Fashions Private Limited has been merged with the Company w.e.f April 1, 2021. Consequential updation of name in government records is pending.
Office Building	0.72	Pradip Kumar Todi	Yes	June 1, 2022	Property has been registered in the name of the Company on May 30, 2022
Office Building	2.19	Ashok Kumar Todi	Yes	June 1, 2022	
Office Building	0.26	J M Hosiery & Co. Limited	NA	December 21, 2006	J M Hosiery & Co. Limited has been merged with the Company w.e.f April 1, 2021. Consequential updation of name in government records is pending.
Office Building	3.27	J M Hosiery & Co. Limited	NA	April 1, 2015	

(d) The Company has not revalued its Property, plant and equipment (including Right of use assets) or intangible assets during the year ended March 31, 2022.

(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory has been physically verified by the management during the year except for inventories lying with third parties. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate. Inventories lying with third parties have been confirmed by them as at March 31, 2022 and discrepancies were not noticed in respect of such confirmations. No discrepancies of 10% or more in aggregate for each class of inventory were noticed by the Company.

(b) As disclosed in note 45 to the financial statements, the Company has been sanctioned working capital limits in excess of ₹ five crores in aggregate from banks during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/ statements filed by the Company with such banks are in agreement with the books of accounts of the Company.

(iii) (a) During the year, the Company has not provided loans or advance in nature of loans, or stood guarantee, or provided security to any other entity except guarantee of ₹ 6.00 Cr being given on behalf of subsidiary company. Balance outstanding as on March 31, 2022 is ₹ 17.50 Cr.

(b) Investment made during the year are not prejudicial to the interest of the Company. The Company has not provided loans or provided security or advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties.

(c) The Company has not granted loan or advances in the nature of loans to firms, Limited Liability Partnerships or any other parties. Accordingly the requirement to report under the clause 3(iii)(c), 3(iii)(d), 3(iii)(e) and 3(iii)(f) of the Order is not applicable to the Company.

(iv) Loans, investments, guarantees and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable have been complied with by the Company.

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

(vi) According to the information and explanation given to us, the central Govt. of India has not specified the maintenance of cost records under sub section (1) of section 148 of the Act for the product of the company.

(vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs, cess and other statutory dues applicable to it. During the year, the Company did not have any undisputed dues towards sales-tax, service tax, duty of excise and value added tax. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues have not been deposited on account of any dispute, are as follows:

₹ in Crores

Name of the statute	Nature of dues	Amount	Period to which the amount relates (Financial Year)	Forum where dispute is pending
West Bengal Sales Tax Act	Sales Tax	0.50	2003-04 & 2004-05	High Court, Kolkata
Punjab Vat Act, 2005	Sales Tax	0.12	2002-03 to 2005-06	Deputy Commissioner (Appeal) Ludhiana, Excise and Taxation
The Finance Act, 1994	Service Tax	1.36	2007-08 to 2012-13	Customs, Excise and Service Tax Appellate Tribunal
The Central Excise Act, 1994	Penalty	3.46	2011-12 & 2012-13	Customs, Excise and Service Tax Appellate Tribunal

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

(ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The term loans were applied for the purpose for which they were raised.

(d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary company.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiary company. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) No fraud by the Company or no material fraud on the Company has been noticed or reported during the year.

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

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a) of the Order is not applicable to the Company.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards.

(xiv) (a) According to the information and explanations given by the management, the Company has an internal audit system commensurate with the size and nature of its business.

(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) According to information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

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

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.

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

(d) Based on the information and explanations provided by the management of the Company, the Group does not have any CICs as part of the Group. Accordingly, the reporting under Clause 3(xvi)(d) of the Order is not applicable.

(xvii) The Company has not incurred cash losses in the current year as well as in the immediately preceding financial year respectively.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios as disclosed in Note 44 to the standalone financial statements, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) As disclosed in Note 35 of the standalone financial statements, there are no unspent amount which is required to be transferred in compliance with Section 135(5) and 135(6) of the Companies Act, 2013

For **S K AGRAWAL AND CO**
CHARTERED ACCCOUNTANTS LLP
Chartered Accountants
ICAI Firm Registration Number: 306033E/E300272

Sandeep Agrawal
(Partner)
Membership Number: 058553
UDIN: 22058553AJWUZQ5449

Place of Signature: Kolkata
Date: May 30, 2022

Annexure 2 to the Independent Auditor's report of even date on the standalone financial statements of Lux Industries Limited

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

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

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these standalone financial statements.

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

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

Inherent Limitations of Internal Financial Controls With Reference to Standalone Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S K AGRAWAL AND CO**
CHARTERED ACCCOUNTANTS LLP
Chartered Accountants
ICAI Firm Registration Number: 306033E/E300272

Sandeep Agrawal
(Partner)
Membership Number: 058553
UDIN: 22058553AJWUZQ5449

Place of Signature: Kolkata
Date: May 30, 2022

Standalone Balance Sheet as at March 31, 2022

₹ in crores

	Notes	As at March 31, 2022	As at March 31, 2021
ASSETS			
A Non-current assets			
Property, plant and equipment	4	215.77	184.34
Capital work-in-progress	4	33.77	9.23
Other intangible assets	4	0.01	0.09
Right of use assets	4	15.17	10.03
Financial assets			
Investments	5	0.19	0.19
Other financial assets	6	3.75	5.72
Other non-current assets	7	17.16	1.84
Total Non-current assets		**285.82**	**211.44**
B Current assets			
Inventories	8	814.92	463.64
Financial assets			
Investments	8A	61.58	75.30
Trade receivables	9	636.28	453.77
Cash and cash equivalents	10	52.38	84.29
Bank balance other than above	11	16.56	101.44
Other financial assets	6	5.67	7.24
Current tax assets	12	1.28	-
Other current assets	13	97.31	68.71
Total Current assets		**1,685.98**	**1,254.39**
TOTAL ASSETS		**1,971.80**	**1,465.83**
EQUITY AND LIABILITIES			
C Equity			
Equity share capital	14	6.26	6.26
Other equity	15	1,310.24	1,004.43
Total Equity		**1,316.50**	**1,010.69**
D Non-current liabilities			
Financial liabilities			
Borrowings	16	13.89	12.01
Lease liabilities	17	14.51	8.48
Deferred tax liabilities (Net)	30	3.62	4.20
Provisions	18	7.19	6.58
Total Non-current liabilities		**39.21**	**31.27**
E Current liabilities			
Financial liabilities			
Borrowings	16	285.90	87.06
Lease liabilities	17	2.00	2.04
Trade payables			
A) total outstanding dues of micro enterprises and small enterprises; and	19	4.89	5.80
B) total outstanding dues of creditors other than micro enterprises and small enterprises	19	272.83	269.60
Other financial liabilities	20	40.08	32.97
Provisions	18	1.15	1.04
Other current liabilities	21	9.24	10.79
Current tax liabilities	22	-	14.57
Total Current liabilities		**616.09**	**423.87**
TOTAL EQUITY AND LIABILITIES		**1,971.80**	**1,465.83**
Summary of significant accounting policies	3		

The accompanying notes are an integral part of the financial statements

As per our report of even date
For S K AGRAWAL AND CO CHARTERED ACCOUNTANTS LLP
Chartered Accountants
ICAI Firm Registration No. 306033E/E300272

Sandeep Agrawal
Partner
Membership no. 058553

Place : Kolkata
Dated: May 30, 2022
UDIN: 22058553AJWUZQ5449

FOR AND ON BEHALF OF BOARD OF DIRECTORS

Ashok Kumar Todi
Chairman
(DIN - 00053599)

Pradip Kumar Todi
Managing Director
(DIN - 00246268)

Saurabh Kumar Bhudolia
Chief Financial Officer
(PAN-AISPB8804D)

Smita Mishra
Company Secretary
(Mem No - A26489)

Standalone Statement of Profit and Loss for the year ended March 31, 2022

₹ in crores

		Notes	Year ended March 31, 2022	Year ended March 31, 2021
I	Revenue from operations	23	2,273.00	1,938.42
II	Other Income	24	16.99	12.34
III	**Total income (I+II)**		**2,289.99**	**1,950.76**
IV	**Expenses**			
	Cost of raw materials consumed	25	1,185.15	778.39
	Purchases of traded goods	25	17.64	9.06
	(Increase) / decrease in inventories of finished goods, work-in-progress & traded goods	25	(336.05)	42.16
	Employee benefit expense	26	84.94	67.00
	Finance costs	27	13.89	10.92
	Depreciation and amortisation expense	28	17.58	17.09
	Other expenses	29	847.57	660.05
	Total expenses (IV)		**1,830.72**	**1,584.67**
V	**Profit Before Exceptional Item & Tax (III - IV)**		**459.27**	**366.09**
VI	**Tax expense**			
	(i) Current tax	30	116.88	92.75
	(ii) Deferred tax	30	(0.73)	(0.53)
	(iii) Income tax for earlier years		1.73	0.50
	Income tax expense (i+ii+iii)		**117.88**	**92.72**
VII	**Profit for the Year (V-VI)**		**341.39**	**273.37**
VIII	**Other comprehensive income**			
	A (i) Items that will not be reclassified subsequently to profit and loss			
	(a) Remeasurements of the defined benefit liabilities		0.68	0.19
	(ii) Income tax relating to items that will not be reclassified to profit or loss		(0.17)	(0.01)
	Other comprehensive income for the year (net of tax) (i-ii)		**0.51**	**0.18**
	Total comprehensive income for the period, net of income tax (VII + VIII)		**341.90**	**273.55**
	Profit for the year		341.39	273.37
	Earnings per equity share [nominal value of share ₹ 2 (March 31, 2021 ₹ 2)]			
	Basic in ₹ per share	31	113.53	90.91
	Diluted in ₹ per share	31	113.53	90.91
Summary of significant accounting policies		**3**		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S K AGRAWAL AND CO CHARTERED ACCOUNTANTS LLP
Chartered Accountants
ICAI Firm Registration No. 306033E/E300272

Sandeep Agrawal
Partner
Membership no. 058553

Place : Kolkata
Dated: May 30, 2022
UDIN: 22058553AJWUZQ5449

FOR AND ON BEHALF OF BOARD OF DIRECTORS

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Managing Director
(DIN - 00246268)

Saurabh Kumar Bhudolia
Chief Financial Officer
(PAN-AISPB8804D)

Smita Mishra
Company Secretary
(Mem No - A26489)

Standalone Statement of changes in equity for year ended March 31, 2022

a. Equity share capital	No. of shares	₹ in crores
Equity shares of ₹ 2 each issued, subscribed and fully paid		
As at March 31, 2020	**2,52,53,000**	**5.30**
Changes in equity share capital during the period	-	-
As at March 31, 2021	**2,52,53,000**	**5.30**
Changes in equity share capital during the period	48,18,681	0.96
As at March 31, 2022	**3,00,71,681**	**6.26**

₹ in crores

b. Other Equity	Capital Redemption Reserve	Securities premium	Capital Reserve	General reserve	Retained earnings	Total
Balance as at April 1, 2020	**56.00**	**39.29**	**2.80**	**14.78**	**624.32**	**737.19**
Add: Profit for the year	-	-	-	-	273.37	273.37
Add: Other comprehensive income arising from remeasurement of defined benefit obligation (net of income tax)	-	-	-	-	0.18	0.18
Less: Dividend	-	-	-	-	6.31	6.31
Balance as at March 31, 2021	**56.00**	**39.29**	**2.80**	**14.78**	**891.56**	**1,004.43**
Add: Profit for the year	-	-	-	-	341.39	341.39
Add: Other comprehensive income arising from remeasurement of defined benefit obligation (net of income tax)	-	-	-	-	0.51	0.51
Less: Dividend	-	-	-	-	36.09	36.09
Balance as at March 31, 2022	**56.00**	**39.29**	**2.80**	**14.78**	**1,197.37**	**1,310.24**

Nature And Purpose Of Reserves:

(A) Capital Redemption Reserve: This reserve has been created on redemption of Preference Share Capital and can be utilized in accordance with the provisions of the Companies Act, 2013.

(B) Securities Premium: This reserve represents premium on issue of shares and can be utilized in accordance with the provisions of the Companies Act, 2013.

(C) General Reserve: This reserve is a free reserve which is used from time to time to transfer profits from retained earnings and can be utilized in accordance with the provisions of the Companies Act, 2013.

(D) Retained Earnings : This reserve represents undistributed cumulative profits of the Company and can be utilized in accordance with the provisions of the Companies Act, 2013

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For S K AGRAWAL AND CO CHARTERED ACCOUNTANTS LLP
Chartered Accountants
ICAI Firm Registration No. 306033E/E300272

Sandeep Agrawal
Partner
Membership no. 058553

Place : Kolkata
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Company Secretary
(Mem No - A26489)

Standalone Statement of Cash Flows for the year ended March 31, 2022

₹ in crores

	Year ended March 31, 2022 Audited	Year ended March 31, 2021 Audited
Cash flows from operating activities		
Profit before tax	459.27	366.09
Adjustment to reconcile profit before tax to net cash flows:		
Depreciation and amortisation expense	17.58	17.09
Interest on lease liability	1.58	1.38
Finance costs - others	12.31	9.54
Profit on sale of property, plant and equipment	(3.48)	(0.01)
Loss on sale of property, plant and equipment	0.01	0.07
Loss on discard of assets	0.08	2.04
Finance income	(8.03)	(6.45)
Provision for doubtful advances (net)	1.85	0.72
Bad debt (net)	0.69	1.13
Liabilities written back	-	(0.37)
Net gain on sale of current investments	(0.44)	(0.79)
Gain on investment carried at fair value through profit or loss	0.02	(0.35)
Operating profit before working capital changes	**481.44**	**390.09**
Movements in working capital:		
Increase in trade and other receivables	(185.05)	(18.23)
(Increase) / decrease in inventories	(351.28)	23.74
Increase in other assets	(44.38)	(1.23)
Increase in trade and other payables	2.32	76.36
Increase in other liabilities	6.38	1.37
Cash generated from / (used in) operations	**(90.57)**	**472.10**
Direct taxes paid (Net of refunds)	(134.46)	(79.17)
Net cash flow from / (used in) operating activities	**(225.03)**	**392.93**
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	(75.25)	(65.34)
Proceeds from sale of property, plant and equipment and intangible assets	8.36	0.83
Sale/(purchase) of investments (net)	14.14	(35.49)
Decrease in loan given	-	18.00
(Increase)/decrease in term deposit	87.55	(98.68)
Finance income	9.38	4.91
Net cash flow from / (used in) investing activities	**44.18**	**(175.77)**
Cash flows from financing activities		

Standalone Statement of Cash Flows for the year ended March 31, 2022

₹ in crores

	Year ended March 31, 2022 Audited	Year ended March 31, 2021 Audited
Proceeds from non-current borrowings	1.88	5.57
Proceeds/ (repayment) of current borrowings	198.84	(125.18)
Finance costs - others	(11.77)	(9.75)
Dividend paid	(36.09)	(6.31)
Payment of lease liability - principal	(2.34)	(1.82)
Payment of lease liability - interest	(1.58)	(1.38)
Net cash flow from / (used in) in financing activities	**148.94**	**(138.87)**
Net increase / (decrease) in cash and cash equivalents	**(31.91)**	**78.29**
Cash and cash equivalents at the beginning of the year	84.29	6.00
Cash and cash equivalents at the end of the year	**52.38**	**84.29**

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For S K AGRAWAL AND CO CHARTERED ACCOUNTANTS LLP
Chartered Accountants
ICAI Firm Registration No. 306033E/E300272

Sandeep Agrawal
Partner
Membership no. 058553

Place : Kolkata
Dated: May 30, 2022
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FOR AND ON BEHALF OF BOARD OF DIRECTORS

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Company Secretary
(Mem No - A26489)

NOTE: 1

REPORTING ENTITY

Lux Industries Limited ('the Company') is a public company domiciled and headquartered in India, having its registered office situated at 39, Kali Krishna Tagore Street, Kolkata. The Company has its shares listed on National Stock Exchange (NSE) and Bombay Stock Exchange (BSE). The Company is primarily engaged in the manufacturing and sales of knitwear's. The Company has operations in India and caters to both domestic and international markets. The Company also has a subsidiary in India in the name of Artimas Fashions Private Limited. The Manufacturing units of the Company are located in Kolkata (West Bengal), Ludhiana and Tirupur, in the state of Tamil Nadu.

NOTE: 2

BASIS OF PREPARATION OF STANDALONE FINANCIAL STATEMENTS

(a) Statement of compliance

These Standalone financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) notified under Section 133 of the Companies Act, 2013 ('Act') and other relevant provisions of the Act and guidelines issued by the Securities and Exchange Board of India ('SEBI'), as applicable.

The Standalone financial statements were approved for issue by the Board of Directors of the Company at their meeting held on May 30, 2022. The details of the Company's accounting policies are included in Note 3.

(b) Functional and presentation currency

These Standalone financial statements are presented in Indian Rupees (₹), which is also the Company's functional currency. All amounts have been rounded off to the nearest crores, unless otherwise indicated.

(c) Basis of measurement

The Standalone financial statements have been prepared on historical cost convention on the accrual basis, except for the following items:

(i) Certain financial assets and financial liabilities measured at fair value;

(ii) Assets held for sale-measured at the lower of its carrying amount and fair value less costs to sell; and

(iii) Employee's defined benefit plan as per actuarial valuation.

Fair value is the price that would be received on the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated using another valuation technique. In determining the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

(d) Use of estimates and judgments

The preparation of the Company's Standalone financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Estimates and underlying assumptions are reviewed on an ongoing basis. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these Standalone financial statements have been disclosed below. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. The changes in the estimates are reflected in the Standalone financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the Standalone financial statements.

Critical accounting estimates and key sources of estimation uncertainty: Key assumptions

(i) Useful lives of Property, plant and equipment

The Company uses its technical expertise along with historical and industry trends for determining the economic life of an asset/ component of an asset. The useful lives are reviewed by management periodically and revised, if appropriate. In case of a revision, the unamortized depreciable amount is charged over the remaining useful life of the assets. See note 3(d) and 4 for details.

(ii) Fair value measurement of financial instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognized in the statement of profit and loss. See note 3(r) and 39 for details.

(iii) Defined benefit plan

The cost of the defined benefit plan includes gratuity and leave encashment. The present value of the obligations are determined using actuarial valuations using Projected unit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. See note 3(g) and 36 for details.

(iv) Recognition of current tax and deferred tax

Current taxes are recognized at tax rates (and tax laws) enacted or substantively enacted by the reporting date and the amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used. See note 3(k) and 30 for details.

(v) Recognition and measurement of provisions and contingencies

The certain key assumptions about the likelihood and magnitude of an outflow of resources. Provision is towards known contractual obligation, litigation cases and pending assessments in respect of taxes, duties and other levies in respect of which management believes that there are present obligations and the settlement of such obligations are expected to result in outflow of resources, to the extent provided for. See note 3(h) and 32 for details.

(e) Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for financial assets and financial liabilities. The Company has an established control framework with respect to the measurement of fair values. The management has overall responsibility for overseeing all significant fair value measurements and it regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;

Level 2: Inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3: No significant observable inputs for the asset or liability. Some observable inputs used in fair value measurement are discounted cash flows, market multiple method etc. When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. Further information about the assumptions made in measuring fair values is included in Note 40.

NOTE: 3

SIGNIFICANT ACCOUNTING POLICIES

(a) Current and non-current classification

All assets and liabilities are classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act.

Assets

An asset is classified as current when it satisfies any of the following criteria:

(i) it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;

(ii) it is held primarily for the purpose of being traded;

(iii) it is expected to be realized within 12 months after the reporting date; or

(iv) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date. Current assets include current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

(i) it is expected to be settled in the Company's normal operating cycle;

(ii) it is held primarily for the purpose of being traded;

(iii) it is due to be settled within 12 months after the reporting date; or

(iv) the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification. Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle

For the purpose of current/ non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of business and the time between the acquisition of assets for processing and their realization in cash and cash equivalents.

(b) Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency of the Company at the exchange rates prevailing at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognized in Statement of Profit and Loss.

Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognized in the Statement of Profit and Loss in the period in which they arise.

(c) Financial instruments

(i) Recognition and initial measurement

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

(ii) Classification and subsequent measurement

Financial assets

(a) Financial assets at amortized cost

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(b) Financial assets at FVOCI

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model.

(c) Financial assets at FVTPL

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(iii) Derecognition

Financial assets

The Company derecognizes a financial asset:

- when the contractual rights to the cash flows from the financial asset expire, or
- it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in Statement of Profit and Loss.

(iv) Off setting

Financial assets and financial liabilities are off set and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

(d) Property, plant and equipment & Intangible assets

(i) Recognition and measurement

- *Tangible assets and Capital Work in Progress*

  Items of property, plant and equipment are measured at cost, less accumulated depreciation and accumulated impairment losses, if any. The cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

  Borrowing costs directly attributable to the acquisition or construction of those qualifying property, plant and equipment, which necessarily take a substantial period of time to get ready for their intended use, are capitalized.

  If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate components of property, plant and equipment.

  A fixed asset is eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal. Any gain or loss on disposal of an item of property, plant and equipment is recognized in Statement of Profit and Loss.

  Property, plant and equipment under construction and not yet ready for their intended use are disclosed as Capital work-in- progress.

  Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as 'Capital Advances' under other 'Non-Current Assets'.

- *Intangible assets:*

  Intangible Assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized on a straight line basis over their estimated useful lives. The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the assets is significantly different from previous estimates, the amortization period is changed accordingly. The Intangible assets include Computer Software. Amortization of Intangible Assets is made based on management's evaluation of duration of life cycle of intangible assets.

(ii) Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company. Ongoing repairs and maintenance are expensed as incurred.

(iii) Depreciation & Amortization

Depreciation and amortization for the year is recognized in the Statement of Profit and Loss. Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight line method in the manner specified in Part C of Schedule II to the Companies Act, 2013. Depreciation for the assets purchased/ sold during a period is proportionately charged.

Depreciation methods, useful lives and residual values are reviewed at each financial year end and adjusted prospectively, if appropriate. The estimated useful lives of the assets are as follows:

Class of assets	Useful lives of the assets (Years)
Factory buildings	30
Non factory buildings	60
Plant and equipment	10 to 15
Computer and data processing equipment	3
Office equipment	5
Furniture and fixtures	10
Vehicles	8 to 10
Computer software	2.5

(e) Inventories

Inventories comprise raw materials, work-in progress, finished goods and packing materials and are measured at the lower of cost and net realizable value.

The cost of inventories is based on the weighted average cost method, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition and are net of input tax credits. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The net realizable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials, components and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realizable value. The comparison of cost and net realizable value is made on an item-by-item basis.

Assessment of net realizable value is made at each subsequent reporting date. When the circumstances that previously caused inventories to be written down below cost no longer exist or when there is clear evidence of an increase in net realizable value because of changed economic circumstances, the amount of the write-down is reversed.

(f) Impairment

(i) Impairment of financial instruments: financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivable with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in Statement of Profit and Loss.

In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 *Financial Instruments* for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including subsequent information.

(ii) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the Statement of Profit and Loss.

A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit or loss.

(g) Employee benefits

(i) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

(ii) Defined contribution plans

The Company makes specified monthly contributions to employee provident fund to Government administered provident fund scheme, which is a defined contribution plan. Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in Statement of Profit and Loss in the periods during which the related services are rendered by employees.

(iii) Defined benefit plans

For defined benefit retirement schemes the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuation being carried out at each balance sheet date. Re-measurement gains and losses of the net defined benefit liability/ (asset) are recognized immediately in other comprehensive income. The service cost, net interest on the net defined benefit liability/ (asset) is treated as a net expense within employment costs.

Past service cost is recognized as an expense when the plan amendment or curtailment occurs or when any related restructuring costs or termination benefits are recognized, whichever is earlier.

(iv) Other long term employee benefits

The Company treats accumulated leaves expected to be carried forward beyond twelve months, as long term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the end of each financial year. The Company presents the leave as current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement beyond 12 months after the reporting date. Where the Company has unconditional legal and contractual right to defer the settlement for the period beyond 12 months, the same is presented as non-current liability. Actuarial gains/losses are immediately taken to the Statement of Profit and Loss and are not deferred.

(h) Provision, Contingent Liabilities And Contingent Assets

A provision is recognized if, as a result of past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognized at the best estimate of the expenditure required to settle the present obligation at the balance sheet date. The provisions are measured on an undiscounted basis.

Provisions in respect of loss contingencies relating to claims, litigation, assessment, fines, penalties, etc. are recognized when it is probable that a liability has been incurred, and the amount can be estimated reliably.

During the financial year the company has made provision for doubtful debts and doubtful advances to the extent of 100% of the total amount identified as doubtful debts and advances.

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognized nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognized in the period in which the change occurs.

(i) Revenue from contract with customer

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is measured at the fair value of the consideration received or receivable, net of returns, discounts, volume rebates, and goods and service tax. The Company recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company regardless of when the payment is being made.

The specific recognition criteria described below must also be met before revenue is recognized.

Sale of Products

Revenue from sale of products is recognized when the Company transfers the control of goods to the customer as per the terms of contract. The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price, the Company considers the effects of variable consideration, the existence of significant financing component, non-cash considerations and consideration payable to the customer (if any). In case of domestic sales, the company believes that the control gets transferred to the customer on dispatch of the goods from the factory/ depots and in case of exports, revenue is recognized on passage of control as per the terms of contract / incoterms.

Variable consideration in the form of volume rebates is recognized at the time of sale made to the customers and are offset against the amounts payable by them.

Rendering of Services

Revenue from services is recognized as the service performed based on agreements/ arrangements with the concerned parties.

Contract balances

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Refund Liabilities

A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Company ultimately expects it will have to return to the customer. The Company updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

Dividend income is recognized in Statement of Profit and Loss on the date on which the Company's right to receive payment is established. Interest income is recognized using the effective interest method.

All other income are recognized on accrual basis.

(j) Government Grants

The Company recognizes government grants only when there is reasonable assurance that the conditions attached to them shall be complied with and the grants will be received. Grants related to assets are deducted from the cost of the asset. Grants related to income are recognized on a systematic basis over the periods necessary to match them with the related costs which they are intended to compensate and are deducted from the expense in the statement of profit & loss.

(k) Income tax

Income tax expense comprises of current tax and deferred tax. Current tax and deferred tax is recognized in the Statement of Profit and Loss except to the extent that it relates to a business combination, or items recognized directly in equity or in OCI.

(i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

(ii) Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes (tax base). Deferred tax is also recognized in respect of carried forward tax losses and tax credits. Deferred tax is not recognized for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;

- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and

- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets – unrecognized or recognized, are reviewed at each reporting date and are recognized/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realized.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

(l) Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as part of the cost of that asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

(m) Dividends

Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Board of Directors of the Company.

(n) Cash and cash equivalents

Cash and cash equivalents include cash and cash-on deposit with banks. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

(o) Statement of Cash flows

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

(p) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(q) Operating segment

Based on the synergies, risks and returns associated with business operations and in terms of Ind AS-108, the Company's operating operation comprises of only one primary segment viz. manufacturing and sale of Knitwear's. The Company also believes that even geographically, the product of the Company faces similar risk and returns and there is no separate segment that can be identified for the purpose of reporting under Ind AS 108 on "Segment Reporting".

(r) Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

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

- In the principal market for the asset or liability, or

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

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;

Level 2: Inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3: No significant observable inputs for the asset or liability. Some observable inputs used in fair value measurement are discounted cash flows, market multiple method etc. When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible.

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

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

(s) Business combinations

Business combinations are accounted for using the acquisition method, except for common control business combinations. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Company elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognized at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable.

When the Company acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. Any contingent consideration to be transferred by the acquirer is recognized at fair value at the acquisition date.

(t) Ind AS 116 – Leases Standards

Ind AS 116 supersedes Ind AS 17 Leases including its appendices. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognize most leases on the balance sheet.

The Company has adopted Ind AS 116 using the modified retrospective method on the date of initial application . Pursuant to adoption of Ind AS 116, the Company recognized right-of-use assets and lease liabilities for those leases which were previously classified as operating leases, except for short-term leases and leases of low-value assets.

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Land & Building 2 to 10 years

Leasehold Land is amortized over the period of lease ranging from 30 to 99 years.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

ii) Lease liabilities

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Company's lease liabilities are included in Interest-bearing loans and borrowings

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognized as expense on a straight-line basis over the lease term.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

The company as a lessor classifies a lease either as an operating lease or a finance lease. Leases are classified as finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

(u) Recent Accounting Pronouncements

On March 23, 2022 the Ministry of Corporate Affairs issued, The Companies (Indian Accounting Standards) Amendments Rules, 2022, notifying amendments to the following accounting standards. The amendments would be effective from April 1, 2022.

1. Ind AS 103, Business Combination

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 impact in its financial statements.

2. Ind AS 16, Property, Plant And Equipment

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 to the standalone financial statements for the year ended March 31, 2022

NOTE: 4
PROPERTY, PLANT AND EQUIPMENT, INTANGIBLE ASSETS & RIGHT OF USE ASSETS

₹ in crores

Particulars	Gross Block				Depreciation/ Amortization				Net Block	
	As at April 1, 2021	Addition for the year	Deduction/ Adjustment for the year	As at March 31, 2022	As at April 1, 2021	Addition for the year	Deduction/ Adjustment for the year	As at March 31, 2022	As at March 31, 2022	As at March 31, 2021
Tangible Assets										
Land	44.62	21.53	3.35	62.80	-	-	-	-	62.80	44.62
Building	87.10	1.68	-	88.78	11.31	2.63	-	13.94	74.84	75.79
Plant & Equipments	77.33	21.03	0.13	98.23	25.83	9.01	0.04	34.80	63.43	51.50
Office Equipments	2.05	0.08	-	2.13	1.38	0.23	-	1.61	0.52	0.67
Furniture & Fixtures	8.43	0.89	-	9.32	3.66	0.79	-	4.45	4.87	4.77
Vehicles	14.20	4.09	1.05	17.24	7.21	1.65	0.93	7.93	9.31	6.99
	233.73	**49.30**	**4.53**	**278.50**	**49.39**	**14.31**	**0.97**	**62.73**	**215.77**	**184.34**
Capital Work in Progress	9.23	25.95	1.41	33.77	-	-	-	-	33.77	9.23
Sub Total (A)	**242.96**	**75.25**	**5.94**	**312.27**	**49.39**	**14.31**	**0.97**	**62.73**	**249.54**	**193.57**
Intangible Assets										
Computer softwares	2.06	-	-	2.06	1.97	0.08	-	2.05	0.01	0.09
Sub Total (B)	**2.06**	**-**	**-**	**2.06**	**1.97**	**0.08**	**-**	**2.05**	**0.01**	**0.09**
Right of use Assets										
Building	14.43	8.38	0.22	22.59	4.40	3.19	0.17	7.42	15.17	10.03
Sub Total (C)	**14.43**	**8.38**	**0.22**	**22.59**	**4.40**	**3.19**	**0.17**	**7.42**	**15.17**	**10.03**
Total (A+B+C)	**259.45**	**83.63**	**6.16**	**336.92**	**55.76**	**17.58**	**1.14**	**72.20**	**264.72**	**203.69**

a. Capital Work in Progress - Ageing Schedule as at 31st March 2022

CWIP	Amount in CWIP for a period of		
	Less than 1 year	1-2 years	Total
Projects in progress #	28.03	5.74	33.77

#All the projects in progress includes capital work-in progress, whose completion is neither overdue nor exceeded its cost compared to its original plan.

(1) There is no Capital Work in Progress with ageing above 2 years

(2) There is no project as on reporting period where activity has been suspended

b. Title Deeds of immovable property not held in the name of the company

₹ in crores

Relevant line item in the Balance Sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter,director or relative of promoter/ director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
Property Plant And Equipment	Freehold Land	2.32	Ebell Fashions Private Limited	NA	21-Sep-20	Ebell Fashions Private Limited has been merged with the Company w.e.f April 1, 2021. Consequential updation of name in government records is pending.
Property Plant And Equipment	Office Building	0.72	Pradip Kumar Todi	Promoter	25-Mar-21	Property has been registered in the name of the Company on May 30, 2022
Property Plant And Equipment	Office Building	2.19	Ashok Kumar Todi	Promoter	25-Mar-21	

Notes to the standalone financial statements for the year ended March 31, 2022

NOTE: 4 (Contd.)
PROPERTY, PLANT AND EQUIPMENT, INTANGIBLE ASSETS & RIGHT OF USE ASSETS

₹ in crores

Relevant line item in the Balance Sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter,director or relative of promoter/ director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
Property Plant And Equipment	Office Building	0.26	J M Hosiery & Co. Limited	Yes	21-Dec-06	J M Hosiery & Co. Limited has been merged with the Company w.e.f April 1, 2021. Consequential updation of name in government records is pending.
Property Plant And Equipment	Office Building	3.27	J M Hosiery & Co. Limited	NA	01-Apr-15	

PROPERTY, PLANT AND EQUIPMENT, INTANGIBLE ASSETS & RIGHT OF USE ASSETS (PREVIOUS YEAR)

₹ in crores

Particulars	Gross Block				Depreciation/ Amortization				Net Block	
	As at April 1, 2020	Addition for the year	Deduction/ Adjustment for the year	As at March 31, 2021	As at April 1, 2020	Addition for the year	Deduction/ Adjustment for the year	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
Tangible Assets										
Land	11.44	33.18	-	44.62	-	-	-	-	44.62	11.44
Building	80.65	6.45	-	87.10	8.81	2.50	-	11.31	75.79	71.84
Plant & Equipments	72.98	15.52	11.17	77.33	25.85	8.96	8.98	25.83	51.50	47.13
Office Equipments	1.83	0.22	-	2.05	1.08	0.30	-	1.38	0.67	0.75
Furniture & Fixtures	7.86	0.57	-	8.43	2.91	0.75	-	3.66	4.77	4.95
Vehicles	14.30	0.63	0.73	14.20	5.79	1.69	0.27	7.21	6.99	8.51
	189.06	**56.57**	**11.90**	**233.73**	**44.44**	**14.20**	**9.25**	**49.39**	**184.34**	**144.62**
Capital Work in Progress	0.76	8.77	0.30	9.23	-	-	-	-	9.23	0.76
Sub Total (A)	**189.82**	**65.34**	**12.20**	**242.96**	**44.44**	**14.20**	**9.25**	**49.39**	**193.57**	**145.38**
Intangible Assets										
Computer softwares	2.06	-	-	2.06	1.85	0.12	-	1.97	0.09	0.21
Sub Total (B)	**2.06**	**-**	**-**	**2.06**	**1.85**	**0.12**	**-**	**1.97**	**0.09**	**0.21**
Right of use Assets										
Building	13.70	0.73	-	14.43	1.63	2.77	-	4.40	10.03	12.07
Sub Total (C)	**13.70**	**0.73**	**-**	**14.43**	**1.63**	**2.77**	**-**	**4.40**	**10.03**	**12.07**
Total (A+B+C)	**205.58**	**66.07**	**12.20**	**259.45**	**47.92**	**17.09**	**9.25**	**55.76**	**203.69**	**157.66**

a. Capital Work in Progress - Ageing Schedule as at 31st March 2021

CWIP	Amount in CWIP for a period of	
	Less than 1 year	Total
Projects in progress #	9.23	9.23

#All the projects in progress includes capital work-in progress, whose completion is neither overdue nor exceeded its cost compared to its original plan.

(1) There is no Capital Work in Progress with ageing above 1 years

(2) There is no Project, as on reporting period where activity has been suspended

Notes to the standalone financial statements for the year ended March 31, 2022

NOTE: 4 (Contd.)
PROPERTY, PLANT AND EQUIPMENT, INTANGIBLE ASSETS & RIGHT OF USE ASSETS

b. Title Deeds of immovable property not held in the name of the company

₹ in crores

Relevant line item in the Balance Sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter,director or relative of promoter/ director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
Property Plant And Equipment	Freehold Land	2.32	Ebell Fashions Private Limited	NA	21-Sep-20	Ebell Fashions Private Limited has been merged with the Company w.e.f April 1, 2021. Consequential updation of name in government records is pending.
Property Plant And Equipment	Office Building	0.72	Pradip Kumar Todi	Promoter	25-Mar-21	Property has been registered in the name of the Company on May 30, 2022
Property Plant And Equipment	Office Building	2.19	Ashok Kumar Todi	Promoter	25-Mar-21	
Property Plant And Equipment	Office Building	0.26	J M Hosiery & Co. Limited	NA	21-Dec-06	J M Hosiery & Co. Limited has been merged with the Company w.e.f April 1, 2021. Consequential updation of name in government records is pending.
Property Plant And Equipment	Office Building	3.27	J M Hosiery & Co. Limited	NA	01-Apr-15	

NOTE: 5
INVESTMENTS

₹ in crores

	As at March 31, 2022	As at March 31, 2021
A. Non-Current Investments		
Investment carried at Cost (Unquoted)		
Investment in Equity Instrument in Subsidiaries		
Artimas Fashions Private Limited	0.19	0.19
1,02,000 equity shares (PY - 1,02,000) (FV - ₹ 10 each)		
Total	**0.19**	**0.19**
Aggregate amount of Unquoted investments	**0.19**	**0.19**
Investments carried at costs	**0.19**	**0.19**

NOTE: 6
OTHER FINANCIAL ASSETS

₹ in crores

	As at March 31, 2022	As at March 31, 2021
(Carried at amortised cost)		
Non-current		
Other bank balance		
Bank deposit more than 12 months maturity from Balance Sheet date (pledged)	0.50	3.20
Security deposits	3.25	2.52
	3.75	**5.72**
Current		
Interest accrued on fixed deposits	1.77	1.68
Interest accrued on Perpetual Bonds	0.90	2.29
Security deposits	1.00	1.00
Loans and advances to employees	2.00	2.27
	5.67	**7.24**
Total	**9.42**	**12.96**

Fixed Deposits pledged with Banks ₹ 1.68 crores (Previous Year - ₹ 6.53 crores)

NOTE: 7
OTHER NON-CURRENT ASSETS

₹ in crores

	As at March 31, 2022	As at March 31, 2021
(Unsecured, considered good unless otherwise stated)		
Capital advances	17.08	1.69
Others		
Prepaid expenses	0.08	0.15
Total	**17.16**	**1.84**

NOTE: 8
INVENTORIES

₹ in crores

	As at March 31, 2022	As at March 31, 2021
(Valued at lower of cost and net realisable value)		
Raw materials	71.58	63.31
Work-in-progress	218.91	150.31
Finished goods	455.52	192.23
Stock-in-trade	5.81	1.65
Packing materials	63.10	56.14
Total	**814.92**	**463.64**

Notes to the standalone financial statements for the year ended March 31, 2022

NOTE: 8A
CURRENT INVESTMENT

₹ in crores

	No of units March, 2022	No of units March, 2021	As at March 31, 2022	As at March 31, 2021
Investments in mutual funds - Unquoted				
(at fair value through profit or loss (FVTPL))				
ICICI Pru Money Market Fund - Growth	-	51,534	-	1.51
Aditya Birla SL - Arbitrage Fund	-	26,46,935	-	5.51
Axis Arbitrage Fund	-	3,83,428	-	0.56
ICICI Equity Arbitrage Fund	-	3,73,066	-	1.00
Axis Money Market Fund	-	22,739	-	2.51
Investments in bonds - Quoted				
(at amortised cost)				
8.85% HDFC Bank Limited SR 1-BD Perpetual Bond (FV ₹ 0.10 Crores)	90	90	9.03	9.28
8.15% Bank of Baroda SR XV BD Perpetual Bond (FV ₹ 0.10 Crores)	-	100	-	10.00
10.99% Union Bank of India SR-III BD Perpetual Bond (FV ₹ 0.10 Crores)	-	9	-	0.92
11.25% Canara Bank SR-III BD Perpetual Bond (FV ₹ 0.10 Crores)	-	20	-	2.03
9.2% ICICI Bank Limited SR-DMR-17 at BD Perpetual Bonds (FV ₹ 0.10 Crores)	-	5	-	0.51
7.74% State Bank of India SR I BD Perpetual Bond (FV ₹ 0.10 Crores)	-	150	-	15.04
8.50% State Bank of India Series II BD Perpetual Bond (FV ₹ 0.10 Crores)	-	150	-	15.26
8.15% State Bank of India SR-IV BD Perpetual Bond (FV ₹ 0.10 Crores)	3	3	0.30	0.31
9.56% State Bank of India Series 1 NCD Perpetual Bond (FV ₹ 0.10 Crores)	8	8	0.84	0.86
Investments in debentures- Quoted				
(at amortised cost)				
Embassy Property -MLD Serious I		-	1.41	-
Fixed Deposit with maturity more than 3 months but less than 12 months				
(at Amortised Cost)				
LIC Housing Finance Ltd			50.00	10.00
Total	**101**	**34,78,237**	**61.58**	**75.30**
Aggregate amount of Unquoted investments			50.00	21.09
Investment in quoted investment				
Aggregate book value			11.58	54.21
Aggregate market value			-	55.06
Investments carried at amortised costs			61.58	64.21
Investments carried at fair value through profit or loss (FVTPL)			-	11.09

Notes to the standalone financial statements for the year ended March 31, 2022

NOTE: 9
TRADE RECEIVABLES

₹ in crores

	As at March 31, 2022	As at March 31, 2021
(Carried at amortised cost)		
Unsecured		
- Considered good	636.28	453.77
- Considered doubtful	4.56	2.87
Less: Loss for allowances		
- Provision for doubtful debt	(4.56)	(2.87)
	636.28	**453.77**
Total	**636.28**	**453.77**

Trade Receivables ageing schedule - As at 31st March 2022

₹ in crores

Particulars	Current but not due	Outstanding for the following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
i. Undisputed Trade Receivable - Considered good	525.64	98.92	10.89	0.83	-	-	636.28
ii. Undisputed Trade Receivable - Considered doubtful	-	-	-	0.92	1.02	2.61	4.56

Trade Receivables ageing schedule - As at 31st March 2021

₹ in crores

Particulars	Current but not due	Outstanding for the following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
i. Undisputed Trade Receivable - Considered good	399.18	50.24	1.96	1.61	0.78	-	453.77
ii. Undisputed Trade Receivable - Considered doubtful	-	-	-	-	1.12	1.75	2.87

NOTE: 10
CASH AND CASH EQUIVALENTS

₹ in crores

	As at March 31, 2022	As at March 31, 2021
Balances with banks		
Current/Cash Credit accounts	32.70	61.44
Fixed Deposit with maturity less than 3 months	19.02	22.22
Cash on hand	0.66	0.63
Total	**52.38**	**84.29**

Notes to the standalone financial statements for the year ended March 31, 2022

NOTE: 11
BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

₹ in crores

	As at March 31, 2022	As at March 31, 2021
Balances with banks		
Unpaid dividend - earmarked balances with Bank	0.10	0.08
Fixed Deposit with maturity more than 3 months but less than 12 months	16.46	101.36
Total	**16.56**	**101.44**

NOTE: 12
CURRENT TAX ASSETS

₹ in crores

	As at March 31, 2022	As at March 31, 2021
Income tax assets	1.28	-
Total	**1.28**	**-**

NOTE: 13
OTHER CURRENT ASSETS

₹ in crores

	As at March 31, 2022	As at March 31, 2021
(Unsecured, considered good unless otherwise stated)		
Advances to supplier		
- Unsecured, considered good	9.19	14.91
- Unsecured, considered doubtful	0.60	0.45
	9.79	**15.36**
Less: Provision for doubtful advances	(0.60)	(0.45)
	9.19	**14.91**
Others		
Prepaid expenses	1.72	1.64
Balance with government authorities	76.90	51.38
Incentive / duty drawback receivable	9.50	0.78
Total	**97.31**	**68.71**

NOTE : 14
EQUITY SHARE CAPITAL

₹ in crores

	As at March 31, 2022	As at March 31, 2021
Authorised:		
4,50,00,000 Equity shares of ₹ 2/- each	9.00	9.00
(31.03.2021: 4,50,00,000 Equity shares of ₹ 2/- each)		
56,00,000 Preference shares of ₹ 100/- each	56.00	56.00
(31.03.2021: 56,00,000 Preference shares of ₹ 100/- each)		

NOTE : 14 (Contd.)

EQUITY SHARE CAPITAL

₹ in crores

	As at March 31, 2022	As at March 31, 2021
Issued and subscribed equity share capital		
3,25,56,181 Equity shares of ₹ 2/- each	6.51	5.55
(31.03.2021: 2,77,37,500 Equity shares of ₹ 2/- each)		
Paid up equity share capital		
30,071,681 Equity shares of ₹ 2/- each	6.01	5.05
(31.03.2021: 2,52,53,000 Equity shares of ₹ 2/- each)		
Equity share capital-Suspense Account	-	0.96
48,18,681 Equity shares of ₹ 2/- each		
Forfeited equity share capital		
Add: 24,84,500 equity shares (Paid-up)	0.25	0.25
(31.03.2021: 24,84,500 Equity shares (Paid-up))		
Total	**6.26**	**6.26**

	Equity share capital	
	No. of shares	₹ in Crs
Reconciliation of number of equity shares outstanding:		
As at March 31, 2020	**2,52,53,000**	**5.30**
Increase during the year	-	-
As at March 31, 2021	**2,52,53,000**	**5.30**
Increase during the year *	48,18,681	0.96
As at March 31, 2022	**3,00,71,681**	**6.26**

* During the Financial Year 2021-22, Company has allotted 48,18,681 equity shares pursuant to the Scheme of Amalgamation of J M Hosiery & Co. Limited & Ebell Fashions Private Limited with Lux Industries Limited sanctioned by Hon'ble NCLT, Kolkata, vide its order dated March 25, 2021, Consequent to this allotment the total number of equity shares of the Company stand increased to 3,00,71,681.

(i) Terms / rights attached to Equity shares:

The Company has equity shares with a par value of ₹2/- per share. Each holder of equity shares is entitled to one vote per share held. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing general meeting. In the event of liquidation of the Company, the holders of equity shares are entitled to receive the remaining assets of the Company, after meeting all liabilities and distribution of all preferential amounts, in proportion to their shareholding.

(ii) Details of shares held by each shareholder holding more than 5% shares:

Name of shareholder	As at March 31, 2022		As at March 31, 2021	
	No. of shares held	% holding in that class of shares	No. of shares held	% holding in that class of shares
Ashok Kumar Todi	36,58,654	12.17	34,67,834	13.73
Pradip Kumar Todi	44,15,290	14.68	42,26,500	16.74
Bimla Devi Todi	34,85,070	11.59	32,80,000	12.99
Shobha Devi Todi	27,32,570	9.09	25,27,500	10.01
Prabha Devi Todi	36,65,920	12.19	36,23,000	14.35
Hollyfield Traders Private Limited	17,34,793	5.77	-	-

NOTE : 14 (Contd.)
EQUITY SHARE CAPITAL

Equity shares held by promoters at the end of the year - As at March 31, 2022

Promoter name	As at March 31, 2022		As at March 31, 2021		% Change during the year
	No. of shares	% of total shares	No. of shares	% of total shares	
Pradip Kumar Todi HUF	13,340	0.04	-	-	0.04
Ashok Kumar Todi HUF	11,310	0.04	-	-	0.04
Prabha Devi Todi	36,65,920	12.19	36,23,000	14.35	(2.16)
Ashok Kumar Todi	36,58,654	12.17	34,67,834	13.73	(1.56)
Pradip Kumar Todi	44,15,290	14.68	42,26,500	16.74	(2.06)
Navin Kumar Todi	3,25,363	1.08	-	-	1.08
Rahul Kumar Todi	4,60,653	1.53	-	-	1.53
Bimla Devi Todi	34,85,070	11.59	32,80,000	12.99	(1.40)
Shobha Devi Todi	27,32,570	9.09	25,27,500	10.01	(0.92)
Udit Todi	8,38,876	2.79	1,86,000	0.74	2.05
Saket Todi	7,94,876	2.64	1,42,000	0.56	2.08
Rohit Poddar	51,425	0.17	-	-	0.17
Upendra Samriya	50,000	0.17	-	-	0.17
Hollyfield Traders Private Limited	17,34,793	5.77	-	-	5.77
Neha Poddar	-	-	50,000	0.20	(0.20)
Shilpa Agarwal Samriya	-	-	50,000	0.20	(0.20)
Total	**2,22,38,140**	**73.95**	**1,75,52,834**	**69.51**	**4.44**

Equity shares held by promoters at the end of the year - As at March 31, 2021

Promoter name	As at March 31, 2021		As at March 31, 2020		% Change during the year
	No. of shares	% of total shares	No. of shares	% of total shares	
Prabha Devi Todi	36,23,000	14.35	36,23,000	14.35	-
Ashok Kumar Todi	34,67,834	13.73	34,67,834	13.73	-
Pradip Kumar Todi	42,26,500	16.74	42,26,500	16.74	-
Bimla Devi Todi	32,80,000	12.99	32,80,000	12.99	-
Shobha Devi Todi	25,27,500	10.01	25,27,500	10.01	-
Udit Todi	1,86,000	0.74	1,86,000	0.74	-
Saket Todi	1,42,000	0.56	1,42,000	0.56	-
Neha Poddar	50,000	0.20	50,000	0.20	-
Shilpa Agarwal Samriya	50,000	0.20	50,000	0.20	-
	1,75,52,834	**69.51**	**1,75,52,834**	**69.51**	**-**

NOTE: 15
OTHER EQUITY

₹ in crores

	As at March 31, 2022	As at March 31, 2021
Capital Redemption Reserve	56.00	56.00
Securities premium	39.29	39.29
Capital reserve	2.80	2.80
General reserve	14.78	14.78
Retained earnings	1,197.37	891.56
Total	**1,310.24**	**1,004.43**

NOTE: 16

FINANCIAL LIABILITIES - BORROWINGS

(a) Non-current borrowings

₹ in crores

	As at March 31, 2022	As at March 31, 2021
(Carried at amortised cost)		
Secured		
Term Loans from Banks	21.60	15.96
Less: Current maturity of long term debts (Refer Note 16(b))	7.71	4.23
	13.89	**11.73**
Vehicle Loan from Banks	-	0.28
Total non-current borrowings	**13.89**	**12.01**

(i) Repayment terms and nature of securities given for term loan as follows :

₹ in crores

Name of the Bank / instrument	March 31, 2022	March 31, 2021	Nature of Security	Repayment terms
Secured				
Indian Bank (erstwhile Allahabad Bank)	12.42	11.75	Exclusive Hypothecation charge over the machinery/equipments acquired under facilities out of the said loan.It is additionally secured by 2nd pari-passu charge over the entire current assets of the Company, both present & future and also secured by personal guarantee of the KMP.	Repayable in quarterly installment. Interest @ MCLR is serviced on monthly basis.
HDFC Bank	0.89	1.42	Exclusive Hypothecation charge over the machinery/equipments acquired under facilities out of the said loan.It is additionally secured by 2nd pari-passu charge over the entire current assets of the Company, both present & future and also secured by personal guarantee of the KMP.	Repayable in quarterly instalments. Interest @ 9.5% is serviced on monthly basis.
HDFC Bank	2.27	-	Exclusive Hypothecation charge over the machinery/equipments acquired under facilities out of the said loan and secured by personal guarantee of KMP.	Repayable in quarterly installment. Interest @ MCLR is serviced on monthly basis.
HDFC Bank	4.13	1.58	Exclusive Hypothecation charge over the machinery/equipments acquired under facilities out of the said loan and secured by personal guarantee of KMP.	Repayable in quarterly instalments. Interest @ 5.85% is serviced on monthly basis.
HDFC Bank	0.50	-	Exclusive Hypothecation charge over the machinery/equipments acquired under facilities out of the said loan and secured by personal guarantee of KMP.	Repayable in quarterly instalments. Interest @ 5.85% is serviced on monthly basis.
HDFC Bank	-	0.28	Exclusive Hypothecation charge over the motor car.	Repayable in thirty six instalments commencing from March, 2019
Indian Bank (erstwhile Allahabad Bank)	1.39	1.21	Exclusive Hypothecation charge over the machinery/equipments acquired under facilities out of the said loan.It is additionally secured by personal guarantee of the KMP.	Repayable in quarterly installment. Interest @ MCLR is serviced on monthly basis.

NOTE: 16 (Contd.)

FINANCIAL LIABILITIES - BORROWINGS

(b) Current borrowings

₹ in crores

	As at March 31, 2022	As at March 31, 2021
(Carried at amortised cost)		
From Banks (Secured) (refer note a)		
i) Loan repayable on demand		
Cash Credit Facilities	0.98	10.34
Working Capital Demand Loan (WCDL)	225.08	25.00
ii) Packing credit	52.13	46.93
iii) Current maturity of long term debts	7.71	4.23
From Others (Unsecured)		
From related parties (Refer Note 33)	-	0.56
Total current borrowings	**285.90**	**87.06**

a) The above credit facilities from banks are secured against hypothecation of entire stocks, book debts and other current assets, both present and future of Company. It is additionally secured by personal guarantee of the KMP and relatives of KMP. It is additionally secured by 1st pari-passu charge on entire movable fixed assets of the company except those specifically charged to term lenders.

NOTE: 17

LEASE OBLIGATION

₹ in crores

	As at March 31, 2022	As at March 31, 2021
a) Non-Current	14.51	8.48
b) Current	2.00	2.04
Total	**16.51**	**10.52**

NOTE: 18

PROVISIONS

₹ in crores

	As at March 31, 2022	As at March 31, 2021
Provision for employee benefits (Refer note 36)		
a) Non-Current	7.19	6.58
b) Current	1.15	1.04
Total	**8.34**	**7.62**

NOTE: 19

TRADE PAYABLES

₹ in crores

	As at March 31, 2022	As at March 31, 2021
(Carried at amortised cost)		
MSMED [refer note (a) below]	4.89	5.80
Other trade payables	272.83	269.60
Total	**277.72**	**275.40**

NOTE: 19 (Contd.)

TRADE PAYABLES

₹ in crores

	As at March 31, 2022	As at March 31, 2021
(a) Disclosure required under Clause 22 of Micro, Small and Medium Enterprise Development ('MSMED') Act, 2006		
(i) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year Principal amount due to micro and small enterprise Interest due on above	4.89	5.80
(ii) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(iii) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(iv) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

The above disclosures are provided by the Company based on the information available with the Company in respect of the registration status of its vendors/suppliers.

Trade Payables ageing schedule - As at March 31, 2022

₹ in crores

Particulars	Current but not due	Outstanding for the following periods from due date of payment				Total
		Less than 1 Year	1-2 years	2-3 years	More than 3 years	
i. MSME	4.89	-	-	-	-	4.89
ii. Others	183.22	78.68	1.74	1.17	8.01	272.83

Trade Payables ageing schedule - As at March 31, 2021

₹ in crores

Particulars	Current but not due	Outstanding for the following periods from due date of payment				Total
		Less than 1 Year	1-2 years	2-3 years	More than 3 years	
i. MSME	5.80		-	-	-	5.80
ii. Others	209.86	49.07	1.07	1.13	8.47	269.60

NOTE: 20

CURRENT FINANCIAL LIABILITIES - OTHERS

₹ in crores

	As at March 31, 2022	As at March 31, 2021
(Carried at amortised cost)		
Deposits from Dealers/ agents	27.73	22.73
Unclaimed dividend	0.09	0.08
Interest accrued but not due	0.65	0.11
Other payables	11.61	10.05
Total	**40.08**	**32.97**

Notes to the standalone financial statements for the year ended March 31, 2022

NOTE: 21
OTHER CURRENT LIABILITIES

₹ in crores

	As at March 31, 2022	As at March 31, 2021
Statutory dues	5.74	3.60
Advance from customers	3.50	7.19
Total	**9.24**	**10.79**

NOTE: 22
CURRENT TAX LIABILITIES

₹ in crores

	As at March 31, 2022	As at March 31, 2021
Income tax liabilities	-	14.57
Total	**-**	**14.57**

NOTE: 23
REVENUE FROM OPERATIONS

₹ in crores

	Year ended March 31, 2022	Year ended March 31, 2021
Sale of products	2,260.28	1,927.48
Stock-in-trade	-	1.19
Sale of Services		
Job Work	0.29	0.32
Other Operating Revenue		
Insurance claim	0.23	2.71
Export and other incentive	12.20	6.72
Total	**2,273.00**	**1,938.42**

NOTE: 24
OTHER INCOME

₹ in crores

	Year ended March 31, 2022		Year ended March 31, 2021	
Interest Income from Financial Assets at amortized cost:				
i) On fixed deposits	5.45		4.67	
ii) From financial assets at amortized cost	2.42		0.60	
iii) On loans given to other entities	-		1.18	
iv) On debentures or bonds	0.16	8.03	-	6.45
Profit on Sale of Property, plant and equipment		3.48		0.01
Foreign currency fluctuation gain (net)		3.98		3.55
Income from Current Investments :				
Net gain/(loss) on fair valuation of mutual fund units		(0.02)		0.35
Net gain/(loss) on sale of current investments		0.44		0.79
Liabilities written back		-		0.37
Others		1.08		0.82
Total		**16.99**		**12.34**

NOTE: 25

(I) COST OF RAW MATERIAL CONSUMED

₹ in crores

	Year ended March 31, 2022		Year ended March 31, 2021	
Yarn Consumed				
Opening stock	63.31		51.21	
Add : Purchases during the year	941.71		601.29	
	1,005.02		652.50	
Less: Yarn sale	1.21		7.06	
Less: Closing stock	71.58	932.23	63.31	582.13
Packing Materials Consumed				
Opening stock	56.14		49.82	
Add: Purchases during the year	244.00		192.78	
	300.14		242.60	
Less: Closing stock	63.10	237.04	56.14	186.46
Consumption of Fabrics		15.88		9.80
Total		**1,185.15**		**778.39**
(II) Purchase of stock-in-trade (knitwear)		17.64		9.06
Total		**17.64**		**9.06**

(III) CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK IN TRADE

₹ in crores

	Year ended March 31, 2022		Year ended March 31, 2021	
Finished Goods				
Opening stock	192.23		219.04	
Closing stock	455.52	(263.29)	192.23	26.81
Work-in-progress				
Opening stock	150.31		165.52	
Closing stock	218.91	(68.60)	150.31	15.21
Stock in trade				
Opening stock	1.65		1.79	
Closing stock	5.81	(4.16)	1.65	0.14
Total		**(336.05)**		**42.16**

NOTE: 26

EMPLOYEE BENEFIT EXPENSE

₹ in crores

	Year ended March 31, 2022		Year ended March 31, 2021	
Salaries, wages & bonus	77.60		61.24	
Provision for employment benefit	2.19	79.79	1.90	63.14
Contribution to provident & other funds		2.36		1.82
Staff welfare expenses		2.79		2.04
Total		**84.94**		**67.00**

NOTE: 27
FINANCE COST

₹ in crores

	Year ended March 31, 2022	Year ended March 31, 2021
Interest expense	11.45	8.37
Interest on lease obligation	1.58	1.38
Bank charges	0.86	1.17
Total	**13.89**	**10.92**

NOTE: 28
DEPRECIATION & AMORTIZATION EXPENSE

₹ in crores

	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation on property, plant and equipment	14.31	14.20
Amortization of intangible assets	0.08	0.12
Depreciation on lease assets	3.19	2.77
Total	**17.58**	**17.09**

NOTE: 29
OTHER EXPENSES

₹ in crores

	Year ended March 31, 2022	Year ended March 31, 2021
Consumption of stores & spare parts	4.24	3.17
Power & fuel	8.65	6.92
Rent	4.08	2.87
Repairs		
Repairs to buildings	1.07	1.11
Repairs to machinery	0.68	0.57
Repairs to other	2.38	1.00
Insurance	2.02	1.20
Rates & taxes	0.71	0.39
Selling expenses	19.13	12.67
Royalty	0.08	0.08
Advertisement & publicity	147.63	103.66
Commission	17.67	15.57
Freight & other handling charges	46.72	40.20
Bad debts(net)	0.69	1.13
Provision for doubtful debts/ advance	1.85	0.72
Processing expense	561.23	445.76
Prior period items	-	0.18
Loss on sale of property, plant and equipment	0.01	0.07
Loss on discard of assets	0.08	2.04
Miscellaneous expenses	28.25	20.44
Payment to auditors :		
- Statutory audit fees	0.35	0.27
-Others	0.05	0.03
Total	**847.57**	**660.05**

NOTE: 30
INCOME TAX

₹ in crores

	As at March 31, 2022	As at March 31, 2021
A. Amount recognized in profit or loss		
Current Tax		
Current period	116.88	92.75
Changes in respect of current income tax of previous years	1.73	0.50
(a)	**118.61**	**93.25**
Deferred Tax		
Attributable to -		
Origination and reversal of temporary differences	(0.73)	(0.53)
(b)	**(0.73)**	**(0.53)**
Tax expenses reported in the Standalone Statement of Profit and Loss (a+b)	**117.88**	**92.72**
B. Income tax recognized in Other Comprehensive Income		
Deferred tax relating to items recognized in other comprehensive income during the year	0.17	0.01
Income tax expense charged to Other Comprehensive Income	**0.17**	**0.01**

C. Reconciliation of tax expense and the accounting profit for March 31, 2022 and March 31, 2021:

₹ in crores

	As at March 31, 2022	As at March 31, 2021
Accounting profit before income tax	459.27	366.09
Tax at the applicable India tax rate of 25.168% (25.168%)	115.59	92.14
Tax impact on amounts that are adjusted in determining taxable profit:		
Difference between depreciation as per IT Act and depreciation as per books	0.10	0.39
Other adjustments	2.19	0.19
	117.88	**92.72**

D. Reconciliation of applicable tax rate and effective tax rate:

₹ in crores

	As at March 31, 2022	As at March 31, 2021
Applicable tax rate	25.17%	25.17%
Tax effect of difference between depreciation as per IT Act and depreciation as per books	0.02%	0.11%
Tax effect of other adjustments	0.48%	0.05%
Effective tax rate	**25.67%**	**25.33%**

E. Recognized deferred tax assets and liabilities:

₹ in crores

Particulars	Balance as on March 31, 2021	(Charged) / credited to profit or loss	(Charged) / credited to OCI	Balance as on March 31, 2022
Property, plant and equipment	(8.40)	0.28	-	(8.12)
Right of use assets	(2.85)	(0.97)	-	(3.82)
Trade receivables	0.83	0.32	-	1.15
Other assets	0.50	0.06	-	0.56
Provisions	1.55	0.67	(0.17)	2.05

NOTE: 30

INCOME TAX (Contd.)

E. Recognized deferred tax assets and liabilities:

₹ in crores

Particulars	Balance as on March 31, 2021	(Charged) / credited to profit or loss	(Charged) / credited to OCI	Balance as on March 31, 2022
Other liabilities	4.31	(0.08)	-	4.23
Unused tax losses to the extent of deferred tax liabilities	(0.14)	0.47	-	0.33
Total	**(4.20)**	**0.73**	**(0.17)**	**(3.62)**

₹ in crores

Particulars	Balance as on April 1, 2020	(Charged) / credited to profit or loss	(Charged) / credited to OCI	Balance as on March 31, 2021
Property, plant and equipment	(7.53)	(0.87)	-	(8.40)
Right of use assets	(3.04)	0.19	-	(2.85)
Trade receivables	0.53	0.30	-	0.83
Other assets	0.42	0.08	-	0.50
Provisions	1.58	(0.02)	(0.01)	1.55
Other liabilities	3.33	0.98	-	4.31
Unused tax losses to the extent of deferred tax liabilities	-	(0.14)	-	(0.14)
Total	**(4.71)**	**0.53**	**(0.01)**	**(4.20)**

F. Deferred tax reflected in the Balance Sheet as follows:

₹ in crores

	As at March 31, 2022	As at March 31, 2021
Deferred tax assets	8.32	7.19
Deferred tax liabilities	(11.94)	(11.39)
Deferred tax assets / (liabilities) (net)	**(3.62)**	**(4.20)**

NOTE: 31

EARNINGS PER SHARE (EPS) (IND AS 33)

₹ in crores

Sl. No	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
1	Profit for the year	341.39	273.37
2	Weighted Average Number of Equity Shares Outstanding at the end of the year for Basic EPS	3,00,71,681	3,00,71,681
3	Weighted Average Number of Equity Shares Outstanding at the end of the year for Diluted EPS	3,00,71,681	3,00,71,681
4	Nominal Value per share (₹)	2/-	2/-
5	Earning per shares		
	Basic	113.53	90.91
	Diluted	113.53	90.91

NOTE: 32

PARTICULARS OF CONTINGENT LIABILITIES AND COMMITMENTS

I. Contingent Liabilities

₹ in crores

Particulars	As at March 31, 2022	As at March 31, 2021
Claims against the Company not acknowledged as liabilities in respect of:		
Sales Tax Matters	0.62	0.62
Customs and Excise matters	3.56	3.56
Service tax matters	1.36	1.36
Provident Fund matters	9.73	9.73
Guarantee Given	22.86	21.43
Income tax related matter	-	0.01

The Company is contesting the demand and the management including its legal advisors believes that its position will likely be upheld in the appellate process.

The Management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position and results of operations.

II. Commitments:

a. Estimated amount of contracts to be executed on capital account (Net of Advances) ₹ 18.91 Crores (Previous year ₹ 9.03 Crores). The company has other commitments, for purchase/ sales orders which are issued after considering requirements per operating cycle for purchase/ sale of goods and services, in normal course of business.

b. The company did not have any long term commitments/ contracts including derivative contracts for which there will be any material foreseeable losses.

NOTE: 33

RELATED PARTY DISCLOSURE (IND AS 24)

A. List of related parties where control exists:

Name of the subsidiary	Country of incorporation	Percentage of holding As at March 31, 2022	Percentage of holding As at March 31, 2021
Artimas Fashions Private Limited	India	50.97%	50.97%

B. Key management personnel

Mr Ashok Kumar Todi, Executive Chairman

Mr Pradip Kumar Todi, Managing Director

Mr Saurabh Kumar Bhudolia, Chief Financial Officer

Mr Ajay Kumar Patodia, Chief Financial Officer (upto February 12, 2021)

Mrs Smita Mishra, Company Secretary

Mr Saket Todi - Executive Director (w.e.f. May 25, 2021)

Mr Udit Todi - Executive Director (w.e.f. May 25, 2021)

Mr Rahul Kumar Todi - Executive Director (w.e.f. May 25, 2021)

Mr Navin Kumar Todi - Executive Director (w.e.f. May 25, 2021)

NOTE: 33 (Contd.)

RELATED PARTY DISCLOSURE (IND AS 24)

C. Other directors

Mr Nandanandan Mishra – Independent director

Mr Kamal Kishore Agrawal – Independent director

Mr Snehasish Ganguly – Independent director

Mrs Rusha Mitra - Independent director

Mr Rajnish Rikhy - Independent director (w.e.f. May 25, 2021)

Mrs Ratnabali Kakkar - Independent director (w.e.f. May 25, 2021)

D. Relatives of Key management personnel

Mr Sourav Ganguly

Mrs Prabha Devi Todi

Mrs Shobha Devi Todi

Mrs Bimla Devi Todi

Mr Keshav Todi

Mrs Shilpa Agarwal Samriya

Mrs Neha Poddar

Mrs Sonika Bhudolia

E. Entities where Key management personnel and their relative have significant influence

Biswanath Hosiery Mills Limited

Biswanath Real Estate Private Limited

HollyField Traders Private Limited

P.G.Infometic Private Limited

Todi Industries

Todi Exports

Lux Foundation

Jaytee Exports

Ashok Kumar Todi (HUF)

Pradip Kumar Todi (HUF)

F. The following transactions were carried out with the related parties in the ordinary course of business:

₹ in crores

Sr. No.	Name of related party	Year ended March 31, 2022	Year ended March 31, 2021
1	**Sale of goods**		
	Artimas Fashions Private Limited	1.00	0.35
	Jaytee Exports	-	0.01
	Todi Industries	-	0.07
2	**Interest received**		
	Biswanath Real Estate Private Limited	-	0.98

NOTE: 33 (Contd.)

RELATED PARTY DISCLOSURE (IND AS 24)

F. The following transactions were carried out with the related parties in the ordinary course of business: ₹ in crores

Sr. No.	Name of related party	Year ended March 31, 2022	Year ended March 31, 2021
3	**Received towards services**		
	Artimas Fashions Private Limited - Knitting Charges	-	0.04
4	**Purchase of goods**		
	Todi Industries	-	1.77
	Artimas Fashions Private Limited	2.09	1.68
	Jaytee Exports	-	1.50
5	**Purchase of property, plant and equipment**		
	Mr Ashok Kumar Todi	-	14.44
	Mr Pradeep Kumar Todi	-	12.98
	Mrs Prabha Devi Todi	-	0.19
	Mrs Shobha Devi Todi	-	0.90
	Todi Industries	-	0.80
6	**Sitting fees**		
	Mr Nandannandan Mishra	0.09	0.01
	Mr Kamal Kishore Agrawal	0.12	0.01
	Mr Snehasish Ganguly	0.04	0.00
	Mrs Rusha Mitra	0.06	0.00
	Mr Rajnish Rikhy	0.05	-
	Mrs Ratnabali Kakkar	0.04	-
7	**CSR expenditure**		
	Lux Foundation	3.62	-
8	**Rent payment**		
	Hollyfield Traders Private Limited	0.02	0.02
	P.G.Infometic Private Limited	0.55	0.45
	Mrs Prabha Devi Todi	0.18	0.18
	Mr Navin Kumar Todi	0.24	0.12
	Mr Rahul Kumar Todi	0.18	0.18
9	**Other services payment**		
	P.G. Infometic Private Limited - Data processing charges	0.48	0.48
	Biswanath Hosiery Mills Limited - Royalty	0.08	0.08
	Todi Industries – Knitting Charges	-	0.68
	Sourav Ganguly - Advertisement Expenses	1.30	-
10	**Reimbursement of taxes (Payment by Lux Industries Ltd)**		
	Biswanath Hosiery Mills Limited	-	0.00
11	**Lease rental payments**		
	Mrs Sonika Bhudolia	0.12	0.02
12	**Dividend payment**		
	Mr Ashok Kumar Todi	4.39	0.87
	Mr Pradip Kumar Todi	5.30	1.06
	Mrs Prabha Devi Todi	4.40	0.91

NOTE: 33 (Contd.)

RELATED PARTY DISCLOSURE (IND AS 24)

F. The following transactions were carried out with the related parties in the ordinary course of business:

₹ in crores

Sr. No.	Name of related party	Year ended March 31, 2022	Year ended March 31, 2021
	Mrs Bimla Devi Todi	4.18	0.82
	Mrs Shobha Devi Todi	3.28	0.63
	Mr Saket Todi	0.95	0.04
	Mr Udit Todi	1.01	0.05
	Mr Navin Kumar Todi	0.55	-
	Mr Rahul Kumar Todi	0.55	-
	Mrs Shilpa Pankajkumar	0.06	0.01
	Mrs Neha Poddar	0.06	0.01
	Ashok Kumar Todi (HUF)	0.01	-
	Pradip Kumar Todi (HUF)	0.02	-
	Hollyfield Traders Private Limited	2.08	-
13	**Director's Remuneration**		
	Mr Ashok Kumar Todi	4.28	2.85
	Mr Pradip Kumar Todi	4.28	2.85
	Mr Saket Todi	1.53	-
	Mr Udit Todi	1.53	-
	Mr Navin Kumar Todi	1.53	-
	Mr Rahul Kumar Todi	1.53	-
14	**Salary**		
	Mr Saket Todi	0.25	1.61
	Mr Udit Todi	0.25	1.61
	Mr Navin Kumar Todi	0.13	1.44
	Mr Rahul Kumar Todi	0.13	1.44
	Mrs Bimla Devi Todi	-	0.57
	Mrs Shobha Devi Todi	-	0.57
	Mr Ajay Kumar Patodia (CFO) upto 12.02.2021	-	0.76
	Mr Saurabh Kumar Bhudolia (CFO) w.e.f 13.02.2021	0.77	0.10
	Mr Keshav Todi	-	0.27
	Mrs Smita Mishra (CS)	0.18	0.14
	Mrs Neha Poddar	-	0.29
15	**Reimbursement of expenses**		
	Mr Nandannandan Mishra	0.01	-
	Mr Kamal Kishore Agrawal	0.00	-
	Mr Saurabh Kumar Bhudolia (CFO)	0.00	-
16	**Loan received**		
	Mrs Prabha Devi Todi	-	1.41
17	**Loan repayment**		
	Mrs Prabha Devi Todi	-	6.37
	Mr Navin Kumar Todi	0.51	-
	Mr Rahul Kumar Todi	0.05	-

NOTE: 33 (Contd.)

RELATED PARTY DISCLOSURE (IND AS 24)

F. The following transactions were carried out with the related parties in the ordinary course of business:

₹ in crores

Sr. No.	Name of related party	Year ended March 31, 2022	Year ended March 31, 2021
18	**Loan given**		
	Biswanath Real Estate Private Limited	-	0.22
19	**Refund of Loan given**		
	Biswanath Real Estate Private Limited	-	18.44
20	**Payment of security deposit**		
	P.G.Infometic Private Limited	-	0.10
21	**Rent received**		
	Artimas Fashions Private Limited	0.00	-

G. Outstanding balances:

₹ in crores

Sr. No.	Name of related party	As at March 31, 2022	As at March 31, 2021
1	**Trade Payables**		
	P.G.Infometic Private Limited	0.56	0.24
	Biswanath Hosiery Mills Limited	0.08	0.05
	Hollyfield Traders Private Limited	-	0.03
	Artimas Fashions Private Limited	0.93	0.96
2	**Trade Recievables**		
	Todi Industries	-	0.29
3	**Unsecured Loans Taken**		
	Mr Navin Kumar Todi	-	0.51
	Mr Rahul Kumar Todi	-	0.05
4	**Advances recoverable in cash or value**		
	Jaytee Exports	-	0.01
	Todi Exports (India)	0.50	0.50
5	**Security deposit**		
	P.G.Infometic Private Limited	2.17	2.17
6	**Investment in shares**		
	Artimas Fashions Private Limited	0.19	0.19
7	**Other payables**		
	Mrs Sonika Bhudolia	0.02	-
	Mr Nandannandan Mishra	0.00	-

NOTE: 34

SEGMENT REPORTING

In accordance with Ind AS 108 "Operating Segments", segment information has been given in the consolidated financial statements of the company, and therefore, no separate disclosure on segment information is given in these financial statements.

NOTE: 35

CORPORATE SOCIAL RESPONSIBILITY

The details relating to Corporate Social Responsibility (CSR) expenditure are as follows:

As per Section 135 of the Companies Act, 2013, a CSR committee had been formed by the Company. The funds are utilized on the activities which are specified in Schedule VII of the Act. The utilization is done by way of contribution towards various activities.

a. Amount spent during the year on:

₹ in crores

Particulars	2021-22	2020-21
Gross amount required to be spent by the Company during the year	4.58	4.84
Amount Spent as Below		
- Education and Skill development	2.23	0.69
- Health Care	0.97	2.70
- Others	1.38	1.67
TOTAL	**4.58**	**5.06**

NOTE: 36

EMPLOYEE BENEFITS

1. **Defined Contribution Plan:**

   a. **Provident fund:**

   In accordance with Indian law, eligible employees of Lux Industries Limited are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary).

₹ in crores

Sl. No.	Particulars	2021-22	2020-21
1	Contribution to Provident/ Pension funds	1.59	1.24
TOTAL		**1.59**	**1.24**

2. **Defined benefits plan:**

   a. **Gratuity and leave encashment:**

   The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The Company has not funded the scheme.

   The Company also has a defined benefit leave encashment plan, wherein every employee on confirmation is entitled to get leave encashment benefit, which is payable on departure or on completion of 3 years of service at 15 days salary (last drawn salary) for each completed year of service. The Company has not funded the scheme.

NOTE: 36 (Contd.)

EMPLOYEE BENEFITS

(a) The following table summarizes the components of the net benefit expenses recognized in the profit and loss account and amounts recognized in the balance sheet for respective plans.

₹ in crores

Particulars	Gratuity		Leave Enchashment	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Present Value of Obligation at the beginning of the year	6.94	5.73	0.68	0.45
Current Service Cost	1.36	1.21	0.28	0.24
Interest Cost	0.48	0.40	0.05	0.03
Actuarial Losses / (Gain) recognized in other comprehensive income	(0.63)	(0.17)	(0.06)	(0.02)
Benefit Paid	(0.58)	(0.23)	(0.18)	(0.02)
Present Value of Obligation at the end of the year	**7.57**	**6.94**	**0.77**	**0.68**

(b) Expense recognized in Statement of Profit or Loss

₹ in crores

Particulars	Gratuity		Leave Enchashment	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Current service cost	1.36	1.21	0.28	0.24
Interest cost	0.48	0.40	0.05	0.03
Total	**1.84**	**1.62**	**0.33**	**0.28**

(c) Remeasurements recognized in Consolidated Other Comprehensive Income:

₹ in crores

Particulars	Gratuity		Leave Enchashment	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Actuarial loss/ (gain) arising on defined benefit obligation from				
- financial assumptions	0.03	0.13	(0.01)	0.01
- experience adjustments	(0.66)	(0.30)	(0.04)	(0.03)
Total	**(0.63)**	**(0.17)**	**(0.05)**	**(0.02)**

(d) Principle assumptions used in the determining gratuity obligation for the Company are shown below:

₹ in crores

Particulars	Gratuity		Leave Enchashment	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Discount Rate	7.10%	6.90%	7.10%	6.90%
Rate of increase in Salaries	6.00%	6.00%	6.00%	6.00%
Expected average remaining working lives of employees (years)	23.92	24.10	20.50	20.14
Withdrawal rates	Varying between 8% p.a. and 1% p.a. depending on duration and age of the employees			

The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors.

NOTE: 36 (Contd.)
EMPLOYEE BENEFITS

(e) Sensitivity analysis – Revised defined benefit obligation due to change in assumptions

₹ in crores

Particulars	Gratuity		Leave Enchashment	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Under Base scenario	7.58	6.94	0.78	0.68
Salary Escalation (Up by 1%)	8.36	7.61	0.86	0.75
Salary Escalation (Down by 1%)	6.91	6.37	0.71	0.62
Withdrawal Rates (Up by 1%)	7.64	7.00	0.78	0.68
Withdrawal Rates (Down by 1%)	7.50	6.88	0.77	0.67
Discount Rates (Up by 1%)	6.90	6.33	0.71	0.62
Discount Rates (Down by 1%)	8.38	7.67	0.85	0.75

(f) Expected Cash flow for following years

₹ in crores

Particulars	Gratuity		Leave Enchashment	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
1 Year	1.06	0.97	0.09	0.08
2 to 5 Years	1.91	0.70	0.29	0.04
6 to 10 Years	2.67	2.14	0.33	0.16

NOTE: 37
DISTRIBUTION OF DIVIDEND

₹ in crores

Particulars	As at March 31, 2022	As at March 31, 2021
Dividend on equity shares declared and paid :		
Final dividend for the year ended 31.03.2021 : ₹ NIL per share (31.03.2020 :- ₹ 2.50 per share)	-	6.31
Interim dividend for the year ended 31.03.2022 :- ₹ 12.00 per share (31.03.2021 :- ₹ NIL per share)	36.09	-

Note: The dividend declared or paid during the year by the company is in compliance with section 123 of the Companies Act, 2013.

NOTE: 38
DISCLOSURES PURSUANT TO SECURITIES AND EXCHANGE BOARD OF INDIA(LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECTION 186 OF THE COMPANIES ACT, 2013.

₹ in crores

Particulars	As at March 31, 2022	As at March 31, 2021
a) Investment by the Company in the shares of another Company		
i) Artimas Fashions Private Limited -		
Balance at the year end	0.19	0.19
Maximum amount outstanding at any time during the year	0.19	0.19

NOTE: 38 (Contd.)

DISCLOSURES PURSUANT TO SECURITIES AND EXCHANGE BOARD OF INDIA(LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECTION 186 OF THE COMPANIES ACT, 2013.

₹ in crores

Particulars	As at March 31, 2022	As at March 31, 2021
b) Guarantee by the Company given to another Company		
i) Artimas Fashions Private Limited -		
Balance at the year end	17.50	11.50
Maximum amount outstanding at any time during the year	17.50	11.50

NOTE: 39

ACCOUNTING CLASSIFICATION AND FAIR VALUES

The fair values of financial assets and liabilities, together with the carrying amounts shown in the Standalone Balance Sheet as at March 31, 2022 are as follows:

₹ in crores

Particulars	Amortized cost	Financial assets/ liabilities at fair value through profit or loss	Total carrying amount	Fair value
Financial assets:				
Investments	61.77	-	61.77	61.77
Trade Receivables	636.28	-	636.28	636.28
Cash and cash equivalents	52.38	-	52.38	52.38
Other bank balances	16.56	-	16.56	16.56
Other financial assets	9.42	-	9.42	9.42
Financial liabilities:				
Long Term Borrowings	13.89	-	13.89	13.89
Other Long Term Financial Liability	14.51	-	14.51	14.51
Short Term Borrowings	285.90	-	285.90	285.90
Trade Payables	277.72	-	277.72	277.72
Other Short Term Financial Liability	42.08	-	42.08	42.08

The fair values of financial assets and liabilities, together with the carrying amounts shown in the Standalone Balance Sheet as at March 31, 2021 are as follows:

₹ in crores

Particulars	Amortized cost	Financial assets/ liabilities at fair value through profit or loss	Total carrying amount	Fair value
Financial assets:				
Investments	64.40	11.09	75.49	75.49
Trade Receivables	453.77	-	453.77	453.77
Cash and cash equivalents	84.29	-	84.29	84.29
Other bank balances	101.44	-	101.44	101.44

NOTE: 39 (Contd.)

ACCOUNTING CLASSIFICATION AND FAIR VALUES

₹ in crores

Particulars	Amortized cost	Financial assets/ liabilities at fair value through profit or loss	Total carrying amount	Fair value
Other financial assets	12.96	-	12.96	12.96
Financial liabilities:				
Long Term Borrowings	12.01	-	12.01	12.01
Other Long Term Financial Liability	8.48	-	8.48	8.48
Short Term Borrowings	87.06	-	87.06	87.06
Trade Payables	275.40	-	275.40	275.40
Other Short Term Financial Liability	35.01	-	35.01	35.01

NOTE: 40

FAIR VALUE MEASUREMENT

The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in forced or liquidation sale.

The Company has established the following fair value hierarchy that categories the value into 3 levels. The inputs to valuation techniques used to measure fair value of financial instruments are:

- **Level 1:** Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;
- **Level 2:** Inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- **Level 3:** No significant observable inputs for the asset or liability. Some observable inputs used in fair value measurement are discounted cash flows, market multiple method etc.

The following table summarizes financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosure are required):

₹ in crores

As at March 31, 2022	Level 1	Level 2	Level 3
Financial Assets:			
Investment in Mutual Funds (Unquoted)	-	-	-
Total	**-**	**-**	**-**

₹ in crores

As at March 31, 2021	Level 1	Level 2	Level 3
Financial Assets:			
Investment in Mutual Funds (Unquoted)	11.09	-	-
Total	**11.09**	**-**	**-**

Notes:

i. The management assesses that carrying amount of trade receivables, cash and cash equivalents, other bank balances, short term borrowings, trade payables, other financial assets and liabilities approximate their fair value largely due to short term maturities of these instruments.

NOTE: 41

FINANCIAL RISK MANAGEMENT

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Managing Board. The Company has a system-based approach to risk management, anchored to policies and procedures and internal financial controls aimed at ensuring early identification, evaluation and management of key financial risks (such as credit risk, liquidity risk and market risk) that may arise as a consequence of its business operations as well as its investing and financing activities. Accordingly, the Company's risk management framework has the objective of ensuring that such risks are managed within acceptable and approved risk parameters in a disciplined and consistent manner and in compliance with applicable regulation. It also seeks to drive accountability in this regard.

1. Credit Risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses financial reliability of customers and other counter parties, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of financial assets. Individual risk limits are set and periodically reviewed on the basis of such information.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

i. Actual or expected significant adverse changes in business,

ii. Actual or expected significant changes in the operating results of the counterparty,

iii. Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,

iv. Significant increase in credit risk on other financial instruments of the same counterparty,

v. Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. The Company's exposure to trade receivables on the reporting date, net of expected loss provisions, stood at ₹ 636.28 Crores (PY – ₹ 453.77 Crores) and advance to suppliers stood at ₹ 9.19 Crores (PY – ₹ 14.91 Crores)

The movement of the expected loss provision (allowance for bad and doubtful loans and receivables etc.) made by the Company are as under:

₹ in crores

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	3.32	2.60
Add: Provisions made	1.84	0.72
Less: Provisions reversed	-	-
Closing provisions	**5.16**	3.32

2. Liquidity Risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The management continuously monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

NOTE: 41 (Contd.)

FINANCIAL RISK MANAGEMENT

₹ in crores

As at March 31, 2022	Less than 1 year	More than 1 years	Total
Borrowings	285.90	13.89	299.79
Trade payables	277.72	-	277.72
Other financial liabilities	42.08	14.51	56.59

₹ in crores

As at March 31, 2021	Less than 1 year	More than 1 years	Total
Borrowings	87.06	12.01	99.07
Trade payables	275.40	-	275.40
Other financial liabilities	35.01	8.48	43.49

3. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits and derivative financial instruments.

A. Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. Any weakening of the functional currency may impact the Company's cost of imports and cost of borrowings and consequently may increase the cost of financing the Company's capital expenditures. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to import of raw materials and spare parts, capital expenditure, export of finished goods. The currency in which these transactions are primarily denominated is USD.

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities. The Company's exposure to foreign currency changes for all currencies other than US Dollars is not material.

Particulars of unhedged foreign currency exposure as at the balance sheet date

₹ in crores

Particulars		As at March 31, 2022	As at March 31, 2021
Amount receivable in Foreign currency on account of	US$	0.62	0.64
Trade receivables	INR	45.99	46.30
Amount payable in Foreign currency on account of	US$	0.03	0.01
Trade payables	INR	2.50	0.35

₹ in crores

Particulars	Change in USD rate	Effect on profit before tax	Effect on post tax equity
March 31, 2022	10%	4.35	3.25
	-10%	(4.35)	(3.25)
March 31, 2021	10%	4.60	3.44
	-10%	(4.60)	(3.44)

NOTE: 41 (Contd.)
FINANCIAL RISK MANAGEMENT

B. 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. The Company's exposure to the risk of changes in market interest rates are limited as the borrowings by the Company carry fixed interest rates. However, the Company still constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

NOTE: 42
CAPITAL MANAGEMENT

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long-term and short-term goals of the Company.

The Company determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity and other long-term/short-term borrowings.

The Company's policy is aimed at combination of short-term and long-term borrowings so as to maintain an optimum capital structure to reduce the cost of capital and maximize shareholders value and provide benefitsto other stakeholders.

₹ in crores

Particulars	As at March 31, 2022	As at March 31, 2021
Total debt (Bank and Other Borrowings)	299.79	99.07
Equity	1,316.50	1,010.69

NOTE: 43
COMPANY AS A LESSEE

Carrying amount of lease assets or liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Assets		
Right of Use Assets (Refer Note No. 4(c))	15.17	10.03
Liabilities		
Lease Liabilities (Refer Note No. 17)	16.51	10.52

Amount recognized in Statement of Cash Flows

₹ in crores

Particulars	As at March 31, 2022	As at March 31, 2021
Payment of principal portion of lease liabilities	2.34	1.82
Payment of Interest portion of lease liabilities	1.58	1.38
Net Cash flows used in financial activities	**3.92**	**3.20**

The Company has lease contracts for Warehouse and office spaces used in its operations. These generally have lease terms between 1 and 9 years.

The effective interest rate for lease liabilities is 10.49%.

NOTE: 43 (Contd.)

COMPANY AS A LESSEE

The following are the amounts recognised in statement of Profit and Loss:

₹ in crores

Particulars	As at March 31, 2022	As at March 31, 2021
Depreciation expense of right-of used assets	3.19	2.77
Interest expenses on lease liabilities	1.58	1.15
Expense relating to other leases (included in other expenses)	4.08	2.87
Total amount recognised in Statement of Profit and Loss	**8.85**	**6.79**

Maturity analysis of lease liabilities are as follows:

₹ in crores

Particulars	As at March 31, 2022	As at March 31, 2021
1 year	2.00	2.04
2-5 years	5.62	4.56
5 years and above	8.89	3.92

NOTE: 44

RATIOS

Sl No.	Ratios	Numerator	Denominator	March, 2022	March, 2021	Variance	Remarks
a.	Current Ratio	Current Assets	Current Liabilities	2.74	2.96	-8%	-
b.	Debt-Equity Ratio	Total Debt	Shareholders Equity	0.23	0.10	132%	The debt - equity ratio as increased in the current period on account of increased working capital need of the Company.
c.	Debt Service Coverage Ratio	Total Operating Income	Debt Service Coverage	1.56	3.67	-58%	The reduction in Debt Service Coverage Ratio is on account of increase in the Debt.
d.	Return on Equity Ratio	Net Income	Shareholders Equity	26%	27%	-4%	-
e.	Inventory Turnover Ratio	COGS	Average Inventory	2.23	2.68	-17%	-
f.	Trade Receivable Turnover Ratio	Net Credit Sales	Average Recievables	4.15	4.33	-4%	-
g.	Trade Payable Turnover Ratio	Net Credit Purchase	Average Payables	4.35	3.39	29%	The increase in the Trade Payable Turnover Ratio is on account of the increase in Purchases of Raw Material in the current period.
h.	Net Capital Turnover Ratio	Total Sales	Working Capital	1.93	3.00	-36%	The decrease is on account of increase in the working capital of the Company as compared to previous year, primarily on account of building up of inventory.
i.	Net Profit Ratio	Net Profit	Total Revenue	15%	14%	6%	-

NOTE: 44
RATIOS

Sl No.	Ratios	Numerator	Denominator	March, 2022	March, 2021	Variance	Remarks
j.	Return on Capital Employed	EBIT	Total Assets - Current Liabilities	35%	36%	-4%	-
k.	Return on Investment	Total Income Genarated	Average Invested Funds	5%	5%	3%	-

NOTE: 45
QUARTERLY STATEMENT TO BANK

Summary of reconciliation of statement filed to the banks and books of accounts as at the end of each quarter :-

₹ in crores

Quarter	Particulars of Securities provided	Amount as per books of account	Amount as reported in the quarterly return/statement	Amount of Difference
Jun-21	**Current Assets**			
	Inventory	591.98	591.98	-
	Trade Receivables	432.46	432.46	-
	Other CA	304.31	304.31	-
	Current Liabilities			
	Bank Borrowings for W.C.	114.13	114.13	-
	Sundry Creditors	277.68	277.68	-
	Other CL	45.17	45.17	-
Sep-21	**Current Assets**			
	Inventory	681.92	681.92	-
	Trade Receivables	572.37	572.37	-
	Other CA	252.41	252.41	-
	Current Liabilities			
	Bank Borrowings for W.C.	121.68	121.68	-
	Sundry Creditors	354.59	354.59	-
	Other CL	65.8	65.8	-
Dec-21	**Current Assets**			
	Inventory	729.12	729.12	-
	Trade Receivables	600.34	600.34	-
	Other CA	251.69	251.69	-
	Current Liabilities			
	Bank Borrowings for W.C.	223.31	223.31	-
	Sundry Creditors	295.99	295.99	-
	Other CL	41.28	41.28	-

NOTE: 45 (Contd.)
QUARTERLY STATEMENT TO BANK

₹ in crores

Quarter	Particulars of Securities provided	Amount as per books of account	Amount as reported in the quarterly return/statement	Amount of Difference
March, 2022	**Current Assets**			
	Inventory	814.92	814.92	-
	Trade Receivables	636.28	636.28	-
	Other CA	234.78	234.78	-
	Current Liabilities			
	Bank Borrowings for W.C.	278.19	278.19	-
	Sundry Creditors	277.72	277.72	-
	Other CL	60.18	60.18	-

NOTE: 46

The Company has assessed and considered the impact of this pandemic on the carrying amount of inventories, receivables and other assets and the management estimates that the Company's liquidity position is comfortable and there is no material uncertainty in meeting its liability for the foreseeable future. However, the situation is still evolving and the eventual outcome of impact of the global pandemic may be different from those estimated as on date of approval of these financial statements.

NOTE: 47
OTHER STATUTORY INFORMATION

i. The Company do not have any Benami Property, where any proceedings has been initiated or pending against the Company for holding any Benami property.

ii. The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

iii. The Company have not traded or invested in Crypto Currency or Virtual Currency during the financial year.

iv. The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies):

   (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company(Ultimate Beneficiaries) or

   (b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

v. The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

   (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party(Ultimate Beneficiaries) or

   (b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

vi. The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act,1961.

vii. The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

viii. The Company has compiled with 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.

ix. There are no events or transactions after the reporting period which is required to be disclosed under Ind AS 10.

x. The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India.

Notes to the standalone financial statements for the year ended March 31, 2022

NOTE: 48

Balances of some parties (including of Trade receivables and Trade payables) and loans and advances are subject to reconciliation/ confirmations from the respective parties. The management does not expect any material differences affecting the financial statement for the year.

NOTE: 49

Previous year figures have been recast/ regrouped whenever necessary to conform to the current Year's presentation.

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For S K AGRAWAL AND CO CHARTERED ACCOUNTANTS LLP
Chartered Accountants
ICAI Firm Registration No. 306033E/E300272

Sandeep Agrawal
Partner
Membership no. 058553

Place : Kolkata
Dated: May 30, 2022
UDIN: 22058553AJWUZQ5449

FOR AND ON BEHALF OF BOARD OF DIRECTORS

Ashok Kumar Todi
Chairman
(DIN - 00053599)

Pradip Kumar Todi
Managing Director
(DIN - 00246268)

Saurabh Kumar Bhudolia
Chief Financial Officer
(PAN-AISPB8804D)

Smita Mishra
Company Secretary
(Mem No - A26489)

Independent auditor's report

To the Members of

Lux Industries Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of Lux Industries Limited (hereinafter referred to as "the Holding Company"), its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") comprising of the consolidated Balance sheet as at March 31 2022, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiary, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2022, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

We have determined the matters described below to be the key audit matters to be communicated in our report. For each matter below, our description of how our audit addressed the matter is provided in that context.

Key audit matters	How our audit addressed the key audit matter
Revenue from sale of goods *(as described in note 23 to the consolidated financial statements)*	
The Group recognizes revenues when control of the goods is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods. In determining the sales price, the Group considers the effects of rebates and discounts (variable consideration). The terms of arrangements in case of domestic and exports sales, including the timing of transfer of control, the nature of discount and rebates arrangements, delivery specifications including incoterms, create complexity and judgment in determining sales revenues. The risk is, therefore, that revenue may not be recognised in accordance with terms of Ind AS 115 'Revenue from contracts with customers', and accordingly, it is determined to be a key audit matter in our audit of the consolidated financial statements.	Our audit procedures amongst others included the following: ▪ Considered the appropriateness of the Group's revenue recognition policy in terms of Ind AS 115 'Revenue from contracts with customers'. ▪ Assessed the design and tested the operating effectiveness of internal financial controls related to revenue recognition. ▪ Performed sample tests of individual sales transaction and traced to sales invoices and other related documents. In respect of the samples selected, tested that the revenue has been recognized in accordance with Ind AS 115. ▪ Selected sample of sales transactions made pre- and post-year end and tested the period of revenue recognition based on underlying documents. ▪ Selected samples of rebates and discounts during the year, compared them with the supporting documents and performed re-calculation of those variable considerations as per scheme documents. ▪ Assessed the adequacy of relevant disclosures made in the Consolidated Financial Statements.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the Consolidated Financial Statements and our auditor's report thereon.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

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

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

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

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

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

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

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors, to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entity included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

Other Matter

We did not audit the financial statements and other financial information, in respect of one subsidiary, whose financial statements include total assets of ₹41.78 crores as at March 31, 2022, and total revenues of ₹26.03 crores and net cash outflows of ₹0.34 crores for the year ended on that date. These financial statement and other financial information have been audited by other auditor, which financial statements, other financial information and auditor's reports have been furnished to us by the management.

Our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the reports of such other auditor.

Our opinion above on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditor on separate financial statements and the other financial information of the subsidiary company, incorporated in India, as noted in the 'Other Matter' paragraph, we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xxi) of the Order.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiary, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements;

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books;

   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the Consolidated Financial Statements;

   (d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2022 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary company, none of the directors of the Group's companies, incorporated in India, is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) With respect to the adequacy of the internal financial controls with reference to Consolidated Financial Statements of the Holding Company, its subsidiary company, incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiary company, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Holding Company and its subsidiary incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

   (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiary, as noted in the 'Other matter' paragraph:

      i. The Consolidated Financial Statements disclose the impact of pending litigations on its consolidated financial position of the Group in its Consolidated Financial Statements – Refer Note 32 to the Consolidated Financial Statements;

      ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2022;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary, during the year ended March 31, 2022.

iv. a) The respective managements of the Holding Company and subsidiary company whose financial statements have been audited under the Act have represented to us and the other auditor of such subsidiary that, to the best of its knowledge and belief, and as more fully disclosed in the note 44 to the Consolidated Financial Statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or such subsidiary to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or such subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The respective managements of the Holding Company and subsidiary company whose financial statements have been audited under the Act have represented to us and the other auditor of such subsidiary that, to the best of its knowledge and belief, and as more fully disclosed in the note 44 to the Consolidated Financial Statements, no funds have been received by the respective Holding Company or such subsidiary from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or such subsidiary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditor of the subsidiary whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditor to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

v. The interim dividend declared and paid during the year by the Holding Company and until the date of the audit reports is in accordance with section 123 of the Act. The respective Board of Directors of the Holding Company and subsidiary company has not proposed any final dividend for the year.

For **S K AGRAWAL AND CO**
CHARTERED ACCCOUNTANTS LLP
Chartered Accountants
ICAI Firm Registration Number: 306033E/E300272

Sandeep Agrawal
(Partner)
Membership Number: 058553
UDIN: 22058553AJWVQU7770

Place of Signature: Kolkata
Date: May 30, 2022

Annexure 1 referred to in Paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: Lux Industries Limited ("the Holding Company")

In terms of the information and explanations sought by us and given by the Holding Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief and based on the consideration of report of respective auditor of the subsidiary company incorporated in India, we state that:

(xxi) There are no qualifications or adverse remarks by the respective auditor in the Companies (Auditors Report) Order (CARO) report of the subsidiary company included in the Consolidated Financial Statements. Accordingly, the requirement to report on clause 3(xxi) of the Order is not applicable to the Holding Company.

For **S K AGRAWAL AND CO**
CHARTERED ACCCOUNTANTS LLP
Chartered Accountants
ICAI Firm Registration Number: 306033E/E300272

Sandeep Agrawal
(Partner)
Membership Number: 058553
UDIN: 22058553AJWVQU7770

Place of Signature: Kolkata
Date: May 30, 2022

Annexure 2 to the Independent Auditor's Report of Even Date on the Consolidated Financial Statements of Lux Industries Limted

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

In conjunction with our audit of the Consolidated Financial Statements of Lux Industries Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to Consolidated Financial Statements of the Holding Company and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain

Annexure 2 to the Independent Auditor's Report of Even Date on the Consolidated Financial Statements of Lux Industries Limted (Contd.)

reasonable assurance about whether adequate internal financial controls with reference to Consolidated Financial Statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to Consolidated Financial Statements.

Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements

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

Inherent Limitations of Internal Financial Controls With Reference to Consolidated Financial Statements

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

Opinion

In our opinion, the Group, have, maintained in all material respects, adequate internal financial controls with reference to Consolidated Financial Statements and such internal financial controls with reference to Consolidated Financial Statements were operating effectively as at March 31,2022, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to Consolidated Financial Statements of the Holding Company, in so far as it relates to One (1) subsidiary, is based on the corresponding report of the auditor of such subsidiary, incorporated in India.

For **S K AGRAWAL AND CO**
CHARTERED ACCCOUNTANTS LLP
Chartered Accountants
ICAI Firm Registration Number: 306033E/E300272

Sandeep Agrawal
(Partner)
Membership Number: 058553
UDIN: 22058553AJWVQU7770

Place of Signature: Kolkata
Date: May 30, 2022

Consolidated Balance Sheet as at March 31, 2022

₹ in crores

	Notes	As at March 31, 2022	As at March 31, 2021
ASSETS			
A Non-current assets			
Property, plant and equipment	4	218.33	186.88
Capital work-in-progress	4	33.77	9.23
Other intangible assets	4	0.02	0.10
Right of use assets	4	17.50	12.49
Financial assets			
Investments	5	0.00	0.00
Other financial assets	6	3.93	5.80
Other non-current assets	7	17.16	1.84
Total Non-current assets		**290.71**	**216.34**
B Current assets			
Inventories	8	835.53	477.11
Financial assets			
Investments	8A	61.58	75.30
Trade receivables	9	646.90	458.00
Cash and cash equivalents	10	52.45	84.69
Bank balance other than above	11	16.56	101.44
Other financial assets	6	5.67	7.38
Current tax assets	12	1.28	-
Other current assets	13	101.54	71.47
Total Current assets		**1,721.51**	**1,275.39**
TOTAL ASSETS		**2,012.22**	**1,491.73**
EQUITY AND LIABILITIES			
C Equity			
Equity share capital	14	6.26	6.26
Other equity	15	1,303.44	999.30
Non-controlling interest		(6.35)	(4.77)
Total Equity		**1,303.35**	**1,000.79**
D Non-current liabilities			
Financial liabilities			
Borrowings	16	17.20	15.48
Lease liabilities	17	16.94	10.74
Deferred tax liabilities (Net)	30	3.62	4.15
Provisions	18	7.30	6.72
Total Non-current liabilities		**45.06**	**37.09**
E Current liabilities			
Financial liabilities			
Borrowings	16	313.02	108.12
Lease liabilities	17	2.36	2.50
Trade payables			
A) total outstanding dues of micro enterprises and small enterprises; and	19	4.92	5.81
B) total outstanding dues of creditors other than micro enterprises and small enterprises	19	285.19	273.92
Other financial liabilities	20	47.07	36.91
Provisions	18	1.15	1.05
Other current liabilities	21	10.10	10.97
Current tax liabilities	22	-	14.57
Total Current liabilities		**663.81**	**453.85**
TOTAL EQUITY AND LIABILITIES		**2,012.22**	**1,491.73**
Summary of significant accounting policies	3		

The accompanying notes are an integral part of the financial statements

As per our report of even date
For S K AGRAWAL AND CO CHARTERED ACCOUNTANTS LLP
Chartered Accountants
ICAI Firm Registration No. 306033E/E300272

Sandeep Agrawal
Partner
Membership no. 058553

Place : Kolkata
Dated: May 30, 2022
UDIN: 22058553AJWVQU7770

FOR AND ON BEHALF OF BOARD OF DIRECTORS

Ashok Kumar Todi
Chairman
(DIN - 00053599)

Pradip Kumar Todi
Managing Director
(DIN - 00246268)

Saurabh Kumar Bhudolia
Chief Financial Officer
(PAN-AISPB8804D)

Smita Mishra
Company Secretary
(Mem No - A26489)

Consolidated Statement of Profit and Loss for the year ended March 31, 2022

₹ in crores

		Notes	Year ended March 31, 2022	Year ended March 31, 2021
I	Revenue from operations	23	2,295.88	1,952.52
II	Other Income	24	17.04	12.34
III	**Total income (I+II)**		**2,312.92**	**1,964.86**
IV	**Expenses**			
	Cost of raw materials consumed	25	1,196.73	785.57
	Purchases of traded goods	25	17.74	7.09
	(Increase) / decrease in inventories of finished goods, work-in-progress & traded goods	25	(341.78)	39.84
	Employee benefit expense	26	88.91	69.90
	Finance costs	27	16.01	12.72
	Depreciation and amortisation expense	28	18.34	17.86
	Other expenses	29	861.05	669.77
	Total expenses (IV)		**1,857.00**	**1,602.75**
V	**Profit Before Tax (III - IV)**		**455.92**	**362.11**
VI	**Tax expense**			
	(i) Current tax	30	116.88	92.75
	(ii) Deferred tax	30	(0.75)	(0.52)
	(iii) Income tax for earlier years		1.73	0.50
	Income tax expense (i+ii+iii)		**117.86**	**92.73**
VII	**Profit before non-controlling interest and other comprehensive income (V-VI)**		**338.06**	**269.38**
VIII	**Other comprehensive income**			
	A (i) Items that will not be reclassified subsequently to profit and loss			
	(a) Remeasurements of the defined benefit liabilities / (asset)		0.77	0.17
	(ii) Income tax relating to items that will not be reclassified to profit or loss		(0.19)	-
	Other comprehensive income for the year (net of tax) (i-ii)		**0.58**	**0.17**
	Total comprehensive income for the period, net of income tax (VII + VIII)		**338.64**	**269.55**
	Profit for the year			
	Attributable to:			
	(i) Shareholders of the Company		339.67	271.39
	(ii) Non controlling interest		(1.61)	(2.01)
	Total comprehensive income for the year, net of income tax			
	Attributable to:			
	(i) Shareholders of the Company		340.22	271.56
	(ii) Non controlling interest		(1.58)	(2.01)
	Earnings per equity share [nominal value of share ₹ 2 (March 31, 2021 ₹ 2)]			
	Basic in ₹ per share	31	112.95	90.25
	Diluted in ₹ per share	31	112.95	90.25
Summary of significant accounting policies		**3**		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S K AGRAWAL AND CO CHARTERED ACCOUNTANTS LLP
Chartered Accountants
ICAI Firm Registration No. 306033E/E300272

Sandeep Agrawal
Partner
Membership no. 058553

Place : Kolkata
Dated: May 30, 2022
UDIN: 22058553AJWVQU7770

FOR AND ON BEHALF OF BOARD OF DIRECTORS

Ashok Kumar Todi
Chairman
(DIN - 00053599)

Pradip Kumar Todi
Managing Director
(DIN - 00246268)

Saurabh Kumar Bhudolia
Chief Financial Officer
(PAN-AISPB8804D)

Smita Mishra
Company Secretary
(Mem No - A26489)

Consolidated Statement of changes in equity for year ended March 31, 2022

₹ in crores

a. Equity share capital	No. of shares	₹ in crores
Equity shares of ₹ 2 each issued, subscribed and fully paid		
As at March 31, 2020	**2,52,53,000**	**5.30**
Changes in equity share capital during the period	-	-
As at March 31, 2021	**2,52,53,000**	**5.30**
Changes in equity share capital during the period	48,18,681	0.96
As at March 31, 2022	**3,00,71,681**	**6.26**

₹ in crores

b. Other Equity	Capital Redemption Reserve	Securities premium	Capital Reserve	General reserve	Retained earnings	Total
Balance as at April 1, 2020	**56.00**	**39.29**	**2.80**	**14.78**	**621.18**	**734.05**
Add: Profit for the year	-	-	-	-	269.38	269.38
Add: Other comprehensive income arising from remeasurement of defined benefit obligation (net of income tax)	-	-	-	-	0.17	0.17
Less: Transferred to non-controlling interest	-	-	-	-	(2.01)	(2.01)
Less: Dividend	-	-	-	-	6.31	6.31
Balance as at March 31, 2021	**56.00**	**39.29**	**2.80**	**14.78**	**886.43**	**999.30**
Add: Profit for the year	**-**	**-**	**-**	**-**	**338.06**	**338.06**
Add: Other comprehensive income arising from remeasurement of defined benefit obligation (net of income tax)	-	-	-	-	0.58	0.58
Less: Transferred to non-controlling interest	-	-	-	-	(1.58)	(1.58)
Less: Dividend	-	-	-	-	36.09	36.09
Balance as at March 31, 2022	**56.00**	**39.29**	**2.80**	**14.78**	**1,190.57**	**1,303.44**

Nature and Purpose of Reserves:

(A) Capital Redemption Reserve: This reserve has been created on redemption of Preference Share Capital and can be utilized in accordance with the provisions of the Companies Act, 2013.

(B) Securities Premium: This reserve represents premium on issue of shares and can be utilized in accordance with the provisions of the Companies Act, 2013.

(C) General Reserve: This reserve is a free reserve which is used from time to time to transfer profits from retained earnings and can be utilized in accordance with the provisions of the Companies Act, 2013.

(D) Retained Earnings : This reserve represents undistributed cumulative profits of the Company and can be utilized in accordance with the provisions of the Companies Act, 2013

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For S K AGRAWAL AND CO CHARTERED ACCOUNTANTS LLP
Chartered Accountants
ICAI Firm Registration No. 306033E/E300272

Sandeep Agrawal
Partner
Membership no. 058553

Place : Kolkata
Dated: May 30, 2022
UDIN: 22058553AJWVQU7770

FOR AND ON BEHALF OF BOARD OF DIRECTORS

Ashok Kumar Todi
Chairman
(DIN - 00053599)

Pradip Kumar Todi
Managing Director
(DIN - 00246268)

Saurabh Kumar Bhudolia
Chief Financial Officer
(PAN-AISPB8804D)

Smita Mishra
Company Secretary
(Mem No - A26489)

Consolidated Statement of Cash Flows for the year ended March 31, 2022

₹ in crores

	Year ended March 31, 2022 Audited	Year ended March 31, 2021 Audited
Cash flows from operating activities		
Profit before tax	455.92	362.11
Adjustment to reconcile profit before tax to net cash flows:		
Depreciation and amortisation expense	18.34	17.86
Interest on lease liability	1.85	1.73
Finance costs - others	14.16	10.99
Profit on sale of property, plant and equipment	(3.53)	(0.01)
Loss on sale of property, plant and equipment	0.01	0.07
Loss on discard of assets	0.08	2.04
Finance income	(8.03)	(6.45)
Provision for doubtful advances (net)	1.85	0.72
Bad debt (net)	0.69	1.13
Liabilities written back	-	(0.37)
Net gain on sale of current investments	(0.44)	(0.79)
Gain on investment carried at fair value through profit or loss	0.02	(0.35)
Operating profit before working capital changes	**480.92**	**388.68**
Movements in working capital:		
Increase in trade and other receivables	(191.44)	(18.86)
(Increase) / decrease in inventories	(358.42)	20.89
Increase in other assets	(45.67)	(2.05)
Increase in trade and other payables	10.38	75.41
Increase in other liabilities	10.21	3.68
Cash generated from / (used in) operations	**(94.02)**	**467.75**
Direct taxes paid (Net of refunds)	(134.46)	(79.21)
Net cash flow from / (used in) operating activities	**(228.47)**	**388.54**
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	(74.28)	(66.11)
Proceeds from sale of property, plant and equipment and intangible assets	7.15	0.83
Sale/(purchase) of investments (net)	14.14	(35.49)
Decrease in loan given	-	18.00
(Increase) / decrease in term deposit	87.41	(100.36)
Finance income	9.38	6.59
Net cash flow from / (used in) investing activities	**43.80**	**(176.54)**

Consolidated Statement of Cash Flows for the year ended March 31, 2022

₹ in crores

	Year ended March 31, 2022 Audited	Year ended March 31, 2021 Audited
Cash flows from financing activities		
Proceeds from non-current borrowings	1.72	7.67
Proceeds/ (repayment) of current borrowings	204.90	(119.71)
Finance costs - others	(13.63)	(11.19)
Dividend Paid	(36.09)	(6.31)
Payment of lease liability - principal	(2.62)	(2.10)
Payment of lease liability - interest	(1.85)	(1.73)
Net cash flow from / (used in) in financing activities	**152.43**	**(133.37)**
Net increase / (decrease) in cash and cash equivalents	**(32.24)**	**78.63**
Cash and cash equivalents at the beginning of the year	84.69	6.06
Cash and cash equivalents at the end of the year	**52.45**	**84.69**

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For S K AGRAWAL AND CO CHARTERED ACCOUNTANTS LLP
Chartered Accountants
ICAI Firm Registration No. 306033E/E300272

Sandeep Agrawal
Partner
Membership no. 058553

Place : Kolkata
Dated: May 30, 2022
UDIN: 22058553AJWVQU7770

FOR AND ON BEHALF OF BOARD OF DIRECTORS

Ashok Kumar Todi
Chairman
(DIN - 00053599)

Pradip Kumar Todi
Managing Director
(DIN - 00246268)

Saurabh Kumar Bhudolia
Chief Financial Officer
(PAN-AISPB8804D)

Smita Mishra
Company Secretary
(Mem No - A26489)

NOTE: 1

REPORTING ENTITY

Lux Industries Limited ('the Holding Company' or 'the Company') is a public company domiciled and headquartered in India, having its registered office situated at 39, Kali Krishna Tagore Street, Kolkata. The Company has its shares listed on National Stock Exchange (NSE) and Bombay Stock Exchange (BSE). The Company is primarily engaged in the manufacturing and sales of knitwear's. The Company has operations in India and caters to both domestic and international markets. The Company has a subsidiary in India in the name of Artimas Fashions Private Limited. The Manufacturing units of the Company are located in Kolkata (West Bengal), Ludhiana and Tirupur, in the state of Tamil Nadu.

NOTE: 2

BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

(a) Statement of compliance

These Consolidated financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) notified under Section 133 of the Companies Act, 2013 ('Act') and other relevant provisions of the Act and guidelines issued by the Securities and Exchange Board of India ('SEBI'), as applicable.

The Consolidated financial statements were approved for issue by the Board of Directors of the Company at their meeting held on May 30, 2022. The details of the Group's accounting policies are included in Note 3.

(b) Functional and presentation currency

These Consolidated financial statements are presented in Indian Rupees (₹), which is also the Group's functional currency. All amounts have been rounded off to the nearest crores, unless otherwise indicated.

(c) Basis of measurement

The Consolidated financial statements have been prepared on historical cost convention on the accrual basis, except for the following items:

(i) Certain financial assets and financial liabilities measured at fair value;

(ii) Assets held for sale-measured at the lower of its carrying amount and fair value less costs to sell; and

(iii) Employee's defined benefit plan as per actuarial valuation.

Fair value is the price that would be received on the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated using another valuation technique. In determining the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

(d) Use of estimates and judgments

The preparation of the Group's Consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Estimates and underlying assumptions are reviewed on an ongoing basis. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these Consolidated financial statements have been disclosed below. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. The changes in the estimates are reflected in the Consolidated financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the Consolidated financial statements.

Critical accounting estimates and key sources of estimation uncertainty: Key assumptions

(i) Useful lives of Property, plant and equipment

The Group uses its technical expertise along with historical and industry trends for determining the economic life of an asset/ component of an asset. The useful lives are reviewed by management periodically and revised, if appropriate. In case of a revision, the unamortized depreciable amount is charged over the remaining useful life of the assets. See note 3(d) and 4 for details.

(ii) Fair value measurement of financial instruments

Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognized in the statement of profit and loss. See note 3(r) and 38 for details.

(iii) Defined benefit plan

The cost of the defined benefit plan includes gratuity and leave encashment. The present value of the obligations are determined using actuarial valuations using Projected unit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. See note 3(g) and 36 for details.

(iv) Recognition of current tax and deferred tax

Current taxes are recognized at tax rates (and tax laws) enacted or substantively enacted by the reporting date and the amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used. See note 3(k) and 30 for details.

(v) Recognition and measurement of provisions and contingencies

The certain key assumptions about the likelihood and magnitude of an outflow of resources. Provision is towards known contractual obligation, litigation cases and pending assessments in respect of taxes, duties and other levies in respect of which management believes that there are present obligations and the settlement of such obligations are expected to result in outflow of resources, to the extent provided for. See note 3(h) and 32 for details.

(e) Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for financial assets and financial liabilities. The Group has an established control framework with respect to the measurement of fair values. The management has overall responsibility for overseeing all significant fair value measurements and it regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date;

Level 2: Inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3: No significant observable inputs for the asset or liability. Some observable inputs used in fair value measurement are discounted cash flows, market multiple method etc. When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible.

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. Further information about the assumptions made in measuring fair values is included in Note 39.

(f) Basis of consolidation

(i) Subsidiaries

The Consolidated financial statements are prepared on the following basis in accordance with Ind AS on "Consolidated Financial Statements" (Ind AS – 110), specified under Section 133 of the Companies Act, 2013.

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the Consolidated financial statements from the date on which control commences until the date on which control ceases.

Group Information

Subsidiary	Country of Incorporation	As at March 31, 2022	As at March 31, 2021
Artimas Fashions Private Limited	India	50.97%	50.97%

(ii) Non-controlling interest (NCI)

Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity. The interest of non-controlling shareholders is initially measured at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. Subsequent to acquisition, the carrying value of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

(iii) Transactions eliminated on consolidation

Consolidated Ind AS 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 Ind AS 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 Ind AS financial statements to ensure conformity with the group's accounting policies.

The financial statements of the Holding Company and its subsidiary used in the consolidation procedures are drawn upto the same reporting date i.e. March 31, 2022.

The financial statements of the Holding Company and its subsidiary company are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses.

Intra-group balances and transactions, and any unrealized income and expenses arising from intragroup transactions, are eliminated. Unrealized gains arising from transactions with subsidiary are eliminated against the investment to the extent of the Group's interest in the investee. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

Profit and Loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

NOTE: 3

SIGNIFICANT ACCOUNTING POLICIES

(a) Current and non-current classification

All assets and liabilities are classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Act.

Assets

An asset is classified as current when it satisfies any of the following criteria:

(i) it is expected to be realized in, or is intended for sale or consumption in, the Group's normal operating cycle;

(ii) it is held primarily for the purpose of being traded;

(iii) it is expected to be realized within 12 months after the reporting date; or

(iv) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date. Current assets include current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

(i) it is expected to be settled in the Group's normal operating cycle;

(ii) it is held primarily for the purpose of being traded;

(iii) it is due to be settled within 12 months after the reporting date; or

(iv) the Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification. Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle

For the purpose of current/ non-current classification of assets and liabilities, the Group has ascertained its normal operating cycle as twelve months. This is based on the nature of business and the time between the acquisition of assets for processing and their realization in cash and cash equivalents.

(b) Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency of the Group at the exchange rates prevailing at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognized in Statement of Profit and Loss.

Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognized in the Statement of Profit and Loss in the period in which they arise.

(c) Financial instruments

(i) Recognition and initial measurement

The Group recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

(ii) Classification and subsequent measurement

Financial assets

(a) *Financial assets at amortised cost*
A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(b) *Financial assets at FVOCI*
A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Group has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model.

(c) *Financial assets at FVTPL*
A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(iii) Derecognition

Financial assets

The Group derecognizes a financial asset:

- when the contractual rights to the cash flows from the financial asset expire, or
- it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

Financial liabilities

The Group derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in Statement of Profit and Loss.

(iv) Off setting

Financial assets and financial liabilities are off set and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

(d) **Property, plant and equipment & Intangible assets**

(i) Recognition and measurement

- *Tangible assets and Capital Work in Progress*

  Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any. The cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

  Borrowing costs directly attributable to the acquisition or construction of those qualifying property, plant and equipment, which necessarily take a substantial period of time to get ready for their intended use, are capitalized.

  If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate components of property, plant and equipment.

  A fixed asset is eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal. Any gain or loss on disposal of an item of property, plant and equipment is recognized in Consolidated Statement of Profit and Loss.

  Property, plant and equipment under construction and not yet ready for their intended use are disclosed as Capital work-in- progress.

  Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as 'Capital Advances' under other 'Non-Current Assets'.

- *Intangible assets:*

  Intangible Assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized on a straight line basis over their estimated useful lives. The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the assets is significantly different from previous estimates, the amortization period is changed accordingly. The Intangible assets include Computer Software. Amortization of Intangible Assets is made based on management's evaluation of duration of life cycle of intangible assets.

(ii) Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Group. Ongoing repairs and maintenance are expensed as incurred.

(iii) Depreciation & Amortization

Depreciation and amortization for the year is recognized in the Consolidated Statement of Profit and Loss. Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight line method in the manner specified in Part C of Schedule II to the Companies Act, 2013. Depreciation for the assets purchased/ sold during a period is proportionately charged.

Depreciation methods, useful lives and residual values are reviewed at each financial year end and adjusted prospectively, if appropriate.

Class of assets	Useful lives of the assets (Years)
Factory buildings	30
Non factory buildings	60
Plant and equipment	10 to 15
Computer and data processing equipment	3
Office equipment	5
Furniture and fixtures	10
Vehicles	8 to 10
Computer software	2.5
Brand	5

(e) Inventories

Inventories which comprise raw materials, work-in progress, finished goods and packing materials are measured at the lower of cost and net realizable value.

The cost of inventories is based on the Weighted Average Cost method, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition. The Group has valued inventory net of input tax benefits. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The net realizable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials, components and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realizable value. The comparison of cost and net realizable value is made on an item-by-item basis.

Assessment of net realizable value is made at each subsequent reporting date. When the circumstances that previously caused inventories to be written down below cost no longer exist or when there is clear evidence of an increase in net realizable value because of changed economic circumstances, the amount of the write-down is reversed.

(f) Impairment

(i) Impairment of financial instruments: financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

The Group recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivable with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in Consolidated Statement of Profit and Loss.

In case of trade receivables, the Group follows the simplified approach permitted by Ind AS 109 Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Group to track changes in credit risk. The Group calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including subsequent information.

(ii) Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the Consolidated Statement of Profit and Loss.

A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit or loss.

(g) Employee benefits

(i) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid e.g., under short-term cash bonus, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

(ii) Defined contribution plans

The Group makes specified monthly contributions to employee provident fund to Government administered provident fund scheme, which is a defined contribution plan. Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in Consolidated Statement of Profit and Loss in the periods during which the related services are rendered by employees.

(iii) Defined benefit plans

For defined benefit retirement schemes the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuation being carried out at each balance sheet date. Re-measurement gains and losses of the net defined benefit liability/ (asset) are recognized immediately in other comprehensive income. The service cost, net interest on the net defined benefit liability/ (asset) is treated as a net expense within employment costs.

Past service cost is recognized as an expense when the plan amendment or curtailment occurs or when any related restructuring costs or termination benefits are recognized, whichever is earlier.

(iv) Other long term employee benefits

The Group treats accumulated leaves expected to be carried forward beyond twelve months, as long term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the end of each financial year. The Group presents the leave as current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement beyond 12 months after the reporting date. Where the Group has unconditional legal and contractual right to defer the settlement for the period beyond 12 months, the same is presented as non-current liability. Actuarial gains/losses are immediately taken to the Statement of Profit and Loss and are not deferred.

(h) Provision, Contingent Liabilities and Contingent Assets

A provision is recognized if, as a result of past event, the Group has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognized at the best estimate of the expenditure required to settle the present obligation at the balance sheet date. The provisions are measured on an undiscounted basis.

Provisions in respect of loss contingencies relating to claims, litigation, assessment, fines, penalties, etc. are recognized when it is probable that a liability has been incurred, and the amount can be estimated reliably.

During the financial year the Group has made provision for doubtful debts and doubtful advances to the extent of 100% of the total amount identified as doubtful debts and advances.

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognized nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognized in the period in which the change occurs.

(i) Revenue from contract with customer

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Revenue is measured at the fair value of the consideration received or receivable, net of returns, discounts, volume rebates, and goods and service tax. The Group recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Group regardless of when the payment is being made.

The specific recognition criteria described below must also be met before revenue is recognized.

Sale of Products

Revenue from sale of products is recognized when the Group transfers the control of goods to the customer as per the terms of contract. The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price, the Group considers the effects of variable consideration, the existence of significant financing component, non-cash considerations and consideration payable to the customer (if any). In case of domestic sales, the Group believes that the control gets transferred to the customer on dispatch of the goods from the factory/ depots and in case of exports, revenue is recognized on passage of control as per the terms of contract / incoterms.

Variable consideration in the form of volume rebates is recognized at the time of sale made to the customers and are offset against the amounts payable by them.

Rendering of Services

Revenue from services is recognized as the service performed based on agreements/ arrangements with the concerned parties.

Contract balances

Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e. only the passage of time is required before payment of the consideration is due).

Refund Liabilities

A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Group ultimately expects it will have to return to the customer. The Group updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

Dividend income is recognized in Statement of Profit and Loss on the date on which the Group's right to receive payment is established. Interest income is recognized using the effective interest method.

All other income are recognized on accrual basis.

(j) Government Grants

The Group recognizes government grants only when there is reasonable assurance that the conditions attached to them shall be complied with and the grants will be received. Grants related to assets are deducted from the cost of the asset. Grants related to income are recognized on a systematic basis over the periods necessary to match them with the related costs which they are intended to compensate and are deducted from the expense in the statement of profit & loss.

(k) Income tax

Income tax expense comprises of current tax and deferred tax. Current tax and deferred tax is recognized in the Consolidated Statement of Profit and Loss except to the extent that it relates to a business combination, or items recognized directly in equity or in OCI.

(i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

(ii) Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes (tax base). Deferred tax is also recognized in respect of carried forward tax losses and tax credits. Deferred tax is not recognized for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets – unrecognized or recognized, are reviewed at each reporting date and are recognized/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realized.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

(l) Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as part of the cost of that asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

(m) Dividends

Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Board of Directors of the Group.

(n) Cash and cash equivalents

Cash and cash equivalents include cash and cash-on deposit with banks. The Group considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

(o) Statement of Cash flows

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

(p) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(q) Operating segment

Based on the synergies, risks and returns associated with business operations and in terms of Ind AS-108, the Group's operating operation comprises of only one primary segment viz. manufacturing and sale of Knitwear's. The Group also believes that even geographically, the product of the Group faces similar risk and returns and there is no separate segment that can be identified for the purpose of reporting under Ind AS 108 on "Segment Reporting".

However, due to greater transparency and providing complete information to the stake holder / financial statements user in analyzing and understanding the Group's financial statements, the management of the Group has provided additional information in respect of geographical segment. Such details have been given in Note no. 34.

(r) Fair value measurement

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date.

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

- In the principal market for the asset or liability, or

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

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date;

Level 2: Inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3: No significant observable inputs for the asset or liability. Some observable inputs used in fair value measurement are discounted cash flows, market multiple method etc. When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible.

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

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

(s) Business combinations

Business combinations are accounted for using the acquisition method, except for common control business combinations. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognized at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. Any contingent consideration to be transferred by the acquirer is recognized at fair value at the acquisition date.

(t) Ind AS 116 – Leases Standards

Ind AS 116 supersedes Ind AS 17 Leases including its appendices. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognize most leases on the balance sheet.

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Land & Building 2 to 10 years

Leasehold Land is amortised over the period of lease ranging from 30 to 99 years.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

ii) Lease liabilities

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Group's lease liabilities are included in Interest-bearing loans and borrowings

iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognized as expense on a straight-line basis over the lease term.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

The Group as a lessor classifies a lease either as an operating lease or a finance lease. Leases are classified as finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

(u) Recent Accounting Pronouncements

On March 23, 2022 the Ministry of Corporate Affairs issued, The Companies (Indian Accounting Standards) Amendments Rules, 2022, notifying amendments to the following accounting standards. The amendments would be effective from April 1, 2022.

1. Ind AS 103, Business Combination

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 impact in its financial statements.

2. Ind AS 16, Property, Plant And Equipment

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 to the Consolidated financial statements for the year ended March 31, 2022

NOTE: 4
PROPERTY, PLANT AND EQUIPMENT, INTANGIBLE ASSETS & RIGHT OF USE ASSETS

₹ in crores

Particulars	Gross Block				Depreciation/ Amortization				Net Block	
	As at April 1, 2021	Addition for the year	Deduction/ Adjustment for the year	As at March 31, 2022	As at April 1, 2021	Addition for the year	Deduction/ Adjustment for the year	As at March 31, 2022	As at March 31, 2022	As at March 31, 2021
Tangible Assets										
Land	44.62	21.53	3.35	62.80	-	-	-	-	62.80	44.62
Building	87.10	1.68	-	88.78	11.31	2.63	-	13.94	74.84	75.79
Plant & Equipments	79.50	21.39	0.28	100.61	26.10	9.19	0.04	35.25	65.36	53.40
Office Equipments	2.09	0.09	-	2.18	1.39	0.24	-	1.63	0.55	0.70
Furniture & Fixtures	9.14	0.95	-	10.09	3.76	0.87	0.01	4.62	5.47	5.38
Vehicles	14.20	4.09	1.05	17.24	7.21	1.65	0.93	7.93	9.31	6.99
	236.65	**49.73**	**4.68**	**281.70**	**49.77**	**14.58**	**0.98**	**63.37**	**218.33**	**186.88**
Capital Work in Progress	9.23	25.95	1.41	33.77	-	-	-	-	33.77	9.23
Sub Total (A)	**245.88**	**75.68**	**6.09**	**315.47**	**49.77**	**14.58**	**0.98**	**63.37**	**252.10**	**196.11**
Intangible Assets										
Computer softwares	2.08	0.01	-	2.09	1.99	0.09	-	2.08	0.01	0.09
Brand	0.01	-	-	0.01	-	-	-	-	0.01	0.01
Sub Total (B)	**2.09**	**0.01**	**-**	**2.10**	**1.99**	**0.09**	**-**	**2.08**	**0.02**	**0.10**
Right of use Assets										
Building	17.61	8.97	0.84	25.74	5.12	3.67	0.55	8.24	17.50	12.49
Sub Total (C)	**17.61**	**8.97**	**0.84**	**25.74**	**5.12**	**3.67**	**0.55**	**8.24**	**17.50**	**12.49**
Total (A+B+C)	**265.58**	**84.66**	**6.93**	**343.31**	**56.88**	**18.34**	**1.53**	**73.69**	**269.62**	**208.70**

a. Capital Work in Progress - Ageing Schedule as at March 31, 2022

₹ in crores

CWIP	Amount in CWIP for a period of		
	Less than 1 year	1-2 years	Total
Projects in progress #	28.03	5.74	33.77

#All the projects in progress includes capital work-in progress, whose completion is neither overdue nor exceeded its cost compared to its original plan.

(1) There is no Capital Work in Progress with ageing above 2 years

(2) There is no project as on reporting period where activity has been suspended

PROPERTY, PLANT AND EQUIPMENT, INTANGIBLE ASSETS & RIGHT OF USE ASSETS (PREVIOUS YEAR)

₹ in crores

Particulars	Gross Block				Depreciation/ Amortization				Net Block	
	As at April 1, 2020	Addition for the year	Deduction/ Adjustment for the year	As at March 31, 2021	As at April 1, 2020	Addition for the year	Deduction/ Adjustment for the year	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
Tangible Assets										
Land	11.44	33.18	-	44.62	-	-	-	-	44.62	11.44
Building	80.65	6.45	-	87.10	8.81	2.50	-	11.31	75.79	71.84
Plant & Equipments	74.51	16.16	11.17	79.50	25.95	9.14	8.99	26.10	53.40	48.56
Office Equipments	1.86	0.23	-	2.09	1.09	0.30	-	1.39	0.70	0.77
Furniture & Fixtures	8.45	0.69	-	9.14	2.95	0.81	-	3.76	5.38	5.50
Vehicles	14.30	0.63	0.73	14.20	5.79	1.69	0.27	7.21	6.99	8.51
	191.21	**57.34**	**11.90**	**236.65**	**44.59**	**14.44**	**9.26**	**49.77**	**186.88**	**146.62**

NOTE: 4 (Contd.)
PROPERTY, PLANT AND EQUIPMENT, INTANGIBLE ASSETS & RIGHT OF USE ASSETS

₹ in crores

Particulars	Gross Block				Depreciation/ Amortization				Net Block	
	As at April 1, 2020	Addition for the year	Deduction/ Adjustment for the year	As at March 31, 2021	As at April 1, 2020	Addition for the year	Deduction/ Adjustment for the year	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
Capital Work in Progress	0.76	8.77	0.30	9.23	-	-	-	-	9.23	0.76
Sub Total (A)	**191.97**	**66.11**	**12.20**	**245.88**	**44.59**	**14.44**	**9.26**	**49.77**	**196.11**	**147.38**
Intangible Assets										
Computer softwares	2.08	-	-	2.08	1.86	0.13	-	1.99	0.09	0.22
Brand	0.01	-	-	0.01	-	-	-	-	0.01	0.01
Sub Total (B)	**2.09**	**-**	**-**	**2.09**	**1.86**	**0.13**	**-**	**1.99**	**0.10**	**0.23**
Right of use Assets										
Building	16.90	0.73	0.02	17.61	1.83	3.29	-	5.12	12.49	15.07
Sub Total (C)	**16.90**	**0.73**	**0.02**	**17.61**	**1.83**	**3.29**	**-**	**5.12**	**12.49**	**15.07**
Total (A+B+C)	**210.96**	**66.84**	**12.22**	**265.58**	**48.28**	**17.86**	**9.26**	**56.88**	**208.70**	**162.68**

a. Capital Work in Progress - Ageing Schedule as at March 31, 2021

₹ in crores

CWIP	Amount in CWIP for a period of	
	Less than 1 year	Total
Projects in progress #	9.23	9.23

#All the projects in progress includes capital work-in progress, whose completion is neither overdue nor exceeded its cost compared to its original plan.

(1) There is no Capital Work in Progress with ageing above 1 years

(2) There is no Project, as on reporting period where activity has been suspended

NOTE: 5
INVESTMENTS

₹ in crores

	As at March 31, 2022	As at March 31, 2021
A. Non-Current Investments		
Equity instruments carried at fair value through profit or loss (FVTPL)		
Unquoted		
West Bengal Hosiery Park Infrastructure Limited	0.00	0.00
500 equity shares (FV - ₹ 10 each)		
Total	**0.00**	**0.00**
Aggregate amount of Unquoted investments	**0.00**	**0.00**
Investments carried at fair value through profit or loss (FVTPL)	**0.00**	**0.00**

Notes to the Consolidated financial statements for the year ended March 31, 2022

NOTE: 6
OTHER FINANCIAL ASSETS

₹ in crores

	As at March 31, 2022	As at March 31, 2021
(Carried at amortised cost)		
Non-current		
Other bank balance		
Bank deposit more than 12 months maturity from Balance Sheet date (pledged)	0.67	3.23
Security deposits	3.26	2.57
	3.93	**5.80**
Current		
Interest accrued on fixed deposits	1.77	1.68
Interest accrued on Perpetual Bonds	0.90	2.29
Security deposits	1.00	1.00
Loans and advances to employees	2.00	2.41
	5.67	**7.38**
Total	**9.60**	**13.18**

Fixed Deposits pledged with Banks ₹ 1.68 crores (Previous Year - ₹ 6.56 crores)

NOTE: 7
OTHER NON-CURRENT ASSETS

₹ in crores

	As at March 31, 2022	As at March 31, 2021
(Unsecured, considered good unless otherwise stated)		
Capital advances	17.08	1.69
Others		
Prepaid expenses	0.08	0.15
Total	**17.16**	**1.84**

NOTE: 8
INVENTORIES

₹ in crores

	As at March 31, 2022	As at March 31, 2021
(Valued at lower of cost and net realisable value)		
Raw materials	71.59	63.33
Work-in-progress	224.36	157.12
Finished goods	466.37	195.97
Stock-in-trade	5.93	1.78
Packing materials	67.28	58.91
Total	**835.53**	**477.11**

NOTE: 8A
CURRENT INVESTMENT

₹ in crores

	No of units March, 2022	No of units March, 2021	As at March 31, 2022	As at March 31, 2021
Investments in mutual funds - Unquoted				
(at fair value through profit or loss (FVTPL))				
ICICI Pru Money Market Fund - Growth	-	51,534	-	1.51
Aditya Birla SL - Arbitrage Fund	-	26,46,935	-	5.51
Axis Arbitrage Fund	-	3,83,428	-	0.56
ICICI Equity Arbitrage Fund	-	3,73,066	-	1.00
Axis Money Market Fund	-	22,739	-	2.51
Investments in bonds - Quoted				
(at amortised cost)				
8.85% HDFC Bank Limited SR 1-BD Perpetual Bond (FV ₹ 0.10 Crores)	90	90	9.03	9.28
8.15% Bank of Baroda SR XV BD Perpetual Bond (FV ₹ 0.10 Crores)	-	100	-	10.00
10.99% Union Bank of India SR-III BD Perpetual Bond (FV ₹ 0.10 Crores)	-	9	-	0.92
11.25% Canara Bank SR-III BD Perpetual Bond (FV ₹ 0.10 Crores)	-	20	-	2.03
9.2% ICICI Bank Limited SR-DMR-17 at BD Perpetual Bonds (FV ₹ 0.10 Crores)	-	5	-	0.51
7.74% State Bank of India SR I BD Perpetual Bond (FV ₹ 0.10 Crores)	-	150	-	15.04
8.50% State Bank of India Series II BD Perpetual Bond (FV ₹ 0.10 Crores)	-	150	-	15.26
8.15% State Bank of India SR-IV BD Perpetual Bond (FV ₹ 0.10 Crores)	3	3	0.30	0.31
9.56% State Bank of India Series 1 NCD Perpetual Bond (FV ₹ 0.10 Crores)	8	8	0.84	0.86
Investments in debentures- Quoted				
(at amortised cost)				
Embassy Property -MLD Serious I	-	-	1.41	-
Fixed Deposit with maturity more than 3 months but less than 12 months				
(at Amortised Cost)				
LIC Housing Finance Ltd	-	-	50.00	10.00
Total	**101**	**34,78,237**	**61.58**	**75.30**
Aggregate amount of Unquoted investments			50.00	21.09
Aggregate book value of Quoted investments			11.58	54.21
Aggregate market value of Quoted investments			-	55.06
Investments carried at amortised cost			61.58	64.21
Investments carried at fair value through profit or loss (FVTPL)			-	11.09

Notes to the Consolidated financial statements for the year ended March 31, 2022

NOTE: 9
TRADE RECEIVABLES

₹ in crores

	As at March 31, 2022	As at March 31, 2021
(Carried at amortised cost)		
Unsecured		
- Considered good	646.90	458.00
- Considered doubtful	4.56	2.87
Less: Loss for allowances		
- Provision for doubtful debt	(4.56)	(2.87)
	646.90	**458.00**
Total	**646.90**	**458.00**

Trade Receivables ageing schedule - As at March 31, 2022

₹ in crores

Particulars	Current but not due	Outstanding for the following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
i. Undisputed Trade Receivable - Considered good	525.64	108.52	11.25	1.08	0.41	-	646.90
ii. Undisputed Trade Receivable - Considered doubtful	-	-	-	0.92	1.02	2.61	4.56

Trade Receivables ageing schedule - As at March 31, 2021

₹ in crores

Particulars	Current but not due	Outstanding for the following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
i. Undisputed Trade Receivable - Considered good	399.18	53.52	2.20	2.32	0.78	-	458.00
ii. Undisputed Trade Receivable - Considered doubtful	-	-	-	-	1.12	1.75	2.87

NOTE: 10
CASH AND CASH EQUIVALENTS

₹ in crores

	As at March 31, 2022	As at March 31, 2021
Balances with banks		
Current/Cash Credit accounts	32.75	61.83
Fixed Deposit with maturity less than 3 months	19.02	22.22
Cash on hand	0.68	0.64
Total	**52.45**	**84.69**

NOTE: 11
BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

₹ in crores

	As at March 31, 2022	As at March 31, 2021
Balances with banks		
Unpaid dividend - earmarked balances with bank	0.10	0.08
Fixed Deposit with maturity more than 3 months but less than 12 months	16.46	101.36
Total	**16.56**	**101.44**

NOTE: 12
CURRENT TAX ASSETS

₹ in crores

	As at March 31, 2022	As at March 31, 2021
Income tax assets	1.28	-
Total	**1.28**	**-**

NOTE: 13
OTHER CURRENT ASSETS

₹ in crores

	As at March 31, 2022	As at March 31, 2021
(Unsecured, considered good unless otherwise stated)		
Advances to supplier		
- Unsecured, considered good	9.24	15.03
- Unsecured, considered doubtful	0.60	0.45
	9.84	**15.48**
Less: Provision for doubtful advances	(0.60)	(0.45)
	9.24	**15.03**
Others		
Prepaid expenses	1.74	1.66
Balance with government authorities	81.01	53.99
Incentive / duty drawback receivable	9.50	0.79
Prepaid Taxes	0.05	-
Total	**101.54**	**71.47**

NOTE : 14
EQUITY SHARE CAPITAL

₹ in crores

	As at March 31, 2022	As at March 31, 2021
Authorised:		
4,50,00,000 Equity shares of ₹ 2/- each	9.00	9.00
(31.03.2021: 4,50,00,000 Equity shares of ₹ 2/- each)		
56,00,000 Preference shares of ₹ 100/- each	56.00	56.00
(31.03.2021: 56,00,000 Preference shares of ₹ 100/- each)		

NOTE : 14 (Contd.)
EQUITY SHARE CAPITAL

₹ in crores

	As at March 31, 2022	As at March 31, 2021
Issued and subscribed equity share capital		
3,25,56,181 Equity shares of ₹ 2/- each	6.51	5.55
(31.03.2021: 2,77,37,500 Equity shares of ₹ 2/- each)		
Paid up equity share capital		
30,071,681 Equity shares of ₹ 2/- each	6.01	5.05
(31.03.2021: 2,52,53,000 Equity shares of ₹ 2/- each)		
Equity share capital-Suspense Account	-	0.96
48,18,681 Equity shares of ₹ 2/- each		
Forfeited equity share capital		
Add: 24,84,500 equity shares (Paid-up)	0.25	0.25
(31.03.2021: 24,84,500 Equity shares (Paid-up))		
Total	**6.26**	**6.26**

	Equity share capital	
	No. of shares	₹ in Crs
Reconciliation of number of equity shares outstanding:		
As at March 31, 2020	**2,52,53,000**	**5.30**
Increase during the year	-	-
As at March 31, 2021	**2,52,53,000**	**5.30**
Increase during the year*	48,18,681	0.96
As at March 31, 2022	**3,00,71,681**	**6.26**

* During the Financial Year 2021-22, Company has allotted 48,18,681 equity shares pursuant to the Scheme of Amalgamation of J M Hosiery & Co. Limited & Ebell Fashions Private Limited with Lux Industries Limited sanctioned by Hon'ble NCLT, Kolkata, vide its order dated March 25, 2021, Consequent to this allotment the total number of equity shares of the Company stand increased to 3,00,71,681.

(i) Terms / rights attached to Equity shares:

The Company has equity shares with a par value of ₹2/- per share. Each holder of equity shares is entitled to one vote per share held. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing general meeting. In the event of liquidation of the Company, the holders of equity shares are entitled to receive the remaining assets of the Company, after meeting all liabilities and distribution of all preferential amounts, in proportion to their shareholding.

(ii) Details of shares held by each shareholder holding more than 5% shares:

Name of shareholder	As at March 31, 2022		As at March 31, 2021	
	No. of shares held	% holding in that class of shares	No. of shares held	% holding in that class of shares
Ashok Kumar Todi	36,58,654	12.17	34,67,834	13.73
Pradip Kumar Todi	44,15,290	14.68	42,26,500	16.74
Bimla Devi Todi	34,85,070	11.59	32,80,000	12.99
Shobha Devi Todi	27,32,570	9.09	25,27,500	10.01
Prabha Devi Todi	36,65,920	12.19	36,23,000	14.35
Hollyfield Traders Private Limited	17,34,793	5.77	-	-

NOTE : 14 (Contd.)
EQUITY SHARE CAPITAL

Equity shares held by promoters at the end of the year - As at March 31, 2022

Promoter name	As at March 31, 2022		As at March 31, 2021		% Change during the year
	No. of shares	% of total shares	No. of shares	% of total shares	
Pradip Kumar Todi HUF	13,340	0.04	-	-	0.04
Ashok Kumar Todi HUF	11,310	0.04	-	-	0.04
Prabha Devi Todi	36,65,920	12.19	36,23,000	14.35	(2.16)
Ashok Kumar Todi	36,58,654	12.17	34,67,834	13.73	(1.56)
Pradip Kumar Todi	44,15,290	14.68	42,26,500	16.74	(2.06)
Navin Kumar Todi	3,25,363	1.08	-	-	1.08
Rahul Kumar Todi	4,60,653	1.53	-	-	1.53
Bimla Devi Todi	34,85,070	11.59	32,80,000	12.99	(1.40)
Shobha Devi Todi	27,32,570	9.09	25,27,500	10.01	(0.92)
Udit Todi	8,38,876	2.79	1,86,000	0.74	2.05
Saket Todi	7,94,876	2.64	1,42,000	0.56	2.08
Rohit Poddar	51,425	0.17	-	-	0.17
Upendra Samriya	50,000	0.17	-	-	0.17
Hollyfield Traders Private Limited	17,34,793	5.77	-	-	5.77
Neha Poddar	-	-	50,000	0.20	(0.20)
Shilpa Agarwal Samriya	-	-	50,000	0.20	(0.20)
Total	**2,22,38,140**	**73.95**	**1,75,52,834**	**69.51**	**4.44**

Equity shares held by promoters at the end of the year - As at March 31, 2021

Promoter name	As at March 31, 2021		As at March 31, 2020		% Change during the year
	No. of shares	% of total shares	No. of shares	% of total shares	
Prabha Devi Todi	36,23,000	14.35	36,23,000	14.35	-
Ashok Kumar Todi	34,67,834	13.73	34,67,834	13.73	-
Pradip Kumar Todi	42,26,500	16.74	42,26,500	16.74	-
Bimla Devi Todi	32,80,000	12.99	32,80,000	12.99	-
Shobha Devi Todi	25,27,500	10.01	25,27,500	10.01	-
Udit Todi	1,86,000	0.74	1,86,000	0.74	-
Saket Todi	1,42,000	0.56	1,42,000	0.56	-
Neha Poddar	50,000	0.20	50,000	0.20	-
Shilpa Agarwal Samriya	**50,000**	**0.20**	**50,000**	**0.20**	**-**
	1,75,52,834	**69.51**	**1,75,52,834**	**69.51**	**-**

NOTE: 15
OTHER EQUITY

₹ in crores

	As at March 31, 2022	As at March 31, 2021
Capital Redemption Reserve	56.00	56.00
Securities premium	39.29	39.29
Capital reserve	2.80	2.80
General reserve	14.78	14.78
Retained earnings	1,190.57	886.43
Total	**1,303.44**	**999.30**

NOTE: 16

FINANCIAL LIABILITIES - BORROWINGS

(a) Non-current borrowings

₹ in crores

	As at March 31, 2022	As at March 31, 2021
(Carried at amortised cost)		
Secured		
Term Loans from Banks	23.58	17.92
Less: Current maturity of long term debts (Refer Note 16(b))	8.38	4.72
	15.20	**13.20**
Vehicle Loan from Banks	-	0.28
Total non-current borrowings	**15.20**	**13.48**
Unsecured		
Non Convertible Redeemable Preference Shares	2.00	2.00
200,000 Preference Shares of ₹ 100/- each		
(31.03.2021: 200,000 Preference Shares of ₹ 100/- each)		
Total	**2.00**	**2.00**
Total non-current borrowings	**17.20**	**15.48**

(i) Repayment terms and nature of securities given for term loan as follows:

₹ in crores

Name of the Bank / instrument	March 31, 2022	March 31, 2021	Nature of Security	Repayment terms
Secured				
Indian Bank (erstwhile Allahabad Bank)	12.42	11.75	Exclusive hypothecation charge over the machinery/ equipments acquired out of the said loan. It is additionally secured by 2nd pari-passu charge over the entire current assets of the Company, both present & future and also secured by personal guarantee of the KMP/relatives of KMP.	Repayable in quarterly installment Interest @ MCLR is serviced on monthly basis.
HDFC Bank	0.89	1.42	Exclusive hypothecation charge over the machinery/ equipments acquired out of the said loan. It is additionally secured by 2nd pari-passu charge over the entire current assets of the Company, both present & future and also secured by personal guarantee of the KMP/relatives of KMP.	Repayable in quarterly instalments. Interest @ 9.5% is serviced on monthly basis.
HDFC Bank	2.27	-	Exclusive Hypothecation charge over the machinery/equipments acquired out of the said loan.	Repayable in quarterly installment. Interest @ MCLR is serviced on monthly basis.
HDFC Bank	4.13	1.58	Exclusive Hypothecation charge over the machinery/equipments acquired under facilities out of the said loan and secured by personal guarantee of KMP.	Repayable in quarterly instalments. Interest @ 5.85% is serviced on monthly basis.
HDFC Bank	-	0.28	Secured against hypothecation of motor car.	Repayable in thirty six instalments commencing from March, 2019.
HDFC Bank	0.50	-	Exclusive Hypothecation charge over the machinery/equipments acquired under facilities out of the said loan and secured by personal guarantee of KMP.	Repayable in quarterly instalments. Interest @ 5.85% is serviced on monthly basis.

NOTE: 16 (Contd.)

FINANCIAL LIABILITIES - BORROWINGS

(i) Repayment terms and nature of securities given for term loan as follows:

₹ in crores

Name of the Bank / instrument	March 31, 2022	March 31, 2021	Nature of Security	Repayment terms
HDFC Bank	0.91	-	Exclusive Hypothecation charge over the machinery/equipments of the company both present and future. It is additionally secured by 2nd charge over stock and book debts of the company and also corporate guarantee of Lux Industries Ltd.	Repayable in quarterly installment. Interest @ MCLR is serviced on monthly basis.
HDFC Bank	1.07	-	Extension of second ranking charge over existing primary and collateral securities including mortgages created in favour of the bank and security created over the assets of the Borrower out of this facility.	Repayable in quarterly installment. Interest @ MCLR is serviced on monthly basis.
Indian Bank (erstwhile Allahabad Bank)	1.39	1.21	Exclusive Hypothecation charge over the machinery/equipments acquired out of the said loan.It is additionally secured by personal guarantee of the KMP/relatives of KMP	Repayable in quarterly installment Interest @ MCLR is serviced on monthly basis.
State Bank of India	-	0.54	First Charge by way of hypothecation over the Plant & Machinery of the Company both present & future. Second charge by way of hypothecation over the stock, receivables and other current assets of the company both present & future. Third party guarantee by KMP and Holding Company.	Repayable in quarterly installment. Interest @ EBLR plus 2.70 BPS is serviced on monthly basis.
State Bank of India	-	1.07	"The said facility shall rank pari-passu with existing credit facilities in respect of underlying security as well as cash flows for repayment. Third party guarantee by KMP and Holding Company."	Repayable in 36 equal monthly installment. Interest @ EBLR plus 0.75 BPS is serviced on monthly basis.
State Bank of India	-	0.35	First Charge by way of hypothecation over the Plant & Machinery of the Company both present & future. Second charge by way of hypothecation over the stock, receivables and other current assets of the company both present & future. Third party guarantee by KMP and Holding Company.	Repayable in quarterly installment. Interest @ EBLR plus 2.70 BPS is serviced on monthly basis.

(ii) Terms / rights attached to Non convertible Redeemable Preference Shares:

The Subsidiary Company has only one class of Non-convertible Redeemable Preference shares having a face value of ₹ 100/- each. It carries dividend of 5% p.a. and the dividend will be on cumulative basis. It does not carry any voting rights except in accordance with the provisions of Section 47(2) of the Companies Act, 2013. It shall be redeemed at Par within 10 years or earlier from the date of their allotment as may be decided by the Board of Directors of the Company. Any part redemption will be permissible as may be approved by the Board of Directors of the Company.

NOTE: 16 (Contd.)

FINANCIAL LIABILITIES - BORROWINGS

(b) Current borrowings

₹ in crores

	As at March 31, 2022	As at March 31, 2021
(Carried at amortised cost)		
From Banks (Secured) (refer note a)		
i) Loan repayable on demand		
Cash Credit Facilities	7.17	18.06
Working Capital Demand Loan (WCDL)	225.08	25.00
ii) Packing credit	52.13	46.93
iii) Current maturity of long term debts	8.38	4.72
From Others (Unsecured)		
From related parties (Refer Note 33)	20.26	13.41
Total current borrowings	**313.02**	**108.12**

a) The above credit facilities from banks are secured against hypothecation of entire stocks, book debts and other current assets, both present and future of Group. It is additionally secured by personal guarantee of the KMP and relatives of KMP. It is additionally secured by 1st pari-passu charge on entire movable fixed assets of the company except those specifically charged to term lenders.

NOTE: 17

LEASE OBLIGATION

₹ in crores

	As at March 31, 2022	As at March 31, 2021
a) Non-Current	16.94	10.74
b) Current	2.36	2.50
Total	**19.30**	**13.24**

NOTE: 18

PROVISIONS

₹ in crores

	As at March 31, 2022	As at March 31, 2021
Provision for employee benefits (Refer note 36)		
a) Non-Current	7.30	6.72
b) Current	1.15	1.05
Total	**8.45**	**7.77**

NOTE: 19

TRADE PAYABLES

₹ in crores

	As at March 31, 2022	As at March 31, 2021
(Carried at amortised cost)		
MSMED [refer note (a) below]	4.92	5.81
Other trade payables	285.19	273.92
Total	**290.11**	**279.73**

NOTE: 19 (Contd.)

TRADE PAYABLES

₹ in crores

	As at March 31, 2022	As at March 31, 2021
(a) Disclosure required under Clause 22 of Micro, Small and Medium Enterprise Development ('MSMED') Act, 2006		
(i) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year		
Principal amount due to micro and small enterprise	4.92	5.81
Interest due on above	-	-
(ii) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(iii) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(iv) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

The above disclosures are provided by the Group based on the information available with the Group in respect of the registration status of its vendors/suppliers.

Trade Payables ageing schedule - As at 31st March 2022

₹ in crores

Particulars	Current but not due	Outstanding for the following periods from due date of payment				Total
		Less than 1 Year	1-2 years	2-3 years	More than 3 years	
i. MSME	4.89	0.03	-	-	-	4.92
ii. Others	183.22	90.57	1.94	1.44	8.01	285.19

Trade Payables ageing schedule - As at 31st March 2021

₹ in crores

Particulars	Current but not due	Outstanding for the following periods from due date of payment				Total
		Less than 1 Year	1-2 years	2-3 years	More than 3 years	
i. MSME	5.80	0.01	-	-	-	5.81
ii. Others	209.86	53.01	1.45	1.13	8.47	273.92

NOTE: 20

CURRENT FINANCIAL LIABILITIES - OTHERS

₹ in crores

	As at March 31, 2022	As at March 31, 2021
(Carried at amortised cost)		
Deposits from dealers/ agents	33.64	25.97
Unclaimed dividend	0.09	0.08
Interest accrued but not due	0.66	0.13
Other payables	12.68	10.73
Total	**47.07**	**36.91**

NOTE: 21
OTHER CURRENT LIABILITIES

₹ in crores

	As at March 31, 2022	As at March 31, 2021
Statutory dues	6.16	3.71
Advance from customers	3.94	7.26
Total	**10.10**	**10.97**

NOTE: 22
CURRENT TAX LIABILITIES

₹ in crores

	As at March 31, 2022	As at March 31, 2021
Income tax liabilities	-	14.57
Total	**-**	**14.57**

NOTE: 23
REVENUE FROM OPERATIONS

₹ in crores

	Year ended March 31, 2022	Year ended March 31, 2021
Sale of products	2,283.16	1,941.42
Stock-in-trade	-	1.19
Sale of Services		
Job Work	0.29	0.28
Other Operating Revenue		
Insurance claim	0.23	2.91
Export and other incentive	12.20	6.72
Total	**2,295.88**	**1,952.52**

NOTE: 24
OTHER INCOME

₹ in crores

	Year ended March 31, 2022		Year ended March 31, 2021	
Interest Income from Financial Assets at amortized cost:				
i) On fixed deposits	5.45		4.67	
ii) From financial assets at amortized cost	2.42		0.60	
iii) On loans given to other entities	-		1.18	
iv) On debentures or bonds	0.16	8.03	-	6.45
Profit on sale of property, plant and equipment		3.53		0.01
Foreign currency fluctuation gain (net)		3.98		3.55
Income from Current Investments :				
Net gain/(loss) on fair valuation of mutual fund units		(0.02)		0.35
Net gain/(loss) on sale of current investments		0.44		0.79
Liabilities written back		-		0.37
Others		1.08		0.82
Total		**17.04**		**12.34**

NOTE: 25

(I) COST OF RAW MATERIAL CONSUMED

₹ in crores

	Year ended March 31, 2022		Year ended March 31, 2021	
Yarn Consumed				
Opening stock	63.33		51.30	
Add : Purchases during the year	941.71		602.90	
	1,005.04		654.20	
Less: Yarn sale	1.22		7.06	
Less: Closing stock	71.59	932.23	63.33	583.81
Packing Materials Consumed				
Opening stock	58.91		51.91	
Add: Purchases during the year	249.49		195.35	
	308.40		247.26	
Less: Closing stock	67.28	241.12	58.91	188.35
Consumption of Fabrics		23.38		13.41
Total		**1,196.73**		**785.57**
(II) Purchase of stock-in-trade (knitwear)		17.74		7.09
Total		**17.74**		**7.09**

(III) CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK IN TRADE

₹ in crores

	Year ended March 31, 2022		Year ended March 31, 2021	
Finished Goods				
Opening stock	195.97		221.18	
Closing stock	466.37	(270.40)	195.97	25.21
Work-in-progress				
Opening stock	157.13		170.56	
Closing stock	224.36	(67.23)	157.12	13.44
Stock in trade				
Opening stock	1.78		2.97	
Closing stock	5.93	(4.15)	1.78	1.19
Total		**(341.78)**		**39.84**

NOTE: 26

EMPLOYEE BENEFIT EXPENSE

₹ in crores

	Year ended March 31, 2022		Year ended March 31, 2021	
Salaries, wages & bonus	81.39		63.95	
Provision for employment benefit	2.28	83.67	1.98	65.93
Contribution to provident & other funds		2.43		1.89
Staff welfare expenses		2.81		2.08
Total		**88.91**		**69.90**

NOTE: 27
FINANCE COST

₹ in crores

	Year ended March 31, 2022	Year ended March 31, 2021
Interest expense	13.06	9.78
Interest on trade deposit	0.24	-
Interest on lease obligation	1.85	1.73
Bank charges	0.86	1.21
Total	**16.01**	**12.72**

NOTE: 28
DEPRECIATION & AMORTIZATION EXPENSE

₹ in crores

	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation on property, plant and equipment	14.58	14.44
Amortization of intangible assets	0.09	0.13
Depreciation on lease assets	3.67	3.29
Total	**18.34**	**17.86**

NOTE: 29
OTHER EXPENSES

₹ in crores

	Year ended March 31, 2022	Year ended March 31, 2021
Consumption of stores & spare parts	4.29	3.18
Power & fuel	8.80	7.09
Rent	4.12	2.92
Repairs		
Repairs to buildings	1.07	1.11
Repairs to machinery	0.71	0.59
Repairs to other	2.47	1.05
Insurance	2.04	1.21
Rates & taxes	0.71	0.39
Selling expenses	19.86	13.41
Royalty	0.08	0.08
Advertisement & publicity	152.57	105.52
Commission	18.25	16.55
Freight & other handling charges	48.21	41.89
Bad debts(net)	0.69	0.72
Provision for doubtful debts/ advance	1.85	1.13
Processing expense	565.21	448.58
Prior period items	-	0.23
Loss on sale of property, plant and equipment	0.01	0.07
Loss on discard of assets	0.08	2.04
Miscellaneous expenses	29.62	21.70
Payment to auditors :		
- Statutory audit fees	0.36	0.28
-Others	0.05	0.03
Total	**861.05**	**669.77**

NOTE: 30
INCOME TAX

₹ in crores

	As at March 31, 2022	As at March 31, 2021
A. Amount recognized in profit or loss		
Current Tax		
Current period	116.88	92.75
Changes in respect of current income tax of previous years	1.73	0.50
(a)	**118.61**	**93.25**
Deferred Tax		
Attributable to -		
Origination and reversal of temporary differences	(0.75)	(0.52)
(b)	**(0.75)**	**(0.52)**
Tax expenses reported in the Standalone Statement of Profit and Loss (a+b)	**117.86**	**92.73**
B. Income tax recognized in Other Comprehensive Income		
Deferred tax relating to items recognized in other comprehensive income during the year	(0.19)	-
Income tax expense charged to Other Comprehensive Income	**(0.19)**	**-**

C. Reconciliation of tax expense and the accounting profit for March 31, 2022 and March 31, 2021:

₹ in crores

	As at March 31, 2022	As at March 31, 2021
Accounting profit before income tax	455.92	362.11
Tax at the applicable India tax rate of 25.168% (25.168%)	114.75	91.14
Tax impact on amounts that are adjusted in determining taxable profit:		
Difference between depreciation as per IT Act and depreciation as per books	0.29	0.46
Other adjustments	2.83	1.13
	117.86	**92.73**

D. Reconciliation of applicable tax rate and effective tax rate:

₹ in crores

	As at March 31, 2022	As at March 31, 2021
Applicable tax rate	25.17%	25.17%
Tax effect of difference between depreciation as per IT Act and depreciation as per books	0.06%	0.13%
Tax effect of other adjustments	0.62%	0.31%
Effective tax rate	**25.85%**	**25.61%**

E. Recognized deferred tax assets and liabilities:

₹ in crores

Particulars	Balance as on March 31, 2021	(Charged) / credited to profit or loss	(Charged) / credited to OCI	Balance as on March 31, 2022
Property, plant and equipment	(7.92)	(0.40)	-	(8.32)
Right of use assets	(3.17)	(1.25)	-	(4.42)
Trade receivables	0.71	0.44	-	1.15

NOTE: 30

INCOME TAX (Contd.)

₹ in crores

Particulars	Balance as on March 31, 2021	(Charged) / credited to profit or loss	(Charged) / credited to OCI	Balance as on March 31, 2022
Other assets	0.51	0.05	-	0.56
Provisions	1.52	0.75	(0.19)	2.08
Other liabilities	4.28	0.68	-	4.96
Unused tax losses to the extent of deferred tax liabilities	(0.08)	0.46	-	0.38
Total	**(4.15)**	**0.75**	**(0.19)**	**(3.62)**

₹ in crores

Particulars	Balance as on April 1, 2020	(Charged) / credited to profit or loss	(Charged) / credited to OCI	Balance as on March 31, 2021
Property, plant and equipment	(7.00)	(0.92)	-	(7.92)
Right of use assets	(3.58)	0.41	-	(3.17)
Trade receivables	0.41	0.30	-	0.71
Other assets	0.43	0.08	-	0.51
Provisions	1.52	-	-	1.52
Other liabilities	3.45	0.83	-	4.28
Unused tax losses to the extent of deferred tax liabilities	0.10	(0.18)	-	(0.08)
Total	**(4.67)**	**0.52**	**-**	**(4.15)**

F. Deferred tax reflected in the Balance Sheet as follows:

₹ in crores

	As at March 31, 2022	As at March 31, 2021
Deferred tax assets	9.12	7.02
Deferred tax liabilities	(12.74)	(11.17)
Deferred tax assets / (liabilities) (net)	**(3.62)**	**(4.15)**

NOTE: 31

EARNINGS PER SHARE (EPS) (IND AS 33)

₹ in crores

Sl. No	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
1	Profit for the year	339.67	271.39
2	Weighted Average Number of Equity Shares Outstanding at the end of the year for Basic EPS	3,00,71,681	3,00,71,681
3	Weighted Average Number of Equity Shares Outstanding at the end of the year for Diluted EPS	3,00,71,681	3,00,71,681
4	Nominal Value per share (₹)	2/-	2/-
5	Earning per shares		
	Basic	112.95	90.25
	Diluted	112.95	90.25

NOTE: 32
PARTICULARS OF CONTINGENT LIABILITIES AND COMMITMENTS

I. Contingent Liabilities

₹ in crores

Particulars	As at March 31, 2022	As at March 31, 2021
Claims against the Company not acknowledged as liabilities in respect of:		
Sales Tax Matters	0.62	0.62
Customs and Excise matters	3.56	3.56
Service tax matters	1.36	1.36
Provident Fund matters	9.73	9.73
Guarantee Given	22.86	21.43
Income tax related matter	-	0.01

The Group is contesting the demand and the management including its legal advisors believes that its position will likely be upheld in the appellate process.

The Management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Group's financial position and results of operations.

II. Commitments:

a. Estimated amount of contracts to be executed on capital account (Net of Advances) ₹ 18.91 Crores (Previous year ₹ 9.03 Crores). The company has other commitments, for purchase/ sales orders which are issued after considering requirements per operating cycle for purchase/ sale of goods and services, in normal course of business.

b. The Group did not have any long term commitments/ contracts including derivative contracts for which there will be any material foreseeable losses.

NOTE: 33
RELATED PARTY DISCLOSURE (IND AS 24)

A. Key management personnel:

Mr Ashok Kumar Todi, Executive Chairman

Mr Pradip Kumar Todi, Managing Director

Mr Saurabh Kumar Bhudolia, Chief Financial Officer

Mrs Smita Mishra, Company Secretary

Mr Saket Todi - Executive Director (w.e.f. May 25, 2021)

Mr Udit Todi - Executive Director (w.e.f. May 25, 2021)

Mr Rahul Kumar Todi - Executive Director (w.e.f. May 25, 2021)

Mr Navin Kumar Todi - Executive Director (w.e.f. May 25, 2021)

B. Other directors:

Mr Nandanandan Mishra – Independent director

Mr Kamal Kishore Agrawal – Independent director

Mr Snehasish Ganguly – Independent director

Mrs Rusha Mitra - Independent director

Mr. Rajnish Rikhy - Independent director (w.e.f. May 25, 2021)

Mrs. Ratnabali Kakkar - Independent director (w.e.f. May 25, 2021)

NOTE: 33 (Contd.)

RELATED PARTY DISCLOSURE (IND AS 24)

C. Relatives of Key management personnel

Mr Sourav Ganguly

Mrs Prabha Devi Todi

Mrs Shobha Devi Todi

Mrs Bimla Devi Todi

Mr Keshav Todi

Mrs Shilpa Agarwal Samriya

Mrs Neha Poddar

Mrs Sonika Bhudolia

D. Entities where Key management personnel and their relative have significant influence

Biswanath Hosiery Mills Limited

Biswanath Real Estate Private Limited

HollyField Traders Private Limited

P.G.Infometic Private Limited

Todi Industries

Todi Exports

Lux Foundation

Jaytee Exports

Ashok Kumar Todi (HUF)

Pradip Kumar Todi (HUF)

E. The following transactions were carried out with the related parties in the ordinary course of business: ₹ in crores

Sr. No.	Name of related party	Year ended March 31, 2022	Year ended March 31, 2021
1	**Sale of goods**		
	Jaytee Exports	-	0.02
	Todi Industries	-	0.07
2	**Interest received**		
	Biswanath Real Estate Private Limited	-	0.98
3	**Purchase of goods**		
	Todi Industries	-	1.77
	Jaytee Exports	-	1.55
4	**Purchase of property, plant and equipment**		
	Mr Ashok Kumar Todi	-	14.44
	Mr Pradeep Kumar Todi	-	12.98
	Mrs Prabha Devi Todi	-	0.19
	Mrs Shobha Devi Todi	-	0.90
	Todi Industries	-	0.80

NOTE: 33 (Contd.)

RELATED PARTY DISCLOSURE (IND AS 24)

E. The following transactions were carried out with the related parties in the ordinary course of business: ₹ in crores

Sr. No.	Name of related party	Year ended March 31, 2022	Year ended March 31, 2021
5	**Sitting fees**		
	Mr Nandannandan Mishra	0.09	0.01
	Mr Kamal Kishore Agrawal	0.12	0.01
	Mr Snehasish Ganguly	0.04	0.00
	Mrs Rusha Mitra	0.06	0.00
	Mr Rajnish Rikhy	0.05	-
	Mrs Ratnabali Kakkar	0.04	-
6	**CSR expenditure**		
	Lux Foundation	3.62	-
7	**Rent payment**		
	Hollyfield Traders Private Limited	0.02	0.02
	P.G.Infometic Private Limited	0.55	0.45
	Mrs Prabha Devi Todi	0.18	0.18
	Mr Navin Kumar Todi	0.24	0.12
	Mr Rahul Kumar Todi	0.18	0.18
8	**Other services payment**		
	P.G. Infometic Private Limited - Data processing charges	0.48	0.48
	Biswanath Hosiery Mills Limited - Royalty	0.08	0.08
	Todi Industries – Knitting Charges	-	0.68
	Sourav Ganguly - Advertisement Expenses	1.30	-
9	**Reimbursement of taxes (Payment by Lux Industries Ltd)**		
	Biswanath Hosiery Mills Limited	-	0.00
10	**Leasing rental payments**		
	Mrs Sonika Bhudolia	0.12	0.02
11	**Dividend payment**		
	Mr Ashok Kumar Todi	4.39	0.87
	Mr Pradip Kumar Todi	5.30	1.06
	Mrs Prabha Devi Todi	4.40	0.91
	Mrs Bimla Devi Todi	4.18	0.82
	Mrs Shobha Devi Todi	3.28	0.63
	Mr Saket Todi	0.95	0.04
	Mr Udit Todi	1.01	0.05
	Mrs Shilpa Agarwal Samriya	0.06	0.01
	Mrs Neha Poddar	0.06	0.01
	Mr Navin Kumar Todi	0.55	-
	Mr Rahul Kumar Todi	0.55	-
	Ashok Kumar Todi (HUF)	0.01	-
	Pradip Kumar Todi (HUF)	0.02	-
	Hollyfield Traders Private Limited	2.08	-

NOTE: 33 (Contd.)

RELATED PARTY DISCLOSURE (IND AS 24)

E. The following transactions were carried out with the related parties in the ordinary course of business: ₹ in crores

Sr. No.	Name of related party	Year ended March 31, 2022	Year ended March 31, 2021
12	**Director's Remuneration**		
	Mr Ashok Kumar Todi	4.28	2.85
	Mr Pradip Kumar Todi	4.28	2.85
	Mr Saket Todi	1.53	-
	Mr Udit Todi	1.53	-
	Mr Navin Kumar Todi	1.53	-
	Mr Rahul Kumar Todi	1.53	-
13	**Salary**		
	Mr Saket Todi	0.25	1.61
	Mr Udit Todi	0.25	1.61
	Mr Navin Kumar Todi	0.13	1.44
	Mr Rahul Kumar Todi	0.13	1.44
	Mrs Bimla Devi Todi	-	0.57
	Mrs Shobha Devi Todi	-	0.57
	Mr Ajay Kumar Patodia (CFO) upto 12.02.2021	-	0.76
	Mr Saurabh Kumar Bhudolia (CFO) w.e.f 13.02.2021	0.77	0.10
	Mr Keshav Todi	-	0.27
	Mrs Smita Mishra (CS)	0.18	0.14
	Mrs Neha Poddar	-	0.29
14	**Interest paid**		
	Chitragupta Sales & Services Private Limited	-	0.18
	Rotex Intertrade Private Limited	0.48	0.57
	Holly Field Traders Private Limited	0.31	0.13
15	**Reimbursement of expenses**		
	Mr Nandannandan Mishra	0.01	-
	Mr Kamal Kishore Agrawal	0.00	-
	Mr Saurabh Kumar Bhudolia (CFO)	0.00	-
16	**Loan received**		
	Chitragupta Sales & Services Private Limited	-	2.50
	Hollyfield Traders Private Limited	14.50	5.20
	Mrs Prabha Devi Todi	-	1.41
17	**Loan repayment**		
	Chitragupta Sales & Services Private Limited	-	6.50
	Rotex Intertrade Private Limited	-	2.00
	Hollyfield Traders Private Limited	6.50	1.00
	Mrs Prabha Devi Todi	-	6.37
	Mr Navin Kumar Todi	0.51	-
	Mr Rahul Kumar Todi	0.05	-

NOTE: 33 (Contd.)

RELATED PARTY DISCLOSURE (IND AS 24)

E. **The following transactions were carried out with the related parties in the ordinary course of business:** ₹ in crores

Sr. No.	Name of related party	Year ended March 31, 2022	Year ended March 31, 2021
18	**Loan given**		
	Biswanath Real Estate Private Limited	-	0.22
19	**Refund of Loan given**		
	Biswanath Real Estate Private Limited	-	18.44
20	**Payment of security deposit**		
	P.G.Infometic Private Limited	-	0.10
21	**Allotment of Shares**		
	Rotex Intertrade Private Limited	-	2.00

F. **Outstanding balances:** ₹ in crores

Sr. No.	Name of related party	As at March 31, 2022	As at March 31, 2021
1	**Trade Payables**		
	Jaytee Exports	-	0.03
	P.G.Infometic Private Limited	0.56	0.24
	Biswanath Hosiery Mills Limited	0.08	0.05
	Hollyfield Traders Private Limited	-	0.03
2	**Trade Recievables**		
	Todi Industries	-	0.29
3	**Other Payables**		
	Mrs Sonika Bhudolia	0.02	-
	Mr Nandannandan Mishra	0.00	-
4	**Unsecured Loans Taken**		
	Mr Navin Kumar Todi	-	0.51
	Mr Rahul Kumar Todi	-	0.05
	Rotex Intertrade Private Limited	8.04	8.53
	Hollyfield Traders Private Limited	12.23	4.32
5	**Advances recoverable in cash or value**		
	Todi Exports (India)	0.50	0.50
6	**Security deposit**		
	P.G.Infometic Private Limited	2.17	2.17

NOTE: 34

SEGMENT REPORTING

The management has considered that the Group has a single reportable segment based on nature of products, production process, regulatory environment, customers and distribution methods. Further the Group is engaged in a single business line, viz., "Manufacturing and sales of knitwear".

The Group primarily operates in India and therefore the analysis of geographical segments is demarcated into its Indian and overseas operations as under:

₹ in crores

Sl. No.	Particulars	2021-22	2020-21
1	**Segment Revenue**		
	- Within India	2,130.02	1,817.46
	- Outside India *	165.86	135.06
	Total	**2,295.88**	**1,952.52**
2	**Segment Assets**		
	- Within India	1,964.45	1,444.12
	- Outside India *	47.77	47.61
	Total	**2,012.22**	**1,491.73**
3	**Capital Expenditure**		
	- Within India	84.66	66.84
	- Outside India *	-	-
	Total	**84.66**	**66.84**

* Revenue and carrying amount of assets from no individual country is material.

The Group is not reliant on revenues from any single external customer amounting to 10% or more of its revenues.

NOTE: 35

CORPORATE SOCIAL RESPONSIBILITY

The details relating to Corporate Social Responsibility (CSR) expenditure are as follows:

As per Section 135 of the Companies Act, 2013, a CSR committee had been formed by the Group. The funds are utilized on the activities which are specified in Schedule VII of the Act. The utilization is done by way of contribution towards various activities.

a. Amount spent during the year on: ₹ in crores

Particulars	2021-22	2020-21
Gross amount required to be spent by the Company during the year	4.58	4.84
Amount Spent as Below		
- Education and Skill development	2.23	0.69
- Health Care	0.97	2.70
- Others	1.38	1.67
TOTAL	**4.58**	**5.06**

NOTE: 36

EMPLOYEE BENEFITS

1. **Defined Contribution Plan:**

   a. **Provident fund:**

   In accordance with Indian law, eligible employees of the Group are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Group make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary).

₹ in crores

Sl. No.	Particulars	2021-22	2020-21
1	Contribution to Provident/ Pension funds	1.64	1.28
TOTAL		1.64	1.28

2. **Defined benefits plan:**

   a. **Gratuity and leave encashment:**

   The Group has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The Group has not funded the scheme.

   The Group also has a defined benefit leave encashment plan, wherein every employee on confirmation is entitled to get leave encashment benefit, which is payable on departure or on completion of 3 years of service at 15 days salary (last drawn salary) for each completed year of service. The Group has not funded the scheme. This has been implemented in the current year, accordingly prior year figures have not been given.

   (a) The following table summarizes the components of the net benefit expenses recognized in the profit and loss account and amounts recognized in the balance sheet for respective plans.

₹ in crores

Particulars	Gratuity		Leave Enchashment	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Present Value of Obligation at the beginning of the year	7.08	5.76	0.68	0.46
Current Service Cost	1.42	1.30	0.28	0.25
Interest Cost	0.49	0.40	0.05	0.03
Actuarial Losses / (Gain) recognized in other comprehensive income	(0.72)	(0.15)	(0.06)	(0.03)
Benefit Paid	(0.58)	(0.23)	(0.18)	(0.02)
Present Value of Obligation at the end of the year	**7.68**	**7.08**	**0.77**	**0.69**

   (b) Expense recognized in Statement of Profit or Loss

₹ in crores

Particulars	Gratuity		Leave Enchashment	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Current service cost	1.42	1.30	0.28	0.25
Interest cost	0.49	0.40	0.05	0.03
Total	**1.91**	**1.71**	**0.33**	**0.28**

NOTE: 36 (Contd.)

EMPLOYEE BENEFITS

(c) Remeasurements recognized in Consolidated Other Comprehensive Income:

₹ in crores

Particulars	Gratuity		Leave Enchashment	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Actuarial loss/ (gain) arising on defined benefit obligation from				
- financial assumptions	0.05	0.13	(0.01)	0.01
- experience adjustments	(0.77)	(0.28)	(0.04)	(0.03)
Total	**(0.72)**	**(0.15)**	**(0.05)**	**(0.03)**

(d) Principle assumptions used in the determining gratuity obligation for the Group are shown below:

₹ in crores

Particulars	Gratuity		Leave Enchashment	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Discount Rate	7.10%	6.90%	7.10%	6.90%
Rate of increase in Salaries	6.00%	6.00%	6.00%	6.00%
Expected average remaining working lives of employees (years)	23.92	24.10	20.50	20.14
Withdrawal rates	Varying between 8% p.a. and 1% p.a. depending on duration and age of the employees			

The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors.

(e) Sensitivity analysis – Revised defined benefit obligation due to change in assumptions

₹ in crores

Particulars	Gratuity		Leave Enchashment	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Under Base scenario	7.68	7.08	0.78	0.69
Salary Escalation (Up by 1%)	8.47	7.76	0.86	0.76
Salary Escalation (Down by 1%)	7.00	6.49	0.71	0.62
Withdrawal Rates (Up by 1%)	7.74	7.12	0.78	0.69
Withdrawal Rates (Down by 1%)	7.60	7.02	0.77	0.68
Discount Rates (Up by 1%)	6.99	6.45	0.71	0.63
Discount Rates (Down by 1%)	8.49	7.81	0.85	0.76

(f) Expected Cash flow for following years

₹ in crores

Particulars	Gratuity		Leave Enchashment	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
1 Year	1.07	0.97	0.09	0.08
2 to 5 Years	1.94	0.70	0.29	0.04
6 to 10 Years	2.72	2.14	0.33	0.16

NOTE: 37
DISTRIBUTION OF DIVIDEND

₹ in crores

Particulars	As at March 31, 2022	As at March 31, 2021
Dividend on equity shares declared and paid :		
Final dividend for the year ended 31.03.2021 : ₹ NIL per share (31.03.2020 :- ₹ 2.50 per share)	-	6.31
Interim dividend for the year ended 31.03.2022 :- ₹ 12.00 per share (31.03.2021 :- ₹ NIL per share)	36.09	-

Note: The dividend declared or paid during the year by the company is in compliance with section 123 of the Companies Act, 2013.

NOTE: 38
ACCOUNTING CLASSIFICATION AND FAIR VALUES

The fair values of financial assets and liabilities, together with the carrying amounts shown in the Consolidated Balance Sheet as at March 31, 2022 are as follows:

₹ in crores

Particulars	Amortized cost	Financial assets/ liabilities at fair value through profit or loss	Total carrying amount	Fair value
Financial assets:				
Investments	61.58	-	61.58	61.58
Trade Receivables	646.90	-	646.90	646.90
Cash and cash equivalents	52.45	-	52.45	52.45
Other bank balances	16.56	-	16.56	16.56
Other financial assets	9.60	-	9.60	9.60
Financial liabilities:				
Long Term Borrowings	17.20	-	17.20	17.20
Other Long Term Financial Liability	16.94	-	16.94	16.94
Short Term Borrowings	313.02	-	313.02	313.02
Trade Payables	290.11	-	290.11	290.11
Other Short Term Financial Liability	49.43	-	49.43	49.43

NOTE: 38 (Contd.)
ACCOUNTING CLASSIFICATION AND FAIR VALUES

The fair values of financial assets and liabilities, together with the carrying amounts shown in the Standalone Balance Sheet as at March 31, 2021 are as follows:

₹ in crores

Particulars	Amortized cost	Financial assets/ liabilities at fair value through profit or loss	Total carrying amount	Fair value
Financial assets:				
Investments	64.21	11.09	75.30	75.30
Trade Receivables	458.00	-	458.00	458.00
Cash and cash equivalents	84.69	-	84.69	84.69
Other bank balances	101.44	-	101.44	101.44
Other financial assets	13.18	-	13.18	13.18
Financial liabilities:				
Long Term Borrowings	15.48	-	15.48	15.48
Other Long Term Financial Liability	10.74	-	10.74	10.74
Short Term Borrowings	108.12	-	108.12	108.12
Trade Payables	279.73	-	279.73	279.73
Other Short Term Financial Liability	39.41	-	39.41	39.41

NOTE: 39
FAIR VALUE MEASUREMENT

The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in forced or liquidation sale.
The Group has established the following fair value hierarchy that categories the value into 3 levels. The inputs to valuation techniques used to measure fair value of financial instruments are:

Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date;

Level 2: Inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3: No significant observable inputs for the asset or liability. Some observable inputs used in fair value measurement are discounted cash flows, market multiple method etc.

The following table summarizes financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosure are required):

₹ in crores

As at March 31, 2022	Level 1	Level 2	Level 3
Financial Assets:			
Investment in Mutual Funds (Unquoted)	-	-	-
Total	**-**	**-**	**-**

NOTE: 39 (Contd.)

FAIR VALUE MEASUREMENT

₹ in crores

As at March 31, 2021	Level 1	Level 2	Level 3
Financial Assets:			
Investment in Mutual Funds (Unquoted)	11.09	-	-
Total	**11.09**	**-**	**-**

Notes:

The management assesses that carrying amount of trade receivables, cash and cash equivalents, other bank balances, short term borrowings, trade payables, other financial assets and liabilities approximate their fair value largely due to short term maturities of these instruments.

NOTE: 40

FINANCIAL RISK MANAGEMENT

The Group's financial risk management is an integral part of how to plan and execute its business strategies. The Group's financial risk management policy is set by the Managing Board. The Group has a system-based approach to risk management, anchored to policies and procedures and internal financial controls aimed at ensuring early identification, evaluation and management of key financial risks (such as credit risk, liquidity risk and market risk) that may arise as a consequence of its business operations as well as its investing and financing activities. Accordingly, the Group's risk management framework has the objective of ensuring that such risks are managed within acceptable and approved risk parameters in a disciplined and consistent manner and in compliance with applicable regulation. It also seeks to drive accountability in this regard.

1. Credit Risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Group periodically assesses financial reliability of customers and other counter parties, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of financial assets. Individual risk limits are set and periodically reviewed on the basis of such information.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk the Group compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

i. Actual or expected significant adverse changes in business,

ii. Actual or expected significant changes in the operating results of the counterparty,

iii. Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,

iv. Significant increase in credit risk on other financial instruments of the same counterparty,

v. Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Group. Where loans or receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivable due. The Group's exposure to trade receivables on the reporting date, net of expected loss provisions, stood at ₹ 646.90 Crores (PY – ₹ 458 Crores) and advance to suppliers stood at ₹9.84 Crores (PY – ₹15.03 Crores)

NOTE: 40 (Contd.)

FINANCIAL RISK MANAGEMENT

The movement of the expected loss provision (allowance for bad and doubtful loans and receivables etc.) made by the Group are as under:

₹ in crores

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	3.32	2.60
Add: Provisions made	1.84	0.72
Less: Provisions reversed	-	-
Closing provisions	**5.16**	3.32

2. Liquidity Risk

Liquidity risk refers to the risk that the Group cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The management continuously monitors the Group's liquidity position through rolling forecasts on the basis of expected cash flows. The Group assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

₹ in crores

As at March 31, 2022	Less than 1 year	More than 1 years	Total
Borrowings	313.02	17.20	330.22
Trade payables	290.11	-	290.11
Other financial liabilities	49.43	16.94	66.37

₹ in crores

As at March 31, 2021	Less than 1 year	More than 1 years	Total
Borrowings	108.12	15.48	123.60
Trade payables	279.73	-	279.73
Other financial liabilities	39.41	10.74	50.15

3. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits and derivative financial instruments.

A. Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. Any weakening of the functional currency may impact the Group's cost of imports and cost of borrowings and consequently may increase the cost of financing the Group's capital expenditures. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to import of raw materials and spare parts, capital expenditure, export of finished goods. The currency in which these transactions are primarily denominated is USD.

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities. The Group's exposure to foreign currency changes for all currencies other than US Dollars is not material.

NOTE: 40 (Contd.)

FINANCIAL RISK MANAGEMENT

Particulars of unhedged foreign currency exposure as at the balance sheet date

₹ in crores

Particulars		As at March 31, 2022	As at March 31, 2021
Amount receivable in Foreign currency on account of	US$	0.62	0.64
Trade receivables	INR	45.99	46.30
Amount payables in Foreign currency on account of	US$	0.03	0.01
Trade payables	INR	2.50	0.35

₹ in crores

Particulars	Change in USD rate	Effect on profit before tax	Effect on post tax equity
March 31, 2022	10%	4.35	3.25
	(10)%	(4.35)	(3.25)
March 31, 2021	10%	4.60	3.44
	(10)%	(4.60)	(3.44)

B. 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. The Group's exposure to the risk of changes in market interest rates are limited as the borrowings by the Group carry fixed interest rates. However, the Group still constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

NOTE: 41

CAPITAL MANAGEMENT

The Group's capital management is intended to create value for shareholders by facilitating the meeting of long-term and short-term goals of the Group.

The Group determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity and other long-term/short-term borrowings.

The Group's policy is aimed at combination of short-term and long-term borrowings so as to maintain an optimum capital structure to reduce the cost of capital and maximize shareholders value and provide benefits to other stakeholders.

₹ in crores

Particulars	As at March 31, 2022	As at March 31, 2021
Total debt (Bank and Other Borrowings)	330.22	123.60
Equity	1,303.35	1,000.79

NOTE: 42

COMPANY AS A LESSEE

Carrying amount of lease assets or liabilities

₹ in crores

Particulars	As at March 31, 2022	As at March 31, 2021
Assets		
Right of Use Assets (Refer Note No. 4(c))	17.50	12.49
Liabilities		
Lease Liabilities (Refer Note No. 17)	19.30	13.24

Amount recognized in Statement of Cash Flows

₹ in crores

Particulars	As at March 31, 2022	As at March 31, 2021
Payment of principal portion of lease liabilities	2.62	2.10
Payment of Interest portion of lease liabilities	1.85	1.73
Net Cash flows used in financial activities	**4.47**	**3.83**

The Group has lease contracts for Warehouse and office spaces used in its operations. These generally have lease terms between 1 and 9 years.

The effective interest rate for lease liabilities is 10.49%.

The following are the amounts recognised in statement of Profit and Loss:

₹ in crores

Particulars	As at March 31, 2022	As at March 31, 2021
Depreciation expense of right-of used assets	3.67	3.29
Interest expenses on lease liabilities	1.85	1.50
Expense relating to other leases (included in other expenses)	4.12	2.92
Total amount recognised in Statement of Profit and Loss	**9.64**	**7.71**

Maturity analysis of lease liabilities are as follows:

₹ in crores

Particulars	As at March 31, 2022	As at March 31, 2021
1 year	2.36	2.50
2-5 years	7.40	5.45
5 years and above	9.54	5.29

NOTE: 43

The Group has assessed and considered the impact of this pandemic on the carrying amount of inventories, receivables and other assets and the management estimates that the Group's liquidity position is comfortable and there is no material uncertainty in meeting its liability for the foreseeable future. However, the situation is still evolving and the eventual outcome of impact of the global pandemic may be different from those estimated as on date of approval of these financial statements.

NOTE: 44

Other Statutory Information

i. The Group do not have any Benami Property, where any proceedings has been initiated or pending against the Group for holding any Benami property.

ii. The Group do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

iii. The Group have not traded or invested in Crypto Currency or Virtual Currency during the financial year.

iv. The Group have not advanced or loaned or invested funds to any other person(s) or entity(ies):

(a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group(Ultimate Beneficiaries) or

(b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

v. The Group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

(a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party(Ultimate Beneficiaries) or

(b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

vi. The Group does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act,1961.

vii. The Group does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

viii. The Group has compiled with 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.

ix. There are no events or transactions after the reporting period which is required to be disclosed under Ind AS 10.

x. The Group is not a Core Investment Group as defined in the regulations made by Reserve Bank of India.

NOTE: 45

Balances of some parties (including of Trade receivables and Trade payables) and loans and advances are subject to reconciliation/ confirmations from the respective parties. The management does not expect any material differences affecting the financial statement for the year.

NOTE: 46

Previous year figures have been recast/ regrouped whenever necessary to conform to the current Year's presentation.

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For S K AGRAWAL AND CO CHARTERED ACCOUNTANTS LLP
Chartered Accountants
ICAI Firm Registration No. 306033E/E300272

Sandeep Agrawal
Partner
Membership no. 058553

Place : Kolkata
Dated: May 30, 2022
UDIN: 22058553AJWVQU7770

FOR AND ON BEHALF OF BOARD OF DIRECTORS

Ashok Kumar Todi
Chairman
(DIN - 00053599)

Pradip Kumar Todi
Managing Director
(DIN - 00246268)

Saurabh Kumar Bhudolia
Chief Financial Officer
(PAN-AISPB8804D)

Smita Mishra
Company Secretary
(Mem No - A26489)

Notice

Dear Members,

Notice is hereby given that the 27th (Twenty-Seventh) Annual General Meeting (AGM) of the members of Lux Industries Limited ("The Company") will be held on Tuesday, 20th day of September 2022 at 11:00 a.m. through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") to transact the following businesses:

ORDINARY BUSINESS

1. **To consider and adopt:**

   (a) The Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2022, and the Reports of Board of Directors and the Auditors thereon, and;

   (b) The Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2022, and the Reports of the Auditors thereon.

2. **Retire by Rotation:**

   a. To appoint Mr. Pradip Kumar Todi (DIN: 00246268), who retires by rotation and being eligible, offers himself for re-appointment as a director.

   b. To appoint Mr. Navin Kumar Todi (DIN: 00054370), who retires by rotation and being eligible, offers himself for re-appointment as a director.

3. **To re-appoint M/s S K Agrawal and Co Chartered Accountants LLP as Statutory Auditors of the Company.**

   To consider and if thought fit, to pass the following resolution as **Ordinary Resolution**:

   "**RESOLVED THAT** pursuant to Section 139, 141, 142 and all other applicable provisions of the Companies Act, 2013, read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof) and on the recommendation of Audit Committee and Board of Directors of the Company (" the Board "), M/s S K Agrawal and Co Chartered Accountants LLP, having Firm Registration No. 306033E/ E300272, are hereby appointed as the Statutory Auditors of the Company for a second term of 5 (five) consecutive years commencing from the conclusion of this 27th AGM till the conclusion of the 32nd AGM to be held in the year 2027, at a remuneration of ₹ 30,00,000/- (Rupees Thirty Lakhs only) plus applicable taxes and reimbursement of out of the pocket expenses for the year 2022-23, and for subsequent years, as may be mutually agreed between the Company and the Statutory Auditors from time to time.

   RESOLVED FURTHER THAT the Board of the Company, be and are hereby severally authorized to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, including filing the requisite forms or submission of documents with any authority or accepting any modifications to the clauses as required by such authorities, for the purpose of giving effect to this resolution and for matters connected therewith, or incidental thereto."

SPECIAL BUSINESS

4. **To re-appoint Mr. Ashok Kumar Todi as Whole Time Director & Chairman of the Company.**

   To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

   "RESOLVED THAT in accordance with the provisions of Section 152, 196, 197 and 203 read with Schedule V of the Companies Act, 2013 ('the Act'), the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, and all other applicable provisions, (including any statutory modification(s) or re-enactment thereof, for the time being in force), and on the basis of the recommendations of Nomination and Remuneration Committee, and approval of the Audit Committee and Board of Directors ("the Board") Mr. Ashok Kumar Todi (DIN: 00053599) is hereby re-appointed as a Director of the Company, who is liable to retire by rotation, and as Whole Time Director & Chairman of the Company, for a period of 5 (five) years with effect from September 30, 2022, on a monthly remuneration of ₹ 37,50,000/- (Rupees Thirty-seven lakhs and fifty thousand), and on such terms and conditions as set out in the statement annexed to the Notice of the 27th Annual General Meeting, with liberty to the Board, to alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deem fit and as may be acceptable to Mr. Ashok Kumar Todi, subject to the compliance of the applicable statutes, rules, regulation or guidelines as may be required.

   RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board of the Company, be and are hereby severally authorized to do all such acts, deeds, matters and things as may be deemed necessary and settle any/or all questions/ matters arising with respect to the above matter, and to execute all such deeds, documents, agreements and writings as may be necessary for the purpose of giving effect to this Resolution, take such further steps in this regard, as may be considered desirable or expedient by the Board in the best interest of the Company."

5. **To approve request received from Mrs. Neha Poddar, Person belonging to the Promoter Group, for reclassification from "Promoter & Promoter Group" category to "Public" category.**

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

   "RESOLVED THAT pursuant to Regulation 31A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any statutory modification(s) or re-enactment(s) thereof, for the time being in force and other relevant provisions and subject to the approval of Stock Exchanges viz NSE and BSE, and/or any other approval, if any, as may be required, approval of the Members of the Company be and is hereby accorded for reclassification of Mrs. Neha Poddar who is holding Nil shares in the Company, as on the date of passing this resolution, from 'Promoter & Promoter Group' Category to 'Public' Category.

   RESOLVED FURTHER THAT Mr. Ashok Kumar Todi, Chairman (DIN: 00053599) or Mr. Pradip Kumar Todi, Managing Director (DIN: 00246268) or Mrs. Smita Mishra, Company Secretary and Compliance Officer of the Company, be and are hereby severally authorized to perform and execute all such acts, deeds, matters and things including but not limited to making intimation/ filings to stock exchange(s), seeking approvals from the Securities and Exchange Board of India, Stock Exchanges, and/or any other approval, if any, as may be required and to execute all other documents required to be filed in the above connection and to settle all such questions, difficulties or doubts whatsoever which may arise and amend such details and to represent before such authorities as may be required and to take all such steps and decisions in this regard to give full effect to the aforesaid resolutions."

6. **To approve request received from Mrs. Shilpa Agarwal Samriya, Person belonging to the Promoter Group, for reclassification from "Promoter & Promoter Group" category to "Public" category.**

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

   "**RESOLVED THAT** pursuant to Regulation 31A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any statutory modification(s) or re-enactment(s) thereof, for the time being in force and other relevant provisions and subject to the approval of Stock Exchanges viz NSE and BSE, and/or any other approval, if any, as may be required, approval of the Members of the Company be and is hereby accorded for reclassification of Mrs. Shilpa Agarwal Samriya who is holding Nil shares in the Company, as on the date of passing this resolution, from "Promoter & Promoter Group" Category to "Public" Category.

   RESOLVED FURTHER THAT Mr. Ashok Kumar Todi, Chairman (DIN: 00053599) or Mr. Pradip Kumar Todi, Managing Director (DIN: 00246268) or Mrs. Smita Mishra, Company Secretary and Compliance Officer of the Company, be and are hereby severally authorized to perform and execute all such acts, deeds, matters and things including but not limited to making intimation/ filings to stock exchange(s), seeking approvals from the Securities and Exchange Board of India, Stock Exchanges, and/or any other approval, if any, as may be required and to execute all other documents required to be filed in the above connection and to settle all such questions, difficulties or doubts whatsoever which may arise and amend such details and to represent before such authorities as may be required and to take all such steps and decisions in this regard to give full effect to the aforesaid resolutions."

7. **To approve request received from Mr. Rohit Poddar, Person belonging to the Promoter Group, for reclassification from "Promoter & Promoter Group" category to "Public" category.**

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

   "**RESOLVED THAT** pursuant to Regulation 31A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any statutory modification(s) or re-enactment(s) thereof, for the time being in force and other relevant provisions and subject to the approval of Stock Exchanges viz NSE and BSE, and/or any other approval, if any, as may be required, approval of the Members of the Company be and is hereby accorded for reclassification of Mr. Rohit Poddar who is holding 51,425 shares in the Company (amounting to 0.17% of the total Paid-up Share Capital of the Company), as on the date of passing this resolution, from "Promoter & Promoter Group" Category to "Public" Category.

   RESOLVED FURTHER THAT Mr. Ashok Kumar Todi, Chairman (DIN: 00053599) or Mr. Pradip Kumar Todi, Managing Director (DIN: 00246268) or Mrs. Smita Mishra, Company Secretary and Compliance Officer of the Company be and are hereby severally authorized to perform and execute all such acts, deeds, matters and things including but not limited to making intimation/ filings to stock exchange(s), seeking approvals from the Securities and Exchange Board of India, Stock

Exchanges, and/or any other approval, if any, as may be required and to execute all other documents required to be filed in the above connection and to settle all such questions, difficulties or doubts whatsoever which may arise and amend such details and to represent before such authorities as may be required and to take all such steps and decisions in this regard to give full effect to the aforesaid resolutions."

8. **To approve request received from Mr. Upendra Samriya, Person belonging to the Promoter Group, for reclassification from "Promoter & Promoter Group" category to "Public" category.**

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

   "**RESOLVED THAT** pursuant to Regulation 31A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any statutory modification(s) or re-enactment(s) thereof, for the time being in force and other relevant provisions and subject to the approval of Stock Exchanges viz NSE and BSE, and/or any other approval, if any, as may be required, approval of the Members of the Company be and is hereby accorded for reclassification of Mr. Upendra Samriya who is holding 50,000 shares in the Company (amounting to 0.17% of the total Paid-up Share Capital of the Company), as on the date of passing this resolution, from "Promoter & Promoter Group" Category to "Public" Category.

   RESOLVED FURTHER THAT Mr. Ashok Kumar Todi, Chairman (DIN: 00053599) or Mr. Pradip Kumar Todi, Managing Director (DIN: 00246268) or Mrs. Smita Mishra, Company Secretary and Compliance Officer of the Company be and are hereby severally authorized to perform and execute all such acts, deeds, matters and things including but not limited to making intimation/ filings to stock exchange(s), seeking approvals from the Securities and Exchange Board of India, Stock Exchanges, and/or any other approval, if any, as may be required and to execute all other documents required to be filed in the above connection and to settle all such questions, difficulties or doubts whatsoever which may arise and amend such details and to represent before such authorities as may be required and to take all such steps and decisions in this regard to give full effect to the aforesaid resolutions."

With regards,

By order of the Board of Directors
For Lux Industries Limited

Registered Office:
39, Kali Krishna Tagore Street
Kolkata-700007.

Sd/-
Smita Mishra
Company Secretary & Compliance Officer
M. No.- ACS 26489

Date: August 09, 2022
Place: Kolkata

Notes:

1. Pursuant to the Circulars issued by the Ministry of Corporate Affairs ("MCA") on May 5, 2020 read with circulars dated April 8, 2020, April 13, 2020, January 13, 2021, December 8 & 14, 2021 and May 5, 2022 (collectively referred to as "MCA Circulars") and Securities Exchange Board of India ("SEBI") vide its circular dated May 12, 2020 read with further relaxation vide circular dated January 15, 2021 read with May 13, 2022("SEBI Circulars") the 27th AGM of the Company is being held through Video Conferencing ("VC")/ Other Audio-Visual means ("OAVM"), without the physical presence of the members at a common venue.

   The venue of the AGM, for the purpose of technical compliance as per Section 96(2) of the Companies Act, 2013, shall be the Registered Office of the Company at 39, Kali Krishna Tagore Street, Kolkata- 700007.

2. **PURSUANT TO THE PROVISIONS OF THE SECTION 105 OF COMPANIES ACT, 2013 A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THE AGM IS BEING HELD PURSUANT TO THE MCA/ SEBI CIRCULARS THROUGH VC/OAVM, PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, THE FACILITIES FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THE AGM AND HENCE THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF THE AGM ARE NOT ANNEXED WITH THE NOTICE OF THE AGM.**

3. As per Section 113(1)(a) Companies Act, 2013 Corporate/ institutional members (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned image (PDF/JPG format) of certified true copy of relevant board resolution/ authority letter etc. together with attested specimen signature of the duly authorised signatory(ies) who is/ are authorised to vote, to the Scrutinizer through email at goenkamohan@gmail.com or may also upload the same in the e-voting module in their login. The scanned image of the above documents should be in the naming format "Corporate Name EVENT No.".

4. As per the requirement of Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), disclosures for item no. 3 for appointment of the Auditor and pursuant to Section 102 of the Companies Act, 2013, the Explanatory Statement setting out material facts concerning the special business under Item Nos. 4 to 8 of the Notice is annexed hereto.

5. Participation of members through VC will be reckoned for the purpose of quorum for the AGM as per section 103 of the Companies Act, 2013 ("the Act").

6. Members are requested to address all correspondence, to the Company's Registrar and Share Transfer Agent ('RTA'), KFin Technologies Limited (Formerly known as KFin Technologies Private Limited), **Unit: Lux Industries Limited**, Selenium Tower B, Plot 31-32, Financial District, Nanakramguda Serilingampally, Mandal, Hyderabad 500032. Mail id: einward.ris@kfintech.com.

7. In compliance with the MCA Circular dated May 5, 2022, and SEBI Circular dated May 13, 2022, the requirement of sending physical copy of Annual Report is dispensed with. Accordingly, the Annual Report of the Company including the Notice of the 27thAnnual General Meeting, inter alia indicating the process and manner of e-voting along is being sent only through electronic mode to those members whose email IDs are registered with the Company/ Depository Participants(s) for communication purposes. Members may note that Notice and Annual Report for the financial year 2021-22 will also be available on the Company's website www.luxinnerwear.com, website of the Stock Exchanges viz BSE and NSE at www.bseindia.com and www.nseindia.com respectively and on the website of KFin Technologies Limited, https://evoting.kfintech.com.

8. The Notice along with Annual Report will be sent through e-mail to those members/ beneficial owners, whose name will appear in the register of members/ list of beneficiaries received from the depositories, as on August 12, 2022.

9. In compliance with the MCA and SEBI Circulars, the Company has published a public notice on August 12, 2022 by way of an advertisement before the date of circulation of Annual Report along with AGM Notice by email, in English Newspaper (Business Standard) having a nationwide circulation and also one in Bengali Newspaper (Ei Samay), inter alia, advising members whose e-mail ids are not registered with the Company, its RTA or Depository Participant(s) (DPs), as the case may be, to register their e-mail ids with them.

10. The Register of Members and the Share Transfer book of the Company will remain closed from September 14, 2022, to September 20, 2022 (both days inclusive) for annual closing.

11. As per Regulation 40(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule VII to the said regulations, for registration of transfer of shares, the transferee(s) as well as transferor(s) shall mandatorily furnish copy of their Income Tax Permanent Account Number (PAN). In case

of transmission of shares held in physical mode, it is mandatory to furnish a copy of the PAN Card of the Legal heir(s)/ Nominee(s).

Further, the Company wants to inform you that pursuant to the SEBI' Circular dated April 20, 2018, the Company has already sent the reminders to the respective shareholders through letter dated May 28, 2018, mentioning the requirement of mandatory updation of PAN and bank detail against the shareholding of each shareholder along with the specified format for furnishing the PAN and bank details and list of other documents required for this process.

12. As per Regulation 40 of SEBI Listing Regulations, as amended by SEBI vide its Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form.

    The shareholders may approach the nearest Depository Participant for further clarification in this regard. Shareholders are requested to contact the Company's Registrar & Share Transfer Agent, KFin Technologies Ltd for any queries in regard to the aforesaid or contact Mrs. Smita Mishra, Company Secretary and Compliance Officer of the Company at the Corporate Office of the Company at P.S. Srijan Tech Park, DN -52, Sector-V, 10^{th} Floor, Salt Lake City, Kolkata – 700 091(Phone:033-4040-2121; Email: cs@luxinnerwear.com).

13. Members who hold shares in physical form in multiple folios in identical names or joint names in the same order of names are requested to send the share certificates to the Company's RTA for consolidation into single folio.

14. Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, and the Register of Directors, Key Managerial Personnel along with their shareholding maintained under Section 170 of the Companies Act, 2013 (read with rules issued thereunder), will be available for inspection in electronic mode from the date of circulation of this Notice up to date of the AGM, i.e. September 20, 2022. Members can inspect the same by sending an email to investors@luxinnerwear.com

15. Relevant documents referred to in the Notice are open for inspection by the Members at the Registered Office of the Company on all working days from 2.00 P.M. to 5.00 P.M. up to the date of AGM.

16. In case you have any query relating to the Annual Accounts you are requested to send to the same to the Company Secretary at investors@luxinnerwear.com at least 10 days before the AGM so as to enable the management to keep the information ready for replying at the meeting.

17. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holding should be obtained from the concerned Depository Participant and holding should be verified.

18. Transfer to Investor Education and Protection Fund:

(i) Transfer of unclaimed dividend

Pursuant to the provisions of Section 124 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") including any statutory modification(s) or re-enactment thereof for the time being in force, dividend for the financial year ended March 31, 2015 and onwards, which remains unpaid or unclaimed for a period of seven(7) years from the date of its transfer to the unpaid dividend account of the Company would be transferred to Investor Education and Protection Fund (IEPF).Members who have so far not encashed the Dividend Warrants for the above years are advised to submit their claims to the Company's Registrar and Transfer Agents at their address given herein below immediately, quoting their folio number/ DP ID and Client ID.

During the financial year under review, the Company has transferred unpaid/unclaimed dividend, amounting to ₹ 80,850/- for Financial Year 2013-14 to the Investor Education and Protection Fund (IEPF) of the Central Government of India.

(ii) Transfer of shares to IEPF

Further pursuant to the provisions of Section 124(6) of the Companies Act, 2013, Investors Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (including amendments thereof) read with Ministry of Corporate Affairs Circular No. 12/2017 dated October 16, 2017, all the shares in respect of which dividend has not been paid or claimed for 7 consecutive years or more shall be transferred by the Company in the name of Investors Education and Protection Fund (IEPF).

The details of those Members who have not claimed dividend for consecutive period of seven years or more and the relevant details of shares due to be transferred to the IEPF Authority, is available on Company's website at www.luxinnerwear.com. The

Company has given a public notice on August 03, 2022, published in English Newspaper (Business Standard) and also one in Bengali Newspaper (Ei Samay), as well as individual notice was given to the concerned Members informing them that their shares are liable to be transferred to IEPF Authority.

(iii) **Claim from IEPF Authority**

The shareholders who have not claimed/encashed the dividend in the last 7 consecutive years from FY 2014-15 are requested to claim the same to avoid transfer of shares to IEPF.

Shareholders may note that both the unclaimed dividend amount transferred to IEPF and the shares transferred to the Demat Account of the IEPF Authority including all benefits accruing on such shares, if any, can be claimed back by them from the IEPF Authority by making an online application in Form IEPF – 5 (available on www.iepf.gov.in) along with the fee prescribed to the IEPF authority with a copy to the Company.

19. In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of the Listing Regulations the Company is pleased to inform that all the resolutions as stated in the notice can be transacted by electronic voting system and the Company has provided facility to the members to exercise their right to vote at the 27th Annual General Meeting (AGM) by electronic means through e-voting services provided by KFin Technologies Limited. The instruction for e-voting has been enclosed and sent alongwith the notice and the cut-off date for sending e-voting password to shareholders is fixed on August 12, 2022.

20. **Process for registering e-mail addresses to receive this notice along with credentials for remote e-voting:**

Guidelines to register email address:

i) Visit the link https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx

ii) Select the company name i.e., Lux Industries Limited

iii) Enter DPID-CLID (in case shares are held in electronic form)/ Physical Folio No. (in case shares are held in physical form) and PAN.

iv) If PAN details are not available in the system, the system will prompt to upload a self-attested copy of the PAN card for updating the records.

v) In case shares are held in physical form and PAN is not available in the records, please enter any one of the Share Certificate No. in respect of the shares held by you.

vi) Enter the email address and Mobile No.

vii) System will check the authenticity of DPID-CLID/Physical Folio No. and PAN/Certificate No., as the case may be, and will send the OTPs at the registered Mobile No. as well as email address for validation.

viii) Enter the OTPs received by SMS and email to complete the validation process. Please note that the OTPs will be valid for 5 minutes only.

ix) The Company through KFIN will send the Notice, Annual Report, and the e-voting instructions along with the User ID and Password to the email address given by you.

x) Alternatively, Members may send an e-mail request addressed to einward.ris@kfintech.com along with scanned copy of the request letter duly signed by the first shareholder, providing the email address, mobile number, self-attested copy of PAN and Client Master copy (in case shares are held in electronic form) or copy of the share certificate (in case shares are held in physical form) to enable KFIN to register their e-mail address and to provide them the Notice, Annual Report and the e-voting instructions along with the User ID and Password.

xi) Kindly note that in case the shares are held in electronic form, the above facility is only for temporary registration of email address for receipt of Notice, Annual Report and the e-voting instructions along with the User ID and Password. Such Members will have to register their email address with their DPs permanently, so that all communications are received by them in electronic form.

In case of queries, Members are requested to write to einward.ris@kfintech.com or call at the toll-free number 1800 309 4001.

21. **Procedure For Remote E-Voting And E-Voting at the AGM:**

i) In compliance with the provisions of Section 108 and other applicable provisions, if any, of the Act, Rule 20 of Companies (Management and Administration) Rules, 2014 and Regulation 44 of Listing Regulations, the Company is pleased to provide the facility of remote e-voting to its Members in respect of the business to be transacted at the AGM.

ii) The Members attending the AGM who have not cast their vote by remote e-voting shall be entitled to vote at AGM through e-voting system. Facility to cast vote at the AGM will be made available on the Video Conferencing screen and will remain active throughout the Meeting.

iii) The members can opt for only one mode of voting i.e., remote e-voting or e-voting at the AGM. The

Members who have cast their vote by remote e-voting may also attend the AGM.

iv) In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.

v) The remote e-voting facility will be available during the following period:

Commencement of remote e-voting: From 9:00 a.m. (IST) on September 16, 2022 (Friday)

End of remote e-voting: Upto 5:00 p.m. (IST) on September 19, 2022 (Monday).

The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by KFIN upon expiry of the aforesaid period.

vi) The voting rights of Members for remote e-voting and for e-voting at AGM shall be in proportion to the paid-up value of their shares in the equity share capital of the Company as on cut-off date i.e., September 13, 2022

vii) A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date September 13, 2022, shall only be entitled to avail the facility of remote e-voting / e-voting at AGM. The person who is not a member/ beneficial owner as on the cut-off date should treat this Notice for information purpose only.

22. **Any person who becomes member of the Company after dispatch of the Notice of AGM and holding shares as on the cut-off date i.e., September 13, 2022, may obtain the User ID and password in the manner as mentioned below:**

i. If the mobile number of the member is registered against Folio No./ DPID Client ID, the Member may send SMS: **MYEPWD**<space> E-Voting Event Number +Folio no. or DPID Client ID to +91-9212993399

Example for NSDL:
MYEPWD<SPACE>IN12345612345678

Example for CDSL:
MYEPWD<SPACE>1402345612345678

Example for Physical:
MYEPWD<SPACE> XXXX1234567890

ii. If e-mail address or mobile number of the member is registered against Folio No. / DPID Client ID, then on the home page of https://evoting.kfintech.com , the member may click "Forgot Password" and enter Folio No. or DPID Client ID and PAN to generate a password.

iii. Member may Call KFin's Toll free number 1-800-3094-001

iv. Member may send an e-mail request to evoting@kfintech.com

23. If the member is already registered with KFin for e-voting, he can use his existing User ID and Password for casting the vote through remote e-voting.

24. In case of any query pertaining to e-voting, please visit Help & FAQs section available at KFIN website (https://evoting.kfintech.com). In case of any other queries/ grievances connected to remote e-voting or shares, you may contact Mr. Ravuri Vijay, an official of KFIN, at telephone number: 040-67162222 or the toll-free number 1800-309-4001 or at email: evoting@kfintech.com .

25. The Board of Directors in their meeting held on August 9, 2022 has appointed Mr. Mohan Ram Goenka, Partner, of M/s. MR & Associates, Company Secretaries, as the Scrutinizer to scrutinize the voting during the AGM and remote e-voting process in a fair and transparent manner and they have communicated their willingness to be appointed and will be available for the same purpose.

26. The Scrutinizer, after scrutinizing the voting through e-voting at AGM and through remote e-voting shall, within Forty-Eight (48) Hours from conclusion of the AGM, make a consolidated scrutinizer's report of the votes cast in favour or against, if any, and submit the same to the Chairman of the meeting. The Chairman shall declare the results. The declared results shall be available on the website of the Company (www.luxinnerwear.com) and on the website of KFIN (https://evoting.kfintech.com) and shall also be displayed on the notice board at the registered office and the corporate office of the Company. The results shall simultaneously be communicated to the Stock Exchanges. The resolutions will be deemed to be passed on the date of AGM subject to receipt of the requisite number of votes in favour of the resolutions.

27. We urge members to support our commitment to environmental protection by choosing to receive the Company's communication through email. Members holding shares in demat mode, who have not registered their email addresses are requested to register their email addresses with their respective DP, and members holding shares in physical mode are requested to update their email addresses with the Company's RTA, KFin Technologies Limited at einward.ris@kfintech.com, to receive copies of the Annual Report 2021-22 in electronic mode.

28. Members may follow the process detailed below for availing various investor services.

Type of holder	Process to be followed	
Physical	For availing the following investor services, send a written request in the prescribed forms to the RTA of the Company, KFin Technologies Limited either by email to einward.ris@kfintech.com or by post to Unit: Lux Industries Limited ,Selenium Tower B, Plot 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500032.	
	Form for availing investor services to register PAN, email address, bank details and other KYC details or changes / update thereof for securities held in physical mode	Form ISR-1
	Update of signature of securities holder	Form ISR-2
	For nomination as provided in the Rules 19 (1) of Companies (Share capital and debenture) Rules, 2014	Form SH-13
	Declaration to opt out	Form ISR-3
	Cancellation of nomination by the holder(s) (along with ISR-3) / Change of Nominee	Form SH-14
	Form for requesting issue of Duplicate Certificate and other service requests for shares / debentures / bonds, etc. held in physical form	ISR 4
	The forms for updating the above details are available at https://www.luxinnerwear.com/download-forms	
Demat	Please contact your DP and register your email address and bank account details in your demat account, as per the process advised by your DP.	

Login method for e-Voting: Applicable only for Individual shareholders holding securities in Demat mode

As per the 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:

NSDL	CDSL
1. User already registered for IDeAS facility: I. URL: https://eservices.nsdl.com II. Click on the "Beneficial Owner" icon under 'IDeAS' section. III. On the new page, enter User ID and Password. Post successful authentication, click on "Access to e-Voting" IV. Click on company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period.	**1. Existing user who have opted for Easi / Easiest** I. URL: https://web.cdslindia.com/myeasi/home/login or URL: www.cdslindia.com II. Click on New System Myeasi III. Login with user id and password. IV. Option will be made available to reach e-Voting page without any further authentication. V. Click on e-Voting service provider name to cast your vote.
2. User not registered for IDeAS e-Services I. To register click on link: https://eservices.nsdl.com II. Select "Register Online for IDeAS" III. Proceed with completing the required fields.	**2. User not registered for Easi/Easiest** I. Option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration II. Proceed with completing the required fields.

NSDL	CDSL
3. By visiting the e-Voting website of NSDL I. URL: https://www.evoting.nsdl.com/ II. Click on the icon "Login" which is available under 'Shareholder/Member' section. III. Enter User ID (i.e., 16-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. IV. Post successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. V. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.	**3. By visiting the e-Voting website of CDSL** I. URL: www.cdslindia.com II. Provide demat Account Number and PAN No. III. System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account. IV. After successful authentication, user will be provided links for the respective ESP where the e- Voting is in progress.

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. Once login, you will be able to see e-Voting option. Click on e-Voting option and you will be redirected to NSDL/CDSL Depository site after successful authentication. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

Important note:

Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

Members facing any technical issue – NSDL	Members facing any technical issue - CDSL
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	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 22-23058542-43.

Login method for e-Voting for shareholders other than Individual's shareholders holding securities in demat mode and shareholders holding securities in physical mode.

(A) Members whose email IDs are registered with the Company/ Depository Participants (s), will receive an email from KFintech which will include details of E-Voting Event Number (EVEN), USER ID and password. They will have to follow the following process:

i. Launch internet browser by typing the URL: https://emeetings.kfintech.com/

ii. Enter the login credentials (i.e., User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) xxxx, followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFintech for e-voting, you can use your existing User ID and password for casting the vote.

iii. After entering these details appropriately, click on "LOGIN".

iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,$, etc.,). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

v. You need to login again with the new credentials.

vi. On successful login, the system will prompt you to select the "EVEN" i.e., 'Lux Industries Limited- AGM" and click on "Submit"

vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.

viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/ demat accounts.

ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.

x. You may then cast your vote by selecting an appropriate option and click on "Submit".

xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution (s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).

xii. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to cast its vote through remote e-voting together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email id goenkamohan@gmail.com with a copy marked to evoting@kfintech.com. The scanned image of the above-mentioned documents should be in the naming format "Corporate Name EVENT No."

(B) Members whose email IDs are not registered with the Company/Depository Participants(s), and consequently the Annual Report, Notice of AGM and e-voting instructions cannot be serviced, will have to follow the following process:

i. Members who have not registered their email address and in consequence the Annual Report, Notice of AGM and e-voting instructions cannot be serviced, may temporarily get their email address and mobile number provided with KFintech, by accessing the link: https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx. Members are requested to follow the process as guided to capture the email address and mobile number for sending the soft copy of the notice and e-voting instructions along with the User ID and Password. In case of any queries, member may write to einward.ris@kfintech.com.

ii Alternatively, member may send an e-mail request at the email id einward.ris@kfintech.com along with scanned copy of the signed copy of the request letter providing the email address, mobile number, self-attested PAN copy and Client Master copy in case of electronic folio and copy of share certificate in case of physical folio for sending the Annual report, Notice of AGM and the e-voting instructions.

iii. After receiving the e-voting instructions, please follow all steps above to cast your vote by electronic means.

29. Procedure For Joining AGM Through VC/ OAVM

The Company is providing VC/OAVM facility to its members for joining/participating at the AGM. Members may join the Meeting through Desktops, Laptops, Smartphones, Tablets and iPads. Further, Members will be required to use Internet with a good speed to avoid any disturbance during the Meeting. Please note that participants connecting from Mobile Devices or Tablets or through Laptops 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 glitches.

Members are requested to follow the procedure given below to attend the AGM through VC / OAVM or view the live webcast:

i) Launch internet browser (latest version of Chrome/ Firefox/Safari/ Internet Explorer 11 or MS Edge) by typing the URL: https://emeetings.kfintech.com .

ii) Enter the login credentials (i.e., User ID and password for e-voting).

iii) After logging in, click on "Video Conference" option.

iv) Then click on camera icon appearing against AGM event of Lux Industries Limited to attend the AGM.

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.

The facility for joining the AGM shall open 15 minutes before the time scheduled for AGM and will continue till the conclusion of the AGM. The facility will be available to the 1,000 (one thousand) Members on first-come-first-served basis. Large shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel and Auditors are allowed to attend the AGM without restriction on first-come-first-served basis.

To ensure smooth transmission and co-ordination during the Q&A Session, the Company is providing the facility of Speaker Registration. Members who would like to express their views or ask questions during the AGM may register themselves by logging on to https://emeetings.kfintech.com and clicking on the 'Speaker Registration' option available on the screen after log in. **The facility of 'Speaker Registration' will open from, September 15, 2022 (9:00 A.M.) and will end on, September 17, 2022 (5:00 P.M.)**. Only those members who are registered will be allowed to express their views or ask questions. The Company reserves the right to restrict the number of questions and speakers, depending upon availability of time, as appropriate for smooth conduct of AGM.

In case of any query, relating to the procedure for attending AGM through VC/OAVM or for any technical assistance, the members may call on toll free number: 1800 3094 001 or send an e-mail at einward.ris@kfintech.com.

Body corporates are entitled to appoint authorized representative(s) to attend the AGM through VC/ OAVM and to cast their votes through remote e-voting/ e-voting at the AGM. In this regard, the body corporates are required to send a certified copy of the Board Resolution/ Authorization Letter/ Power of Attorney authorising their representative(s) to attend the meeting and vote on their behalf through e-voting. The said resolution/ letter/ power of attorney shall be sent by the body corporate through its registered email-id to the Scrutinizer at goenkamohan@gmail.com with a copy marked to einward.ris@kfintech.com (KFIN's id).

Members attending the AGM through VC/ OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

Institutional shareholders are encouraged to attend and vote at the AGM.

30. **E-voting (insta poll) at the Meeting:**

    After the items of Notice have been discussed, e-voting through insta poll will be conducted under the supervision of the scrutinizer appointed for voting. A person, whose name is recorded in the register of members or in register of beneficial owners maintained by the depositories as on the cut-off date of September 13, 2022, and who have not cast their vote by remote e-voting, and being present in the AGM, shall be entitled to vote at the AGM.

    In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the AGM.

    Facility to cast vote through Insta Poll will be made available on the Video Conferencing screen and will be activated once the Insta Poll is announced at the Meeting.

31. The voting rights of the members shall be in proportion to the paid-up value of their shares in the equity capital of the Company as on cut-off date being September 13, 2022.
32. The Scrutinizer shall after the conclusion of the voting at AGM, first count the votes cast at their meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witness not in the employment of the Company and will make, not later than two working days from conclusion of AGM, a consolidated Scrutinizer's Report of total votes cast in favour or against, if any, forthwith to the Chairman of the Company who shall declare the Result.
33. The Scrutinizer's decision on the validity of the vote shall be final and binding.
34. The result declared along with the Scrutinizer's report shall be placed on the website of the Company (www.luxinnerwear.com) and on KFin's website (https://evoting.kfintech.com) immediately after the result is declared and shall simultaneously be forwarded to the Stock Exchanges viz NSE and BSE, where the Company's shares are listed.
35. The recorded transcript of the AGM shall be maintained by the Company and also be made available on the website www.luxinnerwear.com.
36. The resolutions will be deemed to be passed on the AGM date subject to the receipt of the requisite number of votes in favour of the resolutions.

With regards,

By order of the Board of Directors
For Lux Industries Limited

Registered Office:
39, Kali Krishna Tagore Street
Kolkata-700007.

Sd/-
Smita Mishra
Company Secretary & Compliance Officer
M. No.- ACS 26489

Date: August 09, 2022
Place: Kolkata

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

[Pursuant to the provisions of Section 102 of the Companies Act, 2013, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings ("SS-2") issued by the Institute of Company Secretaries of India and approved by the Central Government]

Item No. 3: To re-appoint M/s S K Agrawal and Co Chartered Accountants LLP as Statutory Auditors of the Company.

In terms of the provisions of Section 139 of the Companies Act, 2013 (the Act) read with Companies (Audit and Auditors) Rules, 2014, and other applicable provisions, M/s S.K Agrawal And Co Chartered Accountants LLP, ('Firm') is eligible for reappointment for a further period of five years. Based on the recommendations of the Audit Committee the Board of Directors ('The Board'), at its meeting held on May 30, 2022, approved the reappointment of M/s S K Agrawal and Co Chartered Accountants LLP as the Statutory Auditors of the Company to hold office for a second term of five consecutive years from the conclusion of the 27th AGM until the conclusion of the 32nd AGM to be held in the year 2027. The reappointment is subject to approval of the shareholders of the Company.

The proposed remuneration to be paid for conducting the audit for the financial year ending in March 2023 is ₹ 30,00,000 (Rupees Thirty-Lakhs), excluding applicable taxes and reimbursement of out-of-pocket expenses on actuals, and for the subsequent years as may be mutually agreed between the Company and the auditors from time to time. The Board in consultation with the Audit Committee may alter and vary the terms and conditions of appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Statutory Auditors.

Besides the audit services, the Company would also obtain certifications from the statutory auditors under various statutory regulations and certifications required by clients, banks, statutory authorities, audit related services and other permissible non-audit services as required from time to time, for which they will be remunerated separately on mutually agreed terms, as approved by the Board of Directors in consultation with the audit committee.

None of the Directors or Key Managerial Personnel of the Company or their relatives are interested or concerned, financially or otherwise, in the resolution.

The Board recommends the resolution set out at Item No. 3 of the Notice for approval by the Members by way of an Ordinary Resolution.

Brief Profile: M/s S.K Agrawal and Co Chartered Accountants LLP having Registration No. 306033E/ E300272, has been servicing across India from its Kolkata and Mumbai office for more than 50 years. The Firm has about 225 Qualified and Semi Qualified Staff. It is managed by professionals with experiences spanning various industries. The firm provides service related to auditing assurance and accounting, domestic and international GAAP services, risk advisory services and other financial services.

Item No. 4: Re-appointment of Mr. Ashok Kumar Todi as Whole Time Director and Chairman of the Company.

The Board of Directors of the Company ("the Board") at its meeting held on August 9, 2022, on the recommendation of Nomination and Remuneration Committee (the 'NR Committee') and basis the approval of the Audit Committee at their meeting held on August 9, 2022, recommended for the approval of the Members, the re-appointment of Mr. Ashok Kumar Todi (DIN: 00053599) as a Director, liable to retire by rotation, and as the Whole time Director and Chairman of the Company, for a further period of 5 (five) years commencing from September 30, 2022 till September 29, 2027.

The broad particulars of the terms of re-appointment of Mr. Ashok Kumar Todi are as under:

1. **Remuneration:**
   a. **Basic Salary:** ₹ 37,50,000/- per month.
   b. **Perquisites and Allowances per annum:**

      The perquisites and allowances shall include accommodation (furnished or otherwise), or house rent allowance in lieu thereof; house maintenance allowance together with reimbursement of expenses and / or allowances for utilisation of gas, electricity, water, furnishing security services and repairs and leave travel concession for self and family including dependents. The said perquisites and allowances shall be evaluated, wherever applicable, as per the provisions of Income Tax Act, 1961 or any rules thereunder or any statutory modification(s) or re-enactment thereof; in the absence of any such rules, perquisites and allowances shall be evaluated at actual cost.

      The Company's contribution to superannuation or annuity fund if any, to the extent these singly or together are not taxable under the Income Tax law, gratuity payable and encashment of leave, as per the rules of the Company and to the extent not taxable under the Income Tax law, shall not be included for the purpose of computation of the overall ceiling of remuneration.

c. **Minimum remuneration:** In the event of loss or inadequacy of profits in any financial year during the tenure of services of the whole-time director, the payment of salary, perquisites and other allowances shall be governed by the provisions under Part II of Schedule V of the Companies Act, 2013.

d. **Reimbursement of Expenses:**

Expenses incurred for travelling, board and lodging including for their respective spouses and attendant(s) during business trips, any medical assistance provided including for their respective family members; and provision of cars for use on the Company's business and telephone expenses at residence shall be reimbursed at actuals and not considered as perquisites.

e. **Commission:**

Such remuneration by way of commission, in addition to the salary and benefits, perquisites and allowances payable, calculated with reference to the net profits of the Company in a particular financial year, as may be determined by the Board at the end of each financial year, subject to the overall ceilings stipulated in Section 197 of the Companies Act, 2013('the Act') read with Schedule V of the Act. The specific amount payable will be based on performance as evaluated by the Board or a Committee thereof duly authorized in this behalf and will be payable annually after the Annual Financial Statements have been adopted by the Board.

2. **Other Key Terms:**

a. **Duties:**

(i) The Whole Time Director will perform his respective duty while executing the work of the Company and he will manage and address such business and carry out the orders and directions given by the Board from time to time in all respects.

(ii) The Whole Time Director shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to duties of directors.

(iii) The Whole Time Director shall adhere to the Company's Code of Conduct and Insider Trading Code of the Company.

(iv) The office of the Whole Time Director may be terminated by the Company or the concerned Director by giving the other 3 (three) months' prior notice in writing.

(v) The office of the Whole Time Director is liable to retire by rotation. Mr. Ashok Kumar Todi satisfies all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under subsection (3) of Section 196 of the Act for being eligible for his re-appointment. and is not disqualified from being appointed as Directors in terms of Section 164 of the Act.

b. **Variation:** Any increment in salary and perquisites and remuneration by way of incentive / bonus / performance linked incentive, if any, payable to Mr. Ashok Kumar Todi, as may be determined by the Board and / or the NR Committee of the Board, shall be in accordance with the provisions of section 197 read with Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof and Regulation 17(6) (e) of the Listing Regulations.

c. **Insurance:** The Company will take an appropriate Directors' and Officers' Liability Insurance Policy and pay the premiums for the same. It is intended to keep such insurance cover for the entire period of appointment, subject to the terms of such policy in force from time to time.

d. **Qualification:** He is not disqualified or prevented from acting as a director or Whole-Time director and Chairman of the Company, under applicable laws including the Companies Act, 2013; SEBI Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has received all statutory disclosures / declarations from him, including

(i) consent in writing, to act as director in Form DIR-2, pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 ("the Appointment Rules"),

(ii) Intimation in Form DIR-8 in terms of the Appointment Rules to the effect that he is not disqualified under sub-section (2) of Section 164 of the Act, and

(iii) The Company has also received a notice under Section 160 of the Companies Act, 2013 from a member, intending to nominate Mr. Ashok Kumar Todi, as Chairman and Whole Time Director.

The Company is entering into an agreement with Mr. Ashok Kumar Todi that sets out the terms and conditions of reappointment.

The disclosure pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed to the Notice.

Disclosure of Interest: Mr. Pradip Kumar Todi, Mr Navin Kumar Todi, Mr. Rahul Kumar Todi, Mr. Saket Todi and Mr. Udit Todi, being relatives of Mr. Ashok Kumar Todi, are deemed to be concerned or interested, financially and otherwise to the extent of their shareholding in the Company. Apart from the above, no other directors or KMP of the Company is deemed to be concerned or interested in the said agenda item in any manner whatsoever.

The Board recommends the resolution set out at Item No. 4 of the Notice for approval by the Members by way of a Special Resolution.

Item No. 5, 6, 7 & 8: Reclassification category Promoter & Promoter Group to Public

The Company has received requests under Regulation 31A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") from Mrs. Neha Poddar, Mrs. Shilpa Agarwal Samriya, Mr. Rohit Poddar and Mr. Upendra Samriya belonging to the Promoter & Promoter Group, for re-classification of their category from 'Promoter & Promoter Group' to 'Public'. The following are the details regarding their respective shareholding in the Company:

Name of the Shareholder	No. of Equity shares held (Face Value of ₹ 2/- each)	Percentage of shareholding (%)
Mrs. Neha Poddar	Nil	-
Mrs. Shilpa Agarwal Samriya	Nil	-
Mr. Rohit Poddar	51,425	0.17%
Mr. Upendra Samriya	50,000	0.17%

Pursuant to the provisions of Regulation 31A(3)(b) of the ('Listing Regulations), the aforesaid shareholders seeking reclassification have confirmed that: -

i) They together do not hold more than ten per cent of the total Voting Rights in the Company.

ii) They do not exercise control over the affairs of the Company directly or indirectly.

iii) They do not have any special rights with respect to the Company through formal or informal arrangements including through any shareholder agreements.

iv) They do not represent on the Board of Directors (including not having a Nominee Director) of the Company.

v) They do not act as a Key Managerial Person in the Company.

vi) They are not 'wilful defaulters' as per the Reserve Bank of India Guidelines.

vii) They are not fugitive economic offenders.

The Members are further informed that Company is in compliance with the requirement for minimum public shareholding as required under Regulation 38 of the Listing Regulations and does not have any outstanding dues to the Securities and Exchange Board of India, the stock exchanges where its Equity shares are listed ("Stock Exchanges") or the depositories. Further, trading in the Equity shares of the Company has not been suspended by the Stock Exchanges.

Further, the aforesaid shareholders have confirmed/ undertaken that subsequent to reclassification, they would continue to comply with the requirements as mentioned in Regulation 31A of ('Listing Regulations).

The request received for reclassification from aforementioned Shareholders was placed before the Board of Directors (Board) for consideration in the meeting held on August 09, 2022. The Board considered the request, analyzed it, and approved their reclassification request subject to the approvals of the Members of the Company, Stock Exchanges (BSE and NSE) and/ or such other authorities as may be required.

In accordance with the Listing Regulations, and the persons related to them as defined under clause (b) of sub-regulation (1) of Regulation 31A of the Listing Regulations shall not vote on this resolution.

The Promoter & Promoter Group shareholding in the Company before and after considering the reclassification request under item 5, 6, 7 and 8 is as follows: -

Particulars	Promoter & Promoter Group Shareholding	Percentage (%)	Public Holding	Percentage (%)
Pre-Reclassification Shareholding*	223,51,272	74.33	77,20,409	25.67
Post -Reclassification Share holding	222,49,847	73.99	78,21,834	26.01

*The Pre-Reclassification Shareholding is as on June 30, 2022.

Disclosure of interest: Mrs. Neha Poddar and Mrs. Shilpa Agarwal Samriya, are the married daughters of Mr. Ashok Kumar Todi and sisters of Mr. Saket Todi. Mr. Rohit Poddar and Mr. Upendra Samriya are husband of Mrs. Neha Poddar and Mrs. Shilpa Agarwal Samriya respectively. In addition, Mr. Pradip Kumar Todi, Mr. Navin Kumar Todi Mr. Rahul Kumar Todi and Mr. Udit Todi are relatives of the Outgoing Promoters. Apart from this relation and to the extent of shareholding held by the Directors of the Company, none of the Directors or KMPs of the company are interested in the proposed resolution.

The Board recommends the resolution set out at Item No. 5 to 8 of the Notice for approval by the Members by way of Ordinary Resolutions.

Annexure to the Notice dated August 09, 2022

Details of Directors retiring by rotation seeking appointment/re-appointment at the forthcoming Annual General Meeting

[Pursuant to Regulation 36(3) of the Listing Regulations and Secretarial Standard- 2 on General Meeting].

Name of the Director	Mr. Pradip Kumar Todi (Item No. 2- Re-appointment)	Mr. Navin Kumar Todi (Item No. 2- Re-appointment)
DIN	00246268	00054370
Date of Birth & Age	August 4, 1963- 59 years	October 3, 1980- 42 years
Date of appointment	July 21,1995	May 25, 2021
Qualification	Bachelors in commerce	Bachelors in commerce
Brief resume and expertise in functional area	Sri Pradip Kumar Todi hails from an illustrious family which is engaged in the Hosiery business for 5 decades. He joined the business at an early age and has obtained vast experience in all the fields of business. He was instrumental in setting up the present Company which has emerged as the pioneer in the field of Hosiery Goods under his able guidance and grand vision. He looks after the production function from the last 20 years and has detailed knowledge of product and its costing. His leadership and innovative skills paved way to the minefield increase in turnover of the Company over the years.	Mr. Navin Kumar Todi has more than 21 years of experience in the hosiery industry and under his leadership, the company successfully rose to the challenges of a competitive environment by enhancing product offerings. During his long tenure of 20+ years, he has worked across various areas, building multi-dimensional experience, especially in marketing, operations, etc. His dynamic leadership and passion for the business are recognized and acknowledged by his peers.
Terms of Appointment	As per the resolution at Item no. 2 of this Notice. Pradip Kumar Todi's office as director shall be subject to retirement by rotation.	As per the resolution at Item no. 2 of this Notice. Navin Kumar Todi's office as director shall be subject to retirement by rotation .
No. of equity shares held in the Company (as on 30.06.2022)	44,15,290	3,25,363
Directorship in other Companies	▪ Artimas Fashions Private Limited ▪ Biswanath Hosiery Mills Limited ▪ Altai Industries Private Limited ▪ Biswanath Real Estate Private Limited ▪ P.G. Buildtech Private Limited ▪ Rotex Intertrade Pvt Ltd ▪ Hollyfield Traders Pvt Ltd ▪ Chitragupta Sales & Services Pvt Ltd ▪ Yourway Abode Estate Private Limited ▪ Seekers Realty Private Limited ▪ P. G. Infraprojects Private Limited ▪ Starisland Estates Private Limited ▪ Climb Abode Realestates Private Limited ▪ Ultimateabode Builders Private Limited ▪ Squad Infrastructure Projects Private Limited ▪ Think Real Properties Private Limited	NIL

Name of the Director	Mr. Pradip Kumar Todi (Item No. 2- Re-appointment)	Mr. Navin Kumar Todi (Item No. 2- Re-appointment)
Chairmanship / Membership of Committee in other Indian Public Limited Companies as on 31.03.2022 # (C= Chairman) (M= Member)	NIL	NIL
Membership/Chairmanship in the Committee of the Board of directors of the Company #	NIL	NIL
Relationship with other Directors	Younger brother of Sri Ashok Kumar Todi, Father of Mr. Udit Todi and Uncle of Mr. Saket Todi, Mr. Navin Kumar Todi and Mr. Rahul Kumar Todi	Nephew of Mr. Ashok Kumar Todi and Mr. Pradip Kumar Todi and Elder brother of Mr. Rahul Kumar Todi and Cousin of Mr. Saket Todi and Udit Todi
Number of Board meetings attended during the year	6/8	7/8
Remuneration paid during the year 2021-22	₹ 4.28 Crores	₹ 1.53 crores
Remuneration sought to be paid	₹ 4.50 Crores	₹ 1.80 crores

Name of the Director	Mr. Ashok Kumar Todi (Item No. 4- Re-appointment)
DIN	00053599
Date of Birth & Age	September 17, 1958 - 64 years
Date of appointment	July 21, 1995
Qualification	Bachelors in Commerce
Brief Resume and expertise in functional area	Mr. Ashok Kumar Todi is engaged in the hosiery business for around five decades, he had joined the business at an early age and his forte lies in marketing the products of the Company, formulating various policies for growth & expansion of the business throughout India. Presently he is looking after the marketing and exports of the Company. He has rejuvenated the exploration of new schemes for distributors, retailers and consumers. His dynamic marketing ability and good export vision helped the Company to achieve new height and bringing higher revenues.
Terms of Appointment	As provided in the Explanatory Statement.
No. of equity shares held in the Company (as on 30.06.2022)	36,58,654
Directorship in other Companies	▪ Biswanath Hosiery Mills Limited ▪ Bharat Chamber of Commerce ▪ Artimas Fashions Private Limited ▪ Altai Industries Private Limited ▪ Biswanath Real Estate Private Limited ▪ P.G. Buildtech Private Limited ▪ Rotex Intertrade Private Limited ▪ Chitragupta Sales & Services Private Limited ▪ Hollyfield Traders Private Limited ▪ Bansal Vedic Village Private Limited

Chairmanship / Membership of Committee in other Indian Public Limited Companies as on 31.03.2022 # **(C= Chairman)** **(M= Member)**	NIL
Membership/Chairmanship in the Committee of the Board of directors of the Company #	Member of Stakeholder Relationship Committee
Relationship with other Directors	Elder brother of Sri Pradip Kumar Todi, Father of Mr. Saket Todi and Uncle of Mr. Udit Todi, Mr. Navin Kumar Todi and Mr. Rahul Kumar Todi
Number of Board meetings attended during the year	8/8
Remuneration paid during the year 2021-22	₹ 4.28 Crores
Remuneration sought to be paid	₹ 4.50 Crores
Information as required under circular No. LIST/ COMP/14/2018-. 19 and NSE/ CML/2018/24 dated June 20, 2018, issued by BSE and NSE respectively.	Mr. Ashok Kumar Todi is not debarred from holding the office of Director by virtue of any order of SEBI or any other authority

#Committee positions only of Audit Committee and Stakeholder Relationship Committee of Public Companies has been considered.

Notes

Notes

A TRISYS PRODUCT
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