

**Date:** 05/09/2022

To,

BSE Limited,  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
**Mumbai- 400001**

**Scrip Code:** 500370

**SUB : SUBMISSION OF ANNUAL REPORT FOR FINANCIAL YEAR 2021-22  
(INCLUDING NOTICE OF 53<sup>RD</sup> ANNUAL GENERAL MEETING) OF THE  
COMPANY**

Dear Sir,

Pursuant to Regulation 34(1) of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, as amended, please find enclosed herewith Annual Report for financial year 2021-22 which is being dispatched / sent to the members by the permitted mode(s).

The aforesaid Annual Report along with the Notice for convening 53<sup>rd</sup> Annual General Meeting (AGM) of the members of the Company is also available on the website of the Company i.e. [www.salora.com](http://www.salora.com).

This is for your information and records.

Thanking you,

Yours faithfully

For **SALORA INTERNATIONAL LIMITED**



(GOPAL SITARAM JIWARAJKA)  
**CHAIRMAN & MANAGING DIRECTOR**





# SALORA INTERNATIONAL LIMITED

CIN - L74899DL1968PLC004962



## ANNUAL REPORT 2021-22

53<sup>rd</sup> ANNUAL  
REPORT

## 53<sup>rd</sup> ANNUAL REPORT FINANCIAL YEAR 2021-22

### Board of Directors

Gopal Sitaram Jiwrajka	: Chairman & Managing Director
Karna Singh Mehta	: Chairman-Audit Committee & Independent Director (Non Executive)
Tarun Jiwrajka	: Whole Time Director & CFO
Neetu Jiwrajka	: Executive Director
Sanjeev Kaul Duggal	: Independent Director (Non Executive)
Paramartha Saikia	: Independent Director (Non Executive)

### Company Secretary

Anubhav Nigam

### Stock Exchange

BSE Ltd.

### Auditors

Statutory Auditors	: R. Gopal & Associates
Internal Auditors	: SCV & CO. LLP
Secretarial Auditors	: SVR & CO.
Cost Auditors	: Gurvinder Chopra & CO.

### Bankers

State Bank of India  
Canara Bank  
HDFC Bank Ltd.

### Registered Office

D – 13/4, Okhla Industrial Area, Phase – II,  
New Delhi – 110 020.  
CIN : L74899DL1968PLC004962  
sect@salora.com

### Corporate Office & Manufacturing Plant

Plot No. B – 31 to 34 & 50 to 53,  
Sector – 80, Noida (U.P.)

### Registrar & Share Transfer Agents

#### Skyline Financial Services Pvt. Ltd.

D-153-A, 1st Floor, Okhla Industrial Area,  
Phase -I, New Delhi-110020  
Tel. No.011-40450193-197 Fax: 011-26812682  
Email: admin@skylinerta.com

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### Annual General Meeting

Day	: Wednesday
Date	: 28 <sup>th</sup> September, 2022
Time	: 11:00 AM
Venue	: D-13/4, Okhla Industrial Area, Phase-II, New Delhi - 110020

**Website** : [www.salora.com](http://www.salora.com)

## NOTICE

Notice is hereby given that the 53<sup>rd</sup> Annual General Meeting of the Members of Salora International Limited will be held through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") on Wednesday, September 28, 2022 at 11:00 AM to transact the following businesses:

### **ORDINARY BUSINESS:**

#### **Item No.1 –**

To receive, consider and adopt the Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2022, including audited Balance Sheet as at 31<sup>st</sup> March, 2022 and statement of Profit & Loss Account of the Company for the year ended 31<sup>st</sup> March, 2022 along with the Reports of the Board of Directors and Auditors thereon.

#### **Item No.2 –**

To appoint a Director in place of Shri Tarun Jiwrajka (DIN 00386240), who retires by rotation and being eligible, offers himself for re-appointment.

#### **Item No.3 –**

### **RE-APPOINTMENT OF STATUTORY AUDITORS OF THE COMPANY FOR A CONSECUTIVE TERM OF FIVE YEARS**

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

**"RESOLVED THAT** pursuant to provision of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification thereof for the time being in force and as may be enacted from time to time), approval of the members of the Company be and is hereby accorded for reappointment of M/s. R. Gopal & Associates, Chartered Accountants (Firm Registration No.000846C) as Statutory Auditors of the Company to hold office for a second term of five consecutive years from the conclusion of 53<sup>rd</sup> Annual General Meeting till the conclusion of 58<sup>th</sup> Annual General Meeting of the Company at a remuneration and out of pocket expenses as may be mutually agreed by the Board of Directors of the Company in consultation with the Auditors."

### **SPECIAL BUSINESS:**

#### **Item No. 4 –**

### **RE-APPOINTMENT OF SHRI GOPAL SITARAM JIWARAJKA (DIN 00024325), AS MANAGING DIRECTOR**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and any applicable provisions of the Companies Act, 2013 and any rules made there under, read with Schedule V of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof for the time being in force) and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time and Articles of Association of the Company and subject to such approvals as may be necessary and further subject to the approval of Shareholders and further approval of the Central Government, if necessary, Shri Gopal Sitaram Jiwrajka (DIN 0024325) be and is hereby re-appointed as Managing Director of the Company for a period of 3 years w.e.f. 1<sup>st</sup> July, 2022 to 30<sup>th</sup> June, 2025 on the following terms of remuneration:

1. Salary: Rs.4,27,500/- (Rupees Four Lacs Twenty Seven Thousand Five Hundred Only) per month;
2. Executive Pay: Rs.2,14,000/- (Rupees Two Lacs Fourteen Thousand Only) per month;
3. Perquisites: Perquisites shall be distributed in two categories.

#### **Category A-**

- a) House Rent Allowance @ 60% of basic salary;
- b) Reimbursement of expenses incurred on Gas, Electricity and Water;
- c) Reimbursement of medical expenses actually incurred for self and family;
- d) Fees of clubs subject to maximum of two clubs shall be borne by the Company but admission fee and life Membership fee shall not be paid;
- e) Provision of Company's car for use on Company's business and for personal use, mobile and telephone at residence and long distance personal calls on telephone will be charged by the Company;

#### **Category B-** Perquisites not included in computation of total managerial remuneration ceiling as per schedule V;

- a) Company's contribution towards Provident Fund, Annuity Fund, if any, shall be made as per rules of the Company but to the extent these are not taxable under the Income Tax Act, 1961;
- b) Gratuity shall be paid equal to one half month's salary for each completed year of service;
- c) Encashment of earned leave permitted at the end of tenure as per rules of the Company, which is 21 days in a year;

**RESOLVED FURTHER THAT** Shri Gopal Sitaram Jiwarajka, Managing Director shall be entitled for the reimbursement of actual entertainment, travelling, boarding and lodging expenses incurred by him in connection with the Company's business."

None of the Directors except Shri Gopal Sitaram Jiwarajka himself, Smt. Neetu Jiwarajka and Shri Tarun Jiwarajka is interested or concerned in this resolution.

**Item No. 5 –**

**RATIFICATION OF REMUNERATION OF COST AUDITOR**

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

**"RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof, for the time being in force), the remuneration payable to M/s. Gurvinder Chopra & Co., Cost Accountants (Firm Registration No.100260) appointed by the Board of Directors of the Company as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2023, amounting to Rs. 40,000/- (Rupees Forty Thousand only) (excluding all taxes and reimbursement of out of pocket expenses) be ratified and confirmed."

**By Order of the Board of Directors  
For Salora International Ltd.**

Sd/-

**Date: 12<sup>th</sup> August, 2022**

**(Anubhav Nigam)**

**Place: New Delhi**

**Company Secretary**

**Notes:**

- 1) The Annual General Meeting (AGM) will be held on Wednesday, September 28, 2022 at 11:00 A.M. (IST) through Video Conferencing (VC)/Other Audio-Visual Means (OAVM) in compliance with the applicable provisions.
- 2) The Ministry of Corporate Affairs ("MCA") allowed conducting Annual General Meeting ("AGM") through Video Conferencing ("VC") or Other Audio-Visual Means ("OAVM") and dispensed physical presence of the Members at a common venue. Accordingly, MCA issued Circular No. 20/2020 dated 5<sup>th</sup> May, 2020 read with Circular No. 14/2020 dated 8<sup>th</sup> April, 2020, Circular No. 17/2020 dated 13<sup>th</sup> April, 2020, Circular No. 02/2021 dated 13<sup>th</sup> January, 2021, Circular No. 19/2021 dated 8<sup>th</sup> December, 2021 and Circular No. 02/2022 dated 05<sup>th</sup> May, 2022 (hereinafter collectively referred to as "MCA Circulars") and Securities and Exchange Board of India ("SEBI") vide Circular Nos. SEBI/HO/CFD/CMD1CIR/P/2020/79 dated 12<sup>th</sup> May, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15<sup>th</sup> January, 2021 (hereinafter collectively referred to as SEBI Circulars) prescribing the procedures and manner of conducting the AGM through VC/OAVM.  
In terms of the said Circulars, the 53rd AGM of the Members will be held through VC/OAVM mode. Hence, Members can attend and participate in the AGM through VC/OAVM only & the venue for the Annual General Meeting shall be deemed to be Registered Office of the Company. The detailed procedure for participating in the Meeting through VC/OAVM is given after notes.
- 3) Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
- 4) The Body Corporate is entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting. Body Corporate whose Authorized Representatives are intending to attend the Meeting through VC/OAVM are requested to send mail to the Company at email Id [sect@salora.com](mailto:sect@salora.com) or may also send at the registered office of the Company, a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting through E-voting.
- 5) Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc.,
  - a) **For shares held in electronic form:** to their Depository Participants (DPs)
  - b) **For shares held in physical form:** to the Company/Registrar and Transfer Agent in prescribed Form ISR-1 and other forms pursuant to SEBI Circular No. SEBI/HO/ MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated November 3, 2021. The Company has already sent letters to the Shareholders for furnishing the required details

- 6) Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition.
- Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4, the format of which is available on the Company's website and on the website of the Company's Registrar and Transfer Agents. It may be noted that any service request can be processed only after the folio is KYC Compliant.
- 7) As per the provisions of Section 72 of the Act and SEBI Circular, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Company's website. Members are requested to submit the said details to their DP in case the shares are held by them in dematerialized form and to the Company/Registrar and Transfer Agent in case the shares are held in physical form.
- 8) To support "Green Initiative", members who have not registered their e-mail addresses are requested to get their Email ID registered as follows:
- Members holding shares in demat form can get their E-mail ID registered by contacting their respective Depository Participant.
  - Members holding shares in the physical form can get their E-mail ID registered by contacting company's Registrar and Share Transfer Agent on their email ID
- 9) The Members can join the AGM through VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. Instructions and other information for members for attending the AGM through VC/OAVM are also given in the Notice.
- 10) As the Annual General Meeting of the Company is held through Video Conferencing/OAVM, we therefore request the members to submit questions, if any at least 10 days in advance from the scheduled AGM relating to the business specified in this Notice of AGM on the Email ID [sect@salora.com](mailto:sect@salora.com).
- 11) Members are requested to quote their Folio No. or DP ID / Client ID, in case shares are in physical / dematerialized form, as the case may be, in all correspondence with the Company / Registrar and Share Transfer Agent.
- 12) An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 and SEBI (LODR) Regulations, 2014 relating to the Ordinary and Special Business to be transacted at the Annual General Meeting is annexed hereto.
- 13) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN), Bank Detail by every participant in securities market. Members holding shares in electronic form are therefore requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN/Other details to the Company or to the Registrar and Share Transfer Agent.
- 14) The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice.
- 15) In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
- 16) Pursuant to Section 91 of the Companies Act, 2013 and Regulation 42 of SEBI (LODR) Regulations, 2015 the Register of Members and Share Transfer Books of the Company will remain closed from Thursday, September 22, 2022 to Wednesday, September 28, 2022 (both days inclusive) for the purpose of Annual General Meeting.
- 17) The Notice of AGM along with Annual Report for the financial year 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may please note that the Notice of AGM along with the Annual Report will also be available on the Company's website at [www.salora.com](http://www.salora.com), under Investor Section and website of BSE Ltd. at [www.bseindia.com](http://www.bseindia.com). No physical copy/hard copies of the notice and the annual report will be sent except requested by the shareholder pursuant to MCA Circular dated May 05, 2022 & SEBI Circular SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022.
- 18) The statutory registers including register of directors and key managerial personnel and their shareholding, the register of contracts or arrangements in which directors are interested maintained under the Companies Act, 2013 and all other documents referred to in the notice will be available for inspection in electronic mode. Members who wish to inspect the register are requested to write to the company by sending e-mail to [sect@salora.com](mailto:sect@salora.com).

- 19) The relevant details pursuant to Regulations 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director(s) seeking appointment / re-appointment at this AGM are provided in the Corporate Governance Report forming part of the Annual Report and Explanatory Statements of the notice as the case may be.
- 20) There is no unclaimed/unpaid dividend amount which is lying pending with the Company.
- 21) The information required in terms of provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given in Corporate Governance Report annexed to the Directors' Report which integral part of the 53<sup>rd</sup> Annual Report for financial year 2021-22.
- 22) Pursuant to section 139 of the Companies Act 2013 and other applicable provisions if any, M/s. R. Gopal & Associates, Chartered Accountants, (Firm Registration No. No.000846C) was appointed as Statutory Auditors of the Company from the conclusion of 48<sup>th</sup> AGM held in the year 2017 for a term of first 5 years i.e. till the conclusion of 53<sup>rd</sup> AGM. The Board of Directors of the Company have approved re-appointment of M/s. R. Gopal & Associates, Chartered Accountants, (Firm Registration No. No.000846C), as Statutory Auditors of the Company to hold the office for second terms of five consecutive years from the conclusion of the 53<sup>rd</sup> AGM which has been placed as an ordinary business to be transacted at this AGM for approval of the members of the Company.
- 23) The Board of Directors has appointed CS Shivam Rastogi, Practicing Company Secretary (FCS No.10704 & COP No.14600) as the Scrutinizer, to scrutinize the e-voting process in a fair and transparent manner.
- 24) The Company shall avail the services of Skyline Financial Services Pvt. Ltd., Registrar and Share Transfer Agents of the Company, to provide the Video conferencing and e-voting facility for the AGM.
- 25) Information regarding re-appointment of director and Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, setting out material facts concerning the business under Item No. 3 to 4 of the Notice is annexed hereto. The relevant details required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India, in respect of the directors seeking appointment / re-appointment at this AGM are also annexed.
- 26) Since the AGM will be held through VC / OAVM Facility, the Route Map is not annexed with this Notice.
- 27) For any query relating to Annual General Meeting (AGM), Members may write at [sect@salora.com](mailto:sect@salora.com), addressing Shri Anubhav Nigam, Company Secretary of the Company.
- 28) Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and client ID / folio Number, PAN, mobile number at [sect@salora.com](mailto:sect@salora.com) between September 16, 2022 (9.00 A.M. IST) and September 21, 2022 (5.00 P.M. IST). Those Members who have registered themselves as a speaker will only be allowed to express their views / ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

#### **E-VOTING AND VIDEO CONFERENCING:**

- 1) The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding). Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- 2) The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
- 3) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
- 4) In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at: [www.salora.com](http://www.salora.com). The Notice of AGM can also be accessed from the website of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

## THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on September 25, 2022 at 09:00 A.M. (IST) and ends on September 27, 2022 at 05:00 P.M. (IST). The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. September 21, 2022, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being September 21, 2022.

### **How do I vote electronically using NSDL e-Voting system?**





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

#### **Step 1: Access to NSDL e-Voting system**

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

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>1. Existing <b>IDEAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the "<b>Beneficial Owner</b>" icon under "<b>Login</b>" which is available under '<b>IDEAS</b>' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "<b>Access to e-Voting</b>" under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2. If you are not registered for IDEAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "<b>Register Online for IDEAS Portal</b>" or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>4. Shareholders/Members can also download NSDL Mobile App "<b>NSDL Speede</b>" facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <p style="text-align: center;"><b>NSDL Mobile App is available on</b></p> <div style="display: flex; justify-content: center; gap: 20px;"> <div style="text-align: center;">  <p><b>App Store</b></p> </div> <div style="text-align: center;">  <p><b>Google Play</b></p> </div> </div> <div style="display: flex; justify-content: center; gap: 20px; margin-top: 10px;">   </div>



Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi/Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 23058738 -022 or 43-23058542-022

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

**How to Log-in to NSDL e-Voting website?**

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
- A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen. *Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*
- Your User ID details are given below :

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

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

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

#### **How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

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

#### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [cs.shivamr@gmail.com](mailto:cs.shivamr@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "**Forgot User Details/Password?**" or "**Physical User Reset Password?**" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Pallavi Mhatre, NSDL Official at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [sect@salora.com](mailto:sect@salora.com).

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [sect@salora.com](mailto:sect@salora.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**.
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

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

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

#### INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "**Join meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at [sect@salora.com](mailto:sect@salora.com) The same will be replied by the company suitably.
6. Those members who have registered themselves as speaker will only be allowed to express their views / ask questions during the meeting.

#### DECLARATION OF RESULTS ON THE RESOLUTIONS:

The Scrutinizer shall, immediately after the completion of the scrutiny of the e-voting (votes cast during the AGM and votes cast through remote e-voting), not later than 48 hours from the conclusion of the AGM, submit a consolidated Scrutinizer's report of the total votes cast in favour and against the resolution(s), invalid votes, if any, and whether the resolution(s) has/have been carried or not, to the Chairman or a person authorized by him in writing. The result declared along with the Scrutinizer's Report shall be placed on the Company's website [www.salora.com](http://www.salora.com) within stipulated time. The Company shall simultaneously forward the results to BSE Limited where the securities of the Company are listed. Subject to the receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting i.e. 28th September, 2022.

#### Please note the following:

- o Your login id and password can be used by you exclusively for e-voting on the resolutions placed by the companies in which you are the shareholder.
- o It is strongly recommended not to share your password with any other person and take utmost care to keep it confidential.

**By Order of the Board of Directors  
For Salora International Ltd.**

Date: 12<sup>th</sup> August, 2022  
Place: New Delhi

Sd/-  
(Anubhav Nigam)  
Company Secretary

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

As required by Section 102 of the Companies Act, 2013 ("Act"), the following explanatory statement sets out all material facts relating to the business mentioned under Item No. 3 to Item No. 5 of the accompanying Notice:

**ITEM NO. 3**

M/s. R. Gopal & Associates, Chartered Accountants (Firm Registration No.000846C) were appointed as Statutory Auditors of the Company at the 48<sup>th</sup> Annual General Meeting ('AGM') held on September 13, 2017 for a period of 5 years, up to the conclusion of 53<sup>rd</sup> AGM. M/s. R. Gopal & Associates, Chartered Accountants (Firm Registration No.000846C) have confirmed that they are eligible for re-appointment for second term of five consecutive years. M/s. R. Gopal & Associates, Chartered Accountants (Firm Registration No.000846C) have given their consent for their re-appointment as Statutory Auditors of the Company and have confirmed that their re-appointment, if made, will be within the limits prescribed under the provisions of Section 139 of the Companies Act, 2013 ('the Act') and the rules made thereunder.

Based on the recommendations of the Audit Committee and the Board of Directors, it is hereby proposed to re-appoint M/s. R. Gopal & Associates, Chartered Accountants (Firm Registration No.000846C), as the Statutory Auditors of the Company for second term of five consecutive years, who shall hold the office from the conclusion of this 53<sup>rd</sup> AGM till the conclusion of the 58<sup>th</sup> AGM of the Company. The proposed remuneration to be paid to M/s. R. Gopal & Associates, Chartered Accountants (Firm Registration No.000846C) is Rupees Ten Lacs and sixty four thousand per annum excluding applicable taxes and out of pocket expenses for audit purposes. The remuneration proposed to be paid to the Statutory Auditors during their second term would be in line with the existing remuneration and shall be commensurate with the services to be rendered by them during the said tenure. Further, the Board may also alter and vary the terms and conditions of appointment in such manner and to such extent as may be mutually agreed upon with the Statutory Auditors. The Board recommends the resolution set out at Item No. 3 of the Notice for approval of the Members by way of an Ordinary Resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives is interested or concerned, financially or otherwise, in the resolution.

The following statement sets out all material facts relating to the Special Business mentioned in the Notice.

**ITEM NO. 4**

The term of appointment of Shri Gopal Sitaram Jiwrajka, Managing Director of the Company expired w.e.f. June 30, 2022, the Board of Directors felt that his continued contribution on company's matters will be in the interest of the Company therefore before expiry of the tenure and based on the recommendation of the Nomination and Remuneration Committee; the Board at its meeting held on May 30, 2022 approved his re-appointment, for a further period of 3 years beginning from July 1, 2022 up to June 30, 2025 subject to the approval of the Members of the Company.

The remuneration proposed to be paid to Shri Gopal Sitaram Jiwrajka during his term would be in line with the existing remuneration. The Details of remuneration proposed has been appended in the special resolution at Item No. 4. The detailed profile of Shri Gopal Sitaram Jiwrajka is given in the Annexure to this Notice. The Board recommends the resolution set out at Item No. 4 of the Notice for approval by the Members by way of Special Resolution.

Shri Gopal Sitaram Jiwrajka is interested to the extent of the remuneration proposed in the aforesaid resolution. Smt. Neetu Jiwrajka, Executive Director and Shri Tarun Jiwrajka, Whole Time Director & CFO of the Company is relative of Shri Gopal Sitaram Jiwrajka and are deemed to be interested in this resolution and no other director is interested or concerned, financially or otherwise, in the resolution.

**ITEM NO. 5**

The Board at its meeting held on May 30, 2022 approved the appointment of M/s. Gurvinder Chopra & Co., Cost Accountants as Cost Auditors to conduct the audit of cost records of the Company for the financial year ending March 31, 2023 at remuneration as set out at Item No. 5 of the Notice.

In accordance with the provisions of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, the remuneration payable to the Cost Auditors is required to be ratified and approved by the members of the Company. Accordingly, ratification by the members is sought to the remuneration payable to the Cost Auditors for the financial year ending March 31, 2023 by passing an Ordinary Resolution. The Board recommends the resolution set out at Item No. 5 of the Notice for approval by the Members by way of an Ordinary Resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives is interested or concerned, financially or otherwise, in the resolution.

**By Order of the Board of Directors  
For Salora International Ltd.**

**Date: 12<sup>th</sup> August, 2022  
Place: New Delhi**

**Sd/-  
(Anubhav Nigam)  
Company Secretary**

**DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING IN COMPLIANCE OF SS-2 ISSUED BY ICSI AND INFORMATION PURSUANT TO REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 FORMING PART OF EXPLANATORY STATEMENT**

<b>Particulars</b>	<b>Shri Tarun Jiwrajka</b>	<b>Shri Gopal Sitaram Jiwrajka</b>
Date of Birth	31/03/1984	15/06/1960
Age	38 Years	62 Years
Date of Appointment in the Company	10/11/2011	28/08/1987
DIN No.	00386240	00024325
Qualification	Graduate	Graduate
Brief Resume / Experience	Shri Tarun Jiwrajka has Experience of 10+ years in e-commerce business, marketing, finance and administration.	Shri Gopal Sitaram Jiwrajka has over 35 years of experience across the fields of manufacturing, marketing and consumer goods, telecom & IT products.
Remuneration sought to be paid	Rs. 24,00,000/- Per Annum	Rs. 1,20,00,000/-Per Annum
Remuneration (including perquisite value) last drawn	Rs. 23,86,680/- Per Annum <i>(Please refer report on corporate governance)</i>	Rs. 6,69,750/- Per Annum <i>(Please refer report on corporate governance)</i>
Relationship with other Directors/ MD/ KMPs	Shri Gopal Sitaram Jiwrajka, Chairman & Managing Director, and Smt. Neetu Jiwrajka, Executive Director is relative of Shri Tarun Jiwrajka.	Smt. Neetu Jiwrajka, Executive Director, and Shri Tarun Jiwrajka, Whole Time Director is relative of Shri Gopal Sitaram Jiwrajka.
Shareholding in the Company	3,72,741	23,39,011
No. of Board meetings attended during the year ended 31 <sup>st</sup> March, 2022	5 (Five)	5 (Five)
Name of other companies in which the appointee holds directorship as at 31 <sup>st</sup> March, 2022	1. Devi Electronics Private Limited 2. Salora Components Limited	1. Devi Electronics Private Limited 2. Manori Properties Private Limited 3. Salora Components Limited 4. Associated Electronics Research Foundation
Membership / Chairmanship of committees of other companies as at 31 <sup>st</sup> March, 2022	-	-

**STATEMENT PURSUANT TO SCHEDULE V PART II SECTION – II****I. GENERAL INFORMATION**

1. Nature of Industry	<ul style="list-style-type: none"> <li>Manufacturing / Distribution / Marketing of Smart LED / LED TVs, CRT TV, Speakers, Home Theater, Speaker Tower, Washing machine and Refrigerator etc.</li> <li>Distribution of IT &amp; Telecom Products</li> <li>Distribution of Life style Products</li> </ul>
2. Date or expected date of Commencement of commercial production.	29.11.1968
3. In case of new company, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	Not Applicable
4. Financial performance based on given indicators	(Rs. in lacs)
	i. EBITD : 2437.94
	ii. PBT : 2772.30
	iii. PAT : 2404.64
5. Foreign investment or collaborations, if any	No foreign collaboration or investment

**II) INFORMATION ABOUT THE APPOINTEE**

<b>SHRI GOPAL SITARAM JIWARAJKA</b>	
(1) Background details :	Provided in the Corporate Governance Report
(2) Past remuneration :	The details of remuneration drawn by Shri Gopal Sitaram JiwaraJka, Managing Director of the company are provided in the Corporate Governance Report and the same was within the managerial remuneration limit approved by the members earlier.
(3) Recognition or awards :	NIL
(4) Job profile and his suitability :	Shri Gopal Sitaram JiwaraJka is taking care of Company Business operations with his rich experience in manufacturing, marketing, finance, and administration. He has been associated with Company from last 35 years. In view of his varied and vast experience, the Board has bestowed the above responsibilities on him.
(5) Remuneration proposed :	Provided in relevant Resolution in the AGM Notice.
(6) Comparative remuneration profile with respect to industry	The remuneration for the similar position in the industry, having regard to the size of the Company and profile of persons is not less than the proposed remuneration of Shri Gopal Sitaram JiwaraJka.
(7) Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any	Except for holding position of Managing Director and drawing remuneration and as shareholder, he has no other pecuniary relationship with the Company. Shri Tarun JiwaraJka, Whole Time Director & CFO and Smt. Neetu JiwaraJka, Executive Director are his relative.

**III OTHER INFORMATION**

(1) Reasons of loss or inadequate profits:	During the financial year ended 31 <sup>st</sup> March, 2022, due to continuous impact of COVID 19 on demand and assessment done on the current assets, the company have suffered from operating losses from the business operations of the Company.
(2) Steps taken or proposed to be taken for improvement	The Company is continuously looking forward to take up the challenge and create demand with the diversified market products and other activities associated with it. Also the company believes that the product range combined with an expanded and improved sales and service network will help to achieve robust growth in the future.
(3) Expected increase in productivity and profits in measurable terms	Rigorous efforts are being made to improve remarkable productivity and profits of the Company.

**IV DISCLOSURE**

The following disclosures shall be mentioned in the Board of Director's report under the heading "Corporate Governance", if any, attached to the financial statement.	Provided in the Corporate Governance Report
(i) All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc. of all the directors;	
(ii) Details of fixed components and performance linked incentives along with the performance criteria	
(iii) Service contracts, notice period, severance fees.	
(iv) Stock option details, if any, and whether the same has been issued at the discount as well as the period over which accrued and over which exercisable.	

**By Order of the Board of Directors  
For Salora International Ltd.**

**Date: 12<sup>th</sup> August, 2022  
Place: New Delhi**

**Sd/-  
(Anubhav Nigam)  
Company Secretary**

## Annexure – A

To,  
M/s. Skyline Financial Services Pvt. Ltd.  
D-153A, 1<sup>st</sup> Floor,  
Okhla Industrial Area, Phase – I  
New Delhi – 110 020.  
Unit: Salora International Ltd.  
Sir,

In terms of Securities and Exchange Board of India circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018. I/We hereby furnish the required details as follows:

Name of Shareholders			
Folio No.			
PAN (attached self attested copy) First Holder, Second Holder Third Holder	<i>FIRST HOLDER</i>	<i>SECOND HOLDER</i>	<i>THIRD HOLDER</i>
Bank a/c No. (kindly attach name printed cancel cheque / attested copy of pass book)			
Bank Name			
Branch Address			
IFSC No.			
MICR No.			
Email id			
Mobile / Telephone No.			

Name of shareholder(s)

Signature of shareholder(s)

1. \_\_\_\_\_

1. \_\_\_\_\_

2. \_\_\_\_\_

2. \_\_\_\_\_

3. \_\_\_\_\_

3. \_\_\_\_\_



## DIRECTORS' REPORT

Dear Members,

The Board of Directors is pleased to present 53<sup>rd</sup> Annual Report on business and operation of the Company along with Audited Financial Statements for the Financial Year ended **31<sup>st</sup> March, 2022**.

The web address, if any, where annual report referred to in sub-section (3) of Section 92 has been placed: [www.salora.com](http://www.salora.com)

### 1. FINANCIAL RESULTS

The financial statement of the company has been prepared in accordance with the Indian Accounting Standards ("Ind AS"). A preview of the financial performance of the Company for the financial year ended **31<sup>st</sup> March, 2022** along with the performance of the previous financial year have been tabled below:

	(₹ in lacs)	
Particulars	FY 2021-22	FY 2020-21
Net Sales /Income from Business Operations	6,963.76	8,736.43
Excise Duty	-	-
<b>Net Sales</b>	<b>6,963.76</b>	<b>8,736.43</b>
Other Income	300.72	124.41
Increase / (Decrease) in stock	(632.15)	(111.32)
<b>Total</b>	<b>6,632.33</b>	<b>8,749.52</b>
Total Expenditure	(7,508.07)	(9,103.28)
<b>Operating Profit/Loss</b>	<b>(875.74)</b>	<b>(353.76)</b>
Interest	(290.71)	(571.58)
Depreciation & Amortization	(43.66)	(62.71)
<b>Profit/Loss from Continuing operation before exceptional item &amp; tax</b>	<b>(1,210.11)</b>	<b>(988.05)</b>
Profit/Loss from discontinued operation before exceptional item & tax	-	4.28
Exceptional Item	3,982.41	(570.99)
<b>Profit before tax</b>	<b>2,772.30</b>	<b>(1,554.76)</b>
Provision for taxes		
• Current Tax	-	-
• Deferred Tax	(367.66)	413.65
Earlier Year: Deferred Tax	-	-
Earlier Year: Income Tax	-	-
<b>Profit/Loss after tax</b>	<b>2,404.64</b>	<b>(1,141.11)</b>
<b>Other comprehensive income</b>	<b>(2.93)</b>	<b>(2.17)</b>
<b>Balance carried to Balance Sheet</b>	<b>2,401.71</b>	<b>(1,143.28)</b>

\* The figures have been re-grouped / re-classified wherever necessary.

### 2. DIVIDEND

In view of Operating loss incurred during the year and to conserve resources, the Board of Directors decided not to recommend dividend for the Financial Year 2021-22.

### 3. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

There is no unpaid or unclaimed dividend available with the company due for transfer to the IEPF (Investor Education and Protection Fund).

### 4. REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS

During the period under review, the company has achieved revenue from operation of Rs. 6,963.76 lacs in the current financial year 2021-22 as compared to Rs. 8,736.43 lacs in the last financial year.

The Company has operating loss of Rs. 875.74 lacs against the operating loss of Rs. 353.76 lacs incurred during the last financial year.

The COVID 19 has continuously impacted the business operations of the Company with a competitive market conditions. Although because of shifting of business operations to registered office of the Company, the business operations got hampered but the Company has continuously gave its sincere efforts towards the growth of the business operations & committed to create better products & services to reach its customers. Currently the Company has consolidated its focus in the following Categories:

**a) LED TELEVISION:**

The Company has launched its 55 Inch UHD Model of TV based on WebOS under License from LG Electronics. Process of evaluating launch of other models powered by WebOS is ongoing. Discussion for launch of Android certified TV is on with Google and hopefully will be concluded soon. The Company has launched new models of TV with voice activated remote control. These products have been received well by the market.

As the share of sale of TVs has increased online, the Company has made arrangement for sale of its TVs on Flipkart and Amazon. To strengthen its services network, the Company is in process enter into an agreement with Jeeves Consumer Services Private Limited to offer PAN India services. Basis the availability of PAN India Service Company will also increase its offline presence. The current range of LED TVs cover sizes from 24-55 inches.

**b) WASHING MACHINES:**

The Company launched new models of semi-automatic washing machines with advance features. The Company is planning to launch fully-automatic washing machines in the near future.

**c) AUDIO:**

The Company has planned to launch a new range of Tower Speakers to complement its range of Home Theatres.

**d) HEARABLE / WEARABLE / ACCESSORIES:**

The Company has launched a range of smart fast chargers. The range of Chargers will be expanded. The Company will launch a few smart watch models to cater to the fast growing markets for this category. The Company will also launch neckbands & and TWS wireless earphones. The Company has entered into an exclusive distribution agreement with The Art of Utility AB for their range of audio products under "defunc" Brand. The products are TWS, Headphones, Multi-Room Smart speakers.

**e) TRADING:**

The Company will expand its e-commerce operations as well as grow its offline trading business.

Further, the Company is focusing to build a strong reputation as a responsible corporate and trail track record in delivering longer term stakeholder value and it can significantly enhance the company's brand value, which is a quantifiable measure of its social and relationship capital with stakeholders.

**5. COVID19 PANDEMIC**

The Covid-19 pandemic since March 2020 followed by on-off lockdowns restrictions being imposed by the State Government and various authorities from time to time has severely impacted the delivery schedules of various orders/jobs under execution by the Company. However, your Company has tried to cope up with the situation to avoid and not to have an adverse effect on the Company.

**6. MATERIAL CHANGES AND COMMITMENT, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED DURING THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENT RELATE AND THE DATE OF THE REPORT**

There have been no material changes and commitments affecting the financial position of the Company between the end of the financial year and date of this Report. However the financial position of the Company was affected by sale of Noida Land held in the name of Salora International Limited which was approved by the shareholder in the Extra Ordinary General Meeting of the Company held on 14th May, 2021.

**7. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

The information regarding conservation of energy, technology absorption, foreign exchange earnings and outgo as prescribed under Sub-section (3)(m) of Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 is provided in **Annexure- I** to the Board's Report.

**8. RESEARCH AND DEVELOPMENT**

The information regarding Research & Development as prescribed under Sub-section (3)(m) of Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 is provided in **Annexure- I** to the Board's Report.

**9. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT OF THE COMPANY**

The Company has put in place a well defined risk management framework to identify, evaluate and assess the potential risk and challenges and determine the process to mitigate and manage the same. The Company time to time carries out detailed exercise to identify, evaluate, manage and monitor the potential risks to its operations. The Board periodically reviews the risks and suggests steps to mitigate and manage the same. The Audit Committee of the Company with the help of periodical internal audit reports and management's representations identifying and evaluating all possible risk and inform the Board with their possible recommendations to hedge those risk and minimization procedures. As per opinion of the Board, there is no risk that may threaten the existence of the Company's business.

#### 10. CORPORATE SOCIAL RESPONSIBILITY POLICY UNDER THE PROVISION OF SECTION 135 OF THE COMPANIES ACT, 2013

During the financial year 2021-22 under review, Section 135 of the Companies Act, 2013 was not applicable to the Company.

#### 11. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The particulars of loans and advances if any, given by the Company during the Financial Year 2021-22 are stated in Notes to the Audited Financial Statements of the Company as annexed to this Annual Report.

#### 12. RELATED PARTY TRANSACTIONS

All related party transactions that were entered and executed during the year under review were at arms' length basis and in Ordinary Course of the Business. Pursuant to the provisions of Section 188 of the Companies Act, 2013 and Rules made thereunder read with Regulation 23 of the SEBI (LODR) Regulations, your Company obtained approval of the Audit Committee for such transactions.

Your directors draw attention of the members to notes to the financial statements which inter-alia set out related party disclosures. The Policy on materiality of related parties' transactions and dealing with related parties as approved by the Board can be accessed on the Company's website at the link: [www.salora.com](http://www.salora.com). The policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions entered between the Company and related parties.

Disclosure as required under Section 134(3)(h) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, in form AOC-2, is not applicable as all the contracts entered by the Company during the year are on arms length basis and there was no material contract or arrangement.

#### 13. AUDITORS

##### Statutory Auditors

The Board of Directors of the Company on recommendation of Audit Committee, approved re-appointment of M/s. R. Gopal & Associates, Chartered Accountants (FRN 000846C) as Statutory Auditors of the Company for their second term of 5 consecutive years, to hold the office till the conclusion of 58th AGM. M/s. R. Gopal & Associates have consented to act as Statutory Auditors of the Company for second term and have confirmed that if appointed, their appointment will be in accordance with Section 139 read with Section 141 of the Companies Act, 2013. Accordingly, appointment of M/s. R. Gopal & Associates, Chartered Accountants, (Firm Registration No.000846C) is recommended for shareholders approval in 53rd Annual General Meeting as Statutory Auditors of the Company.

##### Secretarial Auditor

The Board of Directors of the Company at its meeting held on 30<sup>th</sup> May, 2022, has appointed M/s. SVR & Co., Practicing Company Secretaries to conduct Secretarial Audit for financial year 2022-23, as required under Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The Secretarial Audit Report forms part of this Annual Report.

##### Cost Auditors

M/s. Gurvinder Chopra & Co. Cost Accountants carried out the cost audit for applicable business during the year. The Board of Directors of the Company have appointed M/s. Gurvinder Chopra, Cost Accountants as Cost Auditors for financial year 2022-23 at its meeting held on May 30, 2022 at a remuneration as set out at Item No. 5 of the Notice. The remuneration is subject to the ratification of the members in terms of Section 148 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014.

As required under Section 148(2) of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, Company have audited its cost accounting records audited by a Cost Auditor.

#### 14. STATUTORY AUDITORS' REPORT

The Auditors' Report for financial year 2021-22 does not contain any qualification, reservation or adverse remark. The Report is enclosed with the financial statements in this Annual Report.

The observations made by the Statutory Auditor in their Audit Report read with the relevant notes thereof as stated in the Notes to the Audited Financial Statements of Company for the Financial Year ended 31st March, 2022 are self-explanatory and do not call for any further information(s)/ explanation(s) or comments.

#### 15. SECRETARIAL AUDIT REPORT

As required under provisions of Section 204 of the Companies Act, 2013, the report in respect of the Secretarial Audit carried out by M/s SVR & co., Practicing Company Secretary (Membership No. F10704, CP No. 14600), in Form MR-3 for the F.Y. 2021-22 is annexed hereto marked as "**Annexure II**" and forms part of this Report.

The said Secretarial Audit Report being devoid of any reservation(s), adverse remark(s) and qualification(s) etc. does not call for any further explanation(s)/ information or comment(s). However the management response in respect to observation made if any, are incorporated in the said Secretarial Audit Report.

**16. COST AUDIT REPORT**

The Cost audit report for the F.Y. 2020-21 was filed with the Ministry of Corporate Affairs.

**17. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES**

The Company has adopted a policy on directors' appointment and remuneration including criteria for determining qualification, positive attributes and independence of the directors and other matters as per requirement of sub-section (3) of Section 178 of the Companies Act, 2013. The policy has been disclosed in the Corporate Governance Report, forming integral part of this report under Nomination and Remuneration Committee section.

**18. COMPANY'S POLICY ON PREVENTION OF INSIDER TRADING**

In Terms of the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company framed (a) Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders, (b) Code of Fair Disclosure and (c) Code of Practice & Procedure for fair disclosure of unpublished price sensitive information. The Company's Code, inter alia, prohibits dealing in the shares of the Company by an insider, while in possession of unpublished price sensitive information in relation to the Company and also during certain prohibited periods.

**19. NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW**

During the financial year under review, in compliance with section 173 of the Companies Act, 2013 and SEBI (Listing Obligations & Listing Requirements) Regulations, 2015, there were five Board Meetings held in a manner that not more than one hundred and twenty days have intervened between two consecutive meetings of the Board. The details of meeting are given in the Corporate Governance Report.

**20. DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to clause (c) of sub-section (3) read with sub-section (5) of Section 134 of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

- a. In preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2022, the applicable accounting standards "**IND AS**" have been followed along with proper explanation relating to material departures;
- b. They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of financial year and of the profit / (loss) of the company for that period;
- c. They have taken proper and sufficient care towards 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. They have prepared annual accounts on a going concern basis;
- e. They have laid down proper internal financial controls, which are adequate and are operating effectively; and
- f. They have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

**21. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

There is no subsidiary of the Company. Also the Company has no joint venture / associate company as at 31<sup>st</sup> March 2022.

**22. DEPOSITS**

During the year under review, the Company has neither accepted any deposits nor there were any amounts outstanding at the beginning of the year which were classified as "Deposits" in terms of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules, 2014 and hence, the requirement for furnishing of details of deposits which are not in compliance with the Chapter V of the Companies Act, 2013 is not applicable.

**23. CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL**

During the financial year 2021-22 under review, there is no change in the Board Members. There was one change in the Key Managerial Personnel of the Company as under:

Since Shri Mahak Agarwal, erstwhile Company Secretary & Compliance Officer of the Company resigned w.e.f. closure of business hours of 20<sup>th</sup> February, 2021, Shri Anubhav Nigam, who joined the organisation w.e.f. 7<sup>th</sup> June, 2021 was appointed as the Company Secretary and Compliance Officer of the Company.

**24. DECLARATION OF INDEPENDENT DIRECTORS**

The Company have received declarations from all the Independent Directors confirming that they meet the criteria of independence, as prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Independent Directors have also confirmed compliance with the Company's code of conduct during the financial year 2021-22.

## 25. DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE

The Audit Committee consists of the following members:

- 1) Shri Karna Singh Mehta, Chairman
- 2) Shri Sanjeev Kaul Duggal, Member
- 3) Shri Parmartha Saikia, Member
- 4) Shri Tarun Jiwrajka, Member

The above composition of the Audit Committee consists of three independent directors and one executive director.

## 26. WHISTLE BLOWER & VIGIL MECHANISM POLICY

The Company has in place a Whistle Blower Policy which provides a mechanism for employees / Board Members and others to raise good faith concerns about violation of any applicable laws / Code of Conduct of the Company, gross wastage or misappropriation of funds, substantial or specific danger to public health and safety, abuse of authority or unethical behavior and to protect the individuals who take such action from retaliation or any threat of retaliation and also provides for direct access to the Chairman of the Audit Committee. The functioning of the Vigil mechanism is reviewed by the Audit Committee from time to time.

The Whistle Blowers are not denied access to the Audit Committee of the Board. The details of the Whistle Blower Policy are given in the Report on Corporate Governance and are also available on the Company's website at: [www.salora.com](http://www.salora.com)

## 27. ANNUAL RETURN

In terms of Section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company for financial year 2021-22, shall be available on the website of the Company at [www.salora.com](http://www.salora.com).

## 28. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013 AND PROVIDING VIGIL MECHANISM

The Company has always believed in providing a safe and harassment-free workplace for every individual working in the Company. The Company has in place an Internal Complaints Committee (ICC) and has formulated Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 which is aimed at providing every woman at the workplace a safe, secure and dignified work environment. All employees (permanent, contractual, temporary and trainees, etc.) are covered under this Policy. The Policy is gender neutral.

During the year under review, no complaint of sexual harassment was filed with the Internal Complaints Committee.

## 29. SHARE CAPITAL

The Equity Shares of the Company are listed at BSE Ltd. (BSE) and listing fees for the Financial Year 2022-23 have been paid to Stock Exchange, within stipulated time.

## 30. DEMATERIALISATION

As on 31st March, 2022, there were 87,10,102 Shares held in dematerialized form through depositories viz. National Securities Depository Limited and Central Depository Services (India) Limited, which represents about 98.89% of the total listed capital of the Company.

## 31. PARTICULARS OF EMPLOYEES

The information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is set out in **Annexure-IV** forming part of this Report.

## 32. CORPORATE GOVERNANCE REPORT

Maintaining high standards of Corporate Governance has been fundamental to the business of your Company since its inception. A separate report on Corporate Governance for the year under review is provided as **Annexure – V**. A certificate from CEO and CFO of the Company in terms of Listing Regulations, inter-alia, confirming the correctness of financial statements and cash flow statements, adequacy of the internal control measures and reporting of matters to the Audit Committee is annexed as **Annexure-VI**. A certificate obtained from the Secretarial Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under Listing Regulations is annexed as **Annexure-VII**.

## 33. MANAGEMENT DISCUSSION AND ANALYSIS

In terms of the provisions of Regulation 34 of the Listing Regulation, 2015, the Management's Discussion and Analysis is set out in this Annual Report as **Annexure-VIII**

## 34. SECRETARIAL STANDARDS

Your Directors state that the Secretarial Standards i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been followed by the Company

**35. INTERNAL FINANCIAL CONTROL AND ITS ADEQUACY**

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of fraud, error reporting mechanisms, accuracy and completeness of the accounting records, and timely preparation of reliable financial disclosures. The internal control mechanism comprises a well-defined organization, which undertakes time bound audits and reports its findings to the Audit Committee, documents policy guidelines and determines authority level and processes. The Audit Committee regularly reviews the systems and operations to ensure their effectiveness and implementation.

The Audit Committee of the Board of Directors regularly reviews execution of Audit Plan, the adequacy and effectiveness of internal audit systems, and monitors implementation of internal audit recommendations including those relating to strengthening of company's risk management policies and systems.

**36. BOARD EVALUATION**

Pursuant to the provisions of the Act and the SEBI Listing Regulations, 2015, the Board has carried out the annual performance evaluation of the Directors individually as well as evaluation of the working of the Board and of the Committees of the Board, by way of individual and collective feedback from Directors.

The Directors expressed their satisfaction with the evaluation process.

**37. ACKNOWLEDGEMENTS**

Your Directors place on record their sincere appreciation and gratitude for the assistance and generous support extended by all Government authorities, Financial Institutions, Banks, Customers and Vendors during the year under review. Your Directors wish to express their immense appreciation for the devotion, commitment and contribution shown by the employees of the company while discharging their duties.

**For and on behalf of the Board of Directors  
Salora International Ltd.**

**Date :12<sup>th</sup> August, 2022  
Place: New Delhi**

**Sd/-  
(Gopal Sitaram Jiwarajka)  
Chairman & Managing Director  
DIN: 00024325**

## Annexure-'I'

**STATEMENT CONTAINING PARTICULARS PURSUANT TO SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 READ WITH RULE 8 OF THE COMPANIES (ACCOUNTS) RULES, 2014.**

**A. Conservation of Energy**

- |   |   |   |
|---|---|---|
| a) The steps taken or impact on conservation of energy                      | : | The company has taken appropriate steps for conservation of energy by using energy efficient equipments and creating awareness for conservation of energy in the employees. |
| b) The steps taken by the company for utilizing alternate sources of energy | : | N.A.  |
| c) The capital investment on energy conservation equipments                 | : | N.A.  |

**B. Technology Absorption, Adoption and Innovation**

- a) The efforts made towards technology absorption

**Research and Development (R&D)**

**LED TV:**

- |   |
|---|
| (a) Developed new high range LED TV with size 55" WebOS. The LED TV are equipped with state of the art technology like HDR, (High Dynamic Range) Ultra high resolution, 4K enhance, colour gamut etc. |
| (b) Developed new 32" Smart TV with voice search based on "RiverOS". The LED TV are equipped with latest android version 9.0. Google play store, Mira cast etc.                                       |
| (c) Certified Google TV with Android 12, size 32", 43" & 50" are under development.   |

**Speaker & Audio systems:**

- |  |
|--|
| (a) Automotive 4" speaker developed for mounting in Rail Coaches with waterproof cones, compatible with PA system.         |
| (b) Developed 2" woofer with rich bass for mounting in the popular music system "Saregama Caarvan".                        |
| (c) Introduced a Home theatre range of 2.1Ch, 4.1Ch & 5.1Ch with Bluetooth connectivity                                    |
| (d) Introduced 2.0Ch Tower Audio system with Bluetooth connectivity & wireless microphone                                  |
| (e) Speakers developed for Home theatre & Tower audio system in sizes- 3"-satellite, 4"-Mid Range, 6.5"-Woofer & 8"-Woofer |

**Home appliances:**

We started development of Semi Automatic washing Machines in the beginning of year and successfully launched product in the market.

- |  |    |  |
|--|----|--|
| b) The benefits derived like product improvement, cost reduction, product development or import substitution               | a) | With increased portfolio of LED TV models, company has deep penetration into the market. |
|  | b) | In technology at par with the market.  |
|  | c) | Cost effectiveness and reduce dependence on the import.                                  |
|  | d) | Better control of quality.   |
| c) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) | :  | N.A.   |
| i. the details of technology imported  |    |  |
| ii. the year of import   |    |  |
| iii. whether the technology been fully absorbed  |    |  |

iv. if not fully absorbed, areas where absorption has not taken place, and the reasons thereof

d) The expenditure incurred on research & development:

- a) Capital  
b) Recurring

**Total**

(Rs. in lacs)	(Rs. in lacs)
2021-22	2020-21
-	-
6.35	-
6.35	0.00

**C. Foreign Exchange Earnings and Outgo**

a) The foreign exchange earned in terms of actual inflows during the year and the foreign exchange outgo during the year in terms of actual outflows.

: Foreign Exchange mainly used during the year for import of raw materials from various countries for business purpose and market penetration.

b) **Total foreign exchange used and earned:**

- a) Foreign Exchange used  
b) Foreign Exchange earned

**Total**

(Rs. in lacs)	(Rs. in lacs)
2021-22	2020-21
364.92	688.66
-	-
364.92	688.66

For and on behalf of the Board of Directors  
Salora International Ltd.

Date :12<sup>th</sup> August, 2022  
Place: New Delhi

Sd/-  
(Gopal Sitaram Jiwrajka)  
Chairman & Managing Director  
DIN: 00024325



## FORM MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2022

*[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,  
**SALORA INTERNATIONAL LIMITED**  
(CIN: L74899DL1968PLC004962)  
D-13/4 OKHLA INDUSTRIAL AREA,  
PHASE-II, NEW DELHI, 110020

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SALORA INTERNATIONAL 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 my opinion thereon.

### Auditor’s Responsibility:

Our responsibility is to express an opinion on the compliance of the applicable laws and maintenance of records based on audit. We have conducted the audit in accordance with the applicable Auditing Standards issued by The Institute of The Company Secretaries of India. The auditing standards require that the Auditor shall comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Due to the inherent limitations of audit including internal, financial and operating controls, there is an unavoidable risk that some material misstatement or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the standards.

### Unmodified Opinion:

Based on our verification of the **SALORA INTERNATIONAL LIMITED** 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 **31.03.2022**, 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 **31.03.2022** according to the provisions of:

- i. The Companies Act, 2013(**the Act**) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; - **There are no such transaction was held during the financial year hence the said Act, Rules and Regulations were not applicable to the Company during the audit period.**
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’): -
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (**Not applicable on the company during the audit period**)
  - d) 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 Redeemable Preference Shares) Regulations, 2013 and The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (**Not applicable on the company during the audit period**)
  - 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; **Not applicable, as the Company is not engaged in the activities relating to the Registrar to an Issue and Share Transfer Agents.**
  - f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (**Not applicable on the company during the audit period**)

- g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable on the company during the audit period)**
- h) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat equity) Regulations, 2021. **(Not applicable on the company during the audit period)**

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

- (i) **Secretarial Standards issued by The Institute of Company Secretaries of India**
- (ii) **The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments made thereunder in respect of listing of securities with BSE Limited;**

**We further report that**, having regard to the compliance system prevailing in the company and on the examination of the relevant documents and records in pursuance thereof, on test-check basis the company has complied with the specific law to the extent applicable to the Company:

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards, etc. made there under for all the above mentioned laws to the extent possible, except the followings:

- A. **Observations under the Companies Act, 2013**
- B. **Observations under The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Sl. No.	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)	Deviations	Comments based on Management Reply
1.	As per <b>Regulation 30(6)</b> of SEBI LODR, Company shall intimate to the stock exchange of all the material intimation that will have a bearing on the performance/ operations of the company as well as price sensitive information within 24 hours from the occurrence of event or information.	<i>Intimation of appointment of Company Secretary was filed on 29.06.2021, but the date of appointment on MCA portal is showing it from 07.06.2021.</i>	The Company Secretary joined the organization on 7 <sup>th</sup> June, 2021, which was subsequently approved by the board of directors of the Company on 29 <sup>th</sup> June 2021 and accordingly intimation was given to BSE under the Regulation 30 of SEBI Listing Regulation within stipulated time.

This report is to be read with our letter of even date which is annexed as '**Annexure A-1**' and form an integral part of this report.

**We further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The Changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act and listing regulations.

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 the decisions were carried unanimously as evident from the minutes of the meeting of the board and other committees recorded and duly signed by the chairman, there were no dissenting member's view during the audit period and therefore dissenting member's views are not required to be captured and recorded as part of the minutes of the Board.

It has been observed that Company is usually filing forms with late fees, however the management have given us assurance that they will comply with the norms provided in the Companies Act, 2013 and will file all the forms within the time period specified in the Act.

Further it is also come to the notice that License issued under the Factories Act was expired in the month of December and which were not renewed by the Company, in response of that management have given us representation that they have sold the manufacturing unit of the Company and need not to have license under Factories Act, 1948 for now. Once they will start the manufacturing, they will get the same.

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.

**FOR SVR & Co.  
COMPANY SECRETARIES**

**CS. SHIVAM RASTOGI  
M.NO: F10704  
CP. NO: 14600**

**DATE: 31.08.2022  
PLACE: NOIDA**

**PRC No.: 1470/2021  
UDIN: F010704D000880848**

**Note:**

- i. This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.
- ii. Due to restricted movement amid COVID-19 pandemic, we conducted the secretarial audit by examining the Secretarial Records including Minutes, Documents, Registers and other records etc., provided by way of electronic mode by the Company and could not be verified from the original records. The management has confirmed that the records submitted to us are true and correct.
- iii. This Report is limited to the Statutory Compliances on laws / regulations / guidelines listed in our report which have been complied by the Company up to the date of this Report pertaining to Financial Year 2021-22. We are not commenting on the Statutory Compliances whose due dates are extended by Regulators from time to time due to COVID-19 or still there is time line to comply with such compliances.
- iv. The Draft Report was given to the Company on 12<sup>th</sup> August 2022, subsequently UDIN was generated and signed report issued on 31<sup>st</sup> August, 2022.

**Annexure A-1**

To,  
The Members,  
**SALORA INTERNATIONAL LIMITED**  
**(CIN: L74899DL1968PLC004962)**  
**D-13/4 OKHLA INDUSTRIAL AREA,**  
**PHASE-II, NEW DELHI, 110020**

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

**Management Responsibility**

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.

**Auditors Responsibility**

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verifications were done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.
5. The compliance of the Provisions of Corporate and other applicable Laws, Rules, Regulations, standards is the responsibility of the Management. Our examination was limited to the verification of procedures on test basis.

**Disclaimer**

6. The Secretarial Audit Report 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 SVR & Co.**  
**COMPANY SECRETARIES**

**CS. SHIVAM RASTOGI**  
**M.NO: F10704**  
**CP. NO: 14600**  
**PRC No.: 1470/2021**  
**UDIN: F010704D000880848**

**DATE: 31.08.2022**  
**PLACE: NOIDA**

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,  
The Members of  
**Salora International Limited**

Regd. Office: D- 13/4, Okhla Industrial Area  
Phase II, New Delhi- 110020

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Salora International Limited, having CIN: L74899DL1968PLC004962 and having registered office at D- 13/4, Okhla Industrial Area, Phase II, New Delhi- 110020, India (herein after referred to as the Company), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with the Schedule V Para- C Sub-clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations 2015.

In our opinion and to the best of my information and according to the verifications (including Director Identification Number (DIN) status at portal ([www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company and its officers and considering relaxations granted by the Ministry of Corporate Affairs and Securities And Exchange Board Of India warranted due to spread of Covid-19 Pandemic, we certify that none of the directors as stated below on the board of Salora International Limited have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI / Ministry of Corporate Affairs or any such statutory authority for the Financial Year ending 31<sup>st</sup> March 2022.

Sl. No.	Name of Director	DIN	Date of Appointment
1	Gopal Sitaram Jiwrajka	00024325	28-08-1987
2	Neetu Jiwrajka	00025570	30-06-2016
3	Tarun Jiwrajka	00386240	10-11-2011
4	Karna Singh Mehta	00128166	12-11-2016
5	Sanjeev Kaul Duggal	00004977	28-10-2005
6	Paramartha Saikia	07145770	07-10-2019

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 opinion on these based on our verification. This certificate 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 SVR & Co.**  
**COMPANY SECRETARIES**

**CS SHIVAM RASTOGI**  
**M.NO: F10704**  
**CP. NO: 14600**

**PRC No.: 1470/2021**  
**UDIN: F010704D000912946**

**DATE: 31.08.2022**  
**PLACE: NOIDA**

## Annexure – 'III'

**Form AOC-1**

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

**Statement Containing Salient Features of the Financial Statement of  
Subsidiaries/Associate Companies / Joint Ventures****Part "A": Subsidiaries**

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

**Company doesn't have any subsidiary company during the reporting period.**

SL	PARTICULARS	DETAILS
1.	Name of the subsidiary	No subsidiary
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31 <sup>st</sup> March, 2022
3.	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	Not Applicable
4.	Share capital	-
5.	Reserves & surplus	-
6.	Total assets	-
7.	Total Liabilities	-
8.	Investments	-
9.	Turnover	-
10.	Profit before taxation	-
11.	Provision for taxation	-
12.	Profit after taxation	-
13.	Proposed Dividend	-
14.	% of shareholding	-

**Part "B": Associates and Joint Ventures**

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

**Company doesn't have any Associate or Joint Venture Company during the reporting period.**

For and on behalf of the Board

**Regd. Office:**

D – 13/4, Okhla Industrial Area,  
Phase – II, New Delhi – 110 020  
CIN L74899DL1968PLC004962  
[sect@salora.com](mailto:sect@salora.com)

Sd/-  
Gopal Sitaram Jiwrajka  
Chairman & Managing Director  
DIN:00024325

Sd/-  
Tarun Jiwrajka  
Whole Time Director & CFO  
DIN:00386240

Date : 12<sup>th</sup> August, 2022  
Place : New Delhi

Sd/-  
Anubhav Nigam  
Company Secretary

**Annexure-‘IV’****(THIS REPORT FORMS PART OF DIRECTORS’ REPORT)**

Disclosure in Directors’ Report Pursuant To Section 197(12) of the Companies Act, 2013

Read With Companies (Appointment and Remuneration Of Managerial Personnel) Rules, 2014

Sr. No.	Requirements	Disclosure	
1.	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year.	Name of the Director	Ratio
		Shri Gopal Sitaram Jiwrajka, MD	56.12%
		Smt. Neetu Jiwrajka, ED	3.31%
		Shri Tarun Jiwrajka, WTD	12.47%
		1) For the purpose, sitting Fees paid to the independent directors have not been considered as remuneration. 2) Figures have been rounded off wherever necessary	
2.	The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary in the financial year.	Shri Gopal Sitaram Jiwrajka-MD	N.A.
		Smt. Neetu Jiwrajka, ED	N.A.
		Shri Tarun Jiwrajka, WTD & CFO	N.A.
		Shri Anubhav Nigam – CS (appointed on 07.06.2021)	N.A.
3.	The percentage increase in the median remuneration of employees in the financial year	Nil* *Due to decrease in number of employees in comparison to previous FY, the increase in median remuneration can't be ascertained.	
4.	The number of permanent employees on the rolls of company	There were 77 employees as on March 31, 2022.	
5.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	There is no average increase recorded in remuneration for Employees other than Managerial Personnel during the period under review. Further, average managerial remuneration was varying due to resignation and appointment of new Key Managerial Personnel. This revision is in line with factors outlined in Remuneration Policy of the Company. Other than this, there are no any other exceptional circumstances for increase in the managerial remuneration.	
6.	Affirmation that the remuneration is as per the remuneration policy of the Company.	It is hereby affirmed that the remuneration is as per the Remuneration Policy of the Company.	

**General Note:**

- Profit of the Company is calculated as per Section 198 of the Companies Act, 2013
- Managerial Personnel includes Chairman and Managing Director, Whole Time Director, Executive Director and Key Managerial Personnel.

## Annexure - V

**REPORT ON CORPORATE GOVERNANCE**

Pursuant to Regulation 34(3) read with Para A of Schedule V to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year 2021-22

**COMPANY'S PHILOSOPHY**

The Company has always been committed to the principles of good corporate governance. The Company's philosophy on Corporate Governance envisages the attainment of the highest levels of transparency, accountability and equity, in all facets of its operation and all its interactions with the stakeholders including shareholders, employees, customers, government and suppliers. At Salora International Limited, Corporate Governance practices aim to adhere to the highest governance standards through continuous evaluation and benchmarking.

**BOARD OF DIRECTORS**

The Company's policy is to maintain optimum combination of Executive and Non-Executive Directors. The Board of Director(s) along with its committee(s) provides leadership and guidance to the Company's Management and directs, supervises and controls the performance of the Company. The Board of Director(s) of the Company comprises of distinguished personalities, who have been acknowledged in their respective fields.

- Composition of the Board**

The present Board of Directors of the Company comprises of six (6) directors, one is Managing Director, one is Whole Time Director, one Executive Director (Woman Director) and three Independent Directors. All three Independent Directors are Non Executive Director. As per the declarations received by the Company from each of the Directors, none of them are disqualified under Section 164(2) of the Companies Act, 2013.

As on 31<sup>st</sup> March, 2022 and on the date of this report, the Board meets the stipulated regulatory requirements as per the applicable act and Regulations. The Composition of the Board of directors, as on March 31, 2022, is as under:-

S. No.	Name of director	DIN	Designation/Category
1.	Shri Gopal Sitaram Jiwrajka	00024325	Chairman & Managing Director (Promoter & Executive Director)
2.	Shri Tarun Jiwrajka	00386240	Whole Time Director & CFO (Promoter & Executive Director)
3.	Smt. Neetu Jiwrajka	00025570	Executive Director (Promoter & Executive Director)
4.	Shri Sanjeev Kaul Duggal	00004977	Non Executive & Independent Director (Member Audit Committee)
5.	Shri Karna Singh Mehta	00128166	Non Executive & Independent Director (Chairman Audit Committee)
6.	Shri Paramartha Saikia	07145770	Non Executive & Independent Director (Member Audit Committee)

The information as required under Regulation 17(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is made available periodically to the Board. The Board periodically reviews the compliance status of the Company. The company has adopted the Code of Conduct for Executive Directors, Senior Management Personnel and other executives of the Company. The Board as part of its planning, exercise periodically reviews its composition to ensure that the same is closely aligned with the strategy and long-term needs of the Company.

Further, disclosures have been made by the Directors regarding their Chairmanships/ Memberships of the Committees of the Board and that the same are within the maximum permissible limit as stipulated under Regulation 26(1) of the Listing Regulations as on 31<sup>st</sup> March, 2022.

Shri Gopal Sitaram Jiwrajka currently holds the position of the Chairman & Managing Director of the Company. Shri Tarun Jiwrajka holds position of Whole Time Director and CFO of the Company.

All Independent Directors are Non-Executive Directors. The maximum tenure of independent directors is in compliance with the Act. All Independent Directors have confirmed that they meet the criteria of independence as per Regulation 16(1)(b) of the SEBI Listing Regulations and Section 149(6) of the Companies Act.

- EXECUTIVE DIRECTORS**

**Shri Gopal Sitaram Jiwrajka** is Chairman & Managing Director of the Company. He had served his duties as President in PHD Chamber of Commerce and Industry, New Delhi. He is having in depth knowledge of Indian market conditions for business of consumer electronics, telecom and IT products. He possesses over 35 years of experience across the fields of manufacturing, marketing and consumer goods.



**Shri Tarun Jiwrajka** is Whole Time Director of the Company. He has done graduation from Indiana University, Bloomington and possesses affluent experience of e-commerce business, marketing, finance and administration.

**Smt. Neetu Jiwrajka** is an Executive Director of the Company. She has got an enormous experience and exposure. She is associated with the Company since long back as Director - Business Development. She is looking after products portfolio and business in Life Style product business of the Company. On humanitarian and social grounds too, she is a personality to adore for generations to come.

• **NON-EXECUTIVE - INDEPENDENT DIRECTORS**

**Shri Sanjeev Kaul Duggal** is an Independent & Non Executive Director of the Company. Shri Duggal is winner of Udyog Rattan Award of Institute of Economic Studies and "Creating Corporate Advantage in Global Economy" of Delhi School of Economics. He is the founder & CEO of Centum Learning Limited, an Indian Multinational Training & Skills Company with operations in over 19 countries.

**Shri Karna Singh Mehta** is an Independent & Non Executive Director of the Company. He is a Chartered Accountant by profession and is spearheading head of M/s. S.S. Kothari Mehta & Co., Chartered Accountants. He has specialization in Corporate Financial Planning & Corporate Restructuring, Project Financing, Business Valuation, etc. He has been a re-known professional in the recent past and headed important position, like director of SEBI, National Stock Exchange, President of PHD Chamber of Commerce and Industry, Delhi. Shri Mehta has a wide exposure to industry in his capacity as director of some leading companies in the corporate sector.

**Shri Paramartha Saikia** is an Independent & Non Executive Director of the Company. Shri Paramartha Saikia holds Master degree in Economics from University of Delhi and has more than 30 years experience in the world of marketing and brand development. He served as Chief Executive Officer (CEO) of J. Walter Thomson Sdn. Bhd., Malaysia. He also served as CEO of IRIS India and CEO of Publicis India and on the management board of McCann Erickson, Grey and EURO RSCG.

The details of each Member of the Board along with the number of Directorship(s) / Committee Membership(s) / Chairmanship(s), in other companies are provided herein below:

Name of Director	Category	Number of Directorship in other companies		Number of mandatory Committee Memberships in other Public companies	
		Chairman	Member	Chairman	Member
Shri Gopal Sitaram Jiwrajka	Executive & Promoter	-	4	-	-
Shri Tarun Jiwrajka	Executive & Promoter	-	2	-	-
Smt. Neetu Jiwrajka	Executive & Promoter	-	4	-	-
Shri Sanjeev Kaul Duggal	Non Executive & Independent	-	4	-	-
Shri Karna Singh Mehta	Non Executive & Independent	-	-	-	-
Shri Paramartha Saikia	Non Executive & Independent	-	7	1	3

**DISCLOSURE OF RELATIONSHIP BETWEEN DIRECTORS INTER-SE**

Shri Gopal Sitaram Jiwrajka, Chairman & Managing Director, Smt. Neetu Jiwrajka, Executive Director and Shri Tarun Jiwrajka, Whole Time Director, are relative of each other. All other directors are not related to each other.

**BOARD PROCEDURE**

The Board agenda comprises of relevant information on various matters related to the working of the Company, especially those that require deliberation at the Board level. The Company provides the information as set out in Regulation 17 read with Part "A" of Schedule II of the Listing Regulations to the Board and the Board Committees to the extent it is applicable and relevant. Such information is submitted either as part of the Agenda papers in advance of the respective Meetings or by way of presentations and discussions during the Meetings. To enable the Board to discharge its responsibilities effectively, the Chairman, Whole Time Director, Independent Directors review the overall Company's performance. In addition to the legal matters compulsorily required to be dealt, the Board also reviews:

- Strategy and business plans
- Approval of quarterly results / annual results
- Listing requirements, attending to shareholders' grievances, etc.
- Annual operating and capital expenditure budgets and any updates
- Investment of Company's funds
- Compliance with statutory / regulatory requirements and review of major legal issues
- Any other matter which is serious in nature or requires the attention of the Board.

**BOARD MEETINGS**

During the year ended 31st March, 2022, five (5) Meetings Board of Directors were held on 8th April, 2021, 29th June, 2021, 12th August, 2021, 10th November, 2021 and 12th February, 2022. In compliance with section 173 of the Companies Act, 2013 and SEBI (Listing Obligations & Listing Requirements) Regulations, 2015, the meetings were held in a manner that not more than one hundred and twenty days have intervened between two consecutive meetings of the Board.

<b>Category of Directors, attendance at the Board Meetings, Annual General Meeting and shareholding of each Director:</b>				
Name of Directors	Category	No. of Board Meetings held & attended during the financial year	Attendance at the last AGM held on 29/09/21	No. of Equity Shares held in the company as at March 31, 2022
Shri Gopal Sitaram Jiwrajka	Promoter & Executive	5 out of 5	Yes	23,39,011 (26.56%)
Shri Tarun Jiwrajka	Promoter & Executive	5 out of 5	Yes	3,72,741 (4.23%)
Smt. Neetu Jiwrajka	Promoter & Executive	5 out of 5	Yes	7,31,410 (8.30%)
Shri Sanjeev Kaul Duggal	Non Executive & Independent	3 out of 5	No	Nil
Shri Karna Singh Mehta	Non Executive & Independent	5 out of 5	Yes	Nil
Shri Parmaratha Saikia	Non Executive & Independent	5 out of 5	No	Nil

**INDEPENDENT DIRECTORS' SEPARATE MEETING**

In accordance with the provisions of SEBI (LODR) and provisions of the Companies Act, 2013, meeting of the Independent Directors of the Company was held on 12.02.2022 without the attendance of Non-Independent Directors and the Company's Management.

The Independent Directors met inter alia, to discuss and review:

- a) Evaluation of performance of Non-Independent Directors and the Board of Directors as a whole;
- b) Evaluation of performance of the Chairman & Managing Director of the Company taking into account the views of Executive and Non-Executive Directors;
- c) Evaluation of the quality, contents, quantity and timeliness of flow of information between the Company's management and Board that it is necessary for the Board to effectively and reasonably perform its duties.

**DISCLOSURES / POLICIES**

The Company to ensure commitment towards transparent management to maximize long-term value for the Company's shareholders and all other partners has various policies in place to regulate its system. Further, the Company is in compliance with the requirements of regulatory authorities on capital markets and compliances under the Regulations and Laws applicable on the Company in a timely manner and all the mandatory requirements of SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015.

The Company has put in place mandatory policies and code of conducts which is available on the Company's website to provide better means to the existence of corporate governance in its operations. Following policies/ guidelines are available on Company's website [www.salora.com](http://www.salora.com):

- 1) Code of Conduct for the Board of Directors, KMPs and employees of the Company;
- 2) Code of Conduct and Procedures for fair disclosure of Unpublished Price Sensitive Information
- 3) Nomination & Remuneration Policy
- 4) Related Party Transaction Policy
- 5) Whistle Blower Policy and Vigil Mechanism
- 6) Policy for Determining Material Subsidiary
- 7) Policy for Board Diversity
- 8) Terms and Conditions of appointment of Non-executive & Independent Directors
- 9) Familiarisation Programme for Independent Directors
- 10) Policy on preservation of Books of Accounts
- 11) Composition of Committees
- 12) Anti Sexual Harassment Policy for protection of women workers at work place.

## BOARD COMMITTEES

The Board Committees play a vital role in strengthening the Corporate Governance practices and focus effectively on the issues and ensure expedient resolution of the diverse matters. The Committees also make specific recommendations to the Board on various matters when required. All observations, recommendations and decisions of the Committees are placed before the Board for information or for approval. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. The minutes of the meetings of all the Committees are placed before the Board for review. During the year, all recommendations of the Committees of Board which were mandatorily required have been accepted by the Board. The Board of Directors has constituted the following Committees, namely:

### AUDIT COMMITTEE

The terms of reference of this Committee cover the matters specified for Audit Committee under SEBI (LODR) Regulations, 2015 as well as Section 177 of the Companies Act, 2013. The Audit Committee inter alia performs the functions of review of financial reporting system, discussion on financial results, interaction with Statutory and Internal Auditors, reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process, reviewing the adequacy of internal audit function, to review the functioning of the whistle blower mechanism, scrutiny of inter-corporate loans and investments, recommendation for the appointment of Statutory, Internal, Secretarial and Cost Auditors and their remuneration, review of internal audit reports and significant related party transactions. In fulfilling the above role, the Audit Committee has powers to investigate any activity within its terms of reference, to seek information from employees and to obtain outside legal and professional advice.

The Audit Committee comprises of four (4) members, out of which three (3) are Independent & Non Executive Directors namely Shri Karna Singh Mehta as Chairman, Shri Sanjeev Kaul Duggal and Shri Paramartha Saikia and one Executive Director namely Shri Tarun Jiwrajka as member. Shri Karna Singh Mehta, Chairman of the Audit Committee was present at the last Annual General Meeting held on 29<sup>th</sup> September, 2021 meeting the statutory compliance requirement.

There were four (4) meetings held during the year ended 31st March, 2022 on 29th June, 2021, 12th August, 2021, 10th November, 2021 and 12th February, 2022.

The Attendance of each member of the Audit Committee is as under:

SL	Name of members	No. of Meetings held	No. of meetings attended
1	Shri Karna Singh Mehta	4	4
2	Shri Sanjeev Kaul Duggal	4	2
3	Shri Paramartha Saikia	4	4
4	Shri Tarun Jiwrajka	4	4

### NOMINATION AND REMUNERATION COMMITTEE

The Committee consists of four (4) members, viz. Shri Sanjeev Kaul Duggal, as Chairman, Shri Karna Singh Mehta, Shri Paramartha Saikia and Shri Gopal Sitaram Jiwrajka, as members of the Committee.

The terms of reference of this committee cover the matters specified for Nomination and Remuneration Committee under SEBI (LODR) Regulations, 2015 as well as Section 178 of the Companies Act, 2013 including -

- To help the Board determine the appropriate size, diversity and composition of the Board;
- To recommend the Board appointment / re-appointment and removal, recommend remuneration of Directors and Senior Management;
- To frame criteria for determining qualification, positive attributes and independence of Directors;
- To create evaluation framework for Independent Directors and the Board;
- To assist in developing a succession plan for the Board and Senior Management;
- To assist the Board in fulfilling responsibilities entrusted from time to time.

There were two (2) meetings of the committee held during the year ended 31st March, 2022 on 29th June, 2021 & 12th August, 2021.

The member's attendance at the Nomination and Remuneration Committee Meetings during the financial year 2021-22 is as follows:

SL	Names of the members	No. of Meetings held	No. of Meeting attended
1	Shri Sanjeev Kaul Duggal	2	2
2	Shri Karna Singh Mehta	2	2
3	Shri Paramartha Saikia	2	1
4	Shri Gopal Sitaram Jiwrajka	2	2

## NOMINATION & REMUNERATION POLICY & CRITERIA FOR PERFORMANCE EVALUATION

The Nomination and Remuneration Committee adopted a policy which deals with the manner of determining qualification, positive attributes and independence of directors and remuneration for the Directors, Key Managerial Personal, and other employees. The said policy is placed on the company's website: [www.salora.com](http://www.salora.com).

### CRITERIA AND QUALIFICATIONS

The Board of Directors of the Company is responsible for selection of a member on the Board or Key Managerial Person (KMP) of the Company. The Nomination and Remuneration Committee follows defined criteria for identifying, screening, recruiting and recommending candidate for appointment as a Director or Key Managerial Person (KMP). The criteria for appointment include:

- Composition of the Board, which is commensurate with the size of the Company, its portfolio, geographical spread and its status as a listing Company;
- Diversity on the Board or in the Company;
- Size of the Board with optimal balance of skills, experience and balance of Executive and Non-Executive Directors consistent with the requirements of law;
- Professional qualifications, expertise and experience in specific area of relevance to the Company;
- Balance of skills and expertise in view of the objectives and activities of the Company;
- Avoidance of any present or potential conflict of interest;
- Availability of time and other commitments for proper performance of duties;
- Personal characteristics being in line with the company's values, such as integrity, honesty, transparency, pioneering mindset.

### APPOINTMENT / TERM / TENURE

The directors of the Company are appointed / re-appointed by the Board on recommendations of Nomination and Remuneration Committee and approval of the Members at the General Meetings. The Executive Directors on the Board have been appointed as per the provisions of the Act and serve in accordance with the terms of their contract of employment / contract of service with the Company.

None of the Independent Director(s) of the Company resigned before expiry of their tenure.

As regards the appointment and tenure of Executive Directors, following is the policy adopted by the Board:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director 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.

As regards the appointment and tenure of Independent Directors, following policy is also adopted by the Board:

- The Company has adopted the provisions with respect to appointment and tenure of Independent Directors which are consistent with the Act and Listing Regulations.
- The Independent Directors can serve a maximum of two terms of five years each, after the introduction of the Act.
- The Company does not have any upper age limit of retirement of Independent Directors from the Board and their appointment and tenure will be governed by the provisions of the Act and the Listing Regulations. The Company shall ensure that the appointment of any Non-Executive Director who has attained the age of seventy five years is approved by the Members of the Company by way of a Special Resolution.

### REMOVAL

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

### DETAILS OF FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

The Company has adopted familiarization programme for Independent Directors with, their roles, rights, responsibility in the Company and nature of business, business model of the Company and related matters are put up on the company's website: [http://salora.com/pdf/Familiarisation\\_Programme\\_for\\_Independent\\_Director.pdf](http://salora.com/pdf/Familiarisation_Programme_for_Independent_Director.pdf)

### DETAILS OF REMUNERATION PAID TO DIRECTORS

Shri Gopal Sitaram Jiwrajka, Shri Tarun Jiwrajka and Smt. Neetu Jiwrajka, are executive directors of the Company. The remuneration payable to them is determined by the Board on the recommendation of Nomination & Remuneration Committee and subject to approval of the shareholders at the Annual General Meeting and that of the Central Government and such other authorities as may be necessary. Details of remuneration paid to them are mentioned below and also provided in the Annual Return (MGT-7) Link to access the same is provided in the Annual Report.

S. No.	Particulars of Remuneration	Name of MD/WTD/ED/Manager			Total Amount
		Shri Gopal Sitaram Jiwrajka (MD)	Shri Tarun Jiwrajka (WTD)	Smt. Neetu Jiwrajka (ED)	
1.	Gross Salary				
	(a) Salary as per provisions contained in Sec.17(1) of the Income Tax Act, 1961	6,69,750/-	23,86,680/-	6,62,201/-	37,18,631/-
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary u/s 17(3) Income Tax Act, 1961	-	-	-	-
2.	Stock Option	0.00	0.00	0.00	0.00
3.	Sweat Equity	0.00	0.00	0.00	0.00
4.	Commission	0.00	0.00	0.00	0.00
	- as % of Profit				
	- others, specify				
5.	Others, please specify	0.00	0.00	0.00	0.00
	<b>Total (A)</b>	<b>6,69,750/-</b>	<b>23,86,680/-</b>	<b>6,62,201/-</b>	<b>37,18,631/-</b>
	Ceiling as per the Act (Pursuant to the Section II Part II of Schedule V of the Companies Act, 2013 and with the consent of Shareholders through Special Resolution)	1,20,00,000/-	24,00,000/-	7,20,000/-	1,51,20,000/-

The Non Executive Directors do not draw any remuneration from the Company except sitting fees for attending the meetings of the Board and Audit Committee.

#### DETAILS OF SITTING FEES TO NON-EXECUTIVE DIRECTORS DURING THE FINANCIAL YEAR 2021-22

Name of the Director	Board Meeting (Rs.)	Audit Committee Meeting (Rs.)	Nomination & Remuneration Committee Meeting (Rs.)	Stake holder's Relationship Committee Meeting (Rs.)	Total (Rs.)
Shri Karna Singh Mehta	50,000	40,000	-	-	90,000
Shri Sanjeev Kaul Duggal	30,000	20,000	-	-	50,000
Shri Paramartha Saikia	50,000	40,000	-	-	90,000

There were no signs of pecuniary relationships or transactions with the Non-Executive Directors' vis-à-vis the Company during the financial year ended 31<sup>st</sup> March, 2022.

#### CRITERIA FOR MAKING PAYMENTS TO NON - EXECUTIVE DIRECTORS

The Company has laid down the criteria for making payments to the Non-Executive Directors. The details of such criteria are available in the Remuneration Policy disseminated on the company's website: [www.salora.com/Investors/Remuneration\\_Policy](http://www.salora.com/Investors/Remuneration_Policy).

#### STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee comprises of 3 members including two Independent Directors namely Shri Karna Singh Mehta, as Chairman, Shri Sanjeev Kaul Duggal and one Executive Director, Shri Tarun Jiwrajka as member of the Committee. The Committee considered the redressal of shareholders complaints and grievances and all other matters incidental or related to securities of the Company, if any and reviewed measures and initiative taken for resolving the grievances of shareholders, ensuring expeditious share transfer process in line with the proceedings of the Share Transfer Committee, evaluating performance and service standards of the Registrar and Share Transfer Agent of the Company. As on the date of this report, there are no shareholders complaints.

There were four (4) meetings of the committee held during the year ended 31<sup>st</sup> March, 2022 on 29<sup>th</sup> June, 2021, 12<sup>th</sup> August, 2021, 10<sup>th</sup> November, 2021 and 12<sup>th</sup> February, 2022.

The member's attendance at the Stakeholder Relationship Committee Meetings during the financial year 2021-22 is as under:

SL	Name of members	No. of Meetings held	No. of meetings attended
1	Shri Karna Singh Mehta	4	4
2	Shri Sanjeev Kaul Duggal	4	2
3	Shri Tarun Jiwrajka	4	4

**CODE OF CONDUCT**

The Board has laid down a Code of Business Conduct and Ethics (the "Code") for all the Board Members and Senior Management of the Company. All Board Members and Senior Management Personnel have affirmed compliance of the Code of Conduct. A declaration signed by the Chairman & Managing Director to this effect is attached to this report. The Board has also adopted separate code of conduct with respect to duties of Independent Directors as per the provisions of the Companies Act, 2013. The Code of Conducts of the Company is available on the company's website at [www.salora.com](http://www.salora.com).

**WHISTLE BLOWER POLICY & VIGIL MECHANISM**

Pursuant to Regulation 22 of SEBI Listing Regulations, the Company has adopted a Whistle Blower Policy, and has established the necessary vigil mechanism for Directors and employees to report concerns about unethical behavior. The Company has provided a dedicate e-mail address: [ks.mehta@sskmin.com](mailto:ks.mehta@sskmin.com) for reporting such concern. The Directors in all cases & employees in appropriate or exceptional cases have direct access to the Chairman of the Audit Committee. The Policy is available on the Company's website at following link: [http://salora.com/pdf/whistleblower\\_policy\\_salora.pdf](http://salora.com/pdf/whistleblower_policy_salora.pdf)

**GENERAL BODY MEETINGS**

Location and time, where last three AGMs held -

Venue	Financial Year	Date & Scheduled Time
India Islamic Cultural Centre, 87-88, Lodhi Road, Lodhi Gardens, Lodhi Estate, New Delhi - 110 003	2018-19	28 <sup>th</sup> September, 2019 11:00 A.M.
Registered office of the company at D-13/4, Okhla Industrial Area, Phase – II, New Delhi – 110 020 through Video Conferencing ("VC")/ Other Audio- Visual Means ("OAVM")	2019-20	30 <sup>th</sup> September, 2020 11:00 A.M.
Registered office of the company at D-13/4, Okhla Industrial Area, Phase – II, New Delhi – 110 020 through Video Conferencing ("VC")/ Other Audio- Visual Means ("OAVM")	2020-21	29 <sup>th</sup> September, 2021 11:00 AM

The subject in respect of which, the special resolutions passed in AGM in the last 3 years are as under:

AGM NO.	BRIEF DESCRIPTION OF THE RESOLUTIONS PASSED
50 <sup>th</sup> AGM	1. Appointment of Shri Sanjeev Kaul Duggal, as Independent & Non Executive Director for a second term of 5 consecutive years. 2. Appointment of Shri Gopal Sitaram, Jiwrajka, as Managing Director for a term of 3 years.
51 <sup>st</sup> AGM	1. Appointment of Shri Paramartha Saikia, as Independent & Non Executive Director for a term of 5 years. 2. Appointment of Shri Tarun Jiwrajka, as Whole Time Director for a term of 5 years.
52 <sup>nd</sup> AGM	1. Appointment of Shri Karna Singh Mehta, as Independent & Non Executive Director for his 2 <sup>nd</sup> term of 5 consecutive years. 2. Appointment of Smt. Neetu Jiwrajka, as Executive Director for a term of 5 years.

During the year under review Extra Ordinary General Meeting of members of the Company was held on 14<sup>th</sup> May, 2021 through Video Conferencing (VC) / Other Audio Visual Means (OAVM) :

DATE	VENUE OF EGM	TIME	BRIEF DESCRIPTION OF THE RESOLUTIONS PASSED
14 <sup>th</sup> May, 2021	Registered office of the company at D-13/4, Okhla Industrial Area, Phase – II, New Delhi – 110 020	11:00 A M	1. Authorization to sell the asset held in the name of Salora International Ltd.

E-Voting/Poll: E-voting and Poll facility provided at AGM / EGM of the Company in compliance of provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of the SEBI Listing Regulations.

**OTHER DISCLOSURES**

- Disclosures on materially significant related party transaction that may have potential conflict with the interest of Company at large.
- Detail of non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets, during the last three years.
- Whistle Blower policy and affirmation that no personnel have been denied access to the Audit Committee.
- Details of compliance with mandatory requirements and adoption of non mandatory requirements of this clause. The Company has fully complied with the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- Web link where policy on dealing with related party transactions is disclosed:

The particulars of transactions between the Company and its related parties as per the "IND AS" mentioned in notes to financial statements. These transactions are not likely to have any conflict with the Company's interest. The Company has complied with all applicable laws and regulations and no strictures / penalties have been imposed on the Company by Stock Exchange or SEBI or any other Statutory Authority. At present, Company has not put in place other non-mandatory requirements.

### CREDIT RATING

During the year under review, the Company has not obtained credit rating.

### GREEN INITIATIVE

Pursuant to section 101 and 136 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014 and Companies (Accounts) Rules, 2014 along with other applicable provision and MCA circulars issued if any in this regard, the Company will send Annual Report including the Notice of Annual General Meeting, Audited Financial Statements, Directors Report, Auditors Report alongwith the annexure etc. for the Financial Year 2021-22 in the electronic mode to the shareholders who have registered their e-mail ID's with the Company and/or their respective Depository Participates (DPS). Shareholders who have not registered their e-mail addresses so far are requested to register their e-mail addresses. Those holding shares in Demat form can register their e-mail addresses with their concerned DPs. Shareholders who hold shares in physical form are requested to register their e-mail addresses with the Company's Registrar and Share Transfer Agent "Skyline Financial Services (P) Ltd.".

### MEANS OF COMMUNICATION TO THE SHAREHOLDERS

- (i) The Company has its own website [www.salora.com](http://www.salora.com) and all vital information relating to the Company and its performance, including quarterly results, annual report and any other information prescribed under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are placed on the website.
- (ii) The Company has set-up a designated email id [sect@salora.com](mailto:sect@salora.com) exclusively for the shareholders/investors to lodge their complaints / grievances and information about the said email id has been placed on the Company's website under investor area section.
- (iii) The Investor Complaints are processed in a centralized web-based Complaints redress system through SEBI SCORES.
- (iv) The Company promptly report BSE Limited (BSE), wherein its equity shares are listed, all the material information including declaration of quarterly / half yearly and annual financial results in the prescribed formats are also available on the website of the Company.
- (v) The Financial Results are communicated by way of an advertisement in "Financial Express (English) and Jansatta (Hindi) have wide circulation, immediately after the results are approved at the Board Meeting.

### GENERAL INFORMATION FOR SHAREHOLDER

a)	Registered/Correspondence Office	D-13/4, Okhla Industrial Area, Phase – II, New Delhi – 110 020
b)	Factory Premises	B-31 to 34 & 50 to 53, Sector – 80, NOIDA – 201 305
c)	Day/Date, Time Venue	: Wednesday, 28 <sup>th</sup> September, 2022, : 11:00 AM, : D-13/4, Okhla Industrial Area, Phase – II, New Delhi – 110 020
d)	Financial year	1 <sup>st</sup> April 2021 to 31 <sup>st</sup> March 2022
e)	Tentative Financial Calendar	a) 1 <sup>st</sup> Quarterly Results – before 14 <sup>th</sup> August 2022 b) 2 <sup>nd</sup> Quarterly Results – before 14 <sup>th</sup> November 2022 c) 3 <sup>rd</sup> Quarterly Results – before 14 <sup>th</sup> February 2023 d) 4 <sup>th</sup> Quarter / Annual Results – before 30 <sup>th</sup> May 2023
f)	Period of Book Closure	22 <sup>nd</sup> September, 2022 to 28 <sup>th</sup> September, 2022
g)	CIN	L74899DL1968PLC004962
h)	Listing Details:	<b>BSE Ltd.</b> Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400 001. [Scrip Code – 500370] <i>*The Company has paid listing fees in full within the due date for the FY 2022-23.</i>
i)	Registrar and Share Transfer Agents	<b>M/s. Skyline Financial Services Pvt. Ltd.</b> Registrars and Transfer Agents <b>Unit:</b> Salora International Limited Address: D-153-A, 1 <sup>st</sup> Floor, Okhla Industrial Area, Phase -I, New Delhi-110020 Tel. No. 011- 40450193-196 <b>Website:</b> <a href="http://www.skylinerta.com">www.skylinerta.com</a> <b>Email:</b> <a href="mailto:admin@skylinerta.com">admin@skylinerta.com</a>

j)	Investor Grievances Redressal System	The Stakeholder Relationship Committee constituted by the Board of Directors, look into the grievances of shareholders. Queries / complaints received from security holders are promptly attended by the Secretarial Department of the Company through Registrar and Share Transfer Agent M/s. Skyline Financial Services Pvt. Ltd. and
k)	Dematerialization of shares	The shares of the Company are in compulsory demat segment and available for trading in the depository systems of both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As on 31st March, 2022, 87,10,102 equity shares of the Company representing 98.89% of the Company's listed shares are held in electronic form.
l)	Reconciliation of Share Capital Audit	A qualified Practicing Company Secretary carried out Reconciliation of Share Capital Audit to reconcile the total admitted equity capital with National Security Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) and the total issued and listed equity capital. The Reconciliation of Share Capital Audit Report confirms that the total issued / paid up capital is in agreement with the total number of shares in physical form and total number of dematerialize shares held with NSDL and CDSL.

**STOCK MARKET PRICE DATA – BSE Ltd.**

MONTH	NO. OF SHARES	BSE (SHARE PRICE IN RUPEES )	
		HIGH	LOW
Apr-21	71,781	42.00	35.75
May-21	7,08,714	52.00	35.25
Jun-21	3,25,618	53.90	43.50
Jul-21	2,51,013	45.40	38.10
Aug-21	62,697	42.00	35.00
Sep-21	43,472	43.50	33.00
Oct-21	59,319	49.15	33.15
Nov-21	28,504	44.95	32.10
Dec-21	1,96,743	56.90	34.20
Jan-22	1,58,564	53.40	45.10
Feb-22	99,862	56.55	43.40
Mar-22	77,834	50.00	40.25

**SHAREHOLDING PATTERN AS ON 31<sup>st</sup> MARCH, 2022**

The categories of shareholders are shown hereunder:

CATEGORY OF SHAREHOLDERS	NO. OF FOLIOS	NO. SHARES HELD	PERCENTAGE
Individuals (Upto 2.0 Lakhs)	3370	9,91,616	11.26
Individuals (Above 2.0 Lakhs)	9	4,25,459	4.83
Bodies Corporate	69	12,00,135	13.62
Promoters	5	53,17,237	60.37
Group Company(ies)/Promoter Group	1	5,58,929	6.35
Mutual Fund, Banks, Fis	3	600	0.01
NRI	24	1,84,230	2.09
Resident Indian HUF	76	29,034	0.33
Trust	0	-	-
Clearing Members	4	24,054	0.27
Others	4	1,484	0.02
IEPF	1	74,522	0.85
<b>Total</b>	<b>3566</b>	<b>88,07,300</b>	<b>100.00</b>



**DISTRIBUTION OF SHAREHOLDING AS AT 31<sup>st</sup> MARCH, 2022**

<b>PAN CONSOLIDATION</b>				
<b>SHARES HOLDING NOMINAL VALUE</b>	<b>NUMBER OF SHAREHOLDERS</b>	<b>% TO TOTAL NUMBERS</b>	<b>SHARES HOLDING AMOUNT (RS.)</b>	<b>% TO TOTAL AMOUNT</b>
(1)	(2)	(3)	(4)	(5)
Up To 5,000	3,235	90.72	35,00,520	3.97
5001 To 10,000	128	3.59	10,20,490	1.16
10001 To 20,000	84	2.36	12,50,080	1.42
20001 To 30,000	28	0.79	7,28,330	0.83
30001 To 40,000	16	0.45	5,75,170	0.65
40001 To 50,000	15	0.42	6,85,060	0.78
50001 To 1,00,000	19	0.53	13,99,500	1.59
1,00,000 and Above	41	1.15	7,89,13,850	89.60
<b>Total</b>	<b>3,566</b>	<b>100.00</b>	<b>8,80,73,000</b>	<b>100.00</b>

**INFORMATION IN RESPECT OF UNCLAIMED DIVIDENDS DUE FOR REMITTANCE INTO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)**

No amount of unclaimed/unpaid dividend is available with Company.

**SUBSIDIARY COMPANY**

As at 31<sup>st</sup> March, 2022 there is no subsidiary of the Company. The Company has no joint venture / associate company.

**RELATED PARTY TRANSACTIONS POLICY**

All transactions entered with Related Parties for the year under review were on arm's length basis and ordinary course of business. There were no materially significant related party transactions made by the Company with Promoters, Directors and Key Managerial Personnel or any other related party which may have a potential conflict with the interest of the Company. All related party transactions are mentioned in the notes to the accounts. All related party transactions are placed before the Audit Committee for review and approval. Transactions entered into are placed before the Audit Committee and the Board for review and approval on quarterly basis. The policy on Related Party Transactions as approved by the Board of Directors is placed on the Company's website at: [www.salora.com](http://www.salora.com)

**COMPLIANCES**

There have been no instances of non-compliance by the company on any matters related to the capital markets, nor have any penalty/strictures been imposed on the company by the Stock Exchange (BSE Ltd.) or SEBI or any other Statutory Authority on such matters during the financial year ended March 31, 2022.

**INVESTORS COMMUNICATION**

Shareholders are advised to follow general safeguards/procedures as detailed hereunder in order to avoid risks while dealing in the securities of the company.

Shareholders holding shares in physical form are advised to consider converting their holdings to dematerialize form to eliminate all risks associated with physical shares and for ease of portfolio management. All enquiries relating to transfer, transmission, transposition, demat, remat, split, consolidation, nomination, change of address and other relevant matters can be addressed to RTA i.e. M/s Skyline Financial Services (P) Ltd. at e-mail: [admin@skylinerta.com](mailto:admin@skylinerta.com) or sent by post at D-153A , 1st Floor, Okhla Industrial Area, Phase -I, New Delhi – 110020.

**NOMINATION FACILITY**

Shareholders can file their nominations against shares held under physical mode as well as electronic mode. The facility of nomination is not available to non-individual shareholders such as societies, trusts, bodies corporate, karta of Hindu Undivided families and holders of Powers of Attorney. The shareholders, who are holding shares in physical form and wish to avail this facility, may send prescribed Nomination Form SH-13 duly filled and signed to RTA

The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number (PAN) by every participant in securities market.

As required by SEBI, shareholders holding shares in dematerialized form are requested to intimate all changes pertaining to their details such as bank account number, name of the bank and branch details, MICR Code and IFSC Code, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact number, etc., to their depository participant (DP).

**ELECTRONIC CLEARING SERVICE**

SEBI vide its Circular No. DCC/FITTCIR-3/2001 dated 15<sup>th</sup> October, 2001 had advised that all companies should mandatory use ECS facility wherever available. In the absence of ECS facility, Company may use warrants for distributing the dividends and vide its Circular No. D&CC/FUTTCUR-4/2001 dated 13<sup>th</sup> November, 2001, SEBI had advised companies to mandatory print the Bank Account details furnished by the Depositories on the Dividend Warrants. This ensures that the dividend warrants, even if lost or stolen, cannot be used for any purpose other than for depositing the money in the accounts specified on the dividend warrant and ensures safety for the investors. However, members who wish to receive dividend in an account other than the one specified while opening the depository account, may notify their DPs about any change in their bank account details.

**For and on behalf of Board of Directors  
Salora International Ltd.**

**Date : 12th August, 2022  
Place : New Delhi**

**Sd/-  
(Gopal Sitaram Jiwarajka)  
Chairman & Managing Director  
DIN:00024325**

## Annexure – ‘VI’

**CERTIFICATE ON COMPLIANCE WITH CODE OF CONDUCT**

In terms of Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as per “affirmation of compliance” letters received from the directors and the members of senior managerial personnel of the Company, I hereby declare that members of Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct of Board of Directors and Senior Management during the financial year 2021-22.

For Salora International Limited

Date: 12.08.2022  
Place: New Delhi

Sd/-  
(Gopal Sitaram Jiwrajka)  
Chairman & Managing Director  
DIN: 00024325

**CMD [CEO] / CFO CERTIFICATE**

[Regulation 17(8)]

To  
The Board of Directors  
Salora International Ltd.

**New Delhi.**

We hereby certify that we have reviewed the financial statements and the Cash Flow Statement for the financial year ended 31<sup>st</sup> March, 2022 and that to the best of our knowledge and belief:

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
2. These statements together present a true and fair view of the Company’s affairs and are in compliance with existing Accounting Standards, applicable law and regulations.
3. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the aforesaid period which are fraudulent, illegal or violative of the Company’s Code of Conduct.
4. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal control systems, if any, of which we are aware, and that we have taken the required steps to rectify these deficiencies.
5. We have indicated to the Auditors and the Audit Committee that:
  - a) There have been no significant changes in internal control over financial reporting during the year.
  - b) There have been no significant changes in accounting policies during the year.
  - c) There have been no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company’s internal control system over financial reporting.

**For Salora International Limited**

**For Salora International Limited**

Sd/-  
(Gopal Sitaram Jiwrajka)  
Chairman & Managing Director  
DIN:00024325

Sd/-  
(Tarun Jiwrajka)  
Whole Time Director & CFO  
DIN:00386240

Date: 12.08.2022  
Place: New Delhi

**PRACTICING COMPANY SECRETARY'S REPORT ON CORPORATE GOVERNANCE**

To,

The Members of

**Salora International Limited**

Regd. Office: D- 13/4, Okhla Industrial Area

Phase II, New Delhi- 110020

We have examined the compliance of conditions of Corporate Governance by Salora International Limited for the year ended 31<sup>st</sup> March, 2022 as referred in the Regulation 15(2) and other relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedure and implementation thereof, adopted by the company for ensuring the compliance of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information, based on the records, documents, books, and other information furnished and according to the explanations given to us, we certify that the company has complied in general with the conditions of corporate governance as stipulated in the above mentioned Listing Agreement / applicable guidelines.

We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

**FOR SVR & Co.  
COMPANY SECRETARIES**

**CS. SHIVAM RASTOGI  
M.NO: F10704  
CP. NO: 14600  
PRC No.: 1470/2021  
UDIN: F010704D000913001**

**DATE: 31.08.2022**

**PLACE: NOIDA**

## Annexure - 'VIII'

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

**Pursuant to Regulation 34 read with Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

**INDUSTRY OUTLOOK**

The consumer electronics market is in a state of constant development as smart electronic devices continue to replace traditional products in the consumer electronic market. Smartphone dominate the market by generating the highest revenues for consumer electronics, whereby the key players like Apple and Samsung also use their technology for their other electronic devices, enabling them to expand their dominance in the market. New key players threatening Apple and Samsung's market position are Chinese competitors such as Xiaomi and Huawei etc. which are showing record growth levels for Smartphone and other electronic products.

The key drivers in the market which foresee future growth potential are the following:

- the expansion of 5G networks allowing massive amounts of data to be transferred in real-time, promoting concepts such as smart cities and the interconnectivity of objects;
- virtual reality which is being led by Metaverse, previously known as Facebook, promising to create a parallel world;
- the gaming sector, which subsequently can integrate virtual reality technologies to create a gaming experience which can enable the virtual and the real to be combined hearable & wearable category.

**ECONOMY****GLOBAL ECONOMY OUTLOOK**

After witnessing significant contraction owing to the COVID-19 pandemic in 2020, the global economy recovered to a certain extent in 2021. However, the momentum was suddenly halted in Q2 by a deadlier variant of the virus, the impact of which was fortunately short lived. The subsequent recovery was supported by vaccination drives being conducted by governments worldwide, despite repeated attacks of virus mutants in several countries of the world. Towards the end of Q4 FY 2021-22, geopolitical tensions arising from a prolonged Russia-Ukraine conflict further increased downside risks to global growth by disrupting supply chains.

Prices of crude, crude derivatives and other commodity prices have since surged significantly, thereby worsening the already high inflation dynamics of both advanced as well as emerging/developing economies. The war in Ukraine has triggered a costly humanitarian crisis that demands a peaceful resolution. At the same time, economic damage from the conflict has contributed to a significant slowdown in global growth in 2022.

**INDIAN ECONOMY OUTLOOK:**

Right when the global economy seemed to be at the corner of witnessing green shoots of recovery after leaving the worst of the COVID-19 pandemic behind (despite uncertainties associated with subsequent waves of infection and rising global inflationary pressures), the Russia-Ukraine crisis escalated. Consequently, prices of crude oil and gas, food grains such as wheat and corn, and several other commodities have shot up. The conflict has also brought in severe financial sanctions and political pressure on Russia from the rest of the world, primarily the Western powers. It is obvious that these will likely have unpredictable and undesired implications on the global financial system and economy.

It is, therefore, no surprise that the war in Ukraine and its potential economic impact have forced several economic forecasters to go back to their drawing boards and revise their growth projections for this year. On the back of these factors, we expect India to grow equally strong in the next two fiscal years. This will likely mean that the pointer for the fastest growing emerging country will be passed on from China to India in the coming years.

**CONSUMER ELECTRONICS:**

Consumer electronics are electronic equipment for end use by the Consumers. Consumer electronics include devices that provide one or more functionalities such as computers, laptops, mobile devices, smart wearable, television sets, refrigerators, Smartphone, home appliances, wearable and audio.

India is one of the largest consumer markets in the world as there has been a lot of attention by foreign players who have been keen to make India their base to cater to customers. One of the most notable changes in India's Consumer Electronics sector is the rise in new age companies in the space apart from the ongoing success stories of incumbent players. The category itself has undergone a significant change with consumers moving away from products with low-cost offerings, to gadgets that cater to specific needs and design.

With the introduction of every new gadget, Consumer Electronics has earned a special mention in Indian economy. The flourishing market of India is a buzz with demand for best-in-class gadgets, customer service, attractive designs and sturdy build quality to cater the demand for various products and services.

5G: The Catalyst to Digital Revolution in India: India is at the cusp of a digital revolution powered by increasing broadband and internet penetration, exponential data uptake, the Government's focus on digitalisation and increasing trend of technology adoption across industries. This revolution is likely to generate new growth avenues, boost industrial productivity and has the potential to transform the market conditions into favourable phase of the country.

5G could be the answer to the digital aspirations harboured by the industry and our society. However, considering the underlying infrastructural and business challenges faced by the telecom sector; a coordinated roadmap between the public and private sector can go a long way in cementing the right ecosystem required for the successful adoption of 5G in India.

The Consumer Electronics industry in India will be driven by Smart Home Devices, Wearable Devices and New TV sets. So far, the Food and Grocery Sector is the largest application area for new technologies, but this will soon change, as people will start buying more electronics products.

India is home to a large population of young Indians and many of them are technology know-how in nature and prefer to live with the times. This has created a strong base for tech-based businesses that touch upon the requirements of this segment especially mobile & consumer electronics segment. The concept of mobile application development for business and fun purposes has also gained popularity these days.

### COMPANY OVERVIEW

Salora International Limited has emerged as a diversified entity with interests in sourcing and procurement, supply chain management, distribution, marketing, retail and after-sales service. Over three decades of enriched experience in electronics helps to serve in diverse realms like Consumer Electronics, Telecom, Information Technology and Lifestyle. With our legacy of quality, trust and expertise in developing cutting edge technology products and services – we are on the edge to deliver need-of-the-hour solutions to our customers in B2B and B2C space.

Best technology is playing a key role for businesses to work closer with the customer to create better products, services and value proposition. The world is facing fresh challenges every day and with an eagerness to stay relevant, Salora continue to meet every challenge with new ideas and solutions, to support our customers as they navigate the shape-shifting world of commerce.

### HUMAN RESOURCE

The Company knows and believes that the success in establishment of Salora as consumer electronics player in Indian Market achieved with the core strengths of R&D and Quality with the hard work and commitment of human resource. A happy organization is made by happy human resource and thus, the company ensures continuous development, work life balance and high morale of its employees at all times.

Recognizing that people are important part of the organization, a major exercise in development and training of employees is undertaken at all levels of the Company. The industrial relations in all the units of the Company during the financial year 2021-22 were peaceful and harmonious.

### FINANCIAL HIGHLIGHTS

A detailed note on the financial part has been recorded in the Directors Report and the highlights of the financial performance are given herein below:

<u>PARTICULARS</u>	<b>Rs. in Lacs except EPS</b>	
	<b>As at 31 March 2022</b>	<b>As at 31 March 2021</b>
Net Worth	6753.28	4351.57
Revenue	7007.01	8777.81
Profit before tax	2772.31	(1554.76)
Net Profit	2401.71	(1143.28)
EBIDTA	3106.68	(920.47)
Gross Block	340.20	4138.69
EPS	27.30	(12.96)

**Note : The Figures have been regrouped/reclassified wherever necessary**

### DISCLOSURE OF RATIO:

<u>RATIO</u>	<b>As at 31 March 2022</b>	<b>As at 31 March 2021</b>	<b>% Change</b>
Current Ratio	1.94	1.01	0.93
Debt-equity Ratio	0.24	1.58	(0.85)
Debt service coverage Ratio	0.40	0.12	2.20
Return on equity Ratio	43.31	(23.18)	2.87
Inventory turnover Ratio	1.73	1.81	(0.04)
Trade receivables turnover Ratio	2.13	2.02	0.05

Trade payables turnover Ratio	3.87	3.87	0.00
Net capital turnover Ratio	5.54	98.83	0.94
Net profit Ratio	0.34	(0.13)	3.64
Return on capital employed	0.47	(0.10)	5.50

The Company has in place a well-defined business continuity plan which permits us to immediately respond to crisis in order to shorten recovery time and mitigate impact. As a result, despite the temporary interruptions this year's earlier, the Company has earned revenue from operation of Rs. 6963.76 lacs in the current financial year 2021-22.

Further during the Financial Year 2021-22, Company focused on new business development activities which will materialize and bring in benefits over the coming years. The Company is on the edge to grow further in the coming years.

## OUR BUSINESS VERTICALS

### Products & Solutions:

Currently the Company is focusing on the following categories of consumer durable products:

- TV
- Washing Machine
- Coolers
- Air Conditioners
- Audio accessories
- TWS Ear Buds
- Headphones
- Neckband Smart Watch
- Chargers
- Power Banks
- Cables
- Mobile Phones

Salora International Limited over the years has established an extensive distribution network. The Product Engineering and development is the core of our product solutions vertical and through innovative hardware products we have been able to provide solutions to our customers and retain market share.

### BUSINESS OPPORTUNITIES, THREATS & RISKS:

The Company's key imperative over the medium term will be to grow the revenue streams and sustain the profitability, as we build a strategic framework and drive the businesses, leveraging macro trends and business opportunities as described elsewhere. Key success factors (and therefore risks) are predicated on the timely execution of these plans, building the internal capabilities by attracting and retaining talent and keeping pace with technological and market changes. The Board and management of the Company are confident of proactively managing these risks.

Salora focuses on continual expansion of its products and customer base, while systematically strengthening its quality, innovation and cost competence in order to mitigate the potential impact of some of the above threats.

### RISK & CONCERNS

#### RISK RELATING TO CONSUMER ELECTRONICS BUSINESS

Dynamic business environment of modern times throws several challenges from time to time. The Risk include:

- Growing completion both from domestic and global players
- Preference of some customers towards MNC suppliers over Indian suppliers
- High dependence on imported raw material
- Volatility in raw material prices and fluctuations in foreign exchange
- Rising cost of utilities
- Cyclic demand changes in some market

**OPPORTUNITIES: CONSUMER ELECTRONICS SECTOR**

- Rise in working age population
- Growing number of High Net worth individuals and women
- Awareness about Smart TV
- Rapid urbanization growth of consumer electronics and home appliances industry
- Easy availability of credit by digital resources
- Growing number of dual income families (husband and wife earning) focus on luxury / semi-luxury products
- Development of communication channel and rise of information, Communication and Technology Industry, a rise in media across the world. Social media too playing vital role in shaping the position of product
- Continuous R & D and Innovation, development of different products and services
- Upcoming products in Indian market reiterate the emphasis of product innovation and development to lead the way in future.

**THREATS: CONSUMER ELECTRONICS SECTOR**

- Increased competition and product option with multi-national players entering the market, especially as the industry flourishes and may lead to pricing pressure
- The Consumer Electronics industry is dependent on multiple market factors especially the change in technology in India and which may impact demand
- Industry volatilities and rising prices remain a threat

**INTERNAL CONTROL SYSTEMS AND ADEQUACY OF INTERNAL FINANCIAL CONTROLS**

The Company's internal control system is commensurate with its size, scale and complexities of operations. Adequate internal controls ensure transactions are authorized, recorded and reported correctly and assets are safeguarded and protected against loss from unauthorized use or disposition. In addition, there are operational controls and fraud risk controls, covering the entire spectrum of internal financial controls. An extensive program of internal audits and management reviews supplements the process of internal financial control framework. The internal auditors perform an independent check of effectiveness of key controls in identified areas of internal financial control reporting. The Audit Committee of the Board of Directors periodically reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen reliable financial reporting.

**CAUTIONARY STATEMENT:**

Certain statements made in this report, are forward looking statements and actual results may differ from such expectations or projections about the future, as several factors would make significant difference to the Company's operations such as economic conditions affecting demand and supply, government's regulations, level of competitions prevailing at the relevant time, etc. The Company assumes no responsibility publicly to amend, modify or revise any such statements on the basis of subsequent developments, information or events.



## Independent Auditor's Report

### To the Members of Salora International Limited

### Report on the Audit of the Financial Statements

#### Opinion

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

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

#### Basis for Opinion

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

#### Emphasis of Matters

We draw attention to the following matters

#### Emphasis of Matters

We draw attention to the following matters in the notes to the statements: -

- 1) Note no 49 which explains that, the company's decision to dispose of the Noida land, it was also decided to review all the business operations being carried out keeping in view future potential, technological obsolesce, profitability and infrastructure required. Basis this, the company has decided to stop the manufacturing operations at Noida and exit certain categories of products and dispose of such items at current market prices. The company recorded a net gain of Rs.4400.41 lakhs and Rs.3982.41 lakhs for the quarter and year ended respectively on account of exceptional items which resulted in a significant increase in overall gain for the year. The exceptional items recorded during the quarter/year include the following:
  - a) The company has paid Rs. 418.00 lakhs towards lease rent to Noida Authority in September 2021 to facilitate completion of sale transaction of Noida land which has been factored in the value of the property. The said land has been disposed off during the quarter for a consideration of Rs.6271.66 lakhs (net of expenses) against the carrying value of Rs 225.01 lakhs as on 31.03.2022 and net gain of Rs 6046.65 lakhs on account of profit on sale of land.
  - b) Due to micro and macro-economic factors such as passage of time, deterioration of goods including global outbreak of Covid 19 pandemic, recessionary economy etc, the company is in the process of restructuring its business. Consequently, the company has written down inventories by Rs.787.52 lakhs based on the estimated net realizable value less cost to sell, disposed of Property, Plant and Equipment having carrying value of Rs 375.02 lakhs against which estimated realizable value of Rs 130.00 lakhs presented as Assets held for Sale and thereby loss on discard of assets Rs 245.02 lakhs. The company has also additionally provided allowance for doubtful receivables by Rs.613.70 lakhs which is due from a customer which in the view of the management is doubtful and considering the materiality of the amount it is treated as an exceptional item. However, the company is making necessary efforts for recovery of the same.
- 2) Note no 50 which state that, the company filed a SLP on merits with the Honorable Supreme Court which is pending for disposal. However, on 16.12.2021, the Company filed a writ petition in High Court of Delhi to direct the department to condone the delay due to Covid-19 and accept payment Rs.1210.99 lakhs as approved in the SVLDR scheme against which pre deposit Rs 600 lakhs for settlement of the disputed Excise matters of Rs.2435.21 lakhs and penalty thereon Rs. 2435.21 lakhs demanded by Excise authorities related to financial year 1993-94 to 2003-04. The High Court has issued notice to the concerned authorities which is pending for disposal. The Contingent Liability against this matter Rs 4870.42 lakhs against this matter shall stand as it is, till either the High Court or the Supreme Court decides on this matter.
- 3) Note no 51 which state that, Contingent liabilities of Rs.1212.25 lakhs (excluding Rs.4870.42 Lakhs as referred in above (2) of EOM) related to Sales tax, Excise duty, Service tax and Income tax etc. against which amount deposited Rs 206.67 Lakhs which are contested by the company and pending before various forums. However, management believes that based on legal advice, the outcome of these contingencies will be favorable and that outflow of economic resources is not probable.

- 4) Note no 52 which state that, the Company has material statutory dues recoverable of Sales tax of Rs 364.32 lakhs and Income tax Rs. 131.30 lakhs which has been considered good.
- 5) Note no 53 which states that Deferred tax assets Rs.1818.25 lakhs as at 31st March 2022 is expected to be realized as the company has reduced the borrowing / debts significantly during the year, thereby resulting in significant decrease in finance cost for the year and subsequent periods / years, also reduction in other costs and considering business growth plan. The company was able to set off deferred tax on business losses during the year Rs.304.55 lakhs, deferred tax on exceptional items Rs.414.32 lakhs and further bringdown deferred tax assets (net) as at 31.03.2022 by Rs.366.68 lakhs in relation to previous year.

Our conclusion is not modified in respect of these matters stated above.

#### **Key Audit Matter**

Key audit matter is those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in our opinion there is no any such matter to be reported by us.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Management Discussion and Analysis, Business Responsibility Report and Report on Corporate Governance but does not include the financial statements and our auditors' report thereon. The above-referred information is expected to be made available to us after the date of this audit report.

Our opinion on the 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 financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the 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.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions necessitated by the circumstances and the applicable laws and regulations.

#### **Responsibilities of Management and Those Charged with Governance for the 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 financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

#### **Report on Other Legal and Regulatory Requirements**

- 1 As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure-A, a statement on the matters specified in the paragraph 3 and 4 of the order.
- 2 As required by Section 143(3) of the Act, based on our audit we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c. The Balance Sheet, the Statement of Profit and Loss (including other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account.
  - d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. On the basis of the written representations received from the directors as on 31st March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 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 financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B." Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Sec 197(16) of the Act, as amended:

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

- 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 financial statements. Refer Note no. 42 to the financial statements.
  - II. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses, and
  - III. There were no amount which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - IV.
    - (a) The Management has represented that, to the best of its knowledge and belief (as disclosed in Note 56(h) to the Financial Statements), no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - (b) The Management has represented, that, to the best of its knowledge and belief, (as disclosed in Note 56(h) to the Financial Statements), no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
  - V. The Company has not declared any dividend during the year.

**For R Gopal & Associates**  
Chartered Accountants  
Firm Registration No.: 000846C

**S.K. Agarwal**  
Partner  
Membership No.: 093209  
UDIN: 22093209AKIJTH3616

Place: New Delhi  
Date:- 30.05.2022

## Annexure A to the Independent Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31<sup>st</sup> March 2022, we report that:

- (i) In respect of the Company's Property, Plant and Equipment and Intangible Assets:
- (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment and relevant details of right-of-use assets.
- (B) The Company has maintained proper records showing full particulars of Intangible Assets.
- (b) Property, Plant & Equipment are physically verified by the management according to a phased manner to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the Property, Plant & Equipment have been physically verified by the management during the year and no material discrepancies have been noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deed of immovable property (other than property where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company except following: -

Description of item of property	Gross Carrying value (Rs in Lacs)	Title deeds held in the name of	Whether promoter, director or their relative or employee	Property held since which date	Reason for not being held in the name of the Company*
Leasehold Land	4.37	Electronics Consortium Private Limited	Yes	Since 1980	In the old name of Company, due to some procedural / technical issues the property is still not transferred in the name of the company.

- (d) The Company has not revalued any of its Property, Plant and Equipment (including right of use assets) and Intangible Assets during the year.
- (e) As per information and explanations given to us, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder. (Refer note no 56C)
- (ii) (a) The Inventories of the company, have been physically verified by the management during the year at reasonable intervals and in our opinion, the coverage and procedure of such verification by the management is appropriate having regard to the size of the company and nature of its inventory. The discrepancies noticed on physical verification of inventories were not more than 10% or more in the aggregate for each class of inventory and have been properly dealt with in the books of account.
- (b) The company was sanctioned working capital limits in excess of Rs five crore in the previous year, in aggregate, from banks on the basis of security of current assets which has been repaid during the year and the quarterly returns or statements not filed by the company as not desired / required by the banks as explained. (Refer note no 56b)
- (iii) In respect of Investment, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.
- a) The Company has not provided any loans or advances in the nature of loans or guarantee or provided security to any other entity during the year hence reporting under clause 3(iii) (a) not applicable to the company.
- b) b) The company has not made any Investment, provide guarantee, any security or granted any loans and advances in the nature of loans during the year. There was an old investment in unquoted equity instruments in one of the company for Rs.35.50 lakhs in which there was provision for diminution in value of investment of Rs 31.18 lakhs in earlier year and the same has been sold during the year at higher than diminished value.
- c) The company has not granted any loans and advances in the nature of loans during the year, hence reporting under clause 3(c) of the Order is not applicable
- d) d) There is an overdue amount of Rs 349.40 lakhs (Including interest Rs 94.40 lakhs) for more than 90 days. As the recovery of this loan was doubtful, the company had made full provision against such doubtful loan in the earlier year. According to the information and explanation given to us, steps have been taken by the company by way of regular follow up for recovery of the principal and interest.

- e) There were no loans granted to companies, firms, Limited Liability Partnerships, or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.
- f) Based on our audit procedures, according to the information and explanation made available to us, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not given loans, guarantees and security and not done the investment during the year so clause (iv) is not applicable. The company has not given any loan to its directors; hence section 185 is not applicable.
- (v) The Company has not accepted any deposits from the public within the meaning of sections 73 to 76 of the Act, 2013 and rules framed there under.
- (vi) We have broadly reviewed the books of account maintained by the company pursuant to the Rules made by the Central Government of India, maintenance of cost records has been prescribed under sub section (1) of section 148 of the Companies Act, 2013 and are of the opinion that prima facie, the prescribed accounts and records are being made and maintained. We have not, however, made a detailed examination of the same.
- (vii) (a) According to the information and explanations given to us, Company has generally been regular in depositing undisputed statutory dues including provident fund, employee's state insurance, income-tax, goods and service tax, duty of custom, cess and other statutory dues applicable to it with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employee's state insurance, income-tax, goods and service tax, duty of custom, cess and other material statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.

- (b) Details of statutory dues referred to in sub -clause (a) above which have not been deposited as on March 31,2022 on accounts of dispute are given below:

Name of the Statute	Nature of the dues	Demand (Rs in Lacs)	Deposited under dispute (Rs in Lacs)	Amount not Deposited (Rs in Lacs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	37.88	37.88	-	2002-2003	Appellate Authority - High Court
Sales Tax Law	Sales Tax	42.21	16.18	26.03	2001-2004	Supreme Court
	Sales Tax	0.34	0.15	0.19	2001-2002	High Court
	Sales Tax	36.49	16.39	20.10	2006-2009	High Court
	Sales Tax	87.64	29.00	58.64	2011-2013	Tribunal
	Sales Tax	258.25	-	258.25	2014 -2016	High Court
	Sales Tax	682.22	76.90	605.32	2000-2018	Sales Tax Commissioner
	Sales Tax	25.92	-	25.92	1999-2000	High Court
	Sales Tax	2.99	-	2.99	1995-1996	Tribunal
	Sales Tax	7.56	7.56	-	2000-2001	High Court
	Sales Tax	1.40	0.62	0.78	2000-2001	Tribunal
Finance Act, 1994	Service Tax on Royalty	1.97	-	1.97	2002-2003	Excise Commissioner
<b>Custom Act, 1962</b>	Custom Duty	*20.00	20.00	-	1994-1995	Tribunal
Central Excise Act, 1944	Excise Duty	2,435.21	600.00	1,835.21	1993-1994 to 2003-2004	Supreme Court
	Penalty	2435.21	-	2435.21	1993-1994 to 2003-2004	Supreme Court
	Excise Duty	3.75	-	3.75	2000-2003	Remand back to Assessing officer
	Excise Duty	1.86	-	1.86	2000-2003	CESTAT
	Excise Duty	1.78	2.00	-	1995-1996	Commissioner

\* Amount not ascertained.

The amounts herein above do not include amount of interest or penalty amount whereof are not ascertainable.

- (viii) As per information and explanation given to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). (Refer note no 56 I)
- (ix) (a) According to the information and explanations given to us the company has not defaulted in repayment of loans and borrowings including interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority. (Refer note no 56 d)
- (c) According to the information and explanations given to us, the company has utilized the money obtained by way of term loan during the year for the purpose for purpose for which the loans were obtained.
- (d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, funds raised on short term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) The company does not have any subsidiary, associate or joint venture hence clause (ix) (e) and (f) of the order is not applicable.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and hence reporting under clause (x)(b) of the Order is not applicable.
- (xi) (a) According to the information and explanations given to us, no fraud by / on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) As represented to us by the management, there are no whistle blower complaints received by the company during the year.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.
- (xiv) (a) The Company has appointed a firm of chartered accountants to carry out the internal audit of the company. In our opinion and according to the information and explanation given to us, the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, during the course of our audit the reports of the internal auditors for the period under audit issued to the company during the year and till date, in determining the nature, timing and extent of our audit procedures in accordance with the guidance provided in SA 610- "Using the work of Internal Auditors"
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), of the Order is not applicable.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtaining a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(b), of the Order is not applicable.
- (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) of the Order is not applicable to the Company.
- (d) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

- (xvii) The Company has not incurred cash losses during the financial year covered by our audit but incurred in the immediately preceding financial year, and the amount of cash losses are Rs 871.42 lakhs.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization 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) Second proviso to sub-section (5) of section 135 of the Companies Act of Corporate Social Responsible is not applicable to the company, so the clause (xx) (a) & (b) is not applicable.

**For R Gopal & Associates**  
**Chartered Accountants**  
**Firm Registration No.: 000846C**

**Place: New Delhi**  
**Date: 30.05.2022**

**S.K. Agarwal**  
**Partner**  
**Membership No.: 093209**  
**UDIN: 22093209AKIJTH3616**



## Report on the Internal financial controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls with reference to financial statements of **Salora International Limited** (“the Company”) as of 31<sup>st</sup> March 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 Act

### Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to 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 applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to 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 financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls with reference to financial statements.

### Meaning of Internal Financial Controls with reference to financial statements

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that: -

- 1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- 2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- 3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to 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 financial statements to future periods are subject to the risk that the internal financial control with reference to 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, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31<sup>st</sup> March, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India, which needs to be strengthened.

**For R Gopal & Associates**  
**Chartered Accountants**  
**Firm Registration No.: 000846C**

**S.K. Agarwal**  
**Partner**  
**Membership No.: 093209**  
**UDIN: 22093209AKIJTH3616**

**Place: New Delhi**  
**Date:- 30.05.2022**

## Balance Sheet as at 31st March, 2022

(₹ in lakhs)

Particulars	Note No.	As at 31st March 2022	As at 31st March 2021
<b>ASSETS</b>			
<b>1.Non-current assets</b>			
(a) Property, Plant and Equipment	3	123.64	494.02
(b) Intangible Assets	5	5.08	5.08
(c) Right of use - Assets	4	2.48	291.15
(d) Financial Assets			
(i) Investments	6	0.02	4.34
(ii) Trade Receivables	7	1,417.69	2,243.42
(iii) Loans	8	-	-
(iv) Other Financial Assets	9	33.52	34.52
(e) Deferred Tax Assets (Net)	10	1,818.25	2,184.93
(f) Non-current Tax Assets (Net)	11	131.30	114.46
(g) Other Non-Current Assets	12	1,170.96	1,205.00
<b>Total Non-current assets</b>		<b>4,702.94</b>	<b>6,576.92</b>
<b>2.Current assets</b>			
(a) Inventories	13	3,307.76	4,800.52
(b) Financial Assets			
(i) Trade Receivables	14	743.07	2,186.16
(ii) Cash and cash equivalents	15	143.69	6.08
(iii) Bank Balances other than (ii) above	16	33.95	26.73
(iv) Other Financial Assets	17	674.56	42.87
(c) Other Current Assets	18	88.33	131.86
(d) Assets Held for Disposal	19	118.85	-
<b>Total current assets</b>		<b>5,110.21</b>	<b>7,194.21</b>
<b>TOTAL ASSETS</b>		<b>9,813.15</b>	<b>13,771.13</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share capital	20	881.45	881.45
(b) Other Equity	21	5,871.83	3,470.12
<b>Total Equity</b>		<b>6,753.28</b>	<b>4,351.57</b>
<b>Liabilities</b>			
<b>1. Non-current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	22	404.43	2,187.77
(ii) Other Financial Liabilities	23	18.32	16.42
(iii) Lease liabilities	24	-	62.43
(b) Provisions	25	7.24	9.73
<b>Total non-current liabilities</b>		<b>429.99</b>	<b>2,276.35</b>
<b>Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	26	1,237.38	4,668.07
(ii) Trade payables	27		
Micro, Small and Medium Enterprises		35.06	53.45
Others		1,040.02	2,205.22
(iii) Other Financial Liabilities	28	224.55	133.61
(b) Other current liabilities	29	81.04	57.19
(c) Provisions	30	11.83	25.67
<b>Total Current liabilities</b>		<b>2,629.88</b>	<b>7,143.21</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>9,813.15</b>	<b>13,771.13</b>
<b>Singnificant Accounting Policies</b>	2		

As per our separate report of even date annexed.

For **R Gopal & Associates**  
Chartered Accountants  
Firm Reg No. 000846C

For and on behalf of the Board

**S K Agarwal**  
Partner  
M.No: 093209

**Tarun Jiwrajka**  
Whole Time Director & CFO  
DIN No. 00386240

**Gopal Sitaram Jiwrajka**  
Chairman & Managing Director  
DIN: 00024325

Place :New Delhi  
Date: 30.05.2022

**Anubhav Nigam**  
Company Secretary

## Statement of Profit and Loss for the year ended 31st March, 2022

(₹ in lakhs)

Particulars	Note No.	For the year ended 31st March 2022	For the year ended 31st March 2021
<b>I.</b> Revenue from Operations	<b>31</b>	7,007.01	8,777.81
<b>II.</b> Other Income	<b>32</b>	257.46	83.03
<b>III. Total Income (I+II)</b>		<b>7,264.47</b>	<b>8,860.84</b>
<b>IV. EXPENSES</b>			
Cost of materials consumed		534.89	945.03
Purchases of Stock-in-trade		5,966.78	7,420.60
Changes in Inventories of finished goods, stock-in-trade and work in progress	<b>33</b>	632.15	111.32
Employee benefits expenses	<b>34</b>	340.93	315.79
Finance costs	<b>35</b>	314.82	612.73
Depreciation and amortization	<b>36</b>	43.66	62.71
Other expenses	<b>37</b>	641.34	380.71
<b>Total expenses (IV)</b>		<b>8,474.57</b>	<b>9,848.90</b>
<b>V. Profit/(Loss) from continuing operation before exceptional items and tax</b>		-1,210.10	-988.05
<b>VI.</b> Exceptional Items	<b>38</b>	-3,982.41	-
<b>VII. Profit/(loss) from continuing operation after exceptional items, before tax</b>		2,772.31	-988.05
<b>VIII. Profit/(Loss) from discontinued operation before exceptional items and tax</b>		-	4.28
Exceptional Items	<b>38</b>	-	570.99
<b>IX. Profit/(Loss) from discontinued operation after exceptional items, before tax*</b>		-	-566.70
<b>X Profit/(Loss) from discontinued operation after exceptional items, before tax</b>		2,772.31	-1,554.76
<b>XI. Tax expense:</b>			
(1) Current tax		-	-
(2) Deferred tax	<b>39</b>	-367.67	413.65
<b>XII. Profit/(loss) for the year</b>		<b>2,404.64</b>	<b>-1,141.11</b>
<b>XIII. Other Comprehensive Income</b>			
(i) Items that will not be reclassified subsequently to profit or loss			-
Re-measurement gains (losses) on defined benefit plans		-3.92	-2.90
Income Tax effect (Deferred Tax)		0.99	0.73
		<b>-2.93</b>	<b>-2.17</b>
<b>XIV Total Comprehensive Income</b>		<b>2,401.71</b>	<b>-1,143.28</b>
<b>XV Earnings Per Equity Share of Face Value of Rs. 10 each</b>	<b>40</b>		
Basic & diluted earning per share before exceptional items		(17.91)	(6.47)
Basic & diluted earning per share after exceptional items		27.30	(12.96)
<b>Significant accounting policies</b>	<b>2</b>		

\*Refer note no.54

The accompanying notes (1-58) form an integral part of the financial statements.

As per our separate report of even date annexed.

For **R Gopal & Associates**

Chartered Accountants

Firm Reg No. 000846C

**S K Agarwal**

Partner

M.No: 093209

Place :New Delhi

Date: 30.05.2022

For and on behalf of the Board

**Tarun Jiwrajka**

Whole Time Director &amp; CFO

DIN No. 00386240

**Anubhav Nigam**

Company Secretary

**Gopal Sitaram Jiwrajka**

Chairman &amp; Managing Director

DIN: 00024325

## Statement of Changes in Equity for the year ended 31st March, 2022

## A. Equity Share Capital (₹ in lakhs)

	As at March 31, 2021	Changes during the year	As at March 31, 2022
	881.45	-	881.45

## B. Other Equity (₹ in lakhs)

Particulars	Reserves & Surplus			Items of Other Comprehensive Income	Total
	Securities Premium	General Reserve	Retained Earnings	Re-measurements of Defined Employee Benefits plans	
Balance as at 1st April, 2020	3,247.29	4,045.58	-2,673.86	-5.60	4,613.41
For the Year	-	-	-1,141.11	-2.17	-1,143.28
Balance as at 31st March, 2021	<b>3,247.29</b>	<b>4,045.58</b>	<b>-3,814.97</b>	<b>-7.77</b>	<b>3,470.12</b>
Balance as at 1st April, 2021	3,247.29	4,045.58	-3,814.97	-7.77	3,470.12
For the Year	-	-	2,404.64	-2.93	2,401.71
Balance as at 31st March, 2022	<b>3,247.29</b>	<b>4,045.58</b>	<b>-1,410.33</b>	<b>-10.70</b>	<b>5,871.83</b>

The accompanying notes (1-58) form an integral part of the financial statements.

As per our separate report of even date annexed.

For **R Gopal & Associates**

Chartered Accountants

Firm Reg No. 000846C

**S K Agarwal**

Partner

M.No: 093209

Place :New Delhi

Date: 30.05.2022

For and on behalf of the Board

**Tarun Jiwarajka**

Whole Time Director & CFO

DIN No. 00386240

**Anubhav Nigam**

Company Secretary

**Gopal Sitaram Jiwarajka**

Chairman & Managing Director

DIN: 00024325

## Statement of Cash Flows for the year ended 31st March ,2022

(₹ in lakhs)

Particulars	Year Ended 31.03.2022	Year Ended 31.03.2021
<b>CASH FLOWS FROM OPERATING ACTIVITIES :</b>		
<b>Profit/(Loss) before tax</b>	2,772.31	-1,554.76
Adjustment for :		
Depreciation and amortization expense	43.66	151.49
Interest Paid	290.71	578.29
Interest Income	-2.07	-3.38
Allowance for doubtful receivables	-1,005.51	4.83
Irrecoverable Claims / Advances w/off	514.76	-
Provision for Irrecoverable Loans & Advances	-491.93	37.55
Bad Debts	1,303.49	14.03
Loss/(Profit) on sale of Property, Plant and Equipment	-2.78	-18.13
Profit on sale of long term Investment	-0.02	-
Liability no longer required written back	-45.21	-41.42
Interest payable written back	-	-54.12
Gain on modification on lease	-2.55	-
<b>Exceptional Items</b>	-3,982.41	570.99
<b>Operating Profit before Working Capital changes</b>	<b>-607.54</b>	<b>-314.63</b>
Adjustment for :		
(Increase) /Decrease in Inventories	705.24	111.48
(Increase)/Decrease in Trade and other receivables	1,421.35	-59.51
Increase/(Decrease) in Trade and other payables	-1,063.24	-53.01
<b>Cash Generated from Operating Activities</b>	<b>455.82</b>	<b>-315.67</b>
Adjustment for :		
Direct taxes (paid ) / Refund Received (net)	-16.84	0.26
<b>Net cash from Operating Activities</b>	<b>438.98</b>	<b>-315.41</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES :</b>		
Expenditure on Property, Plant & Equipment	-57.12	-1.26
Sale proceeds, Plant & Equipment	26.52	543.02
Margin Money (given)/realised	-7.23	18.60
Proceeds from sale of Investment	4.35	-
Proceeds from sale of Land ( net of charges )	5,629.84	-
Lease Rent Paid	-418.00	-
Interest received	3.71	2.62
<b>Net cash from / ( used in ) Investing Activities</b>	<b>5,182.08</b>	<b>562.99</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES :</b>		
Proceeds/(Repayments) of secured Borrowings (Net)	-4,522.12	439.90
Unsecured Loan Received/(Repayment) (net)	-691.92	-93.38
Interest Paid	-269.41	-592.50
(Repayment)/addition to lease liabilities	-	-0.01
<b>Net cash from/(used in) Financing Activities</b>	<b>-5,483.44</b>	<b>-246.00</b>
<b>Net Increase/ (Decrease) in cash and cash equivalents :</b>	<b>137.61</b>	<b>1.58</b>
<b>Cash and cash equivalents at beginning of the year</b>	<b>6.08</b>	<b>4.50</b>
<b>Cash and cash equivalents at end of the year</b>	<b>143.69</b>	<b>6.08</b>

The accompanying notes (1-58) form an integral part of the financial statements.

**Note:** 1. The above cash flow statement has been prepared under the "Indirect Method" as set out in IND AS-7 notified under Section 133 of the Companies Act 2013.

**2. Components of Cash and Cash equivalents**

Particulars	2021-22	2020-21
Balances with banks		
Current accounts	4.59	2.68
Cash in hand	1.60	3.40
Cheque In hand	137.50	-
Total ( refer Note-15)	<b>143.69</b>	<b>6.08</b>

**3. Change in liabilities arising from financial activities**

Particulars	For the year ended	
	2021-22	2020-21
Opening	6,855.85	6,509.33
Additions during the year	6,443.95	1,761.75
Re-payments during the year	11,657.98	1,415.23
Closing Balance	<b>1,641.81</b>	<b>6,855.85</b>

**4. Figures in minus indicate cash outflows.**

As per our separate report of even date annexed.

For **R Gopal & Associates**

Chartered Accountants

Firm Reg No. 000846C

**S K Agarwal**

Partner

M.No: 093209

**Place :New Delhi**

**Date: 30.05.2022**

**For and on behalf of the Board**

**Gopal Sitaram Jiwarajka**

Chairman & Managing Director

DIN: 00024325

**Tarun Jiwarajka**

Whole Time Director & CFO

DIN No. 00386240

**Anubhav Nigam**

Company Secretary

## Significant accounting policies:

### 1 Corporate information

Salora International Limited is a public limited company incorporated and domiciled in India, listed at Bombay Stock Exchange (BSE Ltd.). The address of its registered office is D-13/4 Okhla Industrial Area Phase-II New Delhi 110020. The principal activity of Company is manufacturing and assembly of LED TVs, CRT TVs, TV Components, Home Theatres, Mobile Phone and also distribution of large variety of Telecom Products, Home Appliances, whole selling of consumer items and Gift Cards.

### 2 Significant accounting policies

#### A Statement of Compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules 2015 as amended from time to time.

#### B Basis of preparation

These financial statements have been prepared to comply in all material respects with the Notified accounting standard under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendments there after. The financial statements have been prepared in accordance with Indian Accounting Standards (referred to as "Ind AS") under the historical cost convention on an accrual basis except for certain financial instruments which are required to be measured at fair values at the end of each reporting period as explained in the accounting policies below.

The financial statements are presented in Indian rupees and all values are rounded to the nearest lakhs and two decimals thereof, except otherwise stated.

The Financial statements were approved by the Board of Directors on 30th May,2022

#### C Use of estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. 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. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

#### D Property plant and equipment (PPE):

Property, plant and Equipment are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase net of input of taxes price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of Property, Plant and Equipment which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use. Improvement to Property, Plant and Equipment which has the effect of increasing the future benefits from the existing assets beyond their previously assessed standard of performance is included in the Gross Block. The useful lives for these assets is in compliance with the useful lives as indicated under Part C of Schedule II of the Companies Act, 2013.

Property, plant and Equipment assets not ready for the intended use on the date of the Balance Sheet are disclosed as "capital work-in-progress".

#### Depreciation

Depreciation on Property, Plant and Equipment is provided as per Straight Line Method on the basis of useful life of assets specified and in the manner specified in the Schedule II of the Companies Act, 2013.

Category	Useful Life
Buildings (including roads)	30- 60 Years
Plant & Equipment	15 Years
Mould & Dies	8 Years
Furniture & Fixture	10 years
Office Equipment	5 Years

Vehicles	8 - 10 Years
Computer	3 Years

Assets costing up to Rs. .05 lacs each are depreciated fully in the year of purchase.

Depreciation on assets added/sold/disposed or discarded during the year is being provided on pro-rata basis up to the date on which such assets are added/sold or discarded. Leasehold Land is amortized over the period of lease.

The management believes that the useful life as given above the best represent the period over which the management expects to use these assets. The Company reviews the useful lives and residual value at each reporting date.

#### **E Intangible assets**

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the enterprise and the cost of the assets can be measured reliably.

Intangible assets are stated at original cost less accumulated amortisation and impairment losses, if any.

Intangible assets are amortised over the useful life of such assets.

#### **F Leases-(Right of use)**

The Company account for the leases in accordance with Ind AS 116 Leases. The Company has adopted Ind AS 116 with effect from 1st April 2019 and followed Appendix C to the Ind AS 116 for the purpose of transition. Accordingly as a practical expedient, company have not reassessed whether a contract is, or contains, a lease at the date of initial application. Instead, the company has

- (a) applied this Standard to contracts that were previously identified as leases applying Ind AS 17, Leases.
- (b) not to applied this Standard to contracts that were not previously identified as containing a lease applying Ind AS 17.

The Company enters into hiring/service arrangements for various assets. The Company evaluates whether a contract contains a lease or not, in accordance with the principles of Ind AS 116. This requires significant judgements including but not limited to, whether asset is implicitly identified, substantive substitution rights available with the supplier, decision making rights with respect to how the underlying asset will be used, economic substance of the arrangement, etc.

As a lessee the Company has measured lease liability at the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application. After the commencement date / transition date, The Company measures the right-of-use asset applying a cost model, whereas the Company measures the right-of-use asset at cost:

- (a) less any accumulated depreciation and any accumulated impairment losses; and
- (b) adjusted for any remeasurement of the lease liability

The Company recognises the finance charges on lease expense on reducing balance of lease liability. The Lease asset is depreciated over the lease term on straight line basis.

The Company applies the above policy to all leases except:

- (a) leases for which the lease term (as defined in Ind AS 116) ends within 12 months of the acquisition date
- (b) leases for which the underlying asset is of low value (lease having monthly rental less than ₹ 5000)

As a lessor the Company identifies leases as operating and finance lease. A lease is classified as a finance lease if the Company transfers substantially all the risks and rewards incidental to ownership of an underlying asset.

At the commencement date, the Company recognises assets held under a finance lease in its balance sheet and present them as a receivable at an amount equal to the net investment in the lease. After the initial recognition the Company recognises finance income over the lease term, based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease.

For Operating leases as a lessor the Company recognises lease payments from operating leases as income straight-line basis.

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

#### **G Borrowing cost**

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that the company incurs in connection with the borrowing of funds.



## H Current versus non-current

An asset is current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

All other liabilities are classified as non-current. Current liabilities include current portion of non-current financial liabilities.

## I Financial instruments

### (i) Initial recognition

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 that are not at fair value through profit or loss, are added to the fair value on initial recognition.

### (ii) Subsequent measurement

#### a) Financial assets carried 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 date to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### b) Financial assets carried at fair value through other comprehensive income

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 payment of principal and interest on the principal amount outstanding. Further, in cases where the company has made an irrevocable selection based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognised in other comprehensive income.

#### c) Financial assets carried at fair value through profit or loss

A financial asset which is not classified in any of the above categories is subsequently fair valued through profit or loss.

#### d) Financial liabilities

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 amount approximate fair value due to the short maturity of these instruments.

#### e) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs.

**(iii) Derecognition of financial instruments**

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

**(iv) Fair value of financial instruments**

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.

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

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: Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

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

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

**J Impairment:****Financial assets**

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 receivables with no significant financing components is measured at an amount equal to lifetime ECL. For all other financial assets, ECLs are measured at an amount equal to the 12-month ECL, 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 ECLs (or reversal) that is required to adjust loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in profit or loss.

**Non-financial assets**

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

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

**K Inventories**

- a) Inventories are valued at cost or net realisable value whichever is lower.

- b) Cost of manufactured finished goods and work in progress includes cost of material, labour and manufacturing overheads.
- c) Cost is calculated on FIFO basis in respect of mainly trading goods and on weighted average basis in respect of manufactured goods.

#### L **Revenue from contracts with customers**

The Company recognizes revenue, whenever control over distinct goods or services is transferred to the customer; i.e. when the customer is able to direct the use of the transferred goods or services and obtains substantially all of the remaining benefits, provided a contract with enforceable rights and obligations exists and amongst others collectability of consideration is probable taking into account customer's creditworthiness.

Revenue is the transaction price the Company expects to be entitled to. In determining the transaction price, the Company considers effects of variable consideration, the existence of significant financing contracts, non cash consideration and consideration payable to the customer, if any. The Company considers whether there are other promises in the contract that are separate performance obligations to which the transaction price needs to be allocated (e.g. warranties etc.).

##### **Variable consideration**

If the consideration in a contract includes a variable amount, the company estimates the amount of consideration to which it will be entitled to in exchange for transferring goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant reversal of revenue will not occur once associated uncertainties are resolved. Some contracts with the customers provide them with a right to return and volume rebates. The right to return and volume rebates gives rise to variable consideration.

The amount of variable consideration is calculated by either using the expected value or the most likely amount depending on which is expected to better predict the amount of variable consideration. Consideration is also adjusted for the time value of money if the period between the transfer of goods or services and the receipt of payment exceeds twelve months and there is a significant financing benefit either to the customer or the Company. If a contract contains more than one distinct good or service, the transaction price is allocated to each performance obligation based on relative stand-alone selling prices. If stand-alone selling prices are not observable, the Company reasonably estimates those.

Revenue is recognized for each performance obligation either at a point in time or over time.

##### **Sale of products**

The Company recognizes revenues on the sale of products, net of returns and trade discounts, when substantial risks and rewards of ownership are transferred to the buyer usually on delivery of goods. Sales of goods is net of taxes.

##### **Sale of service**

Service income is recognised as and when service is complete.

##### **Other operating revenue**

Other operational revenue represents income earned from activities incidental to the business and is recognised when right to receive the income is established.

##### **Other Income**

Interest income from a financial asset is recognized using the effective interest rate.

Other income is recognized on accrual basis.

#### M **Foreign exchange transactions**

##### **Functional currency**

The functional currency of the Company is the Indian Rupee. These financial statements are presented in Indian rupees.

##### **Transactions and translations**

Foreign-currency-denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the Balance Sheet date. The gains or losses resulting from such translations are included in net profit/loss in the Statement of Profit and Loss. Non-monetary assets and non-monetary liabilities denominated in foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction.

Transaction gain or losses realized upon settlement of foreign currency transactions are included in determining net profit/loss for the period in which the transaction is settled. Revenue, expense and cash-flow items denominated in foreign currency are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

## N **Employee benefits**

### **Short term employee benefits :**

All employee benefits due wholly within twelve months of rendering of services are classified as short term employee benefits. Benefits like salaries, wages, leave salary, contribution to Provident Fund/ Employee State Insurance contributions etc. paid or payable during the reporting period and the expected bonus expense are recognised as an expense on an undiscounted basis in the period in which the employee renders the related service.

### **Long term employee benefits :**

#### **Compensated absences:**

The liability for leave encashment and other compensated absences is recognized on the basis of actuarial valuation made at the end of the year.

#### **Post -employment benefits**

##### **a) Defined contribution plan**

Defined Contribution Plans for Provident Fund, Family Pension benefits are recognised by contribution at specified rate or percentage on salary. No actuarial assumptions are required to measure the obligations or expenses and there is no possibility of any actuarial gain or loss. Moreover the obligations are measured on an undiscounted basis. The contribution paid /payable under the schemes is recognised during the period in which employee renders the related service.

##### **b) Defined benefit plan**

The Company's Gratuity is Defined Benefit Retirement Plan. The Company 's liability towards Gratuity is determined using the Projected Unit Credit Method which recognises each period of service as giving rise to additional unit of employee benefit entitlement.

The liability is provided based on actuarial valuation certified by consulting actuary. The Company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Remeasurements comprising of actuarial gains and losses, the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability) and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability) relating to retirement benefit plans are recognised in Other Comprehensive Income which are not reclassified to profit or loss in subsequent periods.

## O **Income taxes**

The accounting treatment followed for taxes on income is to provide for Current Income Tax and Deferred Income Tax. Income tax expense is recognized in the net profit in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior period is the aggregate amount of income tax determined as payable in respect of taxable income for the period, using the tax rates and tax laws that have been enacted or substantially enacted by the Balance Sheet date. Deferred Income Tax asset and liability are recognized for all temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction. Deferred Income tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax is recognised based on the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying values in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred tax is determined using tax rates that have been enacted or substantively enacted at the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

## P **Provisions and contingencies**

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract.

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources or an obligation for which the future outcome cannot be ascertained with reasonable certainty. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure

#### **Q Earnings per share (EPS)**

Basic EPS are computed by dividing the net profit or loss for the period attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted earning per equity share are computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

#### **R Cash and cash equivalents**

Cash and cash equivalents include cash and cheque in hand, bank balances, demand deposits with banks and other short-term highly liquid investments that are readily convertible to known amounts of cash & which are subject to an insignificant risk of changes in value where original maturity is three months or less.

#### **S Exceptional Items**

When an item of income or expense within Statement of profit or loss from any activity is of such size, nature or incidence that their disclosure is relevant to explain the performance of the Company for the year, the nature and amount of such items is disclosed as exceptional items.

#### **T Statement of Cash flows**

Cash flows are reported using the indirect method where by the profit before tax is adjusted for the effect of the transactions of a non-cash nature, any deferrals or accruals of past and future operating cash receipts or payments and items 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.

#### **U Operating segment**

In accordance with Ind AS 108, the operating segments used to present segment information are identified on the basis of internal reports used by the Company's Management to allocate resources to the segments and assess their performance. The Board of Directors is collectively the Company's 'Chief Operating Decision Maker' or 'CODM' within the meaning of Ind AS 108.

#### **V Assets held for sale /disposal**

Assets held for sale are carried on balance sheet at the lower of carrying amount and fair value less cost to sell and no depreciation is charged on them as per Ind AS 105.

#### **W Standards issued but not yet effective**

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2022 vide notification no. G.S.R 255(E) dated 23rd March 2022. Given below are the amendment made in brief and their possible impact on the financial statements of the company. The company will be apply the amendments from 1 April 2022 being the effective date of the amendments:

Ind AS 109 – Financial Instruments:

The amendments clarify that only fees paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf will be included in calculating the discounted present value of the cash flow under the new terms on modification of financial liability. The amendment is applicable for modification / exchange of financial liabilities on or after 1 April 2022. The amendment has no impact on the financial statements of the company.

Ind AS 16 – Property, Plant and Equipment:

The amendment creates a carve-out from IAS 16. IAS 16 requires any sale proceeds and cost of samples produced when testing whether the asset is functioning properly to be recognised in profit or loss whereas the amendment clarifies that the same shall be deducted from the cost of the property, plant and equipment. No transition provisions have been specified and therefore, this amendment shall be applicable retrospectively. The company has been following the practice as clarified by the amendment and hence no impact on the financial statements of the company.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets:

The paragraph clarifies what cost needs to be considered in the costs to fulfil a contract while determining whether the contract is onerous. Changes previous practice of considering only incremental costs in the costs to fulfil a contract for determination of onerous contract. Now apart from incremental costs, the costs to fulfil a contract includes an allocation of directly attributable costs. The amendments apply to unfulfilled onerous contracts as on 1 April 2022. As the company does not have any onerous contract, the said amendment has no impact on the financial statements of the company.

Ind AS 41 – Agriculture:

The amendment removes taxation cash flows from paragraph 22 indicating tax cash flows must be included in the fair value less costs to sell. The amendment is applicable to fair value measurements on or after 1 April 2022. Ind AS 41 is not applicable to the company and hence has no impact on the financial statements of the company.

## Notes to financial statements

### 3. Property, Plant and Equipment

(₹ in lakhs)

Particulars	Building	Furniture & Fixturs	Plant & Machinery	Dies & Moulds	Vehicles	Office Equipment	Total Assets
<b>Gross Carrying Amount*</b>							
Balance as at 1st April, 2020	594.73	462.92	5,590.50	530.31	240.27	58.19	7,476.93
Additions		-	0.58			0.68	1.26
Deductions/ Adjustment			3,167.64	-	171.84		3,339.48
<b>Balance as at 31st March, 2021</b>	<b>594.73</b>	<b>462.92</b>	<b>2,423.44</b>	<b>530.31</b>	<b>68.43</b>	<b>58.87</b>	<b>4,138.70</b>
<b>Accumulated Depreciation</b>							
Balance as at 1st April, 2020	358.49	431.81	4,283.51	489.03	166.08	53.14	5,782.05
For the year	16.16	1.96	101.88	5.25	19.40	0.52	145.18
Reclassified on account of adoption of Ind AS 116 (Right to Use- Land)							-
Disposal/Deduction/ Adjustment			2,136.71	-	145.83	-	2,282.54
Discarded							-
<b>Balance as at 31st March, 2021</b>	<b>374.66</b>	<b>433.77</b>	<b>2,248.67</b>	<b>494.28</b>	<b>39.65</b>	<b>53.66</b>	<b>3,644.68</b>
<b>Net carrying amount as at 31st March, 2021</b>	<b>220.08</b>	<b>29.15</b>	<b>174.77</b>	<b>36.03</b>	<b>28.78</b>	<b>5.21</b>	<b>494.02</b>
<b>Net carrying amount as at 31st March, 2020</b>	236.24	31.12	1,306.99	41.28	74.19	5.06	1,694.87
<b>Gross Carrying Amount*</b>							
<b>Balance as at 1st April, 2021</b>	594.73	462.92	2,423.44	530.31	68.43	58.87	4,138.70
Additions			1.13		55.28	0.70	57.12
Disposal/Deduction/ Adjustment	557.85	419.31	2,251.98	525.17	43.62	57.69	3,855.62
<b>Balance as at 31st March, 2022</b>	<b>36.88</b>	<b>43.61</b>	<b>172.60</b>	<b>5.14</b>	<b>80.08</b>	<b>1.88</b>	<b>340.20</b>
<b>Accumulated Depreciation</b>							
Balance as at 1st April, 2021	374.66	433.77	2,248.67	494.28	39.65	53.66	3,644.68
For the year	14.40	1.96	9.84	4.50	8.73	0.45	39.88
Deduction/ Adjustment	363.94	399.62	2,125.00	495.24	31.12	53.08	3,468.00
<b>Balance as at 31st March, 2022</b>	<b>25.11</b>	<b>36.10</b>	<b>133.51</b>	<b>3.55</b>	<b>17.25</b>	<b>1.03</b>	<b>216.56</b>
<b>Net carrying amount as at 31st March, 2022</b>	<b>11.77</b>	<b>7.51</b>	<b>39.09</b>	<b>1.59</b>	<b>62.83</b>	<b>0.85</b>	<b>123.64</b>
<b>Net carrying amount as at 31st March, 2021</b>	<b>220.08</b>	<b>29.15</b>	<b>174.77</b>	<b>36.03</b>	<b>28.78</b>	<b>5.21</b>	<b>494.02</b>

\*On transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognised as at 1 April, 2016 measured as per the previous GAAP and use that carrying value as the cost/deemed cost of the property, plant and equipment.

Note :

- For assets provided as security refer note no. 22 and 26.
- Pursuant to the Inventory Purchase Agreement entered by Suzlon Energy Limited for the purchase of WOEG (Wind Mills) on 22 December, 2020 from the company which has been approved by the Board in meeting held on 07.11.2020 and by Shareholders in Extra Ordinary General Meeting on dated 04.12.2020. Plant & Machineries having Gross block Rs.3016.83 lakhs & written down value Rs.1024.54 lakhs has been sold at Rs.492.50 lakhs and loss Rs.532.04 lakhs has been shown as an Exceptional Items in the previous year.

## 4. Right of use assets-Lease

Land	(₹ in lakhs)
<b>Particulars</b>	
Opening gross carrying value as at April 1, 2020	421.06
Addition	-
Deductions/ Adjustment	75.00
<b>Closing gross carrying value as at March 31, 2021</b>	<b>346.06</b>
Opening gross carrying value as at April 1, 2021	346.06
Additions	-
Deletions during the year	341.69
<b>Closing gross carrying value as at March 31, 2022</b>	<b>4.37</b>
Opening accumulated amortisation as at April 1, 2020	84.66
Amortisation for the year	6.31
Accumulated amortisation on deletions	36.06
<b>Closing accumulated amortisation as at March 31, 2021</b>	<b>54.91</b>
Opening accumulated amortisation as at April 1, 2021	54.91
Amortisation for the year	3.78
Accumulated amortisation on deletions	56.80
<b>Closing accumulated amortisation as at March 31, 2022</b>	<b>1.89</b>
<b>Carrying value as at March 31, 2021</b>	<b>291.15</b>
<b>Carrying value as at March 31, 2022</b>	<b>2.48</b>

Note:

- i) Leasehold Land of Delhi and of Noida are under lease for 99 years and 90 years respectively.
- ii) Lease hold land Gross block Rs.4.37 lakhs having carrying value as at 31.03.2022 Rs.2.48 lakhs at D-13/4, Okhla Industrial Area,Phase-II is in the company's old name i.e. Electronics Consortium Private Limited.
- iii) For assets provided as security refer note no. 22 and 26.
- iv) Effective April 01, 2019, the company has adopted Ind-AS 116 - Leases and applied to all lease contracts existing on April 01, 2019, using the modified retrospective method. The Company measured that lease liability at the present value of the remaining lease payments, discounted using incremental borrowing rate of 10.75% p.a.
- v) Pursuant to the Inventory Purchase Agreement entered by Suzlon Energy Limited for the purchase of WOG (Wind Mills) on 22 December, 2020 from the company which has been approved by the Board in meeting held on 07.11.2020 and by Shareholders in Extra Ordinary General Meeting on dated 04.12.2020. Right of use-Land having Gross block Rs.75 lakhs & written down value Rs.38.95 lakhs has been discarded and loss Rs.38.95 lakhs has been shown as an Exceptional Items in the previous year.



5 **Intangible Assets****Trade Mark**

(₹ in lakhs)

<b>Gross Carrying Amount*</b>	
Balance as at 1st April, 2020	106.21
Additions	-
Deductions/ Adjustment	-
<b>Balance as at 31st March, 2021</b>	<b>106.21</b>
<b>Accumulated Depreciation</b>	
Balance as at 1st April, 2020	101.13
For the year	-
Disposal/Deduction/ Adjustment	-
<b>Balance as at 31st March, 2021</b>	<b>101.13</b>
<b>Net carrying amount as at 31st March, 2021</b>	<b>5.08</b>
<b>Net carrying amount as at 31st March, 2020</b>	<b>5.08</b>

<b>Gross Carrying Amount*</b>	
<b>Balance as at 1st April, 2021</b>	<b>106.21</b>
Additions	-
Disposal/Deduction/ Adjustment	-
<b>Balance as at 31st March, 2022</b>	<b>106.21</b>
<b>Accumulated Depreciation</b>	
Balance as at 1st April, 2021	101.13
For the year	-
Deduction/ Adjustment	-
<b>Balance as at 31st March, 2022</b>	<b>101.13</b>
<b>Net carrying amount as at 31st March, 2022</b>	<b>5.08</b>
<b>Net carrying amount as at 31st March, 2021</b>	<b>5.08</b>

\*On transition to Ind AS, the Company has elected to continue with the carrying value of its Intangible Assets recognised as at 1 April, 2016 measured as per the previous GAAP and use that carrying value as the cost/deemed cost of the Intangible Assets.

6 **Non-Current Investments**

(₹ in lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
<b>Investments in Unquoted Equity Instruments:</b>		
<b>Unquoted, fully paid-up</b>		
<b>Investments carried at amortised cost</b>		
<b>In Other Company :</b>		
Nil. (P.Y. 355000) Equity Shares of Encompass Software & Systems Pvt.Ltd.of Rs.10/- each.	-	35.50
Less: Provision for diminution in value of Investments	-	-31.18
<b>Other Investments in Unquoted Bond (Fully paid)</b>		
<b>Investments carried at amortized cost</b>		
2 (P.Y. 2) Unsecured Redeemable Money Multiplier Bond of ICICI Ltd of Rs.1000/- each	0.02	0.02
<b>Total</b>	<b>0.02</b>	<b>4.34</b>
Aggregate amount of Unquoted Investments:	0.02	35.52
Aggregate amount of impairment in value of investments:	-	31.18

**7 Trade Receivables-Non current** (₹ in lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
<b>(at amortised cost)</b>		
- Unsecured, considered good	1,417.69	2,243.42
- Credit impaired	1,678.33	2,082.89
Less : Impairment for doubtful receivables	-1,678.33	-2,082.89
<b>Total</b>	<b>1,417.69</b>	<b>2,243.42</b>

(Includes amount due Rs.Nil. (P.Y. Rs. 2.49 Lakhs) of related party on which allowance for ECL Rs. Nil (P.Y. Rs. 0.50 Lakhs))

**Trade receivables ageing schedule as on March 31, 2022** (₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment / transaction						Total
	Not Due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed Trade receivables - considered good	-	-	-	30.45	95.65	1.83	127.93
Undisputed Trade receivables - considered credit impaired	-	-	-	7.61	23.91	1,094.05	1,125.57
Disputed Trade receivables - considered good	-	15.81	9.66	19.50	37.12	1,207.69	1,289.76
Disputed Trade receivables - considered credit impaired	-	6.78	4.14	8.36	15.91	517.58	552.76
	-	<b>22.58</b>	<b>13.79</b>	<b>65.91</b>	<b>172.58</b>	<b>2,821.15</b>	<b>3,096.02</b>
Less: Provision for impairment							1,678.33
							<b>1,417.69</b>

**Trade receivables ageing schedule as on March 31, 2021** (₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment / transaction						Total
	Not Due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed Trade receivables - considered good	-	-	-	494.60	193.21	35.16	722.96
Undisputed Trade receivables - considered credit impaired	-	-	-	123.65	48.30	1,530.83	1,702.78
Disputed Trade receivables - considered good	-	7.64	9.50	59.45	34.19	1,409.69	1,520.46
Disputed Trade receivables - considered credit impaired	-	1.91	2.37	14.86	8.55	352.42	380.11
	-	<b>9.54</b>	<b>11.87</b>	<b>692.55</b>	<b>284.24</b>	<b>3,328.10</b>	<b>4,326.32</b>
Less: Provision for impairment							2,082.89
							<b>2,243.42</b>

**8 Loans- Non current** (₹ in lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
<b>(Unsecured, Considered Doubtful)</b>		
<b>(at amortised cost)</b>		
Inter Corporate Loan Given		
- Considered Good	-	-
- Credit impaired	255.00	255.00
Less: Impairment for doubtful loan	-255.00	-255.00
<b>Total</b>	<b>-</b>	<b>-</b>

**9 Other Financial Assets-Non Current****(₹ in lakhs)**

Particulars	As at 31st March 2022	As at 31st March 2021
<b>(Unsecured, considered doubtful unless otherwise stated)</b>		
<b>(at amortised cost)</b>		
Interest Receivable-Credit impaired	94.40	94.40
Less: Impairment for Interest receivable	-94.40	-94.40
Security Deposits (considered good)	33.52	34.52
<b>Total</b>	<b>33.52</b>	<b>34.52</b>

**10 Deferred tax Assets (Net)****(₹ in lakhs)**

Particulars	As at 31st March 2022	As at 31st March 2021
<b>Deferred tax liability:</b>		
On account of depreciation on property, plant & equipment, Intangible assets and ROU	-	34.00
<b>Sub Total</b>	<b>-</b>	<b>34.00</b>
<b>Deferred tax assets:-</b>		
On account of depreciation on property, plant & equipment, Intangible assets and ROU	52.79	
On account of timing differences in recognition of expenditure	8.99	15.79
On account of unabsorbed business losses under the Income Tax Act, 1961	727.45	734.52
On account of unabsorbed depreciation under the Income Tax Act, 1961	281.49	281.89
On account of ECL & Impairment losses	747.52	969.94
On account of capital loss	-	216.80
<b>Total</b>	<b>1,818.25</b>	<b>2,218.92</b>
<b>Deferred tax assets (net)</b>	<b>1,818.25</b>	<b>2,184.93</b>

**11 Non Current Tax Assets (Net)****(₹ in lakhs)**

Particulars	As at 31st March 2022	As at 31st March 2021
<b>(at amortised cost)</b>		
Income Tax Refund Receivable	131.30	114.46
<b>Total</b>	<b>131.30</b>	<b>114.46</b>

**12 Other Non-Current Assets****(₹ in lakhs)**

Particulars	As at 31st March 2022	As at 31st March 2021
<b>(Unsecured, Considered good)</b>		
<b>(at amortised cost)</b>		
Advances recoverable in cash or in kind or for value to be received		
- Considered Good	-	-
- Credit impaired	909.80	1,401.73
Less: : Impairment for Advances recoverable	-909.80	-1,401.73
Deposits with Statutory Authorities against disputed demands	806.64	829.18
Refunds due from Government Authorities	364.32	349.21
Capital advance to related party	-	26.61
<b>Total</b>	<b>1,170.96</b>	<b>1,205.00</b>

**13 Inventories** (₹ in lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
<b>(At cost or net realizable value whichever is lower)</b>		
<b>(As certified by the Management)</b>		
Raw materials	458.17	614.57
Work in progress	83.14	83.36
Finished goods	402.85	610.18
Stock in Trade	2,276.01	3,375.62
<b>Goods in transit, Bond, and under clearance:</b>		
Raw materials	87.58	116.79
<b>Total</b>	<b>3,307.76</b>	<b>4,800.52</b>

**14 Trade Receivables (Unsecured )** (₹ in lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
- Considered good	743.07	2,186.16
- Credit impaired	22.05	9.30
Less : Impairment for doubtful receivables	-22.05	-9.30
<b>Total</b>	<b>743.07</b>	<b>2,186.16</b>

Includes amount due Rs.16.90 lacs (P.Y Rs. 3.91 lacs )of related party on which allowance for ECL Rs. Nil/- (P.Y. Rs.0.19 lacs)

**Trade receivables ageing schedule as on March 31, 2022** (₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment / transaction						Total
	Not Due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed Trade receivables - considered good	324.16	80.94	337.98	-	-	-	743.07
Undisputed Trade receivables - considered credit impaired	-	4.26	17.79	-	-	-	22.05
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables - considered credit impaired	-	-	-	-	-	-	-
	<b>324.16</b>	<b>85.20</b>	<b>355.77</b>	-	-	-	<b>765.12</b>
Less: Provision for impairment							22.05
							<b>743.07</b>

**Trade receivables ageing schedule as on March 31, 2021** (₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment / transaction						Total
	Not Due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed Trade receivables - considered good	2,010.32	151.33	24.51			-	2,186.16
Undisputed Trade receivables - considered credit impaired	-	8.00	1.29			-	9.30
Disputed Trade receivables - considered good	-	-				-	-
Disputed Trade receivables - considered credit impaired	-	-				-	-
	<b>2,010.32</b>	<b>159.34</b>	<b>25.80</b>	-	-	-	<b>2,195.45</b>
Less: Provision for impairment							9.30
							<b>2,186.16</b>

**15 Cash and Cash Equivalents** (₹ in lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
<b>(at amortised cost)</b>		
Cash balance in hand	1.60	3.40
Balances with banks		
- in current accounts	4.59	2.68
Cheque In hand	137.50	-
<b>Total</b>	<b>143.69</b>	<b>6.08</b>

**16 Bank Balances other than above** (₹ in lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
<b>(at amortised cost)</b>		
Fixed Deposits - Margin Money with Banks	7.76	22.78
Fixed Deposits - with Banks	22.25	-
In current accounts (seized by Sales Tax Department)	3.95	3.95
<b>Total</b>	<b>33.95</b>	<b>26.73</b>

**17 Other Financial Assets** (₹ in lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
<b>(Unsecured, considered good unless otherwise stated)</b>		
<b>(at amortised cost)</b>		
Interest Receivable	1.29	2.94
Incentive receivable	12.28	18.94
Receivable from related party	19.16	20.99
Receivable against Sale of Land	641.82	-
<b>Total</b>	<b>674.56</b>	<b>42.87</b>

**18 Other Current Assets** (₹ in lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
<b>(Unsecured, considered good unless otherwise stated)</b>		
<b>(at amortised cost)</b>		
Advance to Suppliers	9.86	75.51
Advances recoverable in cash or in kind or for value to be received*		
-Considered Good	13.68	18.98
-Credit impaired	10.53	10.53
Less: : Impairment for Advances recoverable	-10.53	-10.53
Balances with government authorities	59.62	27.87
Prepaid expenses	5.16	9.50
<b>Total</b>	<b>88.33</b>	<b>131.86</b>

**19 Assets held for disposal** (₹ in lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Property, Plant and Equipment	118.85	-
<b>Total</b>	<b>118.85</b>	<b>-</b>

## Note No. 20

(₹ in lakhs)

(a) Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Number	Rs.	Number	Rs.
<b>Equity Share Capital:</b>				
<b>Authorised:</b>				
Equity Shares of Rs. 10/- each	2,00,00,000	<b>2,000.00</b>	2,00,00,000	<b>2,000.00</b>
<b>Issued and Subscribed :</b>				
Equity Shares of Rs. 10/- each	88,20,000	<b>882.00</b>	88,20,000	<b>882.00</b>
<b>Issued, Subscribed and Paid--up :</b>				
Equity Shares of Rs.10/- each	88,07,300	880.73	88,07,300	880.73
Share Capital forfeited Equity Shares @ 5.65/- each	12,700	0.72	12,700	0.72
<b>Total</b>		<b>881.45</b>		<b>881.45</b>

## (b) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year:

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Number	Rs.	Number	Rs.
Equity shares outstanding at the beginning of the Year	88,07,300	880.73	88,07,300	880.73
Add: Issued during the year	-	-	-	-
Less: Shares bought back	-	-	-	-
<b>Equity shares outstanding at the end of the year</b>	<b>88,07,300</b>	<b>880.73</b>	<b>88,07,300</b>	<b>880.73</b>

## (c) The rights, preferences and restrictions attached to each class of shares including restrictions on the distribution of dividends and the repayment of Capital are as under:

The company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation of company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

## (d) Particulars of equity share holders holding more than 5% of the total number of equity share capital:

Name of shareholders:	As at 31st March, 2022		As at March 31, 2021	
	No.of Shares	% of holding	No.of Shares	% of holding
Gopal Kumar Jiwrajka	23,39,011	26.56	23,39,011	26.56
Gopal Kumar Jiwrajka HUF	14,98,988	17.02	14,98,988	17.02
Neetu Jiwrajka	7,31,410	8.30	7,31,410	8.30
Manori Properties Pvt Ltd.	5,58,929	6.35	5,58,929	6.35

Shareholding of Promoters	As at March 31, 2022		Change in %
	Name of Promoters	Number of shares	
Gopal Kumar Jiwrajka	23,39,011	26.56	-
Gopal Kumar Jiwrajka HUF	14,98,988	17.02	-
Neetu Jiwrajka	7,31,410	8.30	-
Manori Properties Pvt Ltd.	5,58,929	6.35	-
Tarun Jiwrajka	3,72,741	4.23	-
Ayush Jiwrajka	3,75,087	4.26	-

Shareholding of Promoters Name of Promoters	As at March 31, 2021		Change in %
	Number of shares	% of Holding	
Gopal Kumar Jiwrajka	23,39,011	26.56	-
Gopal Kumar Jiwrajka HUF	14,98,988	17.02	-
Neetu Jiwrajka	7,31,410	8.30	-
Manori Properties Pvt Ltd.	5,58,929	6.35	-
Tarun Jiwrajka	3,72,741	4.23	-
Ayush Jiwrajka	3,75,087	4.26	-

## 21 Other Equity

### a. Securities Premium Reserve

(₹ in lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
At the beginning and end of the Year		
Share Premium Account	3,244.42	3,244.42
Share Premium Forfeited	2.87	2.87
<b>Sub Total</b>	<b>3,247.29</b>	<b>3,247.29</b>

### b. General Reserve

(₹ in lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
At the beginning and end of the Year	4,045.58	4,045.58
<b>Sub Total</b>	<b>4,045.58</b>	<b>4,045.58</b>

### c. Surplus/Deficit in Statement of Profit and Loss

(₹ in lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
At the beginning of the Year	-3,814.97	-2,673.86
Add : Profit/(Loss) Transferred from Statement of Profit & Loss	2,404.64	-1,141.11
<b>Sub Total</b>	<b>-1,410.33</b>	<b>-3,814.97</b>

### d. Other Comprehensive Income

(₹ in lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
<b>Re-measurements of Defined Employee Benefits plans</b>		
At the beginning of the Year	-7.77	-5.60
Addition during the year: (Net of Tax)	-2.93	-2.17
At the end of the Year	-10.70	-30,265.77
<b>Sub Total</b>	<b>-10.70</b>	<b>-7.77</b>
<b>Total</b>	<b>5,871.83</b>	<b>3,470.12</b>

#### Nature and purpose of Reserves:

##### (i) Securities Premium

Securities premium reserves represents the premium on issue of equity shares. The reserve is utilised in accordance with the provision of the Companies Act, 2013.

##### (ii) General Reserve

This represents appropriation of profit after tax by the company.

##### (iii) Surplus/Deficit

This comprise company's undistributed profit/(loss) after tax.

## Note No. 22

(₹ in lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
<b>Borrowings- Non Current (at amortised cost)</b>		
<b>(a) Secured</b>		
<b>Term Loan:</b>		
Working capital loans from Banks (Under Guaranteed Emergency Credit Line (GECL))	676.08	1,244.68
Less : Current maturities of working capital loans (Refer Note No. 26)	297.96	394.82
<b>Sub Total</b>	<b>378.11</b>	<b>849.86</b>
Vehicle loans from Banks	34.00	6.94
Less : Current maturities of vehicle loans(Refer Note No. 26)	7.68	1.97
<b>Sub Total</b>	<b>26.32</b>	<b>4.97</b>
<b>(b) Unsecured Loans:</b>		
Loans from related parties	-	1,332.94
<b>Sub Total</b>	<b>-</b>	<b>1,332.94</b>
<b>Total</b>	<b>404.43</b>	<b>2,187.77</b>

**Additional Information:**

Working capital term loans are secured by hypothecation of inventories, receivables and other moveable/immovable assets. First pari-passu charge on immovable properties of Noida units as collateral security in the previous year.

Working capital term loans from Banks repayable on monthly instalment basis.

Various term loans against GECL have been availed with a tenure ranging from 2 to 5 year and bearing interest ranging from 6.95% to 8.20 % p.a.

Vehicle loans are secured against hypothecation of cars and bearing interest ranging from 9.50% to 10.00% p.a.

Vehicle loans from Banks, repayment on monthly instalment basis.

**Repayment terms of borrowings (Working capital loans)-(Under Guaranteed Emergency Credit Line (GECL))**

(₹ in lakhs)

Due in next	As at March 31, 2022	As at March 31, 2021
One year	297.96	394.82
Second year	245.33	381.83
Third to fifth year	132.78	468.03
<b>Total</b>	<b>676.08</b>	<b>1,244.68</b>

**Repayment terms of borrowings (Vehicle loans)**

(₹ in lakhs)

Due in next	As at March 31, 2022	As at March 31, 2021
One year	7.68	1.97
Second year	8.40	2.17
Third to fifth year	17.92	2.80
<b>Total</b>	<b>34.00</b>	<b>6.94</b>



Disclosure as per Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 186(4) of the Companies Act, 2013

Loans from related parties for the year ended :

Name of the Party	Interest rate	Amount in Rs.	Maximum balance outstanding during the year (Amount in Rs.)
Mr. Gopal Sitaram Jiwrajka ( 2022 )	5.75%	-	-
Mr. Gopal Sitaram Jiwrajka ( 2021)	6.00%	1,118.59	1,118.59
Mrs. Neetu Jiwrajka (2022)	5.75%	-	-
Mrs. Neetu Jiwrajka (2021)	6.00%	214.35	222.60

**23 Other Financial Liabilities-Non Current** (₹ in lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Trade Deposit	18.32	16.42
<b>Total</b>	<b>18.32</b>	<b>16.42</b>

**24 Lease liabilities** (₹ in lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Opening Balance	62.43	62.44
Addition during the year		
Finance Charges on lease	-	6.71
Repayment/reversal during the year	-62.43	-6.72
<b>Closing Balance</b>	<b>-</b>	<b>62.43</b>

Effective April 01, 2019, the company has adopted Ind-AS 116 - Leases and applied to all lease contracts existing on April 01, 2019, using the modified retrospective method. The Company measured that lease liability at the present value of the remaining lease payments, discounted using incremental borrowing rate of 10.75% p.a.

**Maturity analysis of the future lease payments** (₹ in lakhs)

Future Minimum lease payable	As at 31st March 2022	As at 31st March 2021
Within one year	-	0.01
Later one year and not later than 5 years	-	0.05
Later than 5 Years	-	62.38
<b>Total</b>	<b>-</b>	<b>62.43</b>

**25 Provisions-Non Current** (₹ in lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Employees benefits:		
Provision for Leave	7.24	9.73
<b>Total</b>	<b>7.24</b>	<b>9.73</b>

## 26 Borrowings-Current

(₹ in lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
<b>(a) Secured Loans:</b>		
Working capital From Banks	1.71	3,982.28
<b>Sub Total</b>	<b>1.71</b>	<b>3,982.28</b>
<b>(b) Unsecured Loans:</b>		
Loans from related parties	930.03	89.00
Loan from Other	-	200.00
<b>Sub Total</b>	<b>930.03</b>	<b>289.00</b>
<b>(c) Current maturities of long term borrowing</b>		
Current maturities of long term debt : working capital term loan	297.96	394.82
Current maturities of long term debt : vehicle loans	7.68	1.97
<b>Total</b>	<b>305.65</b>	<b>396.80</b>
<b>Total</b>	<b>1,237.38</b>	<b>4,668.07</b>

**Additional Information:**

Working capital term loans are secured by hypothecation of inventories, receivables and other moveable/immovable assets. First pari-passu charge on immovable properties of Noida units as collateral security in the previous year.

Disclosure as per Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 186(4) of the Companies Act, 2013

Loans from related parties for the year ended :

Name of the Party	Interest rate	Rs. In lacs	Maximum balance outstanding during the year (Rs. In lacs)
Mr. Gopal Sitaram Jiwrajka ( 2022 )	5.75%	841.28	1,118.59
Mr. Gopal Sitaram Jiwrajka ( 2021)	6.00%	-	
Devi Electronics Pvt Ltd (2022 )	8.15%	88.75	89.00
Devi Electronics Pvt Ltd (2021)	10.15%	89.00	89.00

## 27 Trade Payables

(₹ in lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Dues to Micro, Small and Medium Enterprises*	35.06	53.45
Others	1,040.02	2,205.22
<b>Total</b>	<b>1,075.07</b>	<b>2,258.67</b>

**Additional Information:**

\*The Company has declared the dues to Micro, Small and Medium Enterprises on the basis of confirmations received from parties (Refer note no. 47).

Ageing schedule as at March 31, 2022						
Particulars	Not due	Outstanding for following periods from due date of payment / transaction				Total
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
MSME	1.75	1.63	9.87	21.82	-	35.06
Others	424.66	396.09	22.11	43.07	46.54	932.47
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
	<b>426.41</b>	<b>397.72</b>	<b>31.98</b>	<b>64.89</b>	<b>46.54</b>	<b>967.53</b>
Accrued expenses						107.54
						<b>1,075.07</b>

Ageing schedule as at March 31, 2021						
Particulars	Not due	Outstanding for following periods from due date of payment / transaction				Total
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
MSME	5.18	7.65	40.56	0.05	-	53.45
Others	1,827.48	148.93	12.91	31.07	14.01	2,034.41
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
	<b>1,832.66</b>	<b>156.59</b>	<b>53.47</b>	<b>31.12</b>	<b>14.01</b>	<b>2,087.85</b>
Accrued expenses						170.82
						<b>2,258.67</b>

**28 Other Financial liabilities- Current**

(₹ in lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Interest accrued	70.33	49.03
Payable to Employees	154.22	84.58
<b>Total</b>	<b>224.55</b>	<b>133.61</b>

**29 Other Current liabilities**

(₹ in lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Statutory Liabilities	23.37	29.09
Others	57.67	28.10
<b>Total</b>	<b>81.04</b>	<b>57.19</b>

**30 Provisions-Current**

(₹ in lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Employees benefits:		
Provision for Leave	8.93	13.82
Provision for Gratuity	2.90	11.85
<b>Total</b>	<b>11.83</b>	<b>25.67</b>

## 31 Revenue from Operations:

(₹ in lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
<b>Sales of Goods</b>		
Domestic	6,963.75	8,736.43
<b>Total</b>	<b>6,963.75</b>	<b>8,736.43</b>
<b>Sale of Services</b>		
Wind Energy (Refer note no.54)	-	-
<b>Total</b>	-	-
<b>Gross Sales</b>	<b>6,963.75</b>	<b>8,736.43</b>
<b>Other Operating Income</b>		
Liability no Longer required written back	42.66	41.31
Other Income	0.60	0.08
	<b>43.26</b>	<b>41.39</b>
<b>Total Revenue from Operations</b>	<b>7,007.01</b>	<b>8,777.81</b>

## 32 Other Income:

(₹ in lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Interest	2.07	3.38
Rent received	15.45	7.40
Liability no Longer required written back(lease liability)	2.55	-
Commision received	232.39	-
Interest payable written back	-	54.12
Profit on sale of long term Investment	0.02	-
Provision for Diminution in Value of Investment	2.20	-
Profit on sale of Property, Plant and Equipment	2.78	18.13
<b>Total</b>	<b>257.46</b>	<b>83.03</b>

## 33 Changes in Inventories of finished goods, Stock-in-trade and work in progress

(₹ in lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
<b>Stock at the end of the year</b>		
Work in progress	83.14	83.36
Stock in trade:	2,876.01	3,375.62
Finished goods	477.85	610.18
<b>Sub Total :</b>	<b>3,437.01</b>	<b>4,069.15</b>
<b>Less : Stock at the beginning of the year</b>		
Work in progress	83.36	75.04
Stock in trade:	3,375.62	3,445.21
Finished goods	610.18	660.23
<b>Sub Total :</b>	<b>4,069.15</b>	<b>4,180.47</b>
<b>(Increase) / Decrease in Stock :</b>	<b>632.15</b>	<b>111.32</b>

<b>34 Employee benefits expenses:</b>		(₹ in lakhs)	
<b>Particulars</b>	<b>As at 31st March 2022</b>	<b>As at 31st March 2021</b>	
Salaries and wages	312.56	283.68	
Contribution to provident and other funds	26.32	29.86	
Staff Welfare & Other Benefits	2.05	2.25	
<b>Total</b>	<b>340.93</b>	<b>315.79</b>	

<b>35 Finance Costs:</b>		(₹ in lakhs)	
<b>Particulars</b>	<b>As at 31st March 2022</b>	<b>As at 31st March 2021</b>	
Interest	290.71	571.58	
Interest on lease liabilities	-	6.71	
Bank charges and Others	24.11	34.44	
<b>Total</b>	<b>314.82</b>	<b>612.73</b>	

<b>36 Depreciation and amortization:</b>		(₹ in lakhs)	
<b>Particulars</b>	<b>As at 31st March 2022</b>	<b>As at 31st March 2021</b>	
Depreciation on Property, Plant and Equipment	39.88	56.40	
Amortization of Land (ROU)	3.78	6.31	
<b>Total</b>	<b>43.66</b>	<b>62.71</b>	

<b>37 Other expenses:</b>		(₹ in lakhs)	
<b>Particulars</b>	<b>As at 31st March 2022</b>	<b>As at 31st March 2021</b>	
Assembly Charges	4.25	0.09	
Stores & Spares Consumed	0.09	0.30	
Power and fuel	21.17	24.84	
Rent (including Lease Rent)	0.51	0.17	
Repair & Maintenance :-			
Plant & Machinery	0.90	2.41	
Others	8.76	6.16	
Insurance	8.46	9.87	
Rates and taxes	8.79	3.46	
Legal and professional fees	63.64	48.77	
Payment to Auditors	-		
Statutory Audit Fees (including Limited review)	7.84	7.84	
Tax Audit Fees	1.05	1.05	
Certification	0.12	-	
Expenses reimbursed	0.70	0.70	
In Other capacity	1.05	1.05	
Travelling & Conveyance	22.09	25.36	
Freight and Forwarding	32.08	32.63	
Discount, Commission & Incentives	68.36	63.09	
Advertisement & Publicity	1.78	3.70	
After Sale Service Charges	4.45	17.44	
Sales Tax/GST/Excise/Service Tax etc. (net)	8.41	23.99	
Bad Debts	1,303.49	14.03	
Allowance for doubtful receivables	-1,005.51	4.83	
Irrecoverable Claims / Advances w/off	514.76	-	

Provision for Irrecoverable Claims & Advances	-491.94	37.55
Short / (Excess) Claims	-5.79	1.23
Miscellaneous expenses	35.83	29.54
Security services	20.17	19.20
Net (gain)/loss on foreign currency transaction	5.83	1.41
<b>Total</b>	<b>641.34</b>	<b>380.71</b>

**38 Exceptional Items\***

(₹ in lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Lease Rent	418.00	-
Loss on Assets Discarded	245.02	-
Profit on Sale of Land	-6,046.65	-
Writedown of Obsolute Inventory	787.52	-
Allowance for doubtful receivables	613.70	-
Loss on sale of assets of Wind division	-	570.99
<b>Total</b>	<b>-3,982.41</b>	<b>570.99</b>

\* (refer note no.49)

**39 Income tax:****(a) Income Tax Expense****i) Income tax recognised in Statement of Profit and Loss**

(₹ in lakhs)

Particulars	For the Year ended 31.03.2022	For the Year ended 31.03.2021
<b>Current tax expense</b>		
Current year	-	-
Total	-	-
<b>Deferred tax Income/( expense)</b>	-367.67	413.65
<b>Total income tax expense</b>	<b>-367.67</b>	<b>413.65</b>

**ii) Income tax recognised in other comprehensive income**

(₹ in lakhs)

Particulars	For the Year ended 31.03.2022	For the Year ended 31.03.2021
<b>Net actuarial gains/(losses) on defined benefit plans</b>		
Before tax	-3.92	-2.90
Tax expense/ (benefit)	0.99	0.73
<b>Net of tax</b>	<b>-2.93</b>	<b>-2.17</b>

**iii) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate**

(₹ in lakhs)

Particulars	For the Year ended 31.03.2022	For the Year ended 31.03.2021
Profit before tax	2,772.31	-1,554.76
Tax using the Company's domestic tax rate of 25.168% (previous year 25.168%)	697.74	-391.30
Tax effect of:		
Brought forward Capital Losses adjusted from profit during the year	-188.17	-
Capital Loss Expired	-	7.00
Rate difference between business loss & capital gain	-21.74	-
Others	-120.16	-29.35
<b>Income Tax Expenses/ (Income) recognised in the statement of profit and loss account</b>	<b>367.67</b>	<b>-413.65</b>
<b>Income tax recognised in other comprehensive income Rs.0.98 lacs (In PY Rs.0.73 lacs)</b>		

**b) The movement in deferred tax assets and liabilities during the year ended March 31, 2022: (₹ in lakhs)**

Deferred tax assets/ ( liabilities )	As at 1st April, 2020	Credit/ (charge) in statement of Profit and Loss	As at 31st March, 2021	Credit/ (charge) in statement of Profit and Loss	As at 31st March, 2022
On account of Depreciation	-313.19	279.20	-34.00	34.00	-
On account of amount allowable on payment basis & others	22.88	-7.09	15.79	-6.80	8.99
On account of brought forwarded business losses	652.93	81.59	734.52	-7.06	727.45
On account of brought forwarded Unabsorbed depreciation	267.20	14.69	281.89	-0.39	281.49
On account of ECL & Impairment losses	959.27	10.66	969.94	-222.42	747.52
On account of depreciation on property, plant & equipment, Intangible assets and ROU	-	-	-	52.79	52.79
On account of Capital losses	181.46	35.34	216.80	-216.80	-
<b>Total</b>	<b>1,770.55</b>	<b>414.38</b>	<b>2,184.93</b>	<b>-366.68</b>	<b>1,818.25</b>

**40 Earnings per Share (₹ in lakhs)**

Particulars	For the Year ended 31.03.2022	For the Year ended 31.03.2021
a) Net profit / (loss) as per Statement of Profit and Loss attributable to Equity Shareholders		
– Before Exceptional Item	-1,577.77	-1,141.11
– After Exceptional Item	2,404.64	-1,141.11
b).Number of weighted average equity shares outstanding during the year for the purpose of calculation of earnings per share	88,07,300	88,07,300
c).Nominal value of equity share (in Rs.)	10.00	10.00
d) Basic & diluted earning per share before exceptional items	-17.91	-12.96
e) Basic & diluted earning per share after exceptional items	27.30	-12.96

**41 Employee benefits**
**A. Defined benefit plan**
**Gratuity**

The Company provides to the eligible employees, defined benefit plans in the form of gratuity. The gratuity plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days' salary payable for each completed year of service. Vesting occurs upon completion of five continuous years of service.

The following table sets out the details of the defined benefit retirement plans and the amounts recognised in the financial statements based on actuarial valuation report:

**i) Change in Present Benefit Obligation (₹ in lakhs)**

	2021-2022	2020-2021
Present value of obligations at the beginning of the period	103.36	123.95
Current Service Cost	4.45	3.98
Interest Cost	6.20	7.12
Re-measurement(or actuarial)(gain)/loss arising from:		
a) change in demographic assumptions	4.73	-
b) change in financial assumptions	-1.56	-0.88
c) experience variance(i.e actual experience vs assumptions)	1.72	5.06
Past Service Cost	-	-
Benefits Paid	-18.03	-35.87
Present value of obligations at the end of the period	<b>100.86</b>	<b>103.36</b>

ii) <b>Change in fair value of plan assets</b>		(₹ in lakhs)	
	2021-2022	2020-2021	
Fair value of plan assets at the beginning of the period	91.51	85.34	
Investment Income	5.49	4.90	
Benefits Paid	-	-	
Return on plan assets ,excluding amount recognised in net interest expense	0.97	1.27	
Fair value of plan assets at the end of the period	<b>97.97</b>	<b>91.51</b>	

iii) <b>Expenses recognised in Income statement</b>		(₹ in lakhs)	
	2021-2022	2020-2021	
Current Service Cost	4.45	3.98	
Past Service Cost	-	-	
Net Interest Cost/(Income) on the Net Defined Benefit Liability/(Asset)	0.71	2.22	
Expense recognised in Statement of Profit and Loss	<b>5.16</b>	<b>6.20</b>	

iv) <b>Other Comprehensive Income (OCI)</b>		(₹ in lakhs)	
	2021-2022	2020-2021	
Actuarial Gain/Losses			
a) Change in Demographic assumptions	4.73	-	
b) Change in Financial Assumptions	-1.56	-0.88	
c) Experience Variance(i.e Actual experience Vs Assumptions)	1.72	5.06	
Return on Plan Assets,excluding amount recognised in net Interest expense	-0.97	-1.27	
Components Of Defined Benefit costs recognised in other Comprehensive Income	<b>3.92</b>	<b>2.90</b>	

v) <b>Sensitivity Analysis of the defined benefit obligation</b>		(₹ in lakhs)	
	2021-2022	2020-2021	
a) <b>Impact of the change in discount rate</b>			
Impact due to increase of 1 %	-99.04	-100.02	
Impact due to decrease of 1 %	102.81	106.95	
b) <b>Impact of the change in salary increase</b>			
Impact due to increase of 1 %	102.66	106.84	
Impact due to decrease of 1 %	-99.15	-100.07	
c) <b>Impact of change in Attrition Rate</b>			
Impact due to increase of 0.5 %	102.05	104.96	
Impact due to decrease of 0.5 %	-98.41	-101.07	
d) <b>Impact of change in Mortality Rate</b>			
Impact due to increase of 10 %	100.87	103.38	
Impact due to decrease of 10 %	-100.86	-103.34	

vi) <b>Expected maturity analysis of the undiscounted gratuity benefits is as follows</b>		(₹ in lakhs)	
	2021-2022	2020-2021	
1 year	79.59	39.22	
2 to 5 years	21.44	50.95	
6 to 10 years	6.56	27.22	
More than 10 years	7.41	10.78	

Expected contributions to post-employment benefit plans for the year ending 31 March 2023 are Rs. 560041.  
The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 3 years.



vii) **The assumptions used in accounting for the defined benefit plan are set out below:** (₹ in lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Discount Rate	5.80%	6.00%
Future Salary Increase	3.00%	3.00%
Retirement Age	58 years	58 years
Mortality rates	100%	100%
	(IALM 2012-14)	(IALM 2012-14)
Withdrawal rate	10%	10%

B. **Long term employee benefit plans**  
**Compensated Absence**

The liability for leave encashment is recognized on the basis of actuarial valuation made at the end of the year. A provision of Rs. -4.62 Lakhs (31 March 2021: Rs. 1.19 Lakhs) for the year have been made on the basis of actuarial valuation at the year end and debited to the Statement of Profit and Loss.

C. **Defined contribution plans**

The company's contribution to provident fund, pension fund and ESI scheme recognised as expense for the year are as under:

	(₹ in lakhs)	
	2021-2022	2020-2021
- Contribution to Provident fund	17.72	18.89
- Contribution to ESI	2.16	2.25

42 A. **Contingent Liabilities not provided for in respect of :**

(₹ in lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Letter of credit pending for shipment	-	124.70
Bank Guarantees (net of margin)	28.66	78.66
Custom Duty demand	Not Ascertainable	Not Ascertainable
Income Tax Matters	37.88	37.88
Sales Tax Matters	1,145.02	1,090.14
Service Tax Matters	1.97	1.97
Excise Matters	4,877.81	4,877.81

**Note:**

- i) Bank Guarantees issued by Bankers Rs.30.50 lacs (Previous year Rs. 80.50 lacs) including for Sales Tax and Excise demand Rs.30.50 lacs (Previous Year Rs.30.50 lacs), against which margin kept by bank Rs.1.84 lacs ( Previous year Rs. 1.84 lacs).
- ii) Advance Licence utilised for Import of CPT worth Rs. 87.50 lacs during the period from January, 1995 to May 1995, DGFT issued Show Cause Notice to pay duty and penalty thereof on all above imports and included the company's name in the defaulters list. Company challenged the said Notice in Delhi High Court and after admitting the petition and taking into consideration all the facts, the Delhi High Court directed the Company to deposit a sum of Rs. 20.00 lacs with the Collector of Customs and ordered DGFT to remove Company's name from the defaulters list. Accordingly Company has deposited the sum of Rs.20.00 lacs within the time stipulated by the Court. Duty and penalty amount is not ascertainable at this stage. Petition has been refiled against appeal order of DGFT.
- iii) (a) The demand amounting to Rs.1113.78 lacs (previous year Rs. 1113.78 lacs) and penalty Rs. 1113.78 lacs (previous year Rs.1113.78 lacs) for the period April 2002 to April 2003 and demand of Rs.28.99 lacs (previous year Rs.28.99 lacs) and penalty of Rs.28.99 lacs (previous year Rs.28.99 lacs) for the period July 1993 to February 1994 are on the basis of differential duty on Chassis, Sub assembly parts of T.V.considered as T.V. The Honorable Supreme Court has decided on the classification issue for the period 1989-90 and the facts of these cases are different from the case decided by the Supreme Court. The company had gone in appeal before CESTAT. The appeal before CESTAT were remanded back to the Commissioner Adjudication to decide a fresh while considering the differential facts of the case. The Commissioner has decided the cases against the company without considering the differential facts as per directions given by the CESTAT in remand order. The company has again filed appeal against Commissioner's order before the CESTAT. CESTAT has decided the case against the company. The company has filed the SLP against the order of CESTAT before the Supreme Court.

- (b) The demand for Rs.1292.44 lacs (previous year Rs. 1292.44 lacs) and penalty Rs.1292.44 lacs (previous year Rs. 1292.44 lacs) for the period June 1998 to March 2002 raised on the same basis by the department is time barred and case had been decided in favour of the company. The department had gone in appeal before CESTAT. The CESTAT had remanded this matter to Commissioner Adjudication who has decided the case against the company without considering direction / differential facts of the CESTAT. The company has again filed appeal on the matter before CESTAT. CESTAT has decided the case against the company. The company has filed the SLP against the order of CESTAT before the Supreme Court. Therefore considering directions / differential facts given by CESTAT in remand order not considered in Commissioner's orders, the company has good case on merits. Demand deposited amounting to Rs.600.00 lacs (previous year Rs. 600.00 lacs). Miscellaneous Excise duty demand amounting to Rs.7.39 lacs (previous year Rs. 7.39 lacs) against amount deposited Rs.2.00 lacs (previous year Rs.2.00 lacs) and Service Tax demand Rs.1.97 lacs (previous year Rs. 1.97 lacs) has been raised by the department against which company has filed appeals. (refer note no.50).
- iv) The Central Sales Tax and VAT/ State Sales Tax Authorities has raised demand of Rs. 1145.02 lacs (Previous Year Rs. 1090.14 lacs) primarily pertains to expartie order and/or some interpretation related issues, which is under appeal and an amount of Rs. 146.80 lacs (previous year Rs.169.29 lacs) deposited under protest, which has been disputed by the company. However in most of the cases, required documents are being filed. The Company's appeal against the said demands are pending before various appellate authorities forums.
- v) Income Tax Assessments of the Company have been completed upto Assessment Year 2018-19 (in previous year upto 2016-17). Demand has been raised of Rs.37.88 lacs (previous year Rs. 37.88 lacs) for earlier assessment year 2002-03 against which company has filed appeal before applete authorities and amount Rs. 37.88 lacs (previous year Rs.37.88 lacs) has been deposited against demands.
- vi) Appeal of Income Tax department against the ITAT order for the Assessment Year 1997-98 is lying pending before Hon'ble Supreme Court against refund of Rs.1151.57 lacs (previous year Rs. 1151.57 lacs) received by the Company in the Financial Year 2002-2003. There is final demand of Rs. 382.99 lacs on Rs. 1764 lacs direct benefit to share holders is only in SLP as High Court relieved depreciation part of Rs. 3248 lacs.

The amounts herein above do not include amount og interest or penalty whereof are not ascertain

Pending completion of the legal process the impact of liability, if any, cannot be ascertained at this stage, however, management believes that, based on legal advice, the outcome of these contingencies will be favorable and that outflow of economic resources is not probable.

- B. Estimated amount of contracts remaining to be executed on capital account & not provided for (net of advances) is Rs. Nil (previous year Rs. Nil.).

#### 43 Capital Management

The Company's objectives when managing capital are to:

- safeguard its ability to continue as a going concern, and
- maintain an appropriate capital structure of debt and equity.

The Company monitors capital using gearing ratio which is net d

Particulars	(₹ in lakhs)	
	As at 31st March 2022	As at 31 <sup>st</sup> March 2021
Total borrowings	1,641.81	6,855.85
Less : Cash and cash equivalents	143.69	6.08
<b>Net debt</b>	1,498.12	6,849.77
<b>Total equity</b>	6,753.28	4,351.57
<b>Net debt to equity ratio</b>	<b>0.22</b>	<b>1.57</b>

#### 44 Financial Risk Management

The principal financial assets of the Company include loans, trade and other receivables, and cash and bank balances that derive directly from its operations. The principal financial liabilities of the company include loans and borrowings, trade and other payables and the main purpose of these financial liabilities is to finance the day to day operations of the company.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks and advises on financial risks and the appropriate financial risk governance framework for the Company.

The risks which the company is exposed to and policies and framework adopted by the company to manage these risks are explained as under:

##### A **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. Company is exposed to interest rate risk as its Market risk.

### 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 relates primarily to the Company's debt obligations with floating interest rates.

As the Company has no significant interest-bearing assets, the income and operating cash flows are substantially independent of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates, which are included in interest bearing loans and borrowings in these financial statements. The company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

At the reporting date the interest rate profile of the Company's interest bearing financial instrument is at its fair value:

<b>Carrying Amount</b>		(₹ in lakhs)	
<b>Particulars</b>	<b>As at 31st March 2022</b>	<b>As at 31st March 2021</b>	
<b>Fixed rate instruments</b>			
Long term borrowings	404.43	854.83	
Current maturities of long term debt	305.65	396.80	
Unsecured loans	930.03	1,621.94	
<b>Variable rate instruments</b>			
Short term borrowings	1.71	3,982.28	

A change of 50 bps in interest rate would have following impact on profit and loss: (₹ in lakhs)

<b>Particulars</b>	<b>2021-2022</b>	<b>2020-2021</b>
Increase in 50 basis point	0.01	19.91
Decrease in 50 basis point	-0.01	-19.91

### C Liquidity Risk

The financial liabilities of the company include loans and borrowings, trade and other payables. The company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations.

**The below is the detail of contractual maturities of the financial liabilities of the company at the end of each reporting period:**

		(₹ in lakhs)	
<b>Particulars</b>	<b>As at 31st March 2022</b>	<b>As at 31st March 2021</b>	
<b>Borrowings:</b>			
0-1 year	1,237.38	4,668.07	
More than 1 year	404.43	2,187.77	
<b>Trade Payables:</b>			
0-1 year	931.66	2,160.07	
More than 1 year	143.41	98.60	
<b>Lease Liability:</b>			
0-1 year	-	0.01	
More than 1 year	-	62.42	
<b>Other Financial liabilities:</b>			
0-1 year	224.55	133.61	
More than 1 year	18.32	16.42	

**D Credit Risk**

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The exposure to the credit risk at the reporting date is primarily from trade receivables which are typically unsecured and other financial assets. Majority of the company's transactions are earned in cash or cash equivalents.

The company assesses the creditworthiness of the customers internally to whom services are rendered on credit terms in the normal course of business. The credit limit of each customer is defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

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 receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

**(i) Exposure to Credit Risk**

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

(Rs.in lacs)

Particulars	As at 31st March 2022	As at 31st March 2021
<b>Financial assets for which loss allowance is measured using:</b>		
<b>-Lifetime expected credit losses</b>		
Trade receivables	2,160.76	4,429.58
<b>-12 months expected credit losses</b>		
Investments	0.02	4.34
Cash and cash equivalent	143.69	6.08
Other bank balances	33.95	26.73
Other financial assets	708.08	77.39
<b>Total</b>	<b>3,046.50</b>	<b>4,544.12</b>

**(ii) Provision for expected credit losses****Financial assets for which loss allowance is measured using life time expected credit losses**

The Company uses a provision matrix to determine expected loss on portfolio of its trade receivable which is measured using lifetime expected credit loss model. The provision matrix is based on its historically observed default data over the expected life of the trade receivable and is adjusted for forward- looking estimates.

**The following table summarises the change in the loss allowances measured using life time expected credit loss model (ECL):**

(₹ in lakhs)

Particulars	2021-22	2020-21
<b>At the beginning of the Year</b>	2,092.19	2,087.36
Provided/(Reversal) during the year	-391.81	4.83
<b>As at March 31, 2022</b>	<b>1,700.38</b>	<b>2,092.19</b>

**Financial assets for which loss allowance is measured using 12 month expected credit losses**

The company has assets where the counter- parties have sufficient capacity to meet the obligations and where the risk of default is very low. Accordingly, loss allowance for impairment on certain financial assets has been recognised as disclosed in this Note under 'Reconciliation of impairment loss provisions'.

**Reconciliation of impairment loss provisions**

(₹ in lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
<b>Opening Provision</b>	1,792.84	1,755.29
Add: Provided during the year	-	37.55
Less: Reversal of loss allowance *	-523.12	-
<b>Closing Provision</b>	<b>1,269.73</b>	<b>1,792.84</b>

**E Foreign Currency Risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company operates internationally and the Group has foreign currency trade payables and receivables and is therefore, exposed to foreign exchange risk.

The carrying amounts of the company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period as follows:

(₹ in lakhs)

Foreign currency exposure	Currency	As at 31st March 2022	As at 31st March 2021
Trade Receivables	<b>US\$</b>	-	0.36
Trade payables	<b>US\$</b>	3.01	2.97
Net Exposure to foreign currency risk	<b>US\$</b>	-3.01	-2.61

**Foreign Currency Risk Sensitivity**

A change in 1% in foreign currency would have following impact on profit before tax:

(US\$ in Rs.)

Particulars	2021-2022		2020-2021	
	1% Appreciation in US\$	1% Depreciation in US\$	1% Appreciation in US\$	1% Depreciation in US\$
Increase/(Decrease) in Profit or Loss (in Rs.)	-2.28	2.28	-1.92	1.92

**F. Fair Value Measurement:****Financial Instruments by category**

The carrying value and fair value of financial instruments by categories as of 31st March , 2022

(₹ in lakhs)

Particulars	FVTPL	FVTOCI	Amortised Cost	Carrying Cost
<b>Financial Assets:</b>				
Non current Investment-others	-	-	0.02	0.02
Trade Receivables	-	-	2,160.76	2,160.76
Other Financial Assets-Non Current	-	-	33.52	33.52
Cash and Cash Equivalents	-	-	143.69	143.69
Other Bank Balances	-	-	33.95	33.95
Other financial asset -Current	-	-	674.56	674.56
<b>Financial Liabilities:</b>				
Non - Current Borrowings	-	-	404.43	404.43
Trade Deposits	-	-	18.32	18.32
Current Borrowings	-	-	1,237.38	1,237.38
Trade Payables	-	-	1,075.07	1,075.07
Other Financial liabilities	-	-	224.55	224.55

## The carrying value and fair value of financial instruments by categories as of 31st March, 2021

(₹ in lakhs)

Particulars	FVTPL	FVTOCI	Amortised Cost	Carrying Cost
<b>Financial Assets:</b>				
Non current Investment-others	-	4.32	0.02	4.34
Loan	-	-	-	-
Trade Receivables	-	-	4,429.58	4,429.58
Other Financial Assets-Non Current	-	-	34.52	34.52
Cash and Cash Equivalents	-	-	6.08	6.08
Other Bank Balances	-	-	26.73	26.73
Other financial asset -Current	-	-	42.87	42.87
<b>Financial Liabilities:</b>				
Non - Current Borrowings	-	-	2,187.77	2,187.77
Trade Deposits	-	-	16.41	16.41
Lease Liability	-	-	62.43	62.43
Current Borrowings	-	-	4,271.28	4,271.28
Trade Payables	-	-	2,258.67	2,258.67
Other Financial liabilities	-	-	530.40	530.40

\* FVTPL - Fair value through profit and loss, FVTOCI - Fair value through other comprehensive income.

**45 RELATED PARTIES DISCLOSURES :****1. Relationship :**

(a)	Other related parties in which key managerial Personnel are able to exercise significant influence :	Salora Components Ltd Manori Properties Private Limited Devi Electronics Private Limited Quick Load 24X7 Private Limited Tiss Technologies LLP PJTJ Technologies Private Limited
(b)	Key Managerial Personnel:	Mr. Gopal Sitaram Jiwrajka(Chairman & Managing Director) Mr. Tarun Jiwrajka(Whole Time Director & CFO) Mrs. Neetu Jiwrajka (Director) Ms. Deepika (Company Secretary, w.e.f. 25.02.2020 to 30.06.2020) Mr. Mahak Agarwal ( Company Secretary, w.e.f. 08.07.2020 to 20.02.2021) Mr. Anubhav Nigam ( Company Secretary, w.e.f. 07.06.2021 )
(c)	Relative of key managerial personnel where transactions have taken place:	Mr. Ayush Jiwrajka Mrs. Savitri Devi Jiwrajka (demised on 30.07.2020 )
(d)	Other Relative Parties	Mr. K.S. Mehta (Chairman Audit Committee & Independent Director) Mr. Sanjeev Kaul Duggal (Independent Director) Mr. Paramartha Saika (Independent Director )

**Note: Related party relationship is as identified by the Company and relied upon by the Auditors.**

## 2. Transactions carried out with related parties as above , in ordinary course of business:

(₹ in lakhs)  
Related Parties

Nature of Transactions	Referred in 1 (a) above		Referred in 1 (b) & (c) above		Referred in 1 (d) above	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021	31.03.2022	31.03.2021
<b>Purchases</b>						
Goods and Materials	-	0.23				
<b>Sales</b>						
Goods and Materials	230.88	3.91				
<b>Expenses</b>						
Interest	7.25	11.60	58.24	34.77		
Directors Remuneration & Perquisite			37.19	37.80		
Director Sitting Fee					2.30	2.10
Salary of Others			9.42	9.76		
<b>Income</b>						
Rental & Other Incomes	12.51	3.54				
Interest Payable written back			-	54.12		
<b>Finance</b>						
Loans received	-	7.00	7,863.10	258.10		
Loans repaid	0.25	45.00	8,354.77	199.93		
<b>Others</b>						
Advance Received for sale of shares						
Advance Paid for Capital goods			-	9.00		
Advance Capitalized to Vehicle			9.00	-		
Expenses/Payment on their behalf	1.50	1.76				
<b>Outstandings</b>						
Payables	-	-	2.87	3.58	2.30	3.11
Receivables	28.15	31.79	-	9.00		
Loan Payable	88.75	89.00	841.28	1,332.94		
Interest Payable	2.88	2.85	54.55	10.28		

## 46 Segment reporting :

The Company's Chief Operational Decision Makers examines the company's performance both from product and geographic perspective and has identified two segments, i.e., Consumer Electronic Division & Wind Energy .The business segments are monitored separately for the purpose of making decisions about resource allocation and performance assessment.

**The reporting segments of the company and the type of product and services in each segment are as follows:**

Business Segment	Type of Products
a) Consumer Electronics Division	Mobile Phones,IT Products,Telecom products, Home Appliances, Gift Cards and Other items etc. Fly Back Transformer(EHT), Loudspeaker,Deflection Yoke. LED TVs,CRT TVs and Home Theatres
b) Wind Energy	Wind Energy Generation (refer note no.54).

## Summary of Segment information are as follows:

(₹ in lakhs)

	Year Ended 31.03.2022	Year Ended 31.03.2021
<b>Information about Primary Business Segments :</b>		
<b>(I) Segment Revenue : (Rs.in lacs)</b>		
a) Consumer Electronics Division	7,007.01	8,777.81
b) Wind Energy	-	151.45
<b>Total</b>	<b>7,007.01</b>	<b>8,929.27</b>
Less : Inter Segment Revenue	-	-
<b>Total Segment Revenue as per Financial Statements</b>	<b>7,007.01</b>	<b>8,929.27</b>
<b>(II) Segment Results (Rs.in lacs) :</b>		
a) Consumer Electronics Division	-710.83	-225.16
b) Wind Energy (discontinued operations)	-	4.28
<b>Total Segment profit before interest and tax &amp; before Exceptional Item</b>	<b>-710.83</b>	<b>-220.88</b>
Less : Result of discontinued operations	-	-
Less : i) Interest	290.71	578.29
ii) Other un-allocable expenditure net of un-allocable income	208.56	184.60
<b>Total profit before exceptional Item and tax</b>	<b>-1,210.10</b>	<b>-983.77</b>
Add : Exceptional Item	-3,982.41	570.99
<b>Total profit before tax</b>	<b>2,772.31</b>	<b>-1,554.76</b>
Add:-Deferred Tax Income/(Expense)	-367.67	413.65
<b>Net Profit/(Loss) as per Financial Statements</b>	<b>2,404.64</b>	<b>-1,141.11</b>
	-	-

**(III) Other Informations (Rs.in lacs) :**

(₹ in lakhs)

Particulars	Segment Assets	Segment Liabilities	Capital Expenditure	Depreciation & Amortisation
<b>a) Consumer Electronics Division</b>				
As at 31st March 2022	6,912.32	1,237.60	1.13	28.98
As at 31st March 2021	11,195.15	2,357.54	0.58	37.63
<b>b) Wind Energy</b>				
As at 31st March 2022	15.63	-	-	-
As at 31st March 2021	35.99	0.62	-	88.78
<b>c) Unallocated Amounts</b>				
As at 31st March 2022	2,885.20	1,822.28	55.98	14.68
As at 31st March 2021	2,539.99	7,061.39	0.68	25.08
<b>Total as per Financial Statements</b>				
As at 31st March 2022	<b>9,813.15</b>	<b>3,059.87</b>	<b>57.12</b>	<b>43.66</b>
As at 31st March 2021	<b>13,771.13</b>	<b>9,419.56</b>	<b>1.26</b>	<b>151.49</b>

<b>GEOGRAPHICAL SEGMENTS:</b>	Year Ended 31.03.2022 (₹ in lakhs)	Year Ended 31.03.2021 (₹ in lakhs)
<b>Revenue from Operations :</b>		
<b>Domestic</b>	7,007.01	8,777.81
<b>Export</b>	-	-
<b>Total</b>	<b>7,007.01</b>	<b>8,777.81</b>

Segments have been identified in line with the Ind AS 108 taking into account the organisation structure as well as the differential risks and return of these segments.

The Segment Revenues, Results, Assets and Liabilities include the respective amounts identifiable to each of the segment and allocated on a reasonable basis.



**47 Disclosure under The Micro, Small and Medium Enterprises Development Act, 2006**

The Company has sent letters to vendors to confirm whether they are covered under micro, small and medium enterprise development act 2006 as well as they have filed required memorandum with prescribed authority. Based on and to the extent of the information received by the Company from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) and relied upon by the auditors, the relevant particulars as at the year end are furnished below:

Particulars	(₹ in lakhs)	(₹ in lakhs)
	As at March 31, 2022	As at March 31, 2021
The Principal amount remaining unpaid at the year end	35.06	53.45
The Interest amount remaining unpaid at the year end	16.77	16.01
The amount of interest paid by the buyer under MSMED Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
The amount of interest due and payable for the year (where the principal has been paid but interest under the MSMED Act, 2006 not paid)	-	-
The amount of interest accrued and remaining unpaid at the year end	16.77	16.01
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 as a deductible expenditure under section 23 of MSMED Act, 2006	16.77	16.01

- 48 In the opinion of the board, any of the assets other than property, plant and equipment and non current investments have a value on realisation in the ordinary course of the business at least equal to the amount at which they are stated.
- 49 1) The company's decision to dispose of the Noida land, it was also decided to review all the business operations being carried out keeping in view future potential, technological obsolescence, profitability and infrastructure required. Basis this, the company has decided to stop the manufacturing operations at Noida and exit certain categories of products and dispose of such items at current market prices. The company recorded a net gain of Rs.4400.41 lakhs and Rs.3982.41 lakhs for the quarter and year ended respectively on account of exceptional items which resulted in a significant increase in overall gain for the year. The exceptional items recorded during the quarter/year include the following:
- (a) The company has paid Rs. 418.00 lakhs towards lease rent to Noida Authority in September 2021 to facilitate completion of sale transaction of Noida land which has been factored in the value of the property. The said land has been disposed off during the quarter for a consideration of Rs.6271.66 lakhs (net of expenses) against the carrying value of Rs 225.01 lakhs as on 31.03.2022 and net gain of Rs 6046.65 lakhs on account of profit on sale of land.
- (b) Due to micro and macro-economic factors such as passage of time, deterioration of goods including global outbreak of Covid 19 pandemic, recessionary economy etc, the company is in the process of restructuring its business. Consequently, the company has written down inventories by Rs.787.52 lakhs based on the estimated net realizable value less cost to sell, disposed of Property, Plant and Equipment having carrying value of Rs 375.02 lakhs against which estimated realizable value of Rs 130.00 lakhs presented as Assets held for Sale and thereby loss on discard of assets Rs 245.02 lakhs. The company has also additionally provided allowance for doubtful receivables by Rs.613.70 lakhs which is due from a customer which in the view of the management is doubtful and considering the materiality of the amount it is treated as an exceptional item. However, the company is making necessary efforts for recovery of the same.
- 50 The company filed a SLP on merits with the Honorable Supreme Court which is pending for disposal. However, on 16.12.2021, the Company filed a writ petition in High Court of Delhi to direct the department to condone the delay due to Covid-19 and accept payment Rs.1210.99 lakhs as approved in the SVLDR scheme against which pre deposit Rs 600 lakhs for settlement of the disputed Excise matters of Rs.2435.21 lakhs and penalty thereon Rs. 2435.21 lakhs demanded by Excise authorities related to financial year 1993-94 to 2003-04. The High Court has issued notice to the concerned authorities which is pending for disposal. The Contingent Liability against this matter Rs 4870.42 lakhs against this matter shall stand as it is, till either the High Court or the Supreme Court decides on this matter.
- 51 Contingent liabilities of Rs.1212.25 lakhs (excluding Rs.4870.42 Lakhs as referred in above (2) of EOM) related to Sales tax, Excise duty, Service tax and Income tax etc. against which amount deposited Rs 206.67 Lakhs which are contested by the company and pending before various forums. However, management believes that based on legal advice, the outcome of these contingencies will be favorable and that outflow of economic resources is not probable.
- 52 The Company has material statutory dues recoverable of Sales tax of Rs 364.32 lakhs and Income tax Rs. 131.30 lakhs which has been considered good.

- 53** Deferred tax assets Rs.1818.25 lakhs as at 31st March 2022 is expected to be realized as the company has reduced the borrowing / debts significantly during the year, thereby resulting in significant decrease in finance cost for the year and subsequent periods / years, also reduction in other costs and considering business growth plan. The company was able to set off deferred tax on business losses during the year Rs.304.55 lakhs, deferred tax on exceptional items Rs.414.32 lakhs and further bringdown deferred tax assets (net) as at 31.03.2022 by Rs.366.68 lakhs in relation to previous year.
- 54** Wind Energy segment discontinued in previous year and has been disclosed as discontinued operation for better understanding of the Company's financial performance, line items of discontinued operation have been added in the previous year to show Profit/(Loss) after tax from continuing operation separately for compliance of IND AS 105- Non-current Assets Held for Sale and Discontinued Operations and guidance available in Schedule III to the Companies Act, 2013.  
Pursuant to the Inventory Purchase Agreement entered by Suzlon Energy Limited for the purchase of WOEG (Wind Mills) on 22 December, 2020 from the company which has been approved by the Board in meeting held on 07.11.2020 and by Shareholders in Extra Ordinary General Meeting on dated 04.12.2020. The fixed assets of Wind Division of written down value Rs.1063.49 lakhs has been sold at Rs.492.50 lakhs and loss Rs.570.99 lakhs has been shown as an Exceptional Items in the previous year and net profit from discontinued operations before exceptional items and tax Rs.4.28 lacs. Tax Expenses on continuing operations, discontinued operations and exceptional item can not be identified separately, so the same have not been shown separately. There is no current tax expense due to losses being incurred by the company. Refer note no. 46.
- 55** The outbreak of Covid19 pandemic has caused significant disturbance and slow down of economic activity during the year which has impacted the Company's operations of the year. The Company continued to carry out the operation in the limited manner due to on going covid pandemic. The Company has conducted an assessment of the possible impact of the ongoing Covid-19 pandemic on its operations, liquidity position and recoverability of its asset balances as at 31st March, 2022 based on the internal and external information upto the date of approval of these financial statements. Since the situations are continuously evolving, the impact assessed may be different from the estimates made as at the date of approval of these financial statements and management will continue to monitor any material changes arising due to the impact of this pandemic on financial and operational performance of the Company and take necessary measures to address the situation.

**56 Additional regulatory information**

- a)** Additional regulatory information/disclosures as required by general instructions to Division-II of Schedule III to the Companies Act, 2013 are furnished to the extent applicable to the Company.
- b)** The company was sanctioned working capital limits in excess of Rs five crore in the previous year, in aggregate, from banks on the basis of security of current assets which has been repaid during the year and the quarterly returns or statements not filed by the company as not desired / required by the banks.
- c)** The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- d)** The Company has not been declared as wilful defaulter by any bank or financial institutions or other lenders.
- e)** The title deeds of immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company subject to below :

Relevant line items in the Balance Sheet	Right of use assets.
Description of item of property	Lease hold land
Gross Carrying value (Rs in Lacs)	4.37
Title deeds held in the name of	Electronics Consortium Private Limited
Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter / director	Yes
Property held since which date	Since 1980
Reason for not being held in the name of the Company*	In the old name of the company, due to some procedural /technical issues the property is still not transferred in the existing name of the company.

- f)** During the year, the Company has not revalued its Property, Plant and Equipments.
- g)** The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

- h)** No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity (ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- i)** The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- j)** The Company do not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956

**k) Disclosure of Ratio**

Ratio*	Measurement unit	Numerator	Denominator	As at 31 March 2022	As at 31 March 2021	% Change (2022)	Reason
Current Ratio	Times	Current assets	Current liabilities	1.94	1.01	92.94%	Sale proceeds of sale of land utilised for repayment of borrowings to a great extent.
Debt-equity Ratio	Times	Total debt	Shareholder Equity	0.24	1.58	-84.57%	Sale proceeds of sale of land utilised for repayment of borrowings to a great extent and profit on sale of land.
Debt service coverage Ratio	Times	Net Profit before taxes + Non-cash operating expenses & Finance cost	Interest expense (including capitalised) + principal repayment (including prepayments)	0.40	0.12	219.84%	Profit on sale of land and due to decrease in borrowings as well as finance cost.
Return on equity Ratio	Percentage	Profit after tax	Average Shareholder Equity	43.31	-23.18	286.85%	Exceptional gain due to profit on sale of land.
Inventory turnover Ratio	Times	Revenue from operations	Average inventories	1.73	1.81	-4.38%	
Trade receivables turnover Ratio	Times	Revenue from operations	Average trade receivables	2.13	2.02	5.45%	
Trade payables turnover Ratio	Times	Purchases	Average trade payables	3.87	3.87	-0.02%	
Net capital turnover Ratio	Times	Revenue from operations	Average working capital	5.54	98.83	94.40%	Sale proceeds of sale of land utilised for repayment of borrowings to a great extent.
Net profit Ratio	Percentage	Profit after tax	Revenue from operations	34.32%	-13.00%	363.98%	Exceptional gain due to profit on sale of land.
Return on capital employed	Percentage	Earnings before interest and tax	Capital employed	46.94%	-10.44%	549.58%	Exceptional gain due to profit on sale of land and decrease in finance cost

- 57 Debtors, creditors, loans and advances are subject to confirmations except received of some parties.
- 58 Previous year figures have been re-grouped / re-arranged wherever considered necessary.

As per our separate report of even date annexed.

For **R Gopal & Associates**  
Chartered Accountants  
Firm Reg No. 000846C

**S K Agarwal**  
Partner  
M.No: 093209

**Place :New Delhi**  
**Date: 30.05.2022**

**Tarun Jiwrajka**  
Whole Time Director & CFO  
DIN No. 00386240

**Anubhav Nigam**  
Company Secretary

**For and on behalf of the Board**

**Gopal Sitaram Jiwrajka**  
Chairman & Managing Director  
DIN: 00024325



# SALORA INTERNATIONAL LIMITED

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📍 Corp Office:- B-31-34, to 50-53, Sector 80, Phase-II, Noida - 201305 (U.P.)

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