



COSMO FERRITES LIMITED
Annual Report 2021-22

BOARD OF DIRECTORS

Mr. Ambrish Jaipuria	Chairman, Executive Director & CEO
Mrs. Abha Jaipuria	Non-Executive Director
Mr. Rajesh Kumar Gupta	Non-Executive Director
Mr. Janardhan Gupta	Non-Executive Director
Mr. Kulbhushan Malik	Non-Executive Director
Mr. Pankaj Poddar*	Non Executive Director
Mr. Neeraj Kumar Sharma*	Non-Executive Director
Mrs. Himalyani Gupta*	Non-Executive Director

* Mr. Pankaj Poddar, Mr. Neeraj Kumar Sharma and Mrs. Himalyani Gupta appointed as additional Director w.e.f. May 12, 2022.

REGISTERED OFFICE

P.O. Jabli, Distt. Solan
H.P. - 173 209
Ph. : 01792-294347
E-mail: plant@cosmoferrites.com

AUDITORS

Suresh Kumar Mittal & Co.

BANKERS

State Bank of India

CORPORATE OFFICE

517, 5th Floor, DLF Tower - A
Jasola District Centre, New Delhi - 110 025 (India)
Ph. : +91 - 11 - 49398800
E-mail : sales@cosmoferrites.com

SALES OFFICE

517, 5th Floor, DLF Tower - A
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MFG. PLANT

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DIRECTORS' REPORT

THE MEMBERS

COSMO FERRITES LTD.

The Directors have pleasure in presenting the Annual Report on the business and operations of the company along with Audited Balance Sheet and Profit & Loss A/c for the year ended **31st March 2022**.

1. SUMMARY FINANCIAL RESULTS

The Financial Results of the company for the financial year ended 31st March, 2022 were as follows:

(Rs. in Lacs)

Particulars	Year Ended 31 st March 2022	Year Ended 31 st March 2021
Net Sales	11384	6365
Other Income	174	133
Profit before Interest, Depreciation and Tax	2948	787
Finance Cost	407	345
Depreciation	392	395
Exceptional Item	(253)	2
Profit before Tax	1897	50
Provision for Taxation		
- Current Tax	28	-
- Earlier year Taxes	-	29
- Deferred Tax	446	(159)
Profit After Tax	1423	180

2. REVIEW OF OPERATIONS

- For the year ending 31st March 2022 sales increased to Rs 11,384 Lacs as compared to Rs. 6,365 Lacs for previous year.
- Profit after tax for the year is Rs. 1423 lacs as compared to Net Profit of Rs. 180 Lacs in the previous year.

3. DIVIDEND

In order to conserve the resources of the Company and to plough back the profits for growth, the Board of Directors of the Company have decided not to recommend any dividend on the equity shares of the Company for the financial year ended March 31, 2022.

4. RESEARCH & DEVELOPMENT

Continuous efforts on Research & Development activities are being made to expand the domestic and export markets.

5. CORPORATE GOVERNANCE

Company is committed to maintaining the best standards of Corporate Governance and has always tried to build the maximum trust with shareholders, employees, customers, suppliers and other stakeholders.

A separate section on Corporate Governance forming part of the Directors' Report and the certificate from the Practicing Company Secretary confirming compliance of the Corporate Governance norms as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") is included in the Annual Report in **Annexure - A**.

6. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Pursuant to regulations 34 of the Listing Regulations, Management's Discussion and Analysis Report for the year is presented in a separate section forming part of the Annual Report

7. 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 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 Financial control is supplemented by an extensive program of internal audit conducted by in house trained personnel and external firm of Chartered Accountants appointed on recommendation of the Audit Committee and the Board. The audit observations and corrective action, if any, taken thereon are periodically reviewed by the Audit committee to ensure effectiveness of the Internal Financial Control System. The internal financial control is designed to ensure that the financial and other records are reliable for preparing financial statements and other data, and for maintaining accountability of persons.

8. INTERNAL CONTROL SYSTEMS

The Internal Control systems are routinely tested and certified by Statutory as well as Internal Auditors and cover all key areas of business. Independence of the internal audit and compliance is ensured by direct reporting to the Audit Committee of the Board.

A CEO and CFO Certificate, forming part of the Corporate Governance Report, further confirms the existence and effectiveness of internal controls and reiterates their responsibilities to report deficiencies to the Audit Committee and rectify the same.



9. DIVERSITY OF BOARD

The Company sees increasing diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and its sustainable development. In particular, a diverse

Board, among others, will enhance the quality of decisions by utilizing different skills, qualifications and professional experience for achieving sustainable and balanced development.

10. DIRECTORS*

(a) Chairman

Mr. Ambrish Jaipuria is the Chairman of the Board.

(b) Re-appointment and Appointment

Ms. Abha Jaipuria was re-appointed by the members in 35th AGM, as held on September 28, 2021, of the Company. The Board of Directors in their meeting held on May 12, 2022 have appointed Mr. Pankaj Poddar, Mr. Neeraj Kumar Sharma and Mrs. Himalyani Gupta as Additional Director and their appointment is subject to approval by the shareholders in the ensuing Annual General Meeting.

(c) Status of Directors

Mr. Ambrish Jaipuria is the Executive Director & CEO of the Company. Ms. Abha Jaipuria is Non-Independent and Non-Executive Director. Mr. Kulbhushan Malik, Mr. R.K. Gupta and Mr. Janardhan Pralhadrao Gupta are the Independent Directors of the Company.

(d) Declaration from Independent Directors

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under Regulation 16 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

(e) Cessation of Directors

During the year, no director ceased to hold office.

11. STATEMENT OF BOARD OF DIRECTORS

The Board of Directors of the Company are of the opinion that all the Independent Directors of the Company appointed during the year possesses integrity, relevant expertise and experience required to best serve the interest of the Company. The Independent Directors have confirmed compliance of relevant provisions of Rule 6 of the Companies (Appointments and Qualifications of Directors) Rules, 2014.

12. KEY MANAGERIAL PERSONNEL

Mr. Ambrish Jaipuria, Executive Director & CEO, Mr. Sanjiv Jindal, Chief Financial Officer and Mr. Aditya Sharma, Company Secretary are the Key Managerial Personnel of the Company in accordance with the provisions of Section 2(51), 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

13. FAMILIARISATION PROGRAMME FOR DIRECTORS

At the time of appointing a Director, a formal letter of appointment is given to him, which inter- alia explains the role, function, duties and responsibilities expected of him as a Director of the Company. The Director is also explained in detail the Compliance required from him under the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 and other relevant regulations and affirmation taken with respect to the same.

Management does one to one discussion with the newly appointed Director to familiarize him with the Company's operations. Further the Company has put in place a system to familiarize the Independent Directors about the Company, its products, business and the on-going events relating to the Company

The details of the familiarisation programme may be accessed on the Company's website (www.cosmoferrites.com).

14. EVALUATION OF BOARD'S PERFORMANCE

In compliance with the Companies Act, 2013 and Regulation 17(10) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the performance evaluation of the Board was carried out during the year under review. More details on the same are given in the Corporate Governance Report.

15. MEETINGS

During the year Eight (8) Board Meetings and Five (5) Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under Companies Act, 2013.

Details of the composition of the Board and its Committees and of the Meetings held, the attendance of the Directors at such meetings and other relevant details are provided in Corporate Governance Report.

16. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies



Act, 2013 are given in the notes to the Financial Statements.

17. DEPOSITS

The Company has not accepted deposit from the public within the ambit of Section 73 of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014.

18. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO

The details of energy conservation, technology absorption and foreign exchange earnings and outgo as required under Section 134(3) of the Companies Act, 2013, read with the Rule 8 of Companies (Accounts of Companies) Rules, 2014 is annexed herewith as **Annexure - C** to this report.

19. VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has adopted a Whistle Blower Policy establishing vigil mechanism, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy without fear of reprisal. The policy may be accessed on the Company's website.

20. REMUNERATION POLICY

Pursuant to the applicable provisions of the Companies Act, 2013 and the Listing Regulations, the Board, in consultation with its Nomination & Remuneration Committee, has formulated a framework containing, inter-alia, the criteria for performance evaluation of the entire Board of the Company, its Committees and Individual Directors, including Independent Directors.

Members can download the complete remuneration policy on the Company's website (www.cosmoferrites.com).

Disclosure of details of payment of remuneration to Managerial Personnel under Schedule V Part II, Section II (A) forms part of this Corporate Governance Report.

21. PERFORMANCE EVALUATION OF THE BOARD, COMMITTEES AND INDIVIDUAL DIRECTORS

In terms of provisions of the Companies Act, 2013 read with the Rules issued there under and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Board has adopted a formal mechanism for evaluating the performance of its Board, Committees and individual Directors, including the chairman of the Board. Further, a structured performance evaluation exercise was carried out based on criteria such as:

- Board/Committees composition;
- Structure and responsibilities thereof;
- Ethics and Compliance;
- Effectiveness of Board processes;
- Participation and contribution by members;
- Information and functioning;
- Specific Competency and Professional Experience /Expertise;
- Business Commitment & Organizational Leadership;
- Board/Committee culture and dynamics; and
- Degree of fulfilment of key responsibilities, etc.

The performance of Board, Committees thereof, Chairman, Executive and Non-Executive Directors and individual Directors is evaluated by the Board/ Separate meeting of Independent Directors. The results of such evaluation are presented to the Board of Directors.

22. RELATED PARTY TRANSACTIONS

With reference to Section 134(3)(h) of the Companies Act, 2013, all contracts and arrangements with related parties under Section 188(1) of the Act, entered into by the Company during the financial year, were in the ordinary course of business and on an arm's length basis. The details of the related party transactions as required under Accounting Standard-18 are set out in Note 38 to the financial statements forming part of this Annual Report.

During the year, there were no transactions with related parties which qualify as material transactions under SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015. The Disclosure required in Form AOC-2 pursuant to Section 134 (3)(h) of the Companies Act, 2013 is Not Applicable.

The Company has developed a Policy for Consideration and Approval of Related Party Transactions which can be accessed on Company's website (www.cosmoferrites.com).

23. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith as **Annexure D** to this Report.

24. RISK MANAGEMENT

Every organization is exposed to a number of risks that it needs to effectively identify, manage and mitigate. Company has a process in place to identify key risks across the organisation and relevant action plans to mitigate these risks. The Audit Committee has been



entrusted with the responsibility to assist the Board members about the risk assessment and its minimization procedures.

There are no risks which in the opinion of the Board threaten the existence of your Company. However, some of the risks which may pose challenges are set out in the Management Discussion and Analysis which forms part of this Report.

25. AUDITORS

Statutory Audit:

Suresh Kumar Mittal & Co., Chartered Accountants, were appointed as Statutory Auditors of the Company in 31st AGM (held on 25 September, 2017) to hold office for a period of 5 years until the conclusion of 36th AGM. The Statutory Auditors are seeking re-appointment for a second term of five years in the ensuing Annual General Meeting.

There are no observations (including any qualification, reservation, adverse remark or disclaimer) of the Auditors in their Audit Report that may call for any explanation from the Directors. Further, the notes to accounts referred to in the Auditor's Report are self-explanatory. During the year, the Auditor had not reported any matter under Section 143 (12) of the Act, therefore no detail is required to be disclosed under Section 134(3)(ca) of the Act.

Secretarial Audit:

Pursuant to the Provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Managerial Personnel) Rules, 2014, the Company has appointed M/s DMK Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company.

The Secretarial Auditors have submitted their report, confirming compliance by the Company of all the provisions of the applicable corporate laws. The Secretarial Audit Report annexed as **Annexure-B**

Cost Auditor:

The Board of Directors, on the recommendation of Audit Committee, has appointed M/s Ravi Sahni & Co., Cost Accountants, as Cost Auditor to audit the cost accounts of the Company for the Financial Year 2022-23 at a remuneration of Rs. 1,65,000/- plus service tax as applicable and reimbursement of out-of-pocket expenses. As required under the Companies Act, 2013, a resolution seeking members' approval for the remuneration payable to the Cost Auditor forms part of the Notice convening the Annual General Meeting.

In terms of the Section 148 of the Companies Act, 2013 ('the Act') read with Rule 8 of the Companies (Accounts)

Rules, 2014, it is stated that the cost accounts and records are made and maintained by the Company as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013.

During the year, the Auditor had not reported any matter under section 143 (12) of the Act, therefore no detail is required to be disclosed under section 134(3)(ca) of the Act

26. AUDITORS' REMARKS

The Auditors' remarks on the annual accounts are self-explanatory and do not require further comments from the Company.

27. CHANGE IN NATURE OF BUSINESS, IF ANY

No change in the nature of the business of the Company done during the year under review.

28. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments which have occurred subsequent to the close of the financial year of the Company to which the balance sheet relates and the date of the report that may affect the financial position of the Company.

29. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

30. LISTING WITH STOCK EXCHANGES

The Company confirms that it has paid the Annual Listing Fees for the year FY 2021-2022 to the Bombay Stock Exchange where the Company's equity shares are listed.

31. PROMOTION OF WOMEN'S WELL BEING AT WORKPLACE

Cosmo Ferrites has zero tolerance for sexual harassment at workplace and has adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under for prevention and redressal of complaints of sexual harassment at workplace. The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the said act. There have been no complaints of sexual harassment received during the year.



32. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The information required pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is also enclosed as **Annexure E** to this Report.

The information pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 pertaining to the top ten employees in terms of remuneration drawn and their other particulars also form part of this report. However, the report and the accounts are being sent to the members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure is open for inspection at the Registered Office of the Company. Any shareholder interested in obtaining a copy of the same may write to the Company Secretary.

33. DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of section 134 (5) of the Companies Act, 2013, the Board of Directors, to the best of knowledge and belief and according to the information and explanations obtained by them, hereby confirm that:

- (i) In the preparation of the annual accounts, applicable accounting standards have been followed along with proper explanation relating to material departures.
- (ii) Accounting policies selected were applied consistently. Reasonable and prudent judgments and estimates are made so as to give a true and fair view of the state of affairs of the Company as of 31st March, 2022 and of the profits of the Company for the year ended on that date.
- (iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in

accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- (iv) The annual accounts of the Company have been prepared on a going concern basis.
- (v) Proper Internal Financial Controls were in place and that the Financial Controls were adequate and were operating effectively.
- (vi) Systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

34. SECRETARIAL STANDARDS

During the year 2021-2022, the Company has complied with applicable Secretarial Standards issued by the Institute of the Company Secretaries of India.

35. ACKNOWLEDGEMENT

Your Directors would also like to extend their gratitude for the co-operation received from financial institutions, the Government of India and regulatory authorities. The board places on record its appreciation for the continued support received from customers, vendors, retailers and business partners, which is indispensable in the smooth functioning of Company. Your Directors also take this opportunity to thank all investors and shareholders, and the stock exchange for their continued support. Your Directors place on record their deep appreciation to employees at all levels for their hard work, dedication and commitment. Their contribution to the success of this organization is immensely valuable.

For and on behalf of the Board of Directors

New Delhi
12 May, 2022

Ambrish Jaipuria
Chairman

**CERTIFICATE ON CORPORATE GOVERNANCE**

To
The Members of
Cosmo Ferrites Limited

1. We have examined the compliance of the conditions of corporate governance by Cosmo Ferrites Limited ("the Company") for the year ended 31 March, 2021 as stipulated in Regulations 17 to 27, clauses (b) to (i) of regulation 46(2) and paragraphs C and D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("SEBI Listing Regulations").

Management's Responsibility

2. The compliance of conditions of corporate governance is the responsibility of the management of the Company. This responsibility includes the designing, implementing and operating effectiveness of internal control to ensure compliance with the conditions of Corporate Governance as stipulated in the Listing Regulations.

Our Responsibility

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

Opinion

5. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended 31 March, 2022.
6. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the company

**FOR DMK ASSOCIATES
COMPANY SECRETARIES**

**(MONIKA KOHLI)
FCS, LL.B., IP
PARTNER**

**FCS No. 5480
COP No. 4936**

Peer Review No. 779/2020

**Date: 12.05.2022
Place: New Delhi
UDIN: F005480D000315394**



**Form No. MR-3
SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

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

TO,
THE MEMBERS,
M/S COSMO FERRITES LIMITED
L27106HP1985PLC006378
P.O. JABLI DISTT
SOLAN JABLI 173209

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **COSMO FERRITES LIMITED** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2022 (Audit Period) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter along with **Annexure 1** attached to this report:-:

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

- I. The Companies Act, 2013 (the Act) and the rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment(FDI), Overseas Direct Investment (ODI) and External Commercial Borrowings (ECB); **(No fresh FDI and ECB was taken and no ODI was given by 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 to the Company during the Audit Period);**
- d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2021 **(Not applicable to the Company during the Audit Period)**
- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the Audit Period) ;**
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not applicable to the Company during the Audit Period) ;**
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and **(Not applicable to the Company during the Audit Period)**
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the Company during the Audit Period)**

VI. OTHER LAWS SPECIFICALLY APPLICABLE TO THE COMPANY AS IDENTIFIED BY THE MANAGEMENT

- a. The Factories Act, 1948 and rules made thereunder,
- b. The Payment of Wages Act, 1936 and rules made thereunder,



- c. Minimum Wages Act, 1948 and the rules made thereunder,
- d. Employees' State Insurance Act, 1948 and rules made thereunder,
- e. The Employees Provident Fund and Miscellaneous Provisions Act, 1952 and the rules made thereunder,
- f. Payment of Bonus Act, 1965 and rules made thereunder,
- g. The Payment of Gratuity Act, 1972 and rules made thereunder,
- h. The Contract Labour (Regulation and Abolition) Act, 1970 and rules made thereunder,
- i. The Apprentices Act, 1961 and rules made thereunder,
- j. The Industrial Dispute Act, 1947 and rules made thereunder,
- k. The Equal Remuneration Act, 1976 and rules made thereunder,
- l. Trade Unions Act, 1926 and rules made thereunder,
- m. The Employees Compensation Act, 1923 and rules made thereunder,
- n. Maternity Benefit Act, 1961 and rules made thereunder,
- o. The Air (Prevention and Control of Pollution) Act, 1981 and rules made thereunder,
- p. The Water (Prevention and Control of Pollution) Act, 1974 and rules made thereunder,
- q. Hazardous and other Waste (Management and Transboundary Movement) Rules, 2016,
- r. Legal Metrology Act, 2009 and rules made thereunder,
- s. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules made thereunder,
- t. Personal Injuries (Compensation Insurance) Act, 1963,
- u. Custom Act, 1962 and rules made thereunder,
- v. Petroleum Act, 1934 & rules framed thereunder,
- w. Industrial Employment (Standing Orders) Act, 1946,
- x. Environment Protection Act, 1986 and rules made thereunder,

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

- a) Secretarial Standards (SS-1 and SS-2) issued by The Institute of Company Secretaries of India.
- b) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time and the Listing Agreement entered into by the Company with BSE Limited.

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

Based on the information received and records maintained, we further report that:

- 1. The Board of Directors of the Company is duly constituted with proper balance of Executive, Non-Executive, Women 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.
- 2. Adequate notice of at least seven days was given to all directors to schedule the Board Meetings along with agenda and detailed notes on agenda except at shorter notice wherever required 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 in compliance of the Act.
- 3. Majority decision is carried through and recorded in the minutes of the Meetings. Further as informed, no dissent was given by any director in respect of resolutions passed in the board and committee meetings.

Based on the compliance mechanism established by the company and on the basis of the Compliance Certificate (s) placed and taken on record by the Board of Directors at their meeting (s), **we further report that;**

There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the company has not incurred any specific event / action that can have major bearing on the company's affairs in pursuance of above referred laws, rules, regulations; guidelines, standards etc. except as follows-