

**ANNUAL
REPORT**
2022-23



COSMO FERRITES LIMITED

COSMO FERRITES LIMITED

BOARD OF DIRECTORS

Mr. Ambrish Jaipuria
Mr. Rajesh Kumar Gupta
Mr. Pankaj Poddar
Mr. Neeraj Kumar Sharma
Mrs. Himalyani Gupta

Managing Director*
Non-Executive Director
Non Executive Director
Non-Executive Director
Non-Executive Director

* Elevated w.e.f. 24.05.2023

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
Jasola District Centre, New Delhi - 110 025 (India)
Ph. : +91 - 11 - 49398800
E- mail : sales@cosmoferrites.com

MFG. PLANT

P.O. Jabli, Distt. Solan
H.P. - 173 209
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Company Overview



ESTABLISHMENT

Established in 1986, Cosmo Ferrites Limited is one of the largest manufacturer of Mn-Zn based Soft Ferrite cores used in Power Electronics Industry



PROMOTER

Promoted by Mr. Ashok Jaipuria, 1st Generation Entrepreneur, who introduced the country to Soft Ferrite Cores.



PRODUCT RANGE

- MnZn Ferrite Components (EE, EC, ETD, EER, EI, EFC, UU, TOROIDS, EP, RM, PQ, Pot, Planar, PTS, I Bar, EFF, EVD and EED)
- Pre-Calcined Ferrite Powder



CAPACITY

- Ferrites Powder 3,600 Tons
- Ferrites Component 3,600 Tons



DEMOGRAPHIC DISTRIBUTION

- Export 46%
- Domestic (India) 54%



EXPORT MARKET

Europe, USA, UK, New Zealand, Israel, Turkey, Thailand, Malaysia, China, Sri Lanka etc.



CERTIFICATIONS

ISO 9001:2015 | ISO 14001:2015 | ISO/TS:16949 | ROHS Certified
REACH Compliant | UL Approved Insulation Coating

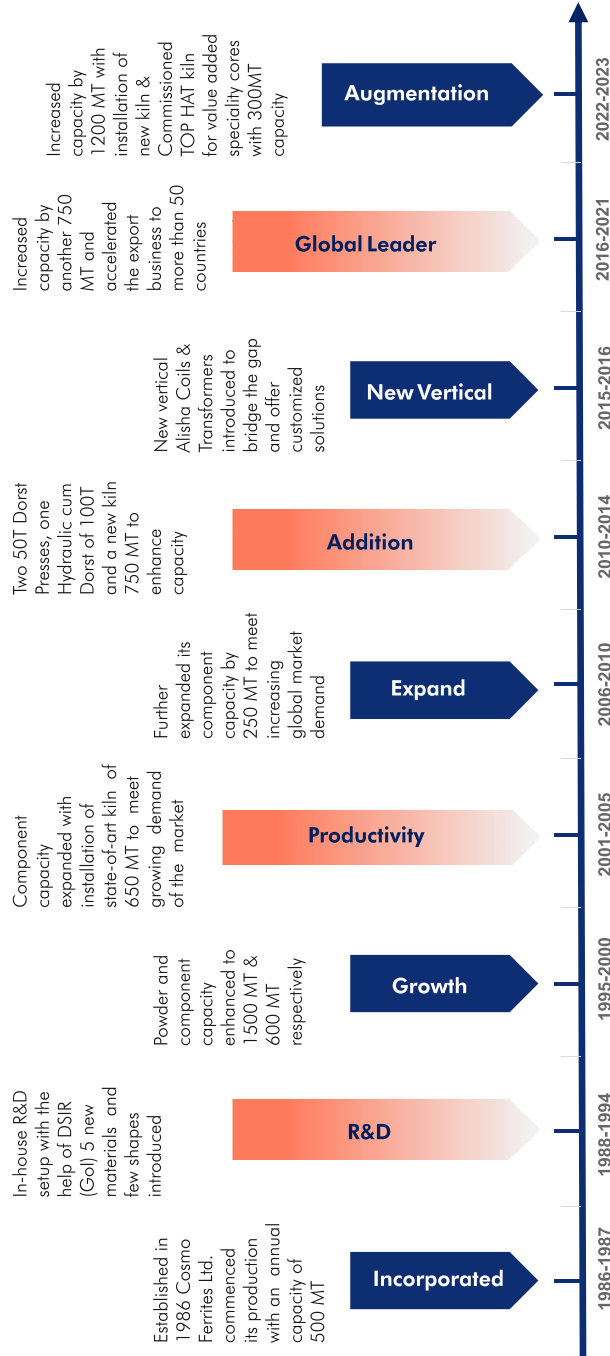


MANUFACTURING FACILITY

Located in the Foothills of Himalayas at Jabli, Solan Dist., Himachal Pradesh, India



Company Overview – Key Milestones



Market Segments We Cater:

Automotive Antenna, Sensors



Solar Inverter, Current Sensor



Industrial Electronics Medical, Power Supplies



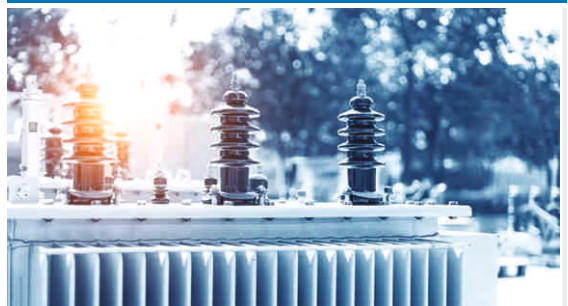
Electric Vehicle Battery Charger, OBD, Wireless Charging



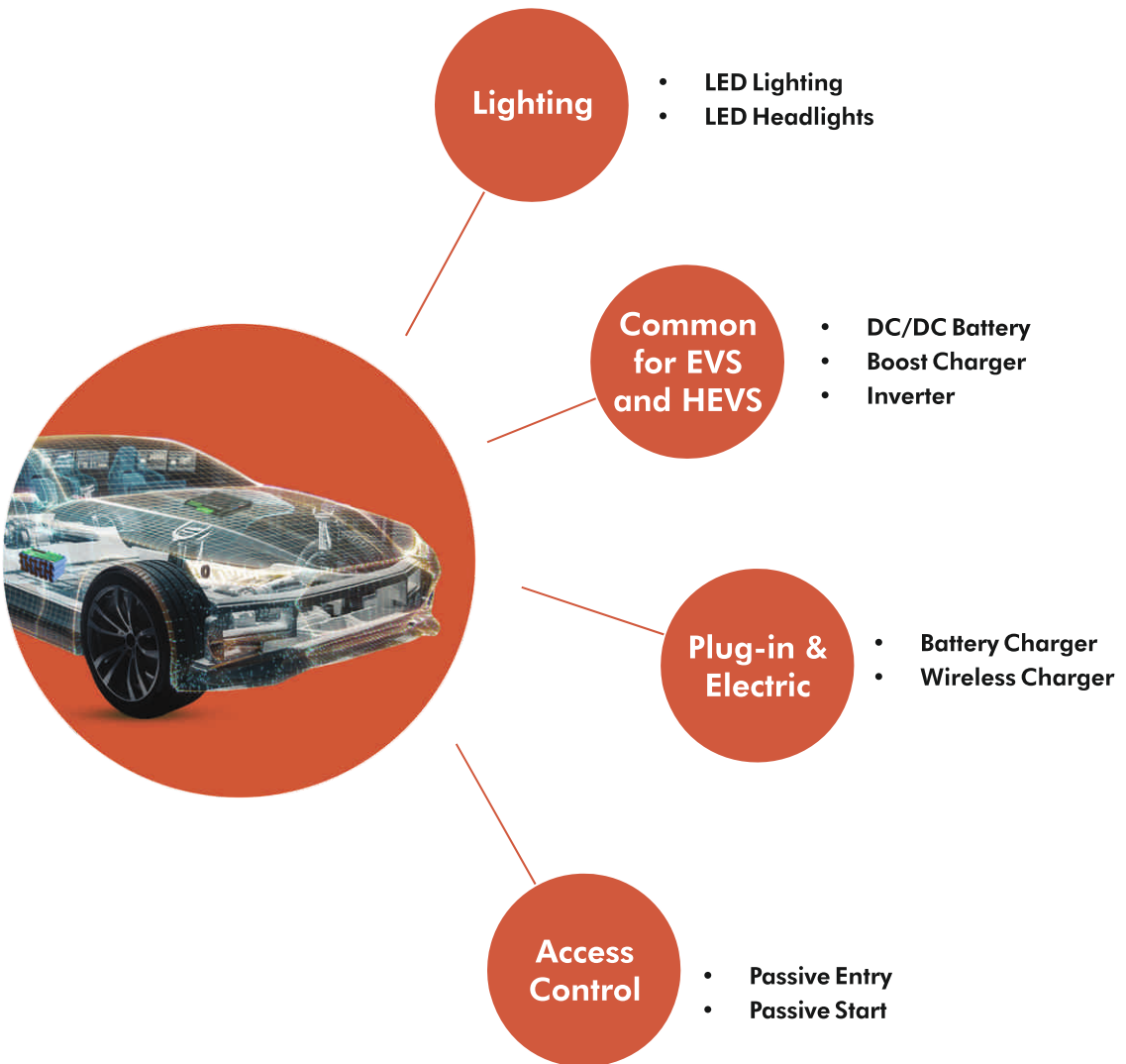
EMI Filters Line Filter, Choke



Lighting Inductor, Transformer



Market Segment: Automotive Applications



Business Overview – R&D Resource Centre



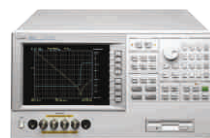
XRF for determination of material composition and purity level accurately.



Particle size analyser for determination of particle size distribution in powder material*



Computerised BET surface analyser for determining specific surface area of powder materials



Precision Impedance analyzer capable to measure up-to 5 MHz *



XRD for determination of crystalline phases present in ferrite system *



Atmosphere controlled kiln for sintering ferrite materials at lab scale with customized electromagnetic properties



High resolution digital microscope (1000 x) for determining granulate shape, size, defects and micro crack*



Powerloss combined with B-H loop tracer capable to measure upto 2 MHz *

Awards and Recognition

46th ELCINA Awards



ELCINA-EFY Certificate of Merit for Outstanding Achievement in "Exports" Year 2020-21



ELCINA-EFY Certificate of Merit for Outstanding Achievement in "Exports/Large Scale" Year 2016-17



43rd ELCINA-EFY Award for Outstanding Achievement in "Exports/Large Scale" Year 2017-18



ELCINA-EFY Certificate of Merit for Outstanding Achievement in "Exports/Large Scale" Year 2013-14

Instituted in 1976 by Electronic Industries Association Of India, ELCINA awards are highly regarded in industry circles. Awards have been supported by officials of Department of Electronics & IT (Government of India) through their participation in selection process.



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 2023**.

1. SUMMARY FINANCIAL RESULTS

The Financial Results of the company for the year ended 31st March, 2023, were as follows:

(Rs. in Lacs)

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Net Sales	10731	11384
Other Income	261	174
Profit before Interest, Depreciation and Tax	1255	2948
Finance Cost	550	407
Depreciation	390	392
Exceptional Item	-	(253)
Profit before Tax	315	1897
Provision for Taxation		
- Current Tax	85	28
- Earlier year Taxes	(5)	-
- Deferred Tax	(7)	446
Profit After Tax	242	1423
Extraordinary Item	-	-
Profit after Tax Including Extraordinary Item	242	1423

2. REVIEW OF OPERATIONS

- For the year ending 31st March 2023 sales decreased to Rs 10,731 Lacs as compared to Rs. 11,384 Lacs for previous year.
- Profit after tax for the year is Rs. 242 lacs as compared to Rs. 1,423 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, 2023.

4. RESERVE

The Company has not transferred any amount to reserve during the year.

5. SHARE CAPITAL

During the year under review, there was no change in the Company's issued, subscribed and paid-up equity share capital. On 31st March, 2023, it stood at Rs. 12.03 Cr divided into 1,20,30,000 equity shares of Rs. 10/- each.

6. RESEARCH & DEVELOPMENT

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

7. 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**.

8. 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.

9. 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.

10. INTERNAL CONTROLS 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.

11. 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.

12. DIRECTORS

(a) Chairman

Mr. Ambrish Jaipuria is the Chairman of the Board.

(b) Re-appointment and Appointment

Mr. Pankaj Poddar; Mr. Neeraj Kumar Sharma and Ms. Himalyani Gupta were appointed as Additional Directors by the Board on May 12, 2022 and approved as the Directors of the Company by the shareholders in their meeting held on June 30, 2022.

In terms of Articles of Association of the Company and provisions of the Companies Act, 2013, Mr. Pankaj Poddar (DIN: 02815660) Non Independent Non-Executive Director of the Company, is liable to retire by rotation at the ensuing AGM and being eligible, offered himself for re-appointment. The Board recommends his re-appointment to the members in the ensuing AGM.

(c) Status of Directors

Mr. Ambrish Jaipuria is the Managing Director of the Company. Mr. Pankaj Poddar is Non-Independent and Non-Executive Director. Mr. R.K. Gupta, Mr. Neeraj Kumar Sharma and Ms. Himalyani 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, Ms. Abha Jaipuria and Mr. Kulbhushan Malik, Directors were ceased to hold office. Further, Mr. Janardhan Pralhadrao Gupta, took early retirement from the office of Directors of the Company with effect from 23rd May, 2023.

During the year under review, except as stated above there was no change in the Directors of the Company.

13. 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.

14. KEY MANAGERIAL PERSONNEL'S

Mr. Ambrish Jaipuria, Managing Director, Mr. Sanjiv Jindal, Chief Financial Officer and Mr. Rahul Das, 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.

Further, Mr. Aditya Sharma has resigned from the post of Company Secretary and Compliance Officer of the Company from January 31, 2023 and Mr. Rahul Das has been appointed as the Company Secretary and Compliance Officer of the Company with effect from February 09, 2023.

During the year under review, except as stated above, there was no change in the KMPs of the Company.

15. 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