

QUALITY THAT HELPS IN NATION BUILDING

33rd
**ANNUAL
REPORT
2021-22**



KISAN MOULDINGS LIMITED

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ANNUAL GENERAL MEETING THROUGH VIDEO CONFERENCING/OTHER AUDIO VISUAL MEANS ("VC/OAVM") FACILITY

Date : Friday, September 30, 2022

Time : 3.30 p.m.

E-VOTING SCHEDULE

CUT OFF DATE	START DATE	END DATE
Wednesday, September 23, 2022	Tuesday, September 27, 2022 (9:00 a.m.)	Thursday, September 29, 2022 (5:00 p.m.)

Forward looking statement

In this Annual Report, we have disclosed forward-looking information to enable Stake Holders to comprehend our prospects and take Relative decisions. This report and other statements - written and oral - that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievements of results are subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated, or projected. Readers should keep this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.



CORPORATE OVERVIEW

Corporate Information

BOARD OF DIRECTORS

EXECUTIVE DIRECTORS

- Mr. Sanjeev Aggarwal - Chairman & Managing Director (DIN: 00064076)
- Mr. Rishav Aggarwal - Whole-time Director (DIN: 05155607)

NON EXECUTIVE DIRECTORS

- Mrs. Urvashi Dharadhar- Independent Director (DIN: 08279196)
- Mr. Jhumarlal Bhalgat - Independent Director (DIN: 08693670)
- Mr. Dinesh Modi - Independent Director (DIN: 00004556)
- Mr. Narendra Kumar Poddar - Additional Director (Independent) (DIN: 07115618) – up to March 7, 2022

LISTING

BSE Limited

REGISTERED OFFICE

Kisan Mouldings Limited
 26 'A', 3rd Floor, K-wing, "Tex Centre",
 Chandivali, Off Saki Vihar Road,
 Andheri (East), Mumbai – 400 072. India.
 Tel: 42009100/9200,
 Email ID: cs.kisan@kisangroup.com
 Website: www.kisangroup.com

CORPORATE IDENTIFICATION NUMBER

L17120MH1989PLC054305

REGISTRAR AND SHARE TRANSFER AGENT

Link Intime India Private Limited
 C-101, 247 Park, LBS Marg, Vikhroli West,
 Mumbai - 400083
 Tel. No.: 022 - 4918 6270/6000,
 Fax No. : 022-4918 6060
 Email: rnt.helpdesk@linkintime.co.in

KEY MANAGERIAL PERSONNEL

- Mr. Suresh Purohit – Chief Financial Officer
- Mr. Vijay Joshi - Company Secretary & Compliance Officer

STATUTORY AUDITOR

M/s. S. Guha & Associates, Chartered Accountants

SECRETARIAL AUDITOR

M/s. AVS & Associates, Company Secretaries

INTERNAL AUDITOR

M/s. KAVA & Associates , Chartered Accountants

COST AUDITOR

M/s. Bhanwarlal Gurjar & Co., Cost Accountants

BANKERS

- Punjab National Bank
- Union Bank of India
- The Shamrao Vithal Co-op Bank Ltd.
- IDBI Bank Ltd
- ICICI Bank Ltd

PLANT LOCATIONS

- Survey no. 64/1, 63/1, 70, 71, 72, 74/1/1 Village - Mahagaon, Taluka-Palghar, Boisar, Dist, Thane (Maharashtra).
- Survey No. 34/1/1, Village - Umerkui, Silvassa - D. & N.H. (U. T.).
- Plot No. 5-A/5 Industrial Area No. 2, Dewas, Madhya Pradesh - 455001.
- Survey No. 108/1/6, Surangi Road, Near Khadoli Sub Station, Silvassa.

Product Segments

Kisan Mouldings Limited (KML) has built a plethora of products in the plastic piping and irrigation industry and is positioned to gain traction in the market there by bringing in with it stronger sales, higher growth, improved customer services and higher profitability. The products address the needs of various customers spanning from architects, builder, farmers and individuals.

The refresh in the existing product line and the introduction of new products are uniquely placed to cater to different target markets. This gives KML the confidence to be aggressive in re-gaining market share. We are confident of the fact with the investments made in technical know-how and the product line will reap rich dividends over the coming years.

Our Product basket consists of the following:



1. **KML CLASSIC CPVC Plumbing System:** The Chlorinated Polyvinyl Chloride pipe is manufactured at the plant which is located in Boisar, Maharashtra. The usage of these products is mainly Residential, Commercial Buildings, Hotels, Educational Institutions and Swimming Pools whose application is used to distribute water of both hot and cold temperatures. The products are manufactured using high quality resin and technology from Japan. The pipes are free from corrosion and work well in conditions where the soil or atmospheric conditions are at an extreme. The CPVC pipes are usually known to have longer life expectancy (50 years) in comparison to the galvanized iron pipes.
2. **FREE flow UPVC plumbing pipes (ASTM):** The Unplasticized Polyvinyl Chloride (UPVC) pipes are manufactured in the state-of-the-art plants based in Tarapur location. These pipes are used in multifarious application like any other CPVC product. The pipes are mainly installed for transporting drinking water without causing any changes to the water properties. The pipes manufactured by KML are chemical and corrosion resistant and are durable and stronger. The pipes are easy to install, low in maintenance and high life expectancy making it a cost effective solution for the user.

- 3. Soil, Waste & Rain water system (S.W.R.):** These pipes find their usage in drainage & sewerage applications and are more superior and durable than the conventional drainage systems.

These pipes are available in the range of Permafit and Classic with diameters ranging from 40mm to 200mm. These pipes are light in weight and cost effective. The pipes of such kind do not require maintenance or inspection which is why its performance is always unblemished. The SWR pipes are also less prone to damage during transit and the pipes are corrosion and rodent resistant.

- 4. Irrigation systems:** Irrigation is an important aspect of farming and agriculture in India. It means supplying water to regions/areas which are dry and mainly will be used for cultivation. India being an agrarian economy, irrigation continues to be the backbone. In order to facilitate irrigation, KML manufactures products which are mainly drip and sprinkle irrigation. The irrigation products enable to save water consumption by 50-70%. It has also shown significant increase in the yield of the crop.

- 5. Solvents:** The solvent cements are used mainly for joining the pipes and fitting. These solvents vary for the different kind of pipes i.e. UPVC, CPVC, HDPE and are available in plastic pet bottles, cans, carboys and barrels..

STATUTORY REPORTS



DIRECTORS' REPORT

To,
The Members,
Kisan Mouldings Limited

The Board of Directors ('Board') have pleasure in presenting the Company's Thirty-Third (33rd) Annual Report on the business and operations of the Company together with the Standalone and Consolidated Audited Financial Statements for the Financial Year ended March 31, 2022.

1. FINANCIAL SUMMARY/ HIGHLIGHTS:

The Company's financial performance for the Financial Year ended March 31, 2022 is summarised below:

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	FY. 2021-22	FY.2020-21	FY.2021-22	FY.2020-21
Revenue from operations	30,716.88	20,987.68	30716.88	20,987.68
Add:- Other Income	371.85	216.96	370.65	215.76
Total Income	31,088.73	21,204.64	31087.53	21,203.44
Total Expenses	39,587.18	25,981.51	39,596.17	25,989.01
Profit/ (loss) before tax (PBT)	(8498.46)	(4776.87)	(8508.64)	(4785.57)
Less:- Tax expenses	0.00	(66.34)	0.00	(66.30)
Profit/ (loss) after tax (PAT)	(8498.46)	(4710.53)	8508.64	(4719.26)
Other Comprehensive Income/ (Loss)	23.54	(24.08)	23.54	(24.08)
Total Comprehensive income/ (loss)	(8474.92)	(4734.61)	(8485.11)	(4743.34)

2. INDIAN ACCOUNTING STANDARDS:

Pursuant to the notification issued by the Ministry of Corporate Affairs dated February 16, 2015, notifying the Companies (Indian Accounting Standards) Rules, 2015, the Company has adopted Indian Accounting Standards (Ind-AS) with effect from April 1, 2017.

3. FINANCIAL PERFORMANCE:

On Standalone and consolidated basis, the revenue from operations for Financial Year 2021-22 stood at Rs. 30716.88 lakhs as compared to ₹ 20987.68 in the previous year 2020-21, an increase of 46.53 %. The Company incurred a loss of ₹.8498.46 lakhs in the FY. 2021-22 as compared to ₹ 4710.53 Lakhs in the previous year FY. 2020- 21, an increase of 80.41 %.

An increase in turnover was on account of increase in the unit cost of sale. However, there has been disproportionate hike in raw material and other input cost across the board and strain in fully passing on the increased input cost to the consumer coupled with inadequate working capital resulted in increase in the losses during the year under review.

In order to increase further sales in the near future, the Company is planning to adopt various strategies and programmes which will boost the demand for the Company's products. The Company is of the view to focus on magnifying innovations in the marketplace through brilliant execution and on building markets of the future or what we call as 'market development' and thereby enhancing stakeholders value.

4. TRANSFER TO RESERVE:

During the year under review, the Company has not transferred any amount to any Reserve.

5. DIVIDEND:

In view of the losses incurred, your directors do not recommend any dividend for the year under review.

6. SHARE CAPITAL:

Issued, subscribed and paid up equity share capital of the Company is ₹ 33,86,30,650/- divided in to 3,38,63,065 Equity shares of face value of ₹ 10/- each.

There is no increase in paid up equity capital during the year under review. Further, the Company has neither issued any shares with differential voting rights nor granted any stock options or sweat equity and does not have any scheme to fund its employees to purchase the shares of the Company. Further, no securities are issued during the year under review.

7. CONSOLIDATED FINANCIAL STATEMENTS:

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

8. DEPOSITS:

During the year under review, your Company has not accepted any deposits within the meaning of Section 73 and Section 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

9. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION BETWEEN THE END OF FINANCIAL YEAR AND DATE OF REPORT AND CHANGE IN NATURE OF BUSINESS OF THE COMPANY:

There are no other material changes and commitments affecting the financial position of the Company between the end of the financial year and date of this report. There has been no change in the nature of business of the Company.

10. DETAILS IN RESPECT OF FRAUD REPORTED BY AUDITORS:

Pursuant to provisions of Section 143 (12) of the Companies Act, 2013 there were no frauds reported by the Auditors of the Company during the year under review, to the Audit Committee or the Board of Directors, as such there is nothing to report under Section 134 (3) (ca) of the Companies Act, 2013.

11. DIRECTOR'S RESPONSIBILITY STATEMENT:

Pursuant to section 134(5) of the Companies Act, 2013, the Board of Directors make the following

statements to the best of their knowledge and ability:

- That in the preparation of the annual financial statements, the applicable accounting standards have been followed along with proper explanation and that no material departures have been made from the same;
- That such accounting policies as mentioned in Notes to the Financial Statements have been selected and applied 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 as at March 31, 2022 and of the losses of the Company for the year ended on that date;
- That the Directors have taken proper and sufficient care 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;
- That the annual financial statements have been prepared on a going concern basis;
- That the directors had laid down proper internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively; and
- That the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

12. BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL:

In accordance with the provisions of Section 152 of the Companies Act, 2013 and that of Articles of Association of the Company, Mr. Sanjeev Aggarwal (DIN: 00064076), Chairman & Managing Director of the Company, being longest in the office is liable to retire by rotation at ensuing 33rd Annual General Meeting of the Company and being eligible, offers himself for re-appointment.

Appointments and cessations of Directors & Key Managerial Personnel are as under:

Appointments:

- Mr. Vijay Joshi, on recommendation of Nomination and Remuneration Committee, appointed as the Company Secretary & Compliance Officer and Key Managerial

Personnel of the Company with effect from December 25, 2021 by the Board of Directors at their meeting held on December 25, 2021.

Cessation:

- Mrs. Khushboo Jalan, Company Secretary & Compliance Officer of the Company had resigned from the service of the Company with effect from September 08, 2021. Consequently she has also ceased to act as the Key Managerial Personnel of the Company.
- Mr. Narendra Kumar Poddar (DIN: 07115618) resigned as Independent Director of the Company with effect from March 07, 2022.

Pursuant to requirements of the Section 203 of the Companies Act, 2013, the Board of Directors noted that Mr. Sanjeev Aggarwal (DIN: 00064076), Chairman & Managing Director, Mr. Rishav Aggarwal (DIN: 05155607), Whole-time Director, Mr. Suresh Purohit, Chief Financial Officer and Mr. Vijay Joshi, Company Secretary & Compliance Officer of the Company are the Key Managerial Personnel of the Company as on the date of this report.

13. DECLARATION BY INDEPENDENT DIRECTORS:

All Independent Directors of the Company have submitted a declaration under section 149(7) of the Companies Act, 2013 and confirmed that they meet the criteria of independence as mentioned under the provisions of sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 along with declaration received pursuant to sub rule (3) of Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time. The Independent Directors have also confirmed that they have complied with Schedule IV of the Companies Act, 2013 and the Company's Code of Conduct.

14. STATEMENT OF BOARD OF DIRECTORS:

The Board of Directors of the Company are of the opinion that all the Independent Directors of the Company possesses highest standard of integrity, relevant expertise and experience required to best serve the interest of the Company.

15. NOMINATION AND REMUNERATION POLICY:

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and on the recommendation

of the Nomination & Remuneration Committee, the Board had adopted the Nomination & Remuneration Policy for selection and appointment of Directors, Senior Management including Key Managerial Personnel (KMP) and their remuneration. The details of Remuneration Policy are stated in the Corporate Governance Report. The details of this policy have been posted on the website of the Company viz. <http://www.kisangroup.com/investorrelations/code-policies.php>

16. BOARD EVALUATION:

Pursuant to the applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual evaluation of its own performance, Statutory Committees of the Board viz. Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee and Individual Directors and Chairperson. The evaluation process *inter alia* considers attendance of Directors at Board and committee meetings, acquaintance with business, communicating inter se board members, effective participation, domain knowledge, compliance with code of conduct, vision and strategy, etc., which is in compliance with applicable laws, regulations and guidelines.

The performance evaluation of the Independent Directors was also carried out by the entire Board, excluding the Director being evaluated. The Board of Directors expressed their satisfaction with the evaluation process.

Pursuant to Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 and Schedule IV of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole; Chairperson of the Company and assessed the quality, quantity and timeliness of flow of information between the Company management and the Board at their separate meeting held on February 14, 2022. The Independent Directors found their performance satisfactory.

17. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS:

Pursuant to provision of Section 178(3) of the Companies Act, 2013, the policy for appointment and selection of director and their remuneration including criteria for determining qualification, positive attributes, independence of director and other matters are adopted by the Board of Directors of the Company.