



RAJKUMAR FORGE LIMITED



31ST ANNUAL REPORT

CORPORATE INFORMATION
BOARD OF DIRECTORS
Chairman, Non-Executive Director

Mr. Arun Krishankumar Jindal

Whole Time Director

Mr. Nitin Shyam Rajore

Independent Director

Mr. Ratanlal Tikaram Goel

Independent Director

Ms. Sudha Santhanam

KEY MANAGERIAL PERSONNEL
Chief Financial Officer

Mr. Shubham Arun Jindal

COMPANY SECRETARY

Ms. Shruti Patil*

Mr. Satish Chandrashekhar Kadrolli#

*upto October 28, 2020

#w.e.f November 06, 2020

STATUTORY AUDITORS

M/s. Gokhale, Tanksale and Ghatpande

Chartered Accountants, Pune

INTERNAL AUDITORS

M/s. S A N N & Co.

Chartered Accountants, Pune

SECRETARIAL AUDITORS

M/s MSN Associates

Company Secretaries, Pune

SHARE TRANSFER AGENT

Link Intime India Private Limited, Pune

SEBI Registration No : INR000004058

Website: <https://linkintime.co.in/>

BANKER

Indusind Bank Limited

REGISTERED OFFICE

Office No. 511 to 513, Global Square, S. No. 247,
14B, Yerawada, Pune, Maharashtra, India 411 006

Phone: 8956616160

Email: Secretarial@rkforge.in / invest@rkforge.in

Website: www.rkforge.in

CIN: L28910PN1990PLC056985

FACTORY

Gat No. 357, Kharabwadi, Chakan - Talegaon Road,
Taluka - Khed, Pune, Maharashtra, India 410 501

Phone: (02135) 671423 / 671424

Email: info@rkforge.in

BOARD COMMITTEES
Audit Committee

Mr. Ratanlal Tikaram Goel (Chairman)

Mr. Nitin Shyam Rajore (Member)

Ms. Sudha Santhanam (Member)

Nomination & Remuneration Committee

Mr. Ratanlal Tikaram Goel (Chairman)

Mr. Arun Krishankumar Jindal (Member)

Ms. Sudha Santhanam (Member)

Stakeholders Relationship Committee

Mr. Ratanlal Tikaram Goel (Chairman)

Mr. Arun Krishankumar Jindal (Member)

Mr. Nitin Shyam Rajore (Member)

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MANAGEMENT DISCUSSION & ANALYSIS REPORT

About Rajkumar Forge:

Rajkumar Forge is a leading Open Die Forging facility catering across the industries from Oil and Gas to Infrastructure to Power transmission, mining, and construction. It has been serving the export market majorly to Oil and Gas players of the world. The company has reputation amongst the domestic customers. Rajkumar Forge covers almost every sector of the industry wherever high-quality forgings are required. The company has a world class facility with best in-house processes to deliver the highest quality forging to the customers. Safety is the topmost priority of the company and has ISO certifications and ensures adhere to the safety standards.

Economic Overview as to Global Economy and Indian Economy:

Global as well as Indian Economy witnessed the unprecedented crisis in 2020 resulted due to outbreak of novel corona virus, and it's been more than a year when the COVID-19 has been declared as Global Pandemic. Social Distancing Norms followed by strict lockdowns and restrictions resulted into economic slowdown and have adversely affected all the industries and business across Globe. Even though high degree of uncertainty for forecast of economy due to number of waves and new virus mutations; introduction multiple vaccines have reduced the severity and frequency of infection brought ray of hope of sustainable economic recoveries. What shook the market was the steep rise in steel prices and other commodities too. The company had to execute orders already confirmed and accepted at old prices and fresh enquires started drying up due to the unstable steel prices. The export market virtually vanished due to the uncertain pricing. Domestic businesses were unable to place orders due to the huge rise in steel prices.

Slowly and steadily the reality crept in that the steel price rise is here to stay and the market will have to live with this phenomenon. Thus the year began with the hope that the order book will improve and the market will finally accept the ground reality.

There has been gradually lifting of restrictions and relaxation done in phases in second half of FY 2020-2021 added with number of initiatives taken by Government by introduction of financial packages which is expected to strengthen the economy.

As per IMF outlook April 2021, Global economy is projected a strong recovery in 2021 and 2022 with growth projected to be 6 percent in 2021 and 4.4 percent in 2022. The recovery shall vary from economy to economy across the country depending upon how their economy respond to the new variants and waves of COVID-19. The recovery shall all depend on battle between virus and vaccines coupled with policies which the government shall develop under this high uncertainty to limit the damage from this unprecedented crisis.

(Source: IMF World Economic Outlook, April 2021)

Indian Forging Industry:

Forgings being considered as a backbone of the manufacturing industry, which majorly caters segments which have huge share in economic growth like Defence, Railway, Automobile, Heavy Engineering, Mining, Construction, Oil & Gas, Power Transmission and many more. The Indian Forging Industry having installed capacity of around 38.5 Lakhs MT is equipped to forge a huge range of components out of ferrous & non-ferrous metals. But the Indian Forgings Industry has its own share of troubles with raw materials prices refusing to relent and customer demanding very competitive pricing on forged products. Thus, the industry has to reinvent its process systems keeping in demand with competitive pricing and high quality demands of the end user market. It is a challenging time for the Indian Forging Industry as financing from banks come with many riders and stricter compliances. Good quality raw material procurement is a major challenge which was hit hard during FY 2020-2021 where in Government imposed ban of industrial use of Oxygen to cater the raising needs of oxygen for medical purpose; thus resulting into shutting of major steel plants during the year. Pricing too from steel mills have not softened. Cash flow is the biggest threat due to the Pandemic. Receivables are under great pressure due to the overall effect on all industries globally and domestically and especially due to the pandemic. There will definitely be a major shake-up in the Indian Forging industry.

However, with number of incentives and scheme being introduced to support the manufacturing industries coupled with largest vaccination drive across the country, there is hope for positive period of growth ahead. The spill over effect will benefit India substantially. The Make in India and Atmanirbhar Bharat initiative will further boost the Indian business environment in turn the Forging Industry.

Outlook:

We have confidence in the future of the Indian Economy with notable initiatives as special package under Atmanirbhar Bharat, liquidity support for banks and financial institutions, liberalisation of FDI norms, Production linked incentives. Looking ahead with economy recovering faster than expectation things will improve consumption will increase. As India has been

gearing up for Make in India, the efforts will start yielding results. The Government is making some serious changes in the right direction this will add to growth in Infrastructure. Better manufacturing practices and global adaptation of quality requirements will catapult Indian business to the next level. IMF estimates, Indian GDP growth to be 12.5 percent in 2021 and be stable at 6.9 percent in 2022.

Opportunities and Threats:

The Oil and Gas industry is major sourcing sector of forgings from India. With the Oil prices firming up the demand for infrastructure ramp up for oil exploration is on the rise. Less reliability on China due to quality is a major advantage India needs to capitalize on. The infrastructure industry is likely to see a major growth due to increase in Government spending on Infrastructure projects. Other heavy industry and equipment manufactures will also see a demand for their products thus in turn benefitting the forging Industry.

The slowdown in Automobile Industry will have a long-term impact on the Forging Industry. The oncoming of the EV will also impact the industry in a big way. Cheaper credit and easily available finance remains a big challenge and definitely hamper growth and the bottom line. Extending payment terms and overdue receipts add to the financial cost which is a major issue for the existence of smaller players.

COVID-19 impact is currently the biggest threat to Company as well as Indian economy, which has caused uncertainty all over.

Key Risk to business and Concerns and Steps taken to mitigate impact of risk:

Major Risk factors are –

- Dependency on Oil and Gas industry.
- Availability of Good quality Raw material at competitive pricing and on time delivery.
- Shortage of skilled workforce in the forging Industry.
- The Current Pandemic and uncertainty of a third wave.
- Post Pandemic recovery
- Cash Flow and Finance Cost.

We at Rajkumar Forge, we are constantly reviewing the situation to take on any eventuality. A constant analysis and planning is in place which includes diversification of business into multiple industries, Good relations being maintained by promoters with majority steel suppliers being advantage to the Company and helps to mitigate to greater extent the raw material procurement risk, having encouraging work environment and optimum utilisation of resources shall be key to mitigate all the above risks.

Internal Control Systems and their adequacy:

Rajkumar Forge is a system driven organisation. Regular Internal audits from the external Chartered Accountants Firm are carried out in all functions of the company. There is no qualifications or discrepancy reported in the Internal Audit Report.

Financial and Operational Performance:

A very tight control is maintained on the cash flow of the Company. Constant efforts are made to recover dues on time. We have paid back our loans and reduced the dependency on cash credit. Creditors are paid in time and constant cost cutting measures are in place.

Operations at Rajkumar Forge are of very high standards. With a focused and committed workforce all systems are followed in line with our group philosophy of high manufacturing standards. Equipments are constantly upgraded and preventive maintenance is the key to avoid any breakdowns and loss in production hours. Our operational strength is comparable with the best in the industry.

Manpower Developments and Human Resource / Industrial Relations:

The company is constantly upgrading the skills of the employees through training. New talent is being introduced in the team to enhance performance and bring in new thoughts. At Rajkumar Forge, we have a very good working relationship with the workers. The atmosphere is cordial and very conducive. The performance are bottom driven through a very highly motivated workforce. We have successfully completed yet another three-year agreement with the Union which will ensure a peaceful and positive working environment for some time.

Rajkumar Forge during the year has been very concerned for the safety of its employees and with the same motive the Company has introduced work from home facilities to the employee wherever possible. During the year company has also conducted periodic health check-up and various awareness drives wherein employees were made aware of precautions they should follow for their own safety and reduce the risk of being infected by the virus.

Medium and Long Term Strategy:

Keeping in view of the recently changed environment under the Pandemic. The management hold an optimistic view due to the uncertainty in the business Outlook. There will be a cautious approach to additional capacity planning and implementation. The management will focus on consolidation and utilisation of its existing capacities to the maximum to cost effectively add to the bottom line.

Key Financial Ratios:

Sr. No.	Ratios	March 31, 2021	March 31, 2020	% Change	Explanation for significant change
1	Debtors Turnover Ratio	2.97	3.66	-18.85	No significant change
2	Inventory Turnover Ratio	5.2	7.81	-33.42	Inventories piled up resulting into increase in average inventory due to strict lockdown imposed by Government along with number of restrictions and guidelines.
3	Interest Coverage Ratio	11.17	11.15	0.18	No significant change
4	Current Ratio	2.31	1.7	35.88	Repayment of bank liabilities led to reduction in current liabilities thereby increasing the current ratio.
5	Debt Equity Ratio	0	0.62	-100.00	Company has paid off all the bank liabilities from the cash surplus generated out of its business operations.
6	Operating Profit Margin (%)	0.12	0.12	0.00	No significant change
7	Net Profit Margin (%)	0.09	0.09	0.00	No significant change
8	Return on Net Worth	0.12	0.17	-29.41	During the year under review, there was an impact on the turnover by around 20% due to COVID-19 Pandemic. Fixed cost remaining constant with no pay cut of any workers/employees, there is an impact on net profit visa vis previous year. We would like to highlight here that Company has a sturdy growth pattern over last 4 financial years.

Cautionary Statement:

Statements in the management discussions and analysis section describing company's projections, estimations, expectations and predictions may be 'forward looking statements' within the meaning of applicable securities, laws and regulations. Actual results could defer materially from the expressed or implied ones. Important factors that would make the difference in the company's operations include demand supply conditions raw material and other cost escalations, changes in government regulations and tax regimes, competition, economic developments within and outside the country etc. The outcome of the Pandemic environment will be crucial in deciding the future course of global and domestic business environment.

BOARDS' REPORT

Dear Members,

Your directors are pleased to present the 31st Annual Report of Rajkumar Forge Limited ("the Company") along with the Audited Financial Statements for the financial year ended March 31, 2021.

1. FINANCIAL HIGHLIGHTS:

(₹ in Lakhs)

Particulars	Financial Year 2020-21	Financial Year 2019-20
Revenue from Operation (Net of Taxes)	4044.30	5087.76
Other Income	17.54	11.62
Total Income	4061.84	5099.38
Expenses excluding Finance Cost and Depreciation & Amortization Expenses	3404.81	4349.85
Profit for the year before Interest, Depreciation & Amortization	657.03	749.53
Finance Cost	62.15	55.69
Depreciation & Amortization Expenses	155.85	135.24
Profit for the year before exceptional items and tax	439.04	558.60
Exceptional Items	0.00	0.00
Profit before Tax	439.04	558.60
Tax Expenses		
• Provision for Income Tax	73.28	93.62
• Deferred Tax	7.61	7.88
Profit for the Year	358.14	457.10
Earnings Per Share		
• Basic	3.27	4.18
• Diluted	3.27	4.18

3. OPERATIONS AND STATE OF AFFAIRS:

The Global economy as well as Indian economy has been suffering from the pandemic caused due to COVID-19 virus for more than a year and its ill effects are continuing. Pandemic has also adversely affected the manufacturing sector and consequently performance of your Company.

Your Company's total revenue from operations stood at ₹ 4044.30 Lakhs as against ₹ 5087.76 Lakhs in the previous year. Though the total revenue suffered a setback, your Board has, with periodic monitoring of the situation and by taking all the required measures and steps to use the resources efficiently coupled with keen focus on timely deliveries and customer satisfaction has managed to keep the operations well above the breakeven level. The Company has achieved net profit for the current fiscal of ₹ 358.14 Lakhs as against ₹ 457.10 Lakhs in the previous year.

Your Board is pleased to inform you that the affairs of the Company are functioning smoothly and appropriately in compliance with all the applicable laws and regulations.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

The Management Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), is separately set out and forms part of this Annual Report.

2. IMPACT OF COVID 19:

The COVID-19 pandemic has emerged as a global challenge, which has led to unprecedented socio-economic disruption worldwide. In Calendar Year 2020 when the COVID-19 pandemic's first wave broke out; nationwide strict lockdown was imposed from March 24, 2020, which brought all economic activities to a standstill. The Company was forced to temporarily suspend its operations at its Plant located at Chakan, Pune from March 22, 2020, in compliance with directives issued by Government and keeping in mind the safety of employees. The Registered Office of the Company was also shut down from March 23, 2020. Lockdown and various restrictions on activities across the country and the globe have posted major challenges to the business of the Company.

While the Company could get approvals / permissions from local authorities to restart the operation from May 04, 2020, subject to certain guidelines/restrictions. The demand for the forgings was severely impacted as key sectors to which the Company caters were adversely effected owing to weakening economic activities and number of restrictions imposed to curb the spread of COVID-19 Pandemic. Your Board has and shall continue to closely monitor the situation. The Board continues to take appropriate measures to ensure minimalistic impact on its operations, taking into consideration the safety and health of all its employees thereby protecting the interest of all the stakeholders of the Company at large.

Further, during the first quarter of financial year 2021-22, the second wave of COVID-19 broke out in India which has deepened the health crises in the Country with all time high positivity as well as mortality rates. Consequently, the economic activities were slowed down and may affect the performance of the Company in near future.

Amidst the challenging situations imposed by waves of COVID-19 Pandemic, Your Company managed to continue its operations efficiently.

4. DIVIDEND:

Given the uncertain economic outlook and with the view to conserve the resources in long run, the Board has not recommended any Dividend for financial year ended March 31, 2021.

5. CHANGE IN THE NATURE OF BUSINESS, IF ANY:

During financial year 2020-21, there was no change in the nature of Company's business.

6. SHARE CAPITAL:

There was no change in the authorized as well as paid up share capital of the Company during the year under review.

The current Authorized Capital of the Company is ₹ 13,25,00,000/- divided into 1,25,00,000 Equity shares of ₹ 10/- each and 7,50,000 4% Non-Cumulative Redeemable Preference Shares of ₹ 10/- each and Paid-up Capital of the Company is ₹ 10,93,94,000/- divided into 1,09,39,400 Equity Shares of ₹ 10/- each.

7. TRANSFER TO RESERVES:

The Board of Directors have decided to retain the entire amount of profit for financial year 2020-21 in the statement of profit and loss. The Company has not transferred any amount to General Reserves during financial year 2020-21

8. PUBLIC DEPOSITS:

During the year, your Company has not accepted any deposits from the public falling within the purview of Section 73 of the Companies Act, 2013 ("the Act") read with the Companies (Acceptance of Deposits) Rules, 2014.

9. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:

All contracts/ arrangements/ transactions entered by the Company during the financial year 2020-21 with related parties were on an arm's length basis and were in the ordinary course of business. Such transactions form part of the notes to the financial statements provided in this Annual Report. All Related Party Transactions ("RPTs") are placed before the Audit Committee for prior approval. Prior omnibus approval of the Audit Committee is obtained for the RPTs which are repetitive in nature or when the need for these transactions cannot be foreseen in advance. On a quarterly basis, details of such transactions were placed before the audit committee for noting/review.

The information for related party transactions as required under Rule 8(2) of the Companies (Accounts) Rules, 2014 in prescribed Form AOC-2 is enclosed as 'Annexure A' to this Report. Your attention is drawn to the Related Party disclosures set out in Note no. 43, of the Standalone Financial Statements.

The Company has already adopted a Policy for dealing with Related Party Transactions which is subject to review and revision of Audit Committee and Board. The revised and updated policy on Related Party Transaction as approved by the Board has been displayed on the Company's website at <https://rkforge.in/wp-content/uploads/2021/07/Related-Party-Transaction-Policy-Version2-w.e.f-03.06.2021.pdf>

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

There has been no material change and commitment affecting the financial position of your Company which has occurred between end of financial year of the Company to which the financial statements relate and the date of this Report.

11. SUBSIDIARIES, JOINT VENTURE AND ASSOCIATE COMPANY:

The Company does not have any subsidiary, joint venture and associate company during the year under review.

12. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:

There were no loans, guarantees and investments made by the Company under Section 186 of the Act during the period under review.

13. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

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

14. INTERNAL FINANCIAL CONTROLS:

The internal financial controls with reference to the financial statements are commensurate with the size and nature of business by virtue of internal audit of the Company. Internal Audits are periodically conducted by an external firm of Chartered Accountants who monitor and evaluate the efficiency and adequacy of internal control systems in the Company, its compliance with operating systems, accounting procedures and policies of the Company. Board also takes quarterly review of internal audit functioning and accounting systems, in order to take suitable corrective actions in case of any deviations. During the year, such controls were tested and no material weakness in their design of operations were observed.

15. DIRECTORS AND KEY MANAGERIAL PERSONNEL:
DIRECTORS

During the year, your Company has optimum combination of executive as well as non-executive Directors in compliance with Regulation 17 of the Listing Regulations as amended from time to time.

Board of Directors of the Company as on March 31, 2021:

Sr. No.	Name	Designation	Category
1	Mr. Arun Krishankumar Jindal	Chairman	Non-Executive, Non-Independent
2	Mr. Nitin Shyam Rajore	Whole Time Director	Executive Director
3	Mr. Ratanlal Tikaram Goel	Non-Executive Director	Non-Executive, Independent
4	Ms. Sudha Santhanam	Non-Executive Director	Non-Executive, Independent

During the year under review there was no change in the composition of Board of the Company.

Re-appointments

- Director liable to retire by rotation**

As per the provisions of the Act, Mr. Arun K Jindal (DIN: 00121523) Chairman and Non-Executive Director, is liable to retire at the ensuing Annual General Meeting ("AGM"), being eligible, seeks reappointment. Based on performance evaluation, candidature received from holding Company and the recommendation of the nomination and remuneration committee, the Board recommends his reappointment. The notice convening the 31st AGM to be held on September 20, 2021 sets out the details.

- Re-appointment of Whole Time Director**

Mr. Nitin Rajore (DIN: 01802633) was appointed as Whole Time Director ("WTD") for the first term of five years effective December 01, 2016. His term as WTD shall expire with effect from close of business hours of November 30, 2021. After considering the performance evaluation of his first term of five years as director and considering the knowledge, acumen, expertise, experience and the substantial contribution to the business, the Nomination and Remuneration Committee ("NRC") has recommended the appointment of Mr. Rajore to the Board for second term of five years. Considering recommendation of NRC, The Board at its meeting held on June 26, 2021, approved and recommended the reappointment of Mr. Rajore as Executive Director to be designated as Whole-Time Director of the Company w.e.f December 01, 2021 to November 30, 2026, who shall be liable to retire by rotation. The Board recommends his reappointment to the shareholders. Company is also in receipt of the notice in writing under Section 160(1) of the Act from member proposing his candidature for the office of Executive Director. The notice convening the 31st AGM to be held on September 20, 2021 sets out the details.

- Reappointment of Independent Director**

i. Mr. Ratanlal Tikaram Goel (DIN: 07663394) was appointed as an independent director for the first term of five years effective December 01, 2016. He is due for retirement with effect from close of business hours of November 30, 2021. After considering the performance evaluation, the knowledge, acumen, expertise, experience and the substantial contribution by Mr. Goel to the Company during his first term of five years, the

NRC has recommended the appointment of Mr. Goel to the Board for second term of five years. Considering recommendation of NRC, The Board at its meeting held on June 26, 2021, approved and recommended the reappointment of Mr. Goel as Independent Director of the Company w.e.f December 01, 2021 to November 30, 2026, who shall not be liable to retire by rotation. The Board recommends his re-appointment to the shareholders. Company is also in receipt of the notice in writing under Section 160(1) of the Act from member proposing his candidature for the office of Independent Director. The notice convening the 31st AGM to be held on September 20, 2021 sets out the details.

- ii. Ms. Sudha Santhanam (DIN: 06579108) was appointed as an independent director for the first term of five years effective May 15, 2017. She is due for retirement with effect from close of business hours of May 14, 2022. After considering her performance evaluation, the knowledge, acumen, expertise, experience and the substantial contribution made by Ms. Santhanam to the Company during her first term of five years, the NRC has recommended re-appointment of Ms. Santhanam to the Board for second term of five years. Considering recommendation of NRC, The Board at its meeting held on June 26, 2021, approved and recommended the reappointment of Ms. Santhanam as Independent Director of the Company w.e.f May 15, 2022 to May 14, 2027, whose office shall not be liable to retire by rotation. The Board recommends her re-appointment to the shareholders. Company is also in receipt of the notice in writing under Section 160(1) of the Act from member proposing her candidature for the office of Independent Director. The notice convening the 31st AGM to be held on September 20, 2021 sets out the details.

KEY MANAGERIAL PERSONNEL:

In terms of section 203 of Act, following are the Key Managerial Personnel of the Company

Sr. No.	Name	Designation
1	Mr. Nitin Rajore	Whole Time Director
2	Mr. Shubham Jindal	Chief Financial Officer
3	Mr. Satish Chandrashekhar Kadrolli	Company Secretary & Compliance Officer

Changes in Key Managerial Personnel During the year

Ms. Shruti Patil, resigned from the post of Company Secretary & Compliance Officer w.e.f October 28, 2020 to pursue other opportunities. Mr. Satish Chandrashekhar Kadrolli was appointed by the Board as Company Secretary & Compliance Officer of the Company w.e.f November 07, 2020. Relevant disclosures as per Regulation 30 are available of the Company's website.

16. DETAILS OF BOARD MEETINGS:

The Board met five (5) times during the financial year. The meeting details are provided in the Corporate Governance Report that forms part of this Annual Report. The intervening gap between the Meetings was within the period prescribed under the Act/ the Listing Regulations except the gap between last meeting of financial year ended March 31, 2020 and first board meeting of the financial year under review which was pursuant to the relaxation provided by SEBI vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/ 2020/38 dated March 19, 2020 along with MCA General Circular No. 11/2020 dated March 24, 2020.

17. COMMITTEES OF THE BOARD:

As on March 31, 2021, the Board had six committees: the Audit Committee, the Nomination and Remuneration Committee, the Stakeholder Relationship Committee, the Share Transfer Committee, the Committee for issue of Duplicate Share Certificate and Corporate Social Responsibility Committee.

During the year under review Company had constituted Corporate Social Responsibility ("CSR") Committee in compliance with section 135 of the Act and applicable rule, but pursuant to amendments in the CSR Rules as well as in section 135 of Act, in the month of January 2021 which dispensed the requirement of constituting of CSR Committee for the Companies whose CSR commitment as per the Act does not exceed Rs. 50,00,000 (Rupees Fifty Lakhs). Accordingly, for administrative convenience Board in its meeting held on June 26, 2021, dismantled the said CSR Committee. All the responsibilities of erstwhile CSR Committee which has been specified by under the Act and rules thereunder shall be discharged by the Board of Directors of the Company.

The detailed note on composition of the Board and its committees is provided in the Corporate Governance annexure to this Report.

18. CONTRIBUTION OF INDEPENDENT DIRECTORS TO THE GROWTH OF THE COMPANY:

The Board of Directors of the Company strategically comprises of Independent Directors which adds value to the Company. Every Independent Director with his/her expertise and integrity has earned a vast experience and reputation in the industry. Our both Independent Directors are Qualified Chartered Accountants and Company secretaries and are experts in Finance, Company Laws, Information Technology, Commercial Laws, Corporate Governance and Audit. These expertise helps the board to ensure that Company is at par with the global benchmarks in terms of ethics, corporate governance, best industry practices and transparency. In addition their wealth of experience in the corporate world ensures that the company benefits significantly from their advice.

19. DECLARATION BY INDEPENDENT DIRECTORS:

During the year under review, The Company has received necessary declarations from each of the Independent Directors as required under Section 149(7) of the Act and regulation 25(8) of SEBI LODR 2015, that they meet the criteria of independence laid down in Section 149(6) of the Act and Regulation 16(1)(b) of SEBI LODR, 2015.

The Independent Directors have also given declaration of compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to their name appearing in the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs.

20. FORMAL ANNUAL EVALUATION:

Pursuant to the provisions of Act and the Listing Regulations and as per the guidance note issued by SEBI on January 05, 2017, the Board has carried out an Annual Evaluation of its own performance, performance of individual directors and working of its committees. The summary of the evaluation reports was presented to the respective Committees and the Board. Way the evaluation has been carried out and matters incidental thereto, have been detailed in the Report on Corporate Governance, which forms part of this report.

21. COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, INDEPENDENCE OF A DIRECTOR:

The Company has adopted the Guidelines on Board Effectiveness ("Governance Guidelines" or "guidelines") which inter-alia cover the criteria for determining qualifications, attributes and independence of a director. The details of the Policy are stated in the Corporate Governance Report.

22. TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)
a. Transfer of unclaimed Dividend to IEPF

The sum of ₹ 12,48,300/- being the amount of unpaid or unclaimed dividend for a period of seven years, being the unclaimed dividend for the period upto FY 2012-13, was transferred during the financial year 2020-21 to the Investor Education and Protection Fund (IEPF) established by the Central Government in compliance with Section 124 of the Act.

b. Transfer of shares to IEPF

During the year under review, the Company has transferred 1,02,000 shares to the IEPF in accordance with the provisions of Section 124 of the Act and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules'). Details of shares transferred to IEPF have been uploaded on the website of IEPF as well as the Company.

23. CORPORATE GOVERNANCE CERTIFICATE:

The Company has taken adequate steps to ensure that all mandatory provisions of Corporate Governance as prescribed under the Listing Regulation are complied with. As per Regulation 34(3) Read with Schedule V of the Listing Regulations, a separate section on corporate governance, together with a certificate from the Company's Secretarial Auditors, forms part of this Report.

24. ANNUAL SECRETARIAL COMPLIANCE REPORT:

Pursuant to SEBI Circular CIR/CFD1/27/2019 dated February 08, 2019, all listed entities shall, additionally, on annual basis, submit a report to the stock exchange(s) on compliance of all applicable SEBI Regulations and circulars / guidelines issued thereunder within 60 days of end of financial year. Such report shall be submitted by Company Secretary in practice to the Company in the prescribed format.

The Company has received such report from Ms. Swati Bapat, Partner - M/s. MSN & Associates, Company Secretaries, Pune for the financial year ended March 31, 2021 and it has been submitted to the stock exchange within the stipulated