

# ANNUAL REPORT **2021-2022**



**SINTEX PLASTICS TECHNOLOGY LIMITED**

[www.sintexplastics.com](http://www.sintexplastics.com)

# Contents

Corporate Information	1
Directors' Report	2
Management Discussion and Analysis	17
Report on Corporate Governance	26
Standalone Financial Statements	39
Consolidated Financial Statements	77
Form AOC-1	133

## FORWARD LOOKING STATEMENTS

In this Annual Report, we have disclosed forward-looking information to enable investors to fully appreciate our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make, contain forward-looking statements that set our anticipated results based on management plans and assumptions. We have tried, where possible, to identify such statements by using words such as 'anticipate', 'expect', 'project', 'intend', 'plan', 'believe', and words of similar substance in connection with any discussion of future performance.

We cannot, of course, guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. Achievement of results is subject to risks, uncertainties, and potentially 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 bear 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 Information

### BOARD OF DIRECTORS :

**Mr. Amit D. Patel** (DIN: 00171035)  
Chairman & Managing Director

**Mr. Rahul A. Patel** (DIN: 00171198)  
Non-Executive Director

**Mr. Dinesh Khara** (DIN: 08384217)  
Independent Director

**Mr. Bhavan Trivedi** (DIN: 06965703)  
Independent Director

**Mr. Yogesh L. Chhunchha** (DIN: 03576478)  
Independent Director

**Mrs. Mamta P. Tripathi** (DIN: 08528138)  
Independent Director

**Dr. Rajesh B. Parikh** (DIN: 00171231)  
Independent Director

**Mr. Desh Raj Dogra** (DIN: 00226775)  
Independent Director  
(upto 6<sup>th</sup> July, 2021)

### BANKERS :

ICICI Bank Limited

### AUDITORS :

**M/s. Prakash Tekwani & Associates**  
Chartered Accountants  
Ahmedabad

### REGISTRAR & SHARE TRANSFER AGENT :

**Bigshare Services Private Limited**  
A-802, Samudra Complex, Near Classic Gold Hotel,  
Near Girish Coldrink, Off. C.G. Road, Navrangpura,  
Ahmedabad - 380 009, Gujarat, India.  
Phone : +91-79-40392571  
Email : bssahd@bigshareonline.com

### COMPANY SECRETARY & COMPLIANCE OFFICER :

**Mr. Manan Bhavsar**

### REGISTERED OFFICE :

In the premises of Sintex-BAPL Ltd.  
Near Seven Garnala, Kalol - 382 721,  
Dist.: Gandhinagar, Gujarat, India.  
Phone : +91-2764-253500  
CIN : L74120GJ2015PLC084071

### INVESTOR RELATIONSHIP CELL:

7<sup>th</sup> Floor, Abhijit Building-I, Mithakhali Six Roads,  
Ellisbridge, Ahmedabad - 380 006, Gujarat, India.  
Phone : +91-6358855979  
E-mail : info@sintex-plastics.com  
Website : www.sintexplastics.com  
CIN : L74120GJ2015PLC084071

# Directors' Report

Dear Shareholders,

Your Directors present the Seventh Annual Report of the Company highlighting the business and operations of the Company and the Audited Financial Statements for the financial year ended 31st March, 2022.

## FINANCIAL PERFORMANCE – STANDALONE & CONSOLIDATED

(₹ in crores)

Particulars	Standalone		Consolidated*	
	2021-22	2020-21	2021-22	2020-21
Gross turnover	0.96	0	935.13	858.37
Gross profit/(loss)	(144.22)	(16.18)	(325.13)	(292.33)
Less : Depreciation	0	0	99.27	139.45
<b>Profit / (loss) before exceptional items &amp; tax</b>	<b>(144.22)</b>	<b>(16.18)</b>	<b>(424.40)</b>	<b>(431.78)</b>
Exceptional items	0	0	0	0
<b>Profit/(loss) before tax</b>	<b>(144.22)</b>	<b>(16.18)</b>	<b>(424.40)</b>	<b>(431.78)</b>
Less: Provision for taxation - current tax	0	(1.13)	3.72	88.29
Deferred tax	(0.04)	(6.88)	(0.26)	128.24
<b>Profit / (loss) after tax from continuing operations</b>	<b>(144.18)</b>	<b>(8.17)</b>	<b>(427.86)</b>	<b>(648.31)</b>
Profit / (loss) from discontinued operations before tax	0	0	0	0
Tax expense of discontinued operations	0	0	0	0
Profit / (loss) from discontinued operations (after tax)	0	0	0	0
<b>Profit / (loss) for the Year</b>	<b>(144.18)</b>	<b>(8.17)</b>	<b>(427.86)</b>	<b>(648.31)</b>

## FINANCIAL PERFORMANCE - CONSOLIDATED

Your Company has registered a topline of Rs. 935.13 crores in 2021-22 against Rs. 858.37 crores in 2020-21. Gross Loss stood at Rs. 325.13 crores and the Loss after tax of Rs. 427.86 crores. Consequently, the earnings per share (face value of Re. 1) stood at Rs. (6.73) (basic) and Rs. (6.68) (diluted) for financial year 2021-22.

This year overall business performance remained low due to economic slowdown and covid impact.

### Material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year and date of this report:

The continuance of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The operations and revenue were impacted due to COVID-19 in the first quarter of the financial year. However for the rest of the period (year ended 31st March, 2022) there is no significant impact on the operations.

The Company had received communication from resolution professional of Sintex Prefab and Infra Limited ("SPIL"), the wholly owned subsidiary of the company that the financial results for the half year ended 30th September, 2021 was not available at the time of consolidation, as the company being under CIRP. Hence the financials of said subsidiary was not considered in consolidation of result of the Company on 30th September 2021 and thereafter. Hence the figures for the corresponding periods are not comparable. Further for the preparation of Cash flow for the FY 2021-22, SPIL Balances for the FY 2020-21 had not been considered.

## DIVIDEND

In view of losses incurred by the Company during the year under review, the Board of Directors has not recommended dividend for the Year ended on 31st March, 2022.

## TRANSFER TO RESERVES

In view of losses incurred by the Company during the year under review, the Company has not transferred any amount to reserves for the Year ended on 31st March, 2022.

## SHARE CAPITAL

During the year under review, there is no change in share capital of the Company. Therefore, paid up share capital of the Company stands at Rs. 63,61,51,296/- divided into 63,61,51,296 equity shares of Re. 1/- each as on 31st March, 2022. FCCBs worth US\$ 6.5 million (of the US\$ 67 million FCCB issue) were outstanding for conversion into equity shares as on 31st March, 2022.

## **FIXED DEPOSITS**

During the year under review, your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the rules made thereunder.

## **STATE OF COMPANY'S AFFAIRS**

Sintex Plastics Technology Limited is a globally-respected plastic processing conglomerate that caters to diverse high-growth sectors. Headquartered in Kalol, Gujarat, the Company has an extensive presence in India and across the globe through its subsidiaries.

## **PERFORMANCE OF SUBSIDIARIES**

In India, the Company operates through its subsidiaries Sintex-BAPL Limited (developing and delivering high-end custom moulded products and solutions to diverse sectors).

Sintex-BAPL Limited: The Company's custom moulding operations can be classified into two segments 1) Application-specific standard products catering to diverse sectors and 2) Customer-specific products primarily catering to the Automotive sector, Mass transit & Electrical sectors.

Application-specific custom moulded products: This is the flagship vertical, accounting for major portion of the Company's revenue. Under this vertical, the Company has developed niche solutions for critical applications that are high on the Government's priority list. In addition, the Company is focused on expanding its presence in India Inc. with the Key Account Management process. As a result, new customer addition and strong business relations with existing corporates are also making a significant contribution to business growth.

Customer-specific custom moulding: As the name suggests, the Company designs and develops components as per customer specification. While product development and approval take considerable time, once approved customer stickiness is high owing to prohibitive switch-over costs leading to long revenue visibility and high profitability. While the Indian operations are primarily concentrated on developing components for the automobile sector, the team is working on making inroads into the domestic Mass Transit, Electricals business spaces.

Petition for initiation of Corporate Insolvency Resolution Process filed by Zielem Industries Private Limited against M/s. Sintex-BAPL Limited under Section 7 of the Insolvency and Bankruptcy Code, 2016 has been admitted by National Company Law Tribunal, Ahmedabad Bench vide order date 18th December, 2020 and Mr. Ketulbhai Ramubhai Patel has been appointed as Interim Resolution Professional. Currently the company is under continuation of Corporate Insolvency Resolution Process.

BAPL Rototech Private Limited: BAPL Rototech Private Limited is Joint Venture Company between Sintex-BAPL Limited & Rototech SRL (ITALY). The Company is currently having manufacturing facility at Pithampur in Madhya Pradesh & Jamshedpur in Jharkhand.

The Company is a manufacturer of plastic Fuel Tanks, Diesel Exhaust Fluid (DEF)/Urea Tanks/Adblue Tanks and CV exterior parts Fender, Mud Guards, snorkels etc using Roto Moulding & Blow Moulding technology, catering the needs of the Automotive Industry in Commercial Vehicle (CV) Segment in India & Globally.

The Company's current customer portfolio includes established OEMs viz Volvo- Eicher, Tata Motors, Cummins Technologies to name a few. In F.Y. 22, Company has been successful in winning additional new business of Fuel Tank for Tata Motors, Mahindra & Mahindra & Force Motors for Medium & Heavy Commercial Vehicles segment.

In addition to the Jamshedpur expansion, the company has proposed for setting up a dedicated facility for TATA Motors and Ashok Layland at Pant Nagar (Uttarakhand) with 1 (One) Roto Moulding and 1 (One) Blow Moulding machines to be installed there and expected to be made operational by September, 2022.

During the period under review, the company has posted revenue of Rs. 160.25 Crores from its operations as compared to the last year which was Rs. 137.74 Crores. Further, during the period under review, the Company's profit after Tax stood Rs. 8.55 Crores vis-a-vis the net profit of Rs. 7.74 Crores reported last year.

Sintex Logistics LLC: Financial year 2021-22 was marked with continued impact caused by Covid related delays in materials and manpower availability, as well as cost increases. The subsequent surge in customer demand and serious supply chain constraints resulted in production shortages of its customers. These issues continued to be aggravated by global shortage of containers, abnormal shipping costs and transient bottlenecks in shipping routes for export markets.

Despite the above challenges, the Company was able to complete major projects of our key customer accounts. Siemens projects for the Hou 4 and Via Rail Cab Liner projects were supplied and the Company also continued to meet demand for Calidot, Via Rail & Port 6 ongoing projects. The Company continued the project supplies to Alstom for the prestigious Amtrak projects, while encountering some delays related to container availability and shipping. It has completed more than 50% of the supply program for Alstom and shall be completing the balance train sets supply by H1 2023. During the year, the Company secured new business for FRP seats program from Freedman and several FRP projects from Hometown Bus including Roofs, Dashes and Crowns. The Company also won new business from Harbor Front to supply FRP seating for restaurants and retail.

The Company continued to maintain robust relationships with all the customers in US. It has pitched for a bigger share of Cummins business for SMC enclosures and plastic parts, including new supply programs. SLLLC is also expanding our client base in the US for FRP and SMC product lines.

Sintex Prefab and Infra Limited: The Company has been admitted under Corporate Insolvency Resolution Process vide order passed by Hon'ble National Company Law Tribunal, Ahmedabad bench on 24-02-20221. The Committee of Creditors is under process of approval of the Resolution Plan of the Company submitted by various resolution applicants .

For Information relating to contribution of each of the subsidiary company to the overall performance of the company, please refer form AOC-1 forming part of this Annual Report.

#### **CHANGES IN SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES/WHOLLY OWNED SUBSIDIARIES**

During the year under review, there was no change in the status of subsidiaries/Wholly Owned Subsidiaries during the year under review.

The Company does not have any associate or joint venture at the end of the year under review.

#### **CORPORATE SOCIAL RESPONSIBILITY**

Pursuant to provisions of Section 135 read with Schedule VII of the Companies Act, 2013, CSR Committee of the Board of Directors has framed the policy on Corporate Social Responsibility. The Corporate Social Responsibility policy as approved by the Board has been hosted on the Company's website at the link <http://www.sintexplastics.com/investors/policies/>.

The Composition of CSR Committee as on 31st March, 2022 is as follow:

<b>Name of the Committee Members</b>	<b>Category of Director</b>	<b>Designation</b>
Mr. Dinesh Khara	Independent & Non-Executive Director	Chairman
Mr. Rahul A. Patel	Non-Independent & Non-Executive Director	Member
Mr. Amit D. Patel	Executive Director	Member

The Annual Report on CSR activities for the Financial Year 2021-22 is annexed herewith as 'Annexure-A'.

#### **INTERNAL FINANCIAL CONTROLS ("IFC") AND THEIR ADEQUACY**

As per the provisions of the Companies Act, 2013, the Directors have the responsibility for ensuring that the Company has implemented robust system / framework for IFCs to provide them with reasonable assurance regarding the adequacy and operating effectiveness of controls to enable the Directors to meet with their responsibility.

The Company has in place a sound financial control system and framework in place to ensure:

- the orderly and efficient conduct of its business including adherence to Company's policies,
- safeguarding of its assets,
- the prevention and detection of frauds and errors,
- the accuracy and completeness of the accounting records and
- the timely preparation of reliable financial information.

A formal documented IFC framework has been implemented by the Company. The Board regularly reviews the effectiveness of controls and takes necessary corrective actions where weaknesses are identified as a result of such reviews. This review covers entity level controls, process level controls, fraud risk controls and Information Technology environment. Based on this evaluation, there is nothing that has come to the attention of the Directors to indicate any material break down in the functioning of these controls, procedures or systems during the year. There have been no significant events during the year that have materially affected, or are reasonably likely to materially affect, our internal financial controls. The management has also come to a conclusion that the IFC and other financial reporting was effective during the year and is adequate considering the business operations of the Company.

#### **STATUTORY AUDITORS AND AUDITORS' REPORT**

Pursuant to the provisions of Section 139 of the Companies Act, 2013 read with rules made thereunder, M/s. Prakash Tekwani & Associates, Chartered Accountants, Ahmedabad (Firm Registration No: 120253W) were appointed as the Statutory Auditors of the Company at 5th Annual General Meeting (AGM) of the Company held on 28th September, 2020 to hold the office for the term of five years i.e. till the conclusion of 10th Annual General Meeting of the Company to be held in the calendar year 2025.

The notes on financial statement referred to in the Auditor's Report except observations, and emphasis of matter are self-explanatory and do not call for any further comments. The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company in the year under review.

#### **SECRETARIAL AUDIT REPORT**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s. Chirag Shah & Associates, Practicing Company Secretaries, Ahmedabad to undertake the Secretarial Audit of the

Company. The Secretarial Audit Report for the financial year 2021-22 is annexed herewith as 'Annexure B'. There were no qualifications, observations, reservation or comments or other remarks in the Secretarial Audit Report, which have any adverse effect on the functioning of the Company.

#### **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

Mr. Rahul A. Patel, Director is due to retire by rotation at this Annual General Meeting in terms of Section 152(6) of the Companies Act, 2013 and is eligible for appointment.

During the year under review, Mr. Desh Raj Dogra resigned as Director of the Company w.e.f. 6th July, 2021 citing reason of his personal and professional preoccupation.

Tenure of five years of Mr. Amit D. Patel as Managing Director of the Company will conclude on 14th September, 2022. Based on recommendation of Nomination and Remuneration Committee of the Board, the Board at its meeting held on 18th May, 2022 has approved the re-appointment of Mr. Amit D. Patel as Managing Director of the Company for the second term of five years commencing from 15th September, 2022 and concluding on 14th September, 2027 without Managerial Remuneration, subject to approval of members at ensuing General Meeting of the Company. Accordingly, Resolution for re-appointment of Mr. Amit D. Patel as Managing Director of the Company for the Second Term of five years commencing from 15th September, 2022 and concluding on 14th September, 2027 forms part of Notice of 7th Annual General Meeting of the Company.

The Board places on record its deep appreciation of the valuable services rendered as well as advice and guidance provided by Mr. Desh Raj Dogra during his tenure.

Brief details of Director(s) proposed to be appointed/re-appointed as required under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standards-2 issued by the Institute of Company Secretaries of India are provided in the Notice of the Annual General Meeting.

The Independent Directors have been updated with their roles, rights and responsibilities in the Company by specifying them in their appointment letter along with necessary documents, reports and internal policies to enable them to familiarise with the Company's procedures and practices.

All Independent Directors have given declarations that they meet the criteria of Independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) read with Regulation 25(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. There has been no change in the circumstances affecting their status as independent directors of the Company.

In the opinion of the Board, all independent directors of the Company appointed during the year have integrity, necessary expertise and experience required for effectively performing their roles and discharging responsibilities. Also, your Company has received annual declarations from all the Independent Directors of the Company confirming that they have already registered their names with the data bank maintained by the Indian Institute of Corporate Affairs ["IICA"] as prescribed by the Ministry of Corporate Affairs under the relevant rules.

#### **Independent director databank registration**

Pursuant to a notification dated October 22, 2019 issued by the Ministry of Corporate Affairs, all directors have completed the registration with the Independent Directors Databank. Requisite disclosures have been received from the directors in this regard. Your Company has received annual declarations from all the Independent Directors of the Company confirming that they have already registered their names with the data bank maintained by the Indian Institute of Corporate Affairs ["IICA"] as prescribed by the Ministry of Corporate Affairs under the relevant rules. Out of five Independent Directors of the Company, Four Independent Directors have cleared the online proficiency self-assessment test as prescribed under said rules and rest director will attempt the said test in due course of time.

#### **DIRECTORS' AND OFFICERS' LIABILITY INSURANCE:**

During the year under review, the Company has taken Directors' and Officers' Liability Policy to provide coverage against the liabilities arising on them.

#### **BOARD EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015, the Board has carried out annual performance evaluation of its own, its committees and individual directors of the Company. The annual performance evaluation was carried out through structured evaluation process which was based on the criteria as laid down by Nomination and Remuneration Committee, which includes various aspects such as composition of the Board & Committees, diversity of the Board, experience & competencies of individual directors, performance of specific duties & obligations, contribution at the meetings and otherwise, team work, exercise of independent judgements and implementation of corporate governance principals etc. Based on performance evaluation, the Board has concluded that efforts and contribution made by all directors individually as well as functioning and performance of the Board as a whole and its committees were proactive, effective and contributing to the goals of the Company.

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

To the best of knowledge and belief and according to the information and explanations obtained, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013 that:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- (c) the Directors had 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;
- (d) the Directors had prepared the annual accounts on a going concern basis; and
- (e) the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- (f) the systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

#### **SECRETARIAL STANDARDS**

Pursuant to the provisions of Section 118 of the Companies Act, 2013, the Company has complied with the applicable provisions of the Secretarial Standards issued by the Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs.

#### **MEETINGS OF THE BOARD OF DIRECTORS**

Regular meetings of the Board are held to discuss and decide on various business strategies, policies and other issues. During the year, five Board Meetings were convened and held on 19th May, 2021, 28th June, 2021, 12th August, 2021, 28th October, 2021 and 10th February, 2022. The intervening gap between the two consecutive meetings was not more than one hundred and twenty days. Detailed information on the Meetings of the Board is included in the Corporate Governance Report, which forms part of the Annual Report.

#### **COMMITTEE OF BOARD OF DIRECTORS**

In compliance with the requirements of applicable laws and as part of the best governance practice, the Company has following Committees of the Board as on 31st March, 2022:

- i. Audit Committee
- ii. Nomination and Remuneration Committee
- iii. Stakeholders' Relationship Committee
- iv. Corporate Social Responsibility Committee
- v. Share & Debenture Transfer Committee

#### **AUDIT COMMITTEE**

The Audit Committee consists of four Members viz. Mr. Bhavan Trivedi (Chairman), Mr. Dinesh Khera (Member), Mr. Yogesh L. Chhunchha (Member) and Mr. Amit D. Patel (Member) as on 31st March, 2022. There was no instance, where recommendations of Audit Committee were not accepted by the Board of Directors.

The details of the Committees along with their composition, number of meetings held and attendance at the meetings are provided in the Corporate Governance Report.

#### **INDEPENDENT DIRECTORS' MEETING**

The Independent Directors met on 10th February, 2022, without the attendance of Non-Independent Directors and members of the Management. The Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole; the performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

#### **EXTRA ORDINARY GENERAL MEETINGS / POSTAL BALLOT**

During the year under review, the Company has neither convened any Extra Ordinary General Meeting of the members of the Company nor passed any resolution through Postal Ballot.



## **CONSOLIDATED FINANCIAL STATEMENTS**

The Board reviewed the affairs of the Company's subsidiaries during the year at regular intervals. In accordance with section 129(3) of the Companies Act, 2013, the Company has prepared Consolidated Financial Statements of the Company and all its subsidiaries, which form part of this Annual Report. The consolidated Financial Statements have been prepared on the basis of audited financial statements of the Company and its subsidiaries. Further a statement containing salient features of the Financial Statements of each subsidiary in Form AOC-1 forms part of the Consolidated Financial Statements. The statement also provides the details of contribution to overall performance of the Company and financial position of each subsidiary.

## **POLICIES**

- **Remuneration policy**

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of the Directors, the senior management and their remuneration. The details of remuneration policy are stated in the Corporate Governance Report.

- **Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information**

Pursuant to amendments in the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 vide the Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018, the Company adopted the new "Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information" ("Fair Disclosure Code") incorporating a policy for determination of "Legitimate Purposes" as per Regulation 8 and Schedule A to the said regulations w.e.f. 1st April, 2019.

- **Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons**

Pursuant to amendments in the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 vide the Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018, the Company adopted the revised "Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons" as per Regulation 9 and Schedule B to the said regulations w.e.f. 1st April, 2019.

- **Whistle blower policy**

The Company has adopted a Whistle Blower Policy through which the Company encourages its employees to bring to the attention of Senior Management, including Audit Committee, any unethical behaviour and improper practices and wrongful conduct taking place in the Company. The details of the same is explained in the Corporate Governance Report and also posted on the website of the Company at the link <http://www.sintexplastics.com/investors/policies/>.

- **Policy for Determining Material Subsidiaries**

Pursuant to amendments in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 vide the the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements)(Amendment) Regulations, 2018, the Company adopted the revised "Policy for Determining Material Subsidiaries" for laying down a criterion for determining Material Subsidiaries and their governance as per Regulation 16(1)(c) to the said regulations w.e.f. 1st April, 2019.

## **PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED**

Particulars of loans given, investments made, guarantees given and securities provided under Section 186 of the Companies Act, 2013 are provided in the standalone financial statements (Please refer to Note 4 & 8 to the standalone financial statements), for utilization for the general business purpose of the recipient.

## **CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES**

The Company has not entered into any Related Party Transactions during the year under review in terms of relevant provisions of the Companies Act, 2013. Hence, there were no contracts or arrangements or transactions with related parties which are required to be reported under Section 188(1) of the Companies Act, 2013 in form AOC-2 pursuant to provisions of Section 134(3)(h) of the Companies Act, 2013 read with rule 8(2) of the Companies (Accounts) Rules, 2014.

Disclosures of Related Party transactions as per Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are provided as note no. 23 to Standalone Financial Statements.

## **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

No significant or material orders are passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's future operations. However, there were orders passed by the National Company Law Tribunal, Ahmedabad bench for admission of petition(s) filed for initiation of Corporate Insolvency Resolution Process under the Insolvency and Bankruptcy Code, 2016 against two material subsidiaries i.e. M/s. Sintex Prefab and Infra Limited and M/s. Sintex-BAPL Limited during the review period.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report on the operations of the Company, as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is provided in a separate section and forms part of this Annual Report.

## CORPORATE GOVERNANCE

Corporate Governance is, essentially, a philosophy. It encompasses not only the regulatory and legal requirements, but also the voluntary practices developed by the Company to protect the best interests of all stakeholders. The Company complies with all the Standards, Guidelines and Principles governing disclosures and obligations set out by the Securities and Exchange Board of India (SEBI) and the Stock Exchanges on corporate governance.

A separate report on Corporate Governance along with Certificate from M/s. Chirag Shah & Associates, Practicing Company Secretaries, Ahmedabad on compliance with the conditions of Corporate Governance as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is provided as a part of this Annual Report.

Your Company has made all information, required by investors, available on the Company's website [www.sintexplastics.com/investors](http://www.sintexplastics.com/investors).

## EXTRACT OF THE ANNUAL RETURN

A copy of the annual return for FY2022 is placed on the website of the Company at [www.sintexplastics.com/investors](http://www.sintexplastics.com/investors) in accordance with the provisions of the Companies Act, 2013 with the information available up to the date of this report, and shall be further updated as soon as possible but no later than sixty days from the date of the Annual General Meeting.

## RISK MANAGEMENT

The Company recognizes that risk is an integral part of business and is committed to managing the risks in a proactive and efficient manner. During the year, the Board of Directors has reviewed the risks associated with the business of the Company, its root causes and the efficacy of the measures taken to mitigate the same.

## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year, the Company was not engaged in manufacturing business. Hence, there is no such information which is required to be appended pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014.

## PARTICULARS OF EMPLOYEES

The information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in separate annexure forming part of this Report as **Annexure-C**.

The statement containing particulars of employees as required under Section 197 of the Act read with rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, will be provided upon request. In terms of Section 136 of the Act, the Report and Accounts are being sent to the members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the members at the Registered Office of the Company during business hours on working days of the Company. If any member is interested in obtaining a copy thereof, such member may write to the Company Secretary in this regard.

## MAINTAINANCE OF COST RECORDS

Cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 is not required to be maintained by the company and hence, such accounts and records are not made and maintained.

## INTERNAL COMPLAINTS COMMITTEE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the year under review, there was no case filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

## GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review: