

REMI ELEKTROTECHNIK LIMITED

42nd ANNUAL REPORT

2021 - 22



MOTORS



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THE LEVELS OF EXCELLENCE



REAL ESTATE



LABORATORY EQUIPMENTS



Board of Directors:	Shri Vishwambhar C. Saraf Shri Rajendra C. Saraf Shri Sunil Saraf Shri Ritvik V. Saraf Shri Shyam Jatia Shri Harkishan Zaveri	Chairman and Managing Director Director Whole-Time Director Jt. Managing Director & Chief Financial Officer Independent Director Independent Director
Company Secretary	Ms. H. H. Joshi (upto 31/08/2021)	
Bankers:	STATE BANK OF INDIA	
Auditors:	M/s. Shankarlal Jain & Associates LLP, Chartered Accountants, 12, Engineering Building, 265, Princes Street, Mumbai- 400 002	
Registered Office:	REMI House, Plot No.11, Cama Industrial Estate, Goregaon (East), Mumbai – 400 063 Ph.: 022-40589888, Fax: 022-2685233	
CIN:	L51900MH1988PLC047157	
Works:	Survey No.65, Village Waliv, Vasai (East), Thane – 401 208	
Wind Power:	Village Brahmanwel, Taluka Sakri, District Dhule, Maharashtra	

NOTICE

To
The Members,
REMI ELEKTROTECHNIK LIMITED

NOTICE is hereby given that the 42nd Annual General Meeting of the Company will be held at the Company's Registered Office on **Thursday, the 29th September, 2022**, at 11.00 A.M. to transact the following business:

Ordinary Business:

- 1) To consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2022, together with the reports of the Board of Directors and the Auditors thereon;
- 2) To re-appoint Shri Rajendra C. Saraf (DIN: 00161412) as Director, who retires by rotation.
- 3) To appoint Auditors and to fix their remuneration.

“RESOLVED THAT pursuant to the provisions of Section 139, 140, 142 and other applicable provisions of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014, M/s Shankarlal Jain & Associates LLP, Chartered Accountants (Firm Registration No.109901W), be and is hereby re-appointed as statutory auditors of the Company at the ensuing Annual General Meeting (AGM), to hold office of the statutory auditors from conclusion of this 42nd AGM until the conclusion of 47th AGM on such remuneration as may be decided by the Board of Directors of the Company.”

Special Business : Ordinary Resolution

- 4) To ratify the remuneration of Cost Auditors.

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013, and the Rules framed thereunder, as amended from time to time, remuneration payable to M/s Kejriwal & Associates, Cost Accountants, appointed by the Board of Directors as Cost Auditors of the Company for the year 2022-23, to conduct the audit of the cost records of the Company, on a remuneration of Rs.75,000/- (Rupees Seventy Five Thousand only) be and is hereby ratified and confirmed.”

By order of the Board
For **REMI ELEKTROTECHNIK LIMITED**

Registered Office

REMI House,
Plot No.11, Cama Industrial Estate,
Goregaon (E), Mumbai - 400 063,

Dated : August 22, 2022

(VISHWAMBHAR C. SARAF)
CHAIRMAN & MANAGING DIRECTOR
(DIN:00161381)

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THIS MEETING WILL BE ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF. A PROXY NEED NOT BE A MEMBER. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
2. An Explanatory Statement relating to the item of special business set out in item No. 4 accompanies.

**EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013 –
ANNEXURE TO THE NOTICE**

Item No. 4

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors, has to be ratified by the members of the Company. Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No.4 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year 2022-23.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.4 of the Notice.

Your Directors commend the resolutions for your approval.

DIRECTORS' REPORT

To
The Members,
REMI ELEKTROTECHNIK LIMITED

Dear Shareholders,

The Directors are pleased to present herewith the Annual Report and Audited Statements of accounts of the Company for the year ended 31st March, 2022.

(Rs. in Lakhs)

Financial Results	2021 – 2022		2020 – 2021	
Total Income	16300.01		11867.49	
Profit before Finance Cost, Depreciation and Tax (EBIDTA)	3149.79		1591.07	
Finance Cost	1.68		10.44	
Depreciation	232.16		241.17	
Taxation	697.79	931.63	332.38	583.99
Profit for the period	2218.16		1007.08	
Other Comprehensive Income	(5.15)		16.24	
Total Comprehensive Income	2213.01		1023.32	
Balance brought forward	5050.79		4127.47	
	7263.80		5150.79	
<u>Appropriations</u>				
Transfer to General Reserve	500.00		100.00	
Net surplus in the Statement of Profit & Loss	6763.80		5050.79	
	7263.80		5150.79	

OPERATIONS:

The Company achieved total income of Rs.16300.01 Lakhs during the year as against Rs.11867.49 Lakhs in previous year. The Company achieved EBIDTA and net profit of Rs.3149.79 Lakhs and Rs.2218.16 Lakhs respectively during the year as against Rs.1591.07 Lakhs and Rs 1007.08 Lakhs respectively in previous year.

Income as well as profitability of the Company have improved during the year. The income and profitability of Motor & Instrument divisions have improved during the year.

The demand of commercial space continue to be adversely affected due to covid-19 pandemic during the year and likely to be subdued in next year too.

The products of instrument division falls in category of essential services and are used by medical services and there is good demand of the products and future of the product is good. Due to Covid - 19 pandemic, Central and State Govt. are focusing more on health sector and consequently demand of these products are expected to increase in future. Secondly, due to Hon'ble Prime Minister's policy of Aatmanirbhar Bharat, imports of these products will reduce and consequently local manufacturers will benefit.

During the year, the Company transferred a sum of Rs.500.00 Lakhs to the General Reserves. There are no changes in the share capital during the year.

The Board of Directors express their inability to declare any dividend.

There are no Companies which have become or ceased to be its Subsidiaries, Joint Ventures or Associate Companies.

DELISTING OF EQUITY SHARES FROM BSE LIMITED

Pursuant to application of voluntary delisting of equity shares from BSE Limited, the Company has received approval of BSE Limited that the Company has been delisted from BSE Limited w.e.from 20th April, 2021.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

As stipulated under Section 135 of the Companies Act, 2013 the Company has constituted 'Corporate Social Responsibility Committee' (CSR Committee) comprising of Shri Vishwambhar C. Saraf (DIN:00161381), Shri Rajendra C. Saraf (DIN:00161412), as member, and Shri Shyam Jatia (DIN:00049457), as Chairman.

The Company has formulated a Corporate Social Responsibility policy. The Annual Report on CSR activities is annexed as "**Annexure A**" and forms part of this report and is also available at the website of the Company i.e. www.remigroup.com.

DIRECTORS:

BRIEF DETAILS OF DIRECTORS SEEKING APPOINTMENT /RE-APPOINTMENT:

Shri Rajendra C. Saraf (69) (DIN:00161412), Director, who is retiring by rotation, is to be re-appointed. He is a commerce graduate from the University of Bombay. After graduation, he joined the family business. He is on the Board of Remi Edelstahl Tubulars Limited, Remi Process Plant and Machinery Limited and 3P Land Holdings Limited.

Shri Vishwambhar C. Saraf and Shri Rajendra C. Saraf are brothers and Shri Ritvik Saraf is son of Shri. Vishwambhar C. Saraf. Apart from this, there is no relationship between the Directors inter-se.

Shri Ritvik V. Saraf, was appointed as Joint Managing Director of the Company for three years from the 1st October, 2021

INDEPENDENT DIRECTORS

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. The Board of Directors confirm that the independent directors of the Company fulfill the conditions specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and are independent of the management of the company.

BOARD MEETINGS:

During the year, 4 (Four) Board Meetings were held, with gap between Meetings not exceeding the period prescribed under the Act. Details of Board and Committee meetings held during the year are given in the Corporate Governance Report.

POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS:

The Board has on the recommendation of the Nomination & Remuneration Committee, formulated criteria for determining qualifications, positive attributes and independence of a Director and also a policy for remuneration of Directors, Key Managerial Personnel and senior management. The details of criteria laid down and the Remuneration Policy are given in the Corporate Governance Report.

FINANCIAL STATEMENTS:

Audited Financial Statements are prepared in accordance with Indian Accounting Standard (Ind AS) as prescribed under Section 133 of the Companies act, 2013 read with the rules made thereof.

AUDITORS:

The Board of Directors at its meeting held on 22nd August, 2022, based on the recommendation of the Audit Committee has recommended the re-appointment of M/s Shankarlal Jain & Associates LLP, Chartered Accountants (Firm Registration No.109901W, as the statutory auditor of the Company for approval by the members.

M/s Shankarlal Jain & Associates LLP, Chartered Accountants (Firm Registration No.109901W), have consented to the said appointment and confirmed that their appointment, if made, would be within the limits specified under section 141(3) (g) of the Act and that they are not disqualified to be appointed as statutory auditor in terms of section 143 of the Act.

M/s Shankarlal Jain & Associates LLP, Chartered Accountants (Firm Registration No.109901W), will be appointed as the statutory auditors of the Company from the conclusion of the ensuing annual general meeting till the conclusion of the 47th Annual General Meeting, on a remuneration as may be decided by the Board of Directors from year to year.

The members are therefore requested to M/s Shankarlal Jain & Associates LLP, Chartered Accountants (Firm Registration No.109901W), as statutory auditor of the Company for a term of five years from the conclusion of the ensuing annual general meeting till the conclusion of the 47th annual general meeting, to be scheduled in 2027.

The statutory audit report for the financial year ended 31st March, 2022 does not contain any qualification, reservation or adverse remark or disclaimer made by statutory auditors.

COST AUDITORS AND COST AUDIT REPORT:

Pursuant to Section 148 of the Act, read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit records maintained by the Company required to be audited by cost auditors. The Board has on the recommendation of the Audit Committee, appointed M/s. Kejriwal & Associates, Cost Accountants to audit the cost records of the Company for the financial year 2022-23 on a remuneration of Rs.75,000/- (Rupees Seventy Five Thousand only) subject to ratification by members. Accordingly, a resolution seeking Member's ratification for the remuneration payable to M/s. Kejriwal & Associates, Cost Accountants, is included in the Notice convening the Annual General Meeting.

LOANS, GUARANTEES OR INVESTMENTS:

Details of Loans, Guarantees and Investments, if any covered under the provisions of Section 186 of the Act are given in the notes to the Financial Statements.

RELATED PARTY TRANSACTIONS AND POLICY ON RELATED PARTY TRANSACTIONS:

Pursuant to provisions of The Companies Act, 2013 and Regulation of SEBI (LODR) Regulations, 2015, the Board has formulated Policy on Related Party Transactions and the same is available on the website of the Company at www.remigroup.com. All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There were no material related party transactions entered by the Company during the year and thus disclosure in Form AOC-2 is not required. Pursuant to Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, there are no transaction with any person or promoter/ promoters group holding 10% or more shareholding.

None of the Non-Executive Directors has any pecuniary relationship or transactions with the Company other than payment of sitting fees to them.

Your Directors draw attention of the members to Note 38 to notes to accounts which sets out related party disclosures.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION:

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

A) Conservation of energy:

- i. the steps taken or impact on conservation of energy; : All efforts are being made to conserve energy.
- ii. the steps taken by the company for utilising alternate sources of energy; : The Company is having Windmill and has also installed Solar power system for utilizing alternate source of energy.
- iii. the capital investment on energy conservation equipments; : The Company makes investment on energy conservation equipments on continuous basis.

(B) Technology absorption:

- i. the efforts made towards technology absorption; : The Company does not have any foreign collaboration for manufacturing. The Company is continuously modernizing its production and testing machineries and equipments.
- ii. the benefits derived like product improvement, cost reduction, product development or import substitution; : This is continuous process and the laboratory instruments are import substitutes.
- iii. in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)
 - (a) the details of technology imported; : N.A.
 - (b) the year of import; : N.A.
 - (c) whether the technology been fully absorbed; : N.A.
 - (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and : N.A.
- iv. the expenditure incurred on Research and Development : Rs.12.81 Lakhs

FOREIGN EXCHANGE EARNINGS AND OUTGO:

Earnings	Rs.1275.67 Lakhs
Outgo	Rs.350.07 Lakhs

AUDIT COMMITTEE:

The Audit Committee comprised of Shri Shyam Jatia (Chairman), Shri Vishwambhar C. Saraf and Shri Harkishan Zaveri

RISK MANAGEMENT:

The Company has laid down a risk management policy identifying core areas of Risk including, Business Risk. The senior management team reviews and manages risks in a systematic manner, including regular monitoring of exposures, proper advice from market experts, etc.

PERFORMANCE EVALUATION OF INDEPENDENT DIRECTORS, BOARD, COMMITTEES AND DIRECTORS:

Pursuant to the provisions of the Act and Regulation of SEBI (LODR) Regulations, 2015, the Board had carried out performance evaluation of its own, the Board Committees and of the Individual Directors. Independent Directors at a separate meeting evaluated performance of the Non-Independent Directors, Board as a whole and of the Chairman of the Board. The manner in which the evaluation has been carried out has been detailed in the Corporate Governance Report.

DEPOSITS:

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

INTERNAL CONTROL SYSTEM:

The Company has in place adequate internal financial controls with reference to financial statements. The internal financial controls are adequate and are operating effectively.

SIGNIFICANT AND MATERIAL ORDERS:

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

VIGIL MECHANISM:

The Company has set up vigil mechanism viz. Whistle Blower Policy to enable the employees and Directors to report genuine concerns and irregularities, if any in the Company, noticed by them. No personnel has been denied access to the Audit Committee. The same is posted on the website of the Company.

CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT PERSONNEL

Company has received a declaration of compliance with the Code of Conduct from Directors and Senior Management Personnel. The declaration by the CEO & Managing Director affirming compliance of the Board of Directors and Senior Management Personnel to the Code of Conduct is appended to this Report.

EXTRACT OF THE ANNUAL RETURN

The extract of the Annual Return in form MGT-9 is placed on the Company's website at www.remigroup.com.

TRANSFER OF UNPAID/ UNCLAIMED DIVIDEND AMOUNT AND SHARES TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF):

Pursuant to sections 124 and 125 of the Companies Act 2013 read with Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules) dividends if not claimed for a consecutive period of 7 years from the date of transfer to unpaid dividend account of the Company are liable to be transferred to the Investor Education and Protection Fund. Further shares in respect of such dividend which have not been claimed for a period of 7 consecutive years are also liable to be transferred to the demat account of the IEPF Authority.

The unpaid/ unclaimed dividend for the financial year and 2015-16 onwards will be transferred to IEPF as given below:-

Financial Year Date of Declaration Due date for transfer to IEPF

Financial Year	Date of Declaration	Due date for transfer to IEPF
2015-16	14.03.2016	16.05.2023

MANAGERIAL REMUNERATION AND PARTICULARS OF EMPLOYEES:

The information required pursuant to Section 197 read with Rule, 5(1) & 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, 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 up to the date of the ensuing Annual General Meeting.

No employee of the Company was in receipt of remuneration equal to or exceeding the prescribed limits pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

CORPORATE GOVERNANCE REPORT

Pursuant to application of Voluntary delisting of equity shares from BSE Limited, the Company has received approval of BSE Limited that the Company has been delisted from BSE Limited w.e.from 20th April, 2021. Hence, being the delisted Company the Corporate Governance Report is not applicable to it.

DIRECTORS' RESPONSIBILITY STATEMENT:

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors confirm that:

- a. in the preparation of the annual accounts for the year ended 31st March 2022, the applicable Accounting Standards have been followed along with proper explanation relating to material departures, if any;

- b. the Directors have selected 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 ended 31st March 2022 and of the profit of the Company for that period;
- c. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the Directors have prepared the annual accounts/ financial statements on a going concern basis;
- e. that proper internal financial controls were in place and that the financial controls are adequate and were operating effectively ; and
- f. that the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

APPRECIATION:

Your Directors place on record their sincere thanks for the financial support from its bankers and Govt. Departments. They also place on record their appreciation for the dedicated services of the executives, staff and workers of the Company. Your Directors also appreciate the faith you have reposed in the Company and are confident that the Company can depend upon your continued support in its endeavour to grow.

Registered Office:

REMI House, Plot No.11,
Cama Industrial Estate,
Goregaon (East),
Mumbai – 400 063

Dated: August 22, 2022

ON BEHALF OF THE BOARD

VISHWAMBHAR C. SARAF
CHAIRMAN
(DIN:00161381)

REMI EILEKTROTECHNIK LIMITED

Annual Report on Corporate Social Responsibility (CSR) Activities - 2021-22

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. Brief outline on CSR policy of the Company – We believe that to succeed, an organization must maintain highest standard of Corporate behavior towards its employees, consumers and societies in which it operates We are of the opinion that CSR underlines the objective of bringing about a difference and adding value in our stakeholders lives.

The Corporate Social Responsibility Committee of the Company and the Board of Directors of the Company monitor this Policy and the effectiveness of the programs implemented under this Policy. The programs and activities are identified and approved by the Board of Directors of the Company. The Corporate Social Responsibility Committee formulates and recommends to the Board, an Annual Action Plan in pursuance of this CSR Policy other areas as prescribed under Schedule VII of the Companies Act 2013. Our CSR Policy is aligned with our vision of being socially responsible corporate citizen.

2. The composition of the CSR Committee:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year 2021-22	Number of meetings of CSR Committee attended during the year 2021-22
1	Shri Vishwambhar C. Saraf	Chairman	1	1
2	Shri Rajendra C.Saraf	Member	-	-
3	Shri Shyam Jatia	Member	1	1

3. Provide the web-link where Composition of CSR Committee, CSR Policy and CSR Project approved by the Board are disclosed on website of the Company CSR Policy/ Committee weblink: http://remigroup.com/share_holder/rel/REL-Corporate%20Social%20Responsibility%20Policy.pdf
4. Provide details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules 2014, if applicable – Not Applicable
5. Details of amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules 2014 and amount required for set-off for the financial year, if any – Not Applicable
6. Average Net Profit of the Company as per section 135(5) – Rs.899.71 Lakhs
7. (a) Two percent of the average net profit of the company as per section 135(5) – Rs.18.00 Lakhs
(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years – NIL
(c) Amount required to be set off for the financial year, if any – NIL
(d) Total CSR obligation for the financial year (7a + 7b -7c) - Rs.18.00 Lakhs

8. a) CSR amount spent or unspent for the financial year:

Total amount spent on CSR during the year was Rs.20.00 Lakhs as against obligation of Rs.18.00 Lakhs as per the CSR obligation of the Company. Hence there was no unspent amount for the year.

- b) Details of CSR amount spent against ongoing projects for the financial year:

There were no ongoing projects for the financial year and hence this is not applicable.

- c) Details of CSR amount spent against other than ongoing projects for the financial year:

Sr. No	Name of the Project.	Item from the list of activities in schedule VII to the Act.	Local Area (yes/no)	Location of the project. State/District	Amount spent for the project. (in INR)	Mode of implementation - Direct. (Yes/No)	Mode of implementation - Through implementing agency. Name
1	Rural Development	Rural Development project by way of providing solar water pumping system pvc pipeline for drip irrigation for welfare of marginal farmers in rural area.	Yes	Palghar - Maharashtra	Rs 20.00 Lakhs	No	Keshav Srushti

- (d) Amount spent in Administrative Overheads – NIL

- (e) Amount spent on impact assessment, if applicable – NIL

- (f) Amount spent for the financial year (8a+8b+8c+8d) – Rs.20.00 Lakhs

- (g) Excess amount for set-off, if any – Rs.2.00 Lakhs

9. (a) Details of unspent CSR Amount for the preceding financial years – NIL

- (b) Details of CSR Amount spent in the financial year for ongoing projects of the preceding financial year – NIL

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset wise details) – Not applicable

11. Specify the reason(s) if the company has failed to spend two percent of the average net profit as per section 135(5) – Not Applicable

Vishwambhar C. Saraf
Managing Director
DIN : 00161381

Shyam Jatia
Chairman CSR Committee
DIN : 00049457

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF REMI ELEKTROTECHNIK LIMITED

Report on the standalone Financial Statements

Opinion

We have audited the accompanying financial statements of **REMI ELEKTROTECHNIK LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (herein referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2022, and profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises of the information included in the Company's annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent

with the financial statements or our knowledge obtained in the audit or appears to be material misstatement.

If based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the company's financial reporting process

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design

audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2022 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

A. As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books

- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account
- d) In our opinion, the aforesaid Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure B. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
- g) With respect to the other matters to be included in the auditor's report in accordance with the requirements of section 197(16) of the Act (as amended), we report that in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act; and
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position and its financial statements as of March 31, 2022.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. There have been delay in transferring amounts, required required to be transferred, to the Invest or Education and Protection Fund by the Company.
 - iv. (a) Management has represented to us that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ('Intermediaries'), with the understanding, whether recorded in writing or otherwise, hat the Intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entities

('Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clauses (i) and (ii) of rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

**For SHANKARLAL JAIN & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
(Firm Registration No. 109901W/W/00082)**

PLACE : MUMBAI
DATED : 22 AUGUST, 2022

**(SATISH JAIN)
PARTNER
Membership Number -048874**

ANNEXURE 'A' TO THE AUDITORS' REPORT

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of its Property Plant & Equipment.
(B) The Company has maintained proper records showing full particulars of intangible assets
- (b) The Property, Plant and Equipment, were physically verified during the year by the Management which, in our opinion, provides for physical verification at reasonable intervals. certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodically of physical verification is reasonable having regards to the size of the company and the nature of its assets.
- (c) According to the information and explanation given to us and on the basis of our examination of the records of the company, the title deed of immovable of property are held in the name of the company.
- (d) The Company has not revalued its Property, Plant and Equipment during the year.
- (e) According to information and explanations given to us, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereon.
- (ii) (a) The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.
- (b) According to the information and explanation given to us, the Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from bank or financial institution on the basis of current assets.

Contd.....2.

- (iii) (a) The Company has provided loans to Associate Company, details of which are given below :

Particulars	Loans (Rs. In Lakhs)	Advances in nature of loans (Rs. In Lakhs)
A. Aggregate amount granted / provided during the year	230.00	Nil
B. Balance outstanding as at balance sheetdate in respect of above cases:	Nil	Nil

- (b) In our opinion, the investments made, loan and advances in the nature of loans provided by the company are not prejudicial to the company's interest.
- (c) In our opinion and according to information and explanations given to us, the loans and advances in the nature of loans given by the company, the repayment of principal and payment of interest has been stipulated and the repayment or receipt are regular.
- (d) In our opinion there was no overdue amount during the year.
- (e) In our opinion, the loans and advance in the nature of loan granted was not renewed or extended or fresh loans granted to settle the overdues of existing loans given to the party.
- (f) In our opinion and according to information and explanation given to us, the company has not granted any loans and advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.
- (iv) According to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and security.

Contd.....3.

- (v) As per the information and explanations given to us, the Company has not accepted deposits from the public within the meanings of Sections 73 to 76 of the Companies Act and the rules framed there under.
- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013 [mention activities covered (if only certain activities are covered)]. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) (a) According to the information and explanations provided to us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income tax, Sales tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other statutory dues as applicable to it with appropriate authorities and there were no undisputed arrears as at 31st March, 2022 for a period of more than six months from the date they become payable.
- (b) According to the information and explanations given to us, the particulars of dues referred to in sub-clause (a) as at 31st March, 2022, which have not been deposited on account of a dispute, are as follows: -

Sr. No.	Name of the Statute	Nature of dues & Period	Amount (Rs. In Lakhs)	Form where dispute is pending
1.	Service Tax Act	Service Tax , Oct -2016 To June 2017	281.07	Additional Commissioner, CGST & CX
2.	Service Tax Act	Service Tax , Oct -2016 To June 2017	56.37	The Assistant/Deputy Commissioner, CGST & CX
3.	The Income Tax Act, 1961	Income Tax & Interest A.Y.2018-19	144.98	The Comm. Of Income Tax CIT (Appeals)

Contd.....4.

- (viii) According to the information and explanations given to us, the Company has not surrendered or disclosed, any transaction not recorded in the books of account, as income during the year in the tax assessments under the Income Tax Act, 1961.
- (ix) a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
c) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not availed any term loans during the year. Accordingly, the reporting under Clause 3(ix)(c) of the Order is not applicable to the Company.
d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
e) The Company has not made any investment in or given any new loan or advances to any of its subsidiaries, associates, or joint ventures during the year and hence, reporting under clause (ix)(e) of the Order is not applicable.
f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint ventures or associate companies.
- (x) a) The Company has not raised any money by way of initial public offer or further public offer, including debt instruments and term loans in current year and also in immediately preceding year.
b) The Company has not made any Preferential Allotment or private placement of shares or convertible debentures (fully, partially & optionally convertible) during the year.
- (xi) a) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.
b) The Auditors have not filled any report under sub section (12) of section 143 of the Companies Act in Form ADT-4 with the Central Government.
c) According to the information and explanations given to us, the Company has not received whistle blower complaints during the year.

Contd.....5.

- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(XII) of the order is not applicable.
- (xiii) a) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- (xiv) a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- b) We have considered, the internal audit reports issued to the Company during the year and covering the period up to March 2022.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered to any non-cash transactions with directors or persons connected with them.
- (xvi) a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
- b) According to the information and explanations given to us, the Company has not conducted any Non-Banking & Housing Finance activities.
- c) According to the information and explanations given to us, the Company is not a core Investment Company as defined in the regulations made by the Reserve Bank of India.
- d) According to the information and explanation given to us, the Group has not more than one CIC as part of the Group.
- (xvii) The Company has not incurred cash losses in the financial year and in immediately preceding financial year.
- (xviii) There has been no resignation of statutory auditors of the Company during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

Contd.....6.

- (xix) We are of the opinion, on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payments of financial liabilities other information accompanying the financial statements, our knowledge of Board of the Board of Directors and arrangement plans, that no material uncertainty exists as on the date of audit report that the Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
- (xx) According to the information and explanations given to us, the company has spent the full amount which was required to be spent on the ongoing projects as per section 135 of the Companies Act, and hence there was no unspent amount which was to be transferred to special account in compliance with the provision of sub section (b) of section 135 of the Companies Act.
- (xxi) According to the information and explanation given to us, the Company do not have any subsidiary/joint venture and accordingly no consolidated financial statements are required to be prepared and therefore the question of qualification or adverse remarks by respective auditors in the Companies (Auditor's Report) Order (CARO) reports does not arise.

**For SHANKARLAL JAIN & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
(Firm Registration No. 109901W/W/00082)**

PLACE : MUMBAI
DATED : 22 AUGUST, 2022

**(SATISH JAIN)
PARTNER
Membership Number 048874**

ANNEXURE - "B" TO THE AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Remi Elektrotechnik Limited ("the Company") as of 31st March 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the 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, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Contd.....2

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over

Contd.....3

financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**FOR SHANKARLAL JAIN & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
(Firm Registration No. 109901W/W/00082)**

PLACE : MUMBAI
DATED : 22 AUGUST, 2022

**(SATISH JAIN)
PARTNER
Membership Number -048874**

REMI ELEKTROTECHNIK LIMITED
BALANCE SHEET AS AT 31ST MARCH 2022

Particulars	Notes	AS AT	AS AT
		31.03.2022	31.03.2021
		(₹ in Lakhs)	(₹ in Lakhs)
I) ASSETS			
(1) Non-Current Assets			
Property, Plant and Equipment	2	1,747.94	1,810.29
Intangible Assets	3	5.69	7.94
Investment in Property	4	2,694.77	3,609.90
Financial Assets			
Non-Current Investments	5	1,641.24	721.76
Other Non Current Assets	6	160.56	165.26
		6,250.20	6,315.15
(2) Current Assets			
Inventories	7	2,849.31	2,090.56
Financial Assets			
Current Investments	8	1,355.88	971.04
Trade Receivables	9	4,511.06	3,961.14
Cash and Cash Equivalents	10	1,111.84	510.45
Other Bank balances	11	815.62	684.57
Loans	12	-	49.40
Other Current Assets	13	186.43	199.42
Current Tax Assets (Net)	14	64.72	44.26
		10,894.86	8,510.84
		17,145.06	14,825.99
II) EQUITY AND LIABILITIES:			
(1) Equity			
Equity Share Capital	15	486.50	486.50
Other Equity	16	12,514.75	10,301.74
		13,001.25	10,788.24
(2) Liabilities			
(1) Non-Current Liabilities			
Financial Liabilities			
Long-Term Provisions	17	67.77	72.31
Deferred Tax Liabilities (Net)	18	138.26	152.33
Other non-current Liabilities	19	525.26	531.91
		731.29	756.55
(2) Current Liabilities			
Financial Liabilities			
Short-Term Borrowings	20	135.87	111.00
Trade Payables	21		
Payable to micro and small enterprises		732.34	343.59
Payable to other than micro and small enterprises		637.36	939.11
Other Financial Liabilities	22	1,044.59	912.09
Other Current Liabilities	23	725.15	814.09
Short-Term Provisions	24	137.21	161.32
		3,412.52	3,281.20
		17,145.06	14,825.99

Significant Accounting Policies are an integral part of the financial statements

1

AS PER OUR REPORT OF EVEN DATE
FOR SHANKARLAL JAIN AND ASSOCIATES, LLP
CHARTERED ACCOUNTANTS
Firm Registration Number-109901W/W/00082)

FOR AND ON BEHALF OF BOARD

VISHWAMBHAR C.SARAF
CHAIRMAN & MANAGING DIRECTOR
DIN :00161381

SUNIL S.SARAF
WHOLE TIME DIRECTOR
DIN :00157244

SATISH JAIN)
PARTNER
Membership Number - 048874

RITVIK V.SARAF
JOINT MANAGING DIRECTOR
DIN :01638851

PLACE : MUMBAI
DATED : 22 AUGUST, 2022

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2022

Particulars	Notes	For the Year Ended 31.03.2022	For the Year Ended 31.03.2021
		(₹ in Lakhs)	(₹ in Lakhs)
Income from Operations	25	15,156.68	11,450.70
Other Income	26	1,143.33	416.79
Total Income		16,300.01	11,867.49
<u>Expenses:</u>			
Cost of Materials Consumed	27	8,783.17	6,354.46
Purchases and Expenditure of Real estate development	28	514.46	100.73
Purchase of Traded Goods	29	382.94	472.03
Changes in Inventories of Finished Goods & Work-in-Progress	30	(737.71)	205.74
Employee Benefit Expenses	31	1,168.12	943.96
Other Expenses	32	3,039.24	2,191.16
Depreciation and amortisation		232.16	241.17
Finance Costs	33	1.68	10.44
Total Expenses		13,384.06	10,519.69
Profit before Tax		2,915.95	1,347.80
<u>Tax Expenses</u>			
(a) Current tax		710.03	333.80
(b) Deferred tax / (Credit)		(12.24)	2.75
(c) Excess/(short) Provision for Taxation of earlier years		-	(4.17)
Net Profit for the period		2,218.16	1,007.08
Other Non Comprehensive Income / (Expense) (net of Tax)		(5.15)	16.24
Total Comprehensive Income for the period		2,213.01	1,023.32
Earning per Equity Share [Nominal Value of Share Rs. 10]			
Basic (Rs.)		45.59	20.70
Diluted (Rs.)		45.59	20.70

Significant Accounting Policies are an integral part of the financial statements

1

AS PER OUR REPORT OF EVEN DATE
FOR SHANKARLAL JAIN AND ASSOCIATES, LLP
CHARTERED ACCOUNTANTS
(Firm Registration Number-109901W/W/00082)

FOR AND ON BEHALF OF BOARD

(SATISH JAIN)
PARTNER
Membership Number - 048874

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PLACE : MUMBAI
DATED : 22 AUGUST, 2022

RITVIK V.SARAF
JOINT MANAGING DIRECTOR
DIN :01638851

REMI ELEKTROTECHNIK LIMITED**Standalone Statement of Changes in Equity for the year ended March 31, 2022****EQUITY SHARE CAPITAL :**

(Rs. In Lakhs)

Particulars	Balance as at April 1, 2021	Changes in equity share capital during the year	Balance as at March 31, 2022
Paid up Capital (Equity shares of Rs.10/- each issued, subscribed & fully paid up)	486.50	-	486.50

OTHER EQUITY :

Particulars	Securities Premium Reserve	General Reserve	Retained Earnings	Other Comprehensive Income	Total
Balance as at March 31, 2021	80.00	5,170.95	5,085.88	(35.09)	10,301.74
Profit for the year	-	-	2,218.16	-	2,218.16
Transferred to General Reserve (on sale of project)	-	-	-	-	-
<u>Other Comprehensive Income:</u>					
Fair Value Investments	-	-	-	0.50	0.50
Remeasurements of net defined benefit plans (Net of tax)	-	-	-	(5.65)	(5.65)
Transferred to Surplus	-	-	-	-	-
Transferred from surplus balance in statement of profit & loss	-	500.00	(500.00)	-	-
Balance as at March 31, 2022	80.00	5,670.95	6,804.04	(40.24)	12,514.75

The accompanying notes form an integral part of the standalone financial statements

Significant Accounting Policies are an integral part of the financial statements

1

AS PER OUR REPORT OF EVEN DATE
FOR SHANKARLAL JAIN AND ASSOCIATES, LLP
CHARTERED ACCOUNTANTS
(Firm Registration Number-109901W/W/00082)

FOR AND ON BEHALF OF BOARD

VISHWAMBHAR C.SARAF
CHAIRMAN & MANAGING DIRECTOR
DIN :00161381

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(SATISH JAIN)
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Membership Number - 048874

RITVIK V.SARAF
JOINT MANAGING DIRECTOR
DIN :01638851

PLACE : MUMBAI
DATED : 22 AUGUST, 2022

REMI ELEKTROTECHNIK LIMITED

CASH FLOW STATEMENT FOR THE PERIOD 01/04/2021 TO 31/03/2022

	(₹ in Lakhs)	
	2021-2022	2020-2021
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before Tax and Extra-ordinary item	2,915.95	1,347.80
Adjustment for :		
Depreciation	232.16	241.17
Interest paid	1.67	10.44
Loss / (Profit) on sale of Fixed Assets	-	(1.42)
Loss / (Profit) on sale of Investment in Property & Bonds	(898.42)	(264.20)
Interest Received	(128.86)	(62.40)
Dividend Received	(42.60)	(42.60)
Other Income	(73.46)	(46.17)
Operating profit before working capital changes	2,006.44	1,182.62
Adjustment for :		
Trade and Other Receivables	(503.31)	(738.84)
Inventories	(758.75)	289.12
Trade Payable and Provision	95.25	1,167.22
Cash Generated from Operations	839.63	1,900.12
Direct Taxes Paid	(710.03)	(337.97)
Cash Flow before Extra-ordinary items	129.60	1,562.15
Extra-ordinary items	6.97	(14.89)
Net Cash from Operating Activities (A)	122.63	1577.04
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(113.09)	(56.70)
Sales of investment in property & Bonds	1,759.09	537.21
Sales of Fixed Assets	-	1.74
Interest Received	128.86	62.40
Dividend Received	42.60	42.60
Other Income	73.46	46.17
Purchase of Investments	(1,304.31)	(1,077.21)
Net Cash used in Investing Activities (B)	586.61	(443.79)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Interest Paid	(1.67)	(10.44)
Proceeds from Short Term Loan	135.87	-
Repayment of Long Term Loan	-	-
Repayment of Short Term Loan	(111.00)	(385.12)
Net Cash used in Financial Activities (C)	23.20	(395.56)
Net Increase in Cash and Cash Equivalents (A+B+C)	732.44	737.69
Cash as at (Closing Balance)	1,927.47	1,195.03
Cash as at (Opening Balance)	1,195.03	457.34
Increase/Decrease in Cash Balance	732.44	737.69

AS PER OUR REPORT OF EVEN DATE
FOR SHANKARLAL JAIN AND ASSOCIATES, LLP
CHARTERED ACCOUNTANTS

FOR AND ON BEHALF OF BOARD OF DIRECTORS

(SATISH JAIN)
PARTNER
Membership Number - 048874

VISHWAMBHAR C.SARAF
CHAIRMAN & MANAGING DIRECTOR
DIN :00161381

SUNIL S.SARAF
WHOLE TIME DIRECTOR
DIN :00157244

PLACE : MUMBAI
DATED : 22 AUGUST, 2022

RITVIK V.SARAF
JOINT MANAGING DIRECTOR
DIN :01638851

REMI ELEKTROTECHNIK LIMITED

Notes on Financial Statements for the year ended 31st March, 2022

Corporate Information

REMI Elektrotechnik Limited is Public Company domiciled in India and incorporated under the provisions of the Companies Act, 1956 having Corporate Identity Number **L51900MH1988PLC047157**. The Company is engaged in the business of manufacturing of **Electrical Motors, Laboratory Equipments, Renewable Energy and Property Development**. The principal place of business of the company is at Vasai, District Thane, Maharashtra. The Company caters to both domestic and international markets. It has various certifications likes ISO 9001:2015 and ISO 13485:2016 registration for products thereby complying with globally accepted quality standards.

1. Significant Accounting Policies:-

Basis of Preparation of Financial Statements:-

The Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("Act") read with Companies (Indian Accounting Standards) Rules, 2015; and the other relevant provisions of the Act and Rules thereunder.

The Financial Statements have been prepared under historical cost convention basis, except for certain assets and liabilities measured at fair value.

The Company's presentation and functional currency is Indian Rupees (Rs.). All figures appearing the financial statements are rounded off to the Rupee, except where otherwise indicated.

1.1 Authorization of Financial Statements:-

The preparation of Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets, liabilities and the accompanying disclosures along with contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require material adjustments to the carrying amounts of the assets or liabilities affected in future periods. The Company continually evaluates these estimates and assumptions based on the most recently available information.

- Assessment of functional currency;
- Financial instruments;
- Estimates of useful lives and residual value of Property, Plant and Equipment and Intangible assets;
- Valuation of Inventories
- Measurement of Defined Benefit Obligations and actuarial assumptions;
- Provisions;
- Evaluation of recoverability deferred tax assets; and
- Contingencies.

Revisions to accounting estimates are recognised prospectively in the Statement of Profit and Loss in the period in which the estimates are revised and in any future periods affected.

1.2 Property, Plant and Equipment

- 1.2.1 Property, Plant and Equipment are stated at cost net of accumulated depreciation and accumulated impairment losses, if any.
- 1.2.2 The initial costs of an asset comprises its purchase price or construction costs (including import duties and non-refundable taxes), any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any, and borrowing cost for qualifying assets (i.e. assets that necessarily take a substantial period of time to get ready for their intended use).
- 1.2.3 Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.
- 1.2.4 Expenditure on assets not exceeding threshold limit are charged to revenue.
- 1.2.5 Spare parts which meet the definition of Property, Plant and Equipment are capitalized as Property, Plant and Equipment in case the unit value of the spare part is above the threshold limit. In other cases, the spare part is inventorised on procurement and charged to Statement of Profit and Loss on consumption.
- 1.2.6 An item of Property, Plant and Equipment and any significant part initially recognized separately as part of Property, Plant and Equipment is de-recognized upon disposal; or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in the Statement of Profit and Loss when the asset is de-recognized.
- 1.2.7 The residual values and useful lives of Property, Plant and Equipment are reviewed at each financial year end and changes, if any are accounted in line with revisions to accounting estimates.
- 1.2.8 The Company has elected to use exemption available under Ind AS 101 to continue the carrying value for all its Property, Plant and Equipment as recognised in the financial statements as at the date of transition to Ind ASs, measured as per previous GAAP and use that as its deemed cost as at the date of transition (1st April, 2016).

1.3. Depreciation

Depreciation on Property, Plant and Equipment are provided on straight line basis, over the estimated useful lives of assets (after retaining the estimated residual value of 5%). These useful lives determined are in line with the useful lives as prescribed in the Schedule II of the Act.

- 1.3.1 Components of the main asset that are significant in value and have different useful lives as compared to the main asset are depreciated over their estimated useful life. Useful life of such components has been assessed based on historical experience and internal technical assessment.
- 1.3.2 Depreciation on spare parts specific to an item of Property, Plant and Equipment is based on life of the related Property, Plant and Equipment. In other cases, the spare parts are depreciated over their estimated useful life based on the technical assessment.
- 1.3.3 Depreciation is charged on additions/deletions on pro-rata monthly basis including the month of addition/deletion.

1.4 Intangible Assets

1.4.1 Intangible assets are carried at cost net of accumulated amortization and accumulated impairment losses, if any.

1.5 Investment Property

1.5.1 Investment property is property (land or a building – or part of building – or both) held either to earn rental income or a capital appreciation or for both, but not for sale in the ordinary course of business, use in production or supply of goods or services or for administrative purposes. The investment in property has been carried at cost model which is cost less accumulated depreciation.

1.5.2 Any gain or loss on disposal of investment in property calculated as the difference between the net proceeds and the carrying amount of the Investment Property is recognised in Statement of Profit and Loss.

1.6 Borrowing Costs

1.6.1 Borrowing costs consist of interest and other costs incurred in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

1.6.2 Borrowing costs that are attributable to the acquisition or construction of qualifying assets (i.e. an asset that necessarily takes a substantial period of time to get ready for its intended use) are capitalized as a part of the cost of such assets. All other borrowing costs are charged to the Statement of Profit and Loss.

1.7 Impairment of Non-financial Assets

1.7.1 Non-financial assets other than inventories, deferred tax assets and non-current assets classified as held for sale are reviewed at each Balance Sheet date to determine whether there is any indication of impairment. If any such indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. The recoverable amount is higher of the assets or Cash-Generating Units (CGU's) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets.

1.7.2 When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

1.8 Inventories

1.8.1 The cost for the purpose of valuation of Finished and Semi - Finished goods is arrived at on FIFO basis and includes Cost of conversion and other cost incurred in bringing the inventories to their present location and condition. Due allowance is estimated and made for defective and obsolete items, wherever necessary, based on the past experience of the company.

The mode of valuing closing stock is as under:

- Raw Materials, Packing Materials, and stores and spares are valued at cost or net realizable value whichever is less excluding GST by FIFO method.
- Finished and Semi - Finished goods – is valued at Raw material cost plus estimated overheads or net realizable value whichever is less but excluding GST credit.
- Scrap - net realizable value.

- 1.8.2 Raw materials held for use in the production of finished goods are not written down below cost except in cases where raw material prices have declined and it is estimated that the cost of the finished goods will exceed their net realizable value.
- 1.8.3 Obsolete, slow moving, surplus and defective stocks are identified at the time of physical verification of stocks and where necessary, provision is made for such stocks.

1.9 Revenue Recognition

1.9.1 Sale of Goods

Revenue from the sale of goods is recognized when the significant risks and rewards of the ownership of the goods have passed to the buyer, the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold, revenue and the associated costs can be estimated reliably and it is probable that economic benefits associated with the transaction will flow to the Company.

Revenue from sale of goods is measured at the fair value of the consideration received or receivable (after including fair value allocations related to multiple deliverable and/or linked arrangements), after the deduction of any trade discounts, volume rebates, net of returns, taxes or duties collected on behalf of the government.

When the Company acts as an agent on behalf of a third party, the associated income is recognized on net basis.

Export Sales are accounted for on the basis of the date of removal of goods.

- 1.9.2 The Company is following percentage completion method, as suggested by the Institute of Chartered Accounts of India, to recognize revenue from its real estate project.
- 1.9.3 Claims are recognized on settlement. Export incentives are accounted on accrual basis.
- 1.9.4 Interest income is recognized using Effective Interest Rate (EIR) method.
- 1.9.5 Rent income from letout property is recognized.

1.10 Classification of Income/ Expenses

- 1.10.1 Income/ expenditure (net) in aggregate pertaining to prior year(s) above the threshold limit are corrected retrospectively in the first set of financial statements approved for issue after their discovery by restating the comparative amounts and / or restating the opening Balance Sheet for the earliest prior period presented.
- 1.10.2 Prepaid expenses up to threshold limit in each case, are charged to revenue as and when incurred.

1.11 Employee benefits

1.11.1 Short term employment benefits

Short term employee benefits such as salaries, wages, short-term compensated absences, performance incentives etc., and the expected cost of bonus, ex-gratia are recognized as an expense at an undiscounted amount in the Statement of Profit and Loss of the year in which the related services are rendered.

1.11.2 **Defined Contribution Plans**

→ **Employee's Family Pension:**

The Company has Defined Contribution Plan for Post-employment benefits in the form of family pension for all eligible employees, which is administered by the Regional Provident Fund Commissioner and is charged to revenue every year. Company has no further obligation beyond its monthly contributions.

→ **Provident Fund:**

The Company has Defined Contribution Plan for Post-employment benefits in the form of Provident Fund for all eligible employees; which is administered by the Regional Provident Fund Commissioner and is charged to revenue every year. Company has no further obligations beyond its monthly contributions.

1.11.3 **Defined Benefit Plans**

→ **Gratuity:**

The Company has a Defined Benefit Plan for Post-employment benefit in the form of gratuity for all eligible employees which is administered through Life Insurance Corporation (LIC) and a trust which is administered by the trustees. Liability for above defined benefit plan is provided on the basis of actuarial valuation as at the Balance Sheet date, carried out by an independent actuary. The actuarial method used for measuring the liability is the Projected Unit Credit method.

→ **Compensated Absences :**

Liability for Compensated Absences is provided on the basis of valuation, as at the Balance Sheet date, carried out by an independent actuary. The Actuarial valuation method used for measuring the liability is the Projected Unit Credit method. Under this method, the Defined Benefit Obligation is calculated taking into account pattern of avilment of leave whilst in service and qualifying salary on the date of avilment of leave. In respect of encashment of leave, the Defined Benefit obligation is calculated taking into account all types of the increment, salary growth, attrition rate and qualifying salary projected up to the assumed date of encashment.

1.11.4 **Termination Benefits:**

→ Termination benefits are recognised as an expense as and when incurred.

1.11.5 The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on Government bonds that have terms approximating to the terms of the related obligation.

1.11.6 The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

1.11.7 Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur directly in Other Comprehensive Income. They are included in retained earnings in the Statement of changes in equity and in the Balance Sheet.

1.11.8 Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

1.12 Foreign Currency Transactions

1.12.1 Monetary Items

Transactions in foreign currencies are initially recorded at their respective exchange rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at exchange rates prevailing on the reporting date.

Exchange differences arising on settlement or translation of monetary items (except for long term foreign currency monetary items outstanding as of 31st March 2021) are recognised in Statement of Profit and Loss either as profit or loss on foreign currency transaction and translation or as borrowing costs to the extent regarded as an adjustment to borrowing costs.

1.12.2 Non – Monetary items:

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

1.13 Provisions, Contingent Liabilities and Capital Commitments

1.13.1 Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

1.13.2 The expenses relating to a provision is presented in the Statement of Profit and Loss net of reimbursements, if any.

1.13.3 If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

1.13.4 Contingent liabilities are possible obligations whose existence will only be confirmed by future events not wholly within the control of the Company, or present obligations where it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured with sufficient reliability.

1.13.5 Contingent liabilities are not recognized in the financial statements but are disclosed unless the possibility of an outflow of economic resources is considered remote.

1.13.6 Contingent liabilities and Capital Commitments disclosed are in respect of items which in each case are above the threshold limit.

1.14 Fair Value measurement

1.14.1 The Company measures certain financial instruments at fair value at each reporting date.

1.14.2 Certain accounting policies and disclosures require the measurement of fair values, for both financial and non- financial assets and liabilities.

- 1.14.3 Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability also reflects its non-performance risk.
- 1.14.4 The best estimate of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Company determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently that difference is recognised in Statement of Profit and Loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

1.15 Financial Assets

1.15.1 Initial recognition and measurement

Trade Receivables and debt securities issued are initially recognised when they are originated. All other financial assets are initially recognised when the Company becomes a party to the contractual provisions of the instrument. All financial assets other than those measured subsequently at fair value through profit and loss, are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

1.15.2 Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial assets. Based on the business model for managing the financial assets and the contractual cash flow characteristics of the financial asset, the Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit and loss.

Debt instruments at Fair value through Profit or Loss (FVTPL)

Fair Value through Profit or Loss is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation at amortised cost or as FVOCI, is classified as FVTPL.

After initial measurement, any fair value changes including any interest income, foreign exchange gain and losses, impairment losses and other net gains and losses are recognised in the Statement of Profit and Loss.

1.15.3 Impairment of financial assets

In accordance with IND AS 109, the Company applies Expected Credit Loss ("ECL") model for measurement and recognition of impairment loss on the financial assets measured at amortised cost and debt instruments measured at FVOCI.

Loss allowances on trade receivables are measured following the 'simplified approach' at an amount equal to the lifetime ECL at each reporting date. The application of simplified approach does not require the Company to track changes in credit risk. Based on the past history and track records the company has assessed the risk of default by the customer and expects the credit loss to be insignificant. In respect of other financial assets such as debt securities and bank balances, the loss allowance is measured at 12 month ECL only if there is no significant deterioration in the credit risk since initial recognition of the asset or asset is determined to have a low credit risk at the reporting date.

1.16 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet, if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

1.17 Taxes on Income

1.17.1 Current Tax

Income-tax Assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, by the end of reporting period.

Current Tax items are recognised in correlation to the underlying transaction either in the Statement of Profit and Loss, other comprehensive income or directly in equity.

1.17.2 Deferred tax

Deferred tax is provided using the Balance Sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred Tax items are recognised in correlation to the underlying transaction either in the Statement of Profit and Loss, other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

1.18 Earnings per share

Basic earnings per share are calculated by dividing the profit or loss for the period attributable to equity shareholders (after deducting preference dividends, if any, and attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all dilutive potential equity shares.

1.19 Classification of Assets and Liabilities as Current and Non-Current:

All assets and liabilities are classified as current or non-current as per the Company's normal operating cycle (determined at 12 months) and other criteria set out in Schedule III of the Act.

1.20 Cash and Cash equivalents

Cash and cash equivalents in the Balance Sheet include cash at bank, cash, cheque, draft on hand and demand deposits with an original maturity of less than three months, which are subject to an insignificant risk of changes in value.

For the purpose of Statement of Cash Flows, Cash and cash equivalents include cash at bank, cash, cheque and draft on hand. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

1.21 Cash Flows

Cash flows are reported using the indirect method, where by net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.

Sr. No.	Description of Assets	Useful Life (Years)	GROSS CARRYING AMOUNT				DEPRECIATION				NET CARRYING AMOUNT		
			As on 01.04.2021	Additions during the year	Deletions during the year	As on 31.03.2022	Up to 31.03.2021	For the Year	Deduction	As on 31.03.2022	As on 31.03.2022	As on 31.03.2021	
1	land		244.31	-	-	244.31	-	-	-	-	-	244.31	244.31
2	lease hold land	14	24.06	-	-	24.06	11.57	1.56	13.13	-	-	10.93	12.49
3	Factory Building	30	761.24	-	-	761.24	340.36	23.91	364.27	-	-	396.97	420.88
4	Plant & Machinery	15	947.38	45.96	-	993.34	654.40	44.19	698.59	-	-	294.75	292.98
5	Dies & Moulds	15	409.55	44.09	-	453.64	218.95	19.05	238.00	-	-	215.64	190.60
6	Elect. Installation	10	115.51	-	-	115.51	109.74	-	109.74	-	-	5.77	5.77
7	Furniture & Fixtures	10	88.77	-	-	88.77	81.28	0.81	82.09	-	-	6.68	7.49
8	Testing Equipments	10	15.29	-	-	15.29	7.94	1.09	9.03	-	-	6.26	7.35
9	Office Equipments	5	49.45	4.42	-	53.87	43.35	2.37	45.72	-	-	8.15	6.10
10	Air Conditioner	5	32.60	1.53	-	34.13	28.54	1.09	29.63	-	-	4.50	4.06
11	Fire Extinguishers	5	1.34	-	-	1.34	1.25	-	1.25	-	-	0.09	0.09
12	Borewell	5	1.10	-	-	1.10	1.04	-	1.04	-	-	0.06	0.06
13	Computers	3	64.96	4.79	-	69.75	57.62	2.87	60.49	-	-	9.26	7.34
14	Motor Car	8	206.78	11.65	-	218.43	120.85	21.83	142.68	-	-	75.75	85.93
15	Wind Mill Electric Gene	22	700.68	-	-	700.68	354.05	47.94	401.99	-	-	298.69	346.63
16	Solar Energy	25	210.88	-	-	210.88	32.67	8.08	40.75	-	-	170.13	178.21
	Total		3,873.90	112.44	-	3,986.34	2,063.61	174.79	2,238.40	-	-	1,747.94	1,810.29
	Previous Year		3,823.46	56.70	6.26	3,873.90	1,896.21	173.35	2,063.61	5.95	-	1,810.29	1,927.25

Sr. No.	Description of Assets	Useful Life (Years)	GROSS CARRYING AMOUNT				DEPRECIATION				NET CARRYING AMOUNT		
			As on 01.04.2021	Additions during the year	Deletions during the year	As on 31.03.2022	Up to 31.03.2021	For the Year	Deduction	As on 31.03.2022	As on 31.03.2021		
1	Goodwill	5	42.00	-	-	42.00	42.00	-	42.00	-	-	-	-
2	Computer Software	5	78.93	0.65	-	79.58	70.99	2.90	73.89	-	-	5.69	7.94
	Total		120.93	0.65	-	121.58	112.99	2.90	115.89	-	-	5.69	7.94
	Previous Year		120.93	-	-	120.93	107.66	5.33	112.99	-	-	7.94	13.28

REMI ELEKTROTECHNIK LIMITED
Notes on Financial Statements

	31-03-2022 (₹ in Lakhs)	31-03-2021 (₹ in Lakhs)
NOTE - 11: OTHER BANK BALANCES		
Fixed Deposits with Banks (Pledged with bank as margin against B/Gs & with customers as EMD, includes FDR's with Maturity of more than 12 Months of Rs.12.12 Lakhs (P.Y. Rs.18.60 Lakhs)	815.62	684.57
	815.62	684.57
NOTE - 12: Loans		
Loans & Advance to related parties		
Loans receivables considered good- Secured	-	-
Loans receivables considered good- Unsecured	-	49.40
Loans receivables which have significant increase in Credit Risk	-	-
Loans receivables- credit impaired	-	-
	-	49.40
NOTE - 13 : OTHER CURRENT ASSETS (Unsecured & Considered good)		
Advance recoverable in cash or in kind for value to be received	91.51	72.08
Advance to Suppliers/Contractors	36.86	85.36
Interest Accrued but not Due	27.45	13.97
Prepaid Expenses	30.61	28.02
	186.43	199.42
NOTE - 14 : CURRENT TAX ASSETS (Net)		
Income Tax Refundable	13.10	13.10
SalesTax/GST Refundable	51.62	31.16
	64.72	44.26
NOTE - 15: EQUITY SHARE CAPITAL		
AUTHORISED:		
55,00,000 (55,00,000) Equity Shares Of Rs. 10/- Each	550.00	550.00
ISSUED, SUBSCRIBED AND PAID UP :		
48,65,000 (48,65,000) Equity Shares of Rs. 10/- each	486.50	486.50
TOTAL	486.50	486.50

a) Terms/ Rights Attached to Equity Shares:

The company has only one class of equity shares having par value of Rs. 10/- Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian Rupees. The dividend proposed if any by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting. In the event of liquidation of the company, the holders of the equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

b) Details of Shareholders Holding more than 5% Shares of the Company:

Sr. No.	Name of the Shareholder	No. of shares as on 31-03-2022 (In Nos.)	No. of shares as on 31-03-2021 (in Nos.)
1	Fulidevi Saraf Family Trust	21,69,733	21,69,733
2	Rishabh R. Saraf	5,00,110	5,00,110
3	Vishwambharial Chiranjilal H.U.F.	10,50,000	10,50,000
4	Rajendra Chiranjilal Saraf H.U.F.	5,00,400	5,00,400

c)

Particulars	31-03-2022 (₹ in Lakhs)	31-03-2021 (₹ in Lakhs)
NOTE - 16: OTHER EQUITY		
Securities Premium Account - As per Last Balance Sheet	80.00	80.00
General Reserve:		
Opening Balance	5,170.95	5,070.95
Add: Transferred from surplus balance in statement of profit & loss	500.00	100.00
Closing Balance	5,670.95	5,170.95
Other Comprehensive Income (OCI)		
As per Last Balance Sheet	(35.09)	(51.33)
Add/(Less):		
Other Comprehensive Income as per statement of Profit & Loss	(5.15)	16.24
Total Other Comprehensive Income /(Loss)	(40.24)	(35.09)
Surplus		
As per Last Balance Sheet	5,085.88	4,178.80
Add/(Less):		
Net Profit as per statement of Profit & Loss	2,218.16	1,007.08
Less: Appropriations:		
Transferred to General reserve	500.00	100.00
Net surplus in the statement of profit & loss	6,804.04	5,085.88
Total reserves and surplus	12,514.75	10,301.74

REMI ELEKTROTECHNIK LIMITED
Notes on Financial Statements

Particulars		31-03-2022 (₹ in Lakhs)	31-03-2021 (₹ in Lakhs)	
NOTE - 17: LONG TERM PROVISIONS				
For Employee Benefit				
Provision for Leave Encashment		67.77	72.31	
		67.77	72.31	
NOTE - 18: DEFERRED TAX LIABILITIES (Net)				
Deferred Tax Liabilities		176.20	188.61	
Deferred Tax Assets		37.94	36.28	
		138.26	152.33	
NOTE - 19 : OTHER - NON CURRENT LIABILITIES				
Security Deposits		525.26	531.91	
		525.26	531.91	
NOTE - 20: SHORT TERM BORROWING				
Secured Loans				
From State Bank of India:				
Overdraft Facility (Secured by Pledge of Fixed Deposits amounting to Rs. 2 Crores)		135.87	-	
Cash Credit Facility including Packing Credit Repayable on Demand (Secured by equitable mortgage of the Co.'s immovable property situated at Vasai, hypothecation of Stocks of Raw materials, Stock in Process, Finished Goods, Stores and Spares and Book Debts and all other Current Assets, and further guaranteed by two of the Directors)		-	111.00	
		135.87	111.00	
NOTE - 21: TRADE PAYABLES				
Payable to micro and small enterprises				
To Related Parties		0.20	11.20	
To Others		732.14	332.39	
Payable to other than micro and small enterprises				
To Related Parties		1.20	1.37	
To Others		636.16	937.74	
		1,369.70	1,282.70	
Particulars	Outstanding for following periods from due date of payments			
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years
	732.34	-	-	-
i) MSME	637.36	-	-	-
ii) Others	-	-	-	-
iii) Disputed dues-MSME	-	-	-	-
iv) Disputed dues-Others	-	-	-	-
NOTE - 22: OTHER FINANCIAL LIABILITIES				
TDS Payable		39.72	33.81	
GST/Sales Tax Payable		156.84	147.74	
Other Statutory Dues Payable		14.29	13.89	
Creditors for Expenses		636.25	556.13	
Liabilities for Expenses		197.49	160.52	
		1,044.59	912.09	
NOTE - 23: OTHER CURRENT LIABILITIES				
Advance From Customers		105.17	288.02	
Advance Society Maintenance Account		600.17	505.58	
Advance Rent Received - Ind AS		19.81	20.49	
		725.15	814.09	
NOTE - 24: SHORT TERM PROVISIONS				
Provision For Gratuity		24.86	9.55	
Provision For Leave Encashment		22.45	18.55	
Provision for Warranty of Products		14.24	20.63	
Other Provisions:				
Provision for Taxation (net of taxes paid)		75.66	112.59	
		137.21	161.32	

REMI ELEKTROTECHNIK LIMITED

Notes on Financial Statements

PARTICULARS	Figures at the end of Current Reporting Period ended on 31.03.2022	Figures at the end of Current Reporting Period ended on 31.03.2021
	(₹ in Lakhs)	(₹ in Lakhs)
NOTE - 25: Income from Operations		
(a) Sale of Products:		
Laboratory Equipments	12,090.61	9,361.15
Electric Motors	2,784.94	1,828.11
Renewable Energy (Does not includes renewable energy of Rs.45.98 Lakhs (P.Y. Rs.44.84 Lakhs)captive consumption)	69.79	51.42
	14,945.34	11,240.68
(b) Other Operating Revenues:		
Sale of scrap	71.14	43.34
Service Income	0.89	5.00
Duty Drawback	16.44	7.53
Labour Charges	0.34	0.36
Rent from letout property	122.53	153.79
	211.34	210.02
	15,156.68	11,450.70
NOTE - 26: Other Income		
Service Charges Recieived	2.10	2.10
Rent Ind - As	0.68	4.11
Profit on Sale of Fixed Assets	-	1.42
Increase in Fair value of Current Investment (Ind AS)	7.96	12.91
Increase in fair value of Investments(Tax Free)	17.40	8.17
Short Term Capital Gain on Sale of Investments	47.12	-
Capital Gain on sale of Investment in Property	851.31	264.20
Provision for Doubtful Debts W/back	-	0.49
Interest Received	128.86	62.40
Dividend received	42.60	42.60
Other non operating Income	45.30	18.39
	1,143.33	416.79
NOTE - 27: Cost of materials Consumed		
Inventory at the begnining of the year	479.70	563.08
Add: Purchases	8,805.11	6,271.08
	9,284.81	6,834.16
Less: Inventory at the end of the year	501.64	479.70
Cost of materials consumed	8,783.17	6,354.46
Consumption of Materials - Itemwise details:-		
Silicon Sheet	663.83	294.73
Copper Wire	537.46	316.52
Castings	428.58	245.56
M.S.Goods	2,053.91	1,432.03
Ball Bearings	130.97	88.57
Electric Goods	2,368.07	2,270.41
Mobile Van	71.31	10.13
Others	2,529.04	1,696.51
Total	8,783.17	6,354.46
NOTE-28: Purchases and Expenditure of Real Estate		
Purchase of other Building Materials	5.37	16.55
Job work charges	24.41	68.41
Development & other charges	457.67	2.77
Other Expenditure	27.01	13.00
	514.46	100.73
NOTE - 29: Purchase of Traded Goods		
Laboratory Equipments	382.94	472.03
	382.94	472.03

REMI ELEKTROTECHNIK LIMITED
Notes on Financial Statements

PARTICULARS	For the Year Ended 31.03.2022	For the Year Ended 31.03.2021
	(₹ in Lakhs)	(₹ in Lakhs)
NOTE - 30: (Increase)/Decrease in Inventories		
<u>Inventories at the end of the Year</u>		
Finished goods	581.76	490.83
Work-in-process	503.34	371.02
Work-in-process Real estate	1,262.57	748.11
	2,347.67	1,609.96
<u>Inventories at the beginning of the year</u>		
Finished goods	490.83	593.28
Work-in-process	371.02	575.04
Work-in-process Real estate	748.11	647.38
	1,609.96	1,815.70
Change in Inventories for Finished Goods & WIP	(737.71)	205.74
NOTE - 31: <u>Employee Benefit Expenses</u>		
Salaries, wages and bonus etc.	1,054.90	850.95
Contribution to Provident, ESIC & Gratuity funds	92.14	73.87
Staff welfare expenses	21.08	19.14
	1,168.12	943.96
NOTE - 32: <u>Other Expenses</u>		
Power and fuel	67.46	47.16
<u>Repairs and maintenance</u>		
Building	3.15	1.73
Plant & Machinery	100.84	91.88
Others	46.37	45.43
Job Work Charges	1,451.49	1,141.61
Other Manufacturing Expenses	52.54	39.91
Rent	67.94	34.86
Insurance	16.35	14.31
Rates & Taxes	46.54	53.38
Commission on Sales	297.89	202.81
Royalty Charges	22.76	18.73
Directors' sitting fees	0.34	0.78
Legal & Professional Fees	87.04	82.19
Bad Debts Written off	165.98	-
Advertisement & Sales Promotion	36.14	28.42
Selling Expenses	77.64	45.93
Foreign Exchange Loss	2.71	2.98
Provision Against Under Warranty Expenses	11.65	18.44
Brokerage on Sale of Property	40.77	10.74
<u>Payment to Auditors</u>		
(a) <u>As auditors</u>		
Audit fee	4.28	4.50
(b) <u>In other capacity</u>		
Certification fees	0.24	0.44
Freight and Forwarding Charges	209.71	151.18
CSR Contribution	20.00	15.54
Donations	0.03	-
Service Tax, Profession Tax & Sales Tax	0.37	0.03
Miscellaneous Expenses	209.01	138.16
	3,039.24	2,191.16
NOTE - 33: <u>Finance Costs</u>		
Interest expenses	1.68	5.84
Other borrowing costs	-	4.60
	1.68	10.44

34. **Contingent liabilities not provided for:**

- i) Guarantee issued by bank on behalf of the company Rs.561.68 Lakhs (P.Y. Rs.393.61 Lakhs).
- ii) Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advances) Rs. 5.34 Lakhs (P.Y.Rs.12.85 Lakhs)
- iii) Income Tax demand disputed in Appeal Rs.144.98 Lakhs (P.Y. Rs.144.98 Lakhs)
- iv) Show cause notice in respect of Service Tax disputed Rs. 337.44 Lakhs (P.Y. Rs. Nil/-)

35. The significant component and classification of deferred tax assets and liabilities on account of timing differences are :-

		As At 31-03-2022 (₹ in Lakhs)	As At 31-03-2021 (₹ in Lakhs)
a)	<u>Deferred Tax Assets:</u> On account of retirement benefits On account of other Comprehensive Income & Ind As adjustments	22.71 13.22	22.87 9.93
b)	<u>Deferred Tax Liability:</u> On account of Depreciation due to timing difference	(174.19)	(185.13)
c)	Net deferred tax Assets/(liability) on account of timing difference	(138.26)	(152.33)

36. <u>Earning per Share:</u>		2021-2022 (₹)	2020-2021 (₹)
a)	<u>Weighted average number of equity shares</u>		
i)	Number of shares at the beginning of the year	48,65,000	48,65,000
ii)	Number of shares considered as basic weighted average shares outstanding for computing basic earning per shares	48,65,000	48,65,000
iii)	Number of shares considered as weighted average shares outstanding for computing diluted earning per shares	48,65,000	48,65,000
	<u>Computation of basic and diluted earnings per share:</u>		
b)	Net profit after tax distributable to share holders(Rs.in Lakhs)	2218.16	1007.08
c)	Basic earnings per equity share of Rs.10/- each	45.59	20.70
d)	Diluted earnings per equity share of Rs.10/-each	45.59	20.70

37. Information about business Segments:

(₹ in lakhs)

Revenue	Electrical Motors	Instruments	Investments In Property	Others	Total
External	3101.59 (1944.18)	12120.53 (9418.46)	122.53 (153.79)	115.77 (96.26)	15460.42 (11612.69)
Less: Inter-Segment	257.76 (117.14)	-- (--)	-- (--)	45.98 (44.85)	303.74 (161.99)
Total Revenue	2843.83 (1827.04)	12120.53 (9418.46)	122.53 (153.79)	69.79 (51.41)	15156.68 (11450.70)
Result					
Segment Result	(-) 44.67 (-23.11)	1953.24 (1021.11)	871.84 (329.91)	137.22 (30.33)	2917.63 (1358.24)

Financial Charges(Net)	1.68 (10.44)
Profit Before tax	2915.95 (1347.80)
Provision for current taxation	710.03 (337.97)
Provision for deferred taxation/(credit)	(-)12.24 (2.75)
Profit after taxation	2218.16 (1007.08)
Other Non Comprehensive Income /(Expense) (net of tax)	(-) 5.15 (16.24)
Total Comprehensive Income	2213.01 (1023.32)

Other Information

(₹ in lakhs)

	Electrical Motors	Instruments	Investments in Property	Others	Total
Segment Assets	1850.10 (1720.27)	7408.96 (6074.15)	3152.81 (4001.74)	4733.19 (3029.83)	17145.06 (14825.99)
Segment Liabilities	509.65 (644.33)	2100.25 (1995.12)	1393.27 (1243.34)	2.38 (2.63)	4005.55 (3885.42)
Capital Expenditure	27.28 (5.58)	85.81 (51.12)	-- (--)	-- (-)	113.09 (56.70)
Depreciation	50.83 (53.02)	64.42 (63.03)	59.33 (67.55)	57.58 (57.58)	232.16 (241.17)
Non-Cash Expenses- other than depreciation	(-)1.33 (4.79)	(-)3.82 (21.23)	(-)9.78 (-)	-- (-)	(-) 5.15 (16.24)

Note: Management has identified four separate segments namely:

- a) **Electrical Motors** – Comprising of electrical motors of all types and parts thereof.
- b) **Instruments** – Comprising of laboratory instruments and equipment's and parts thereof.
- c) **Investments in Property** – Comprising Investment in Property.
- d) **Others** - Comprising of generation of Wind Power, Solar Energy & development of Commercial property.

38. Related parties disclosures:

The related Parties as per the terms of Ind AS-24, "Related Party Disclosures". (Specified under Section 133 of the Companies Act 2013, read with Rule 7 of Companies (Accounts) Rules, 2015) are disclosed below

Name of other Related parties with whom transactions have taken place during the year

- i) (a) **Key Management Personal / Relatives:**
 Shri Vishwambhar.C.Saraf- Chairman & Managing Director
 Shri Ritvik.V.Saraf- Joint Managing Director (w.e.f. 01/10/2021)
 Shri Sunil Saraf – Whole -Time Director
 Ms. H.H.Joshi – Company Secretary (upto 31/08/2021)
 - (b) **Associates**
 Remi Process Plant & Machinery Limited, Remi Edelstahl Tubulars Limited, Rajendra Electric Motor Industries , Remi Fans Ltd , Bajrang Finance Ltd ,Rajendra Finance Private Limited ,Remi Finance & Investment Private Limited, Remi Udyog, Skyrise Mercantile Limited
 - (c) **Others:**
 Non – Executive Directors - Shri R.C.Saraf, Shri Ashish Kanodia, Shri Shyam Jatia, Shri Harkishan Zaveri and Smt. Archana Bajaj
- ii) **Transactions carried out with related parties referred in i) above, are in ordinary course of business:**

Name of Entity	Nature of Transaction	Transaction During (Rs in Lakhs)		Outstanding balance as on (Rs in Lakhs)	
		Current year	Previous Year	Current year	Previous Year
Remi Udyog	Purchases	3.94	12.67	Nil	0.20 (Cr)
	Sales	10.29	6.81		
Remi Edelsthal Tubulars Limited	Purchases	258.35	191.78	Nil	47.05 (Dr)
	Sales	0.58	0.93		
	Interest Received	1.95	5.85		
	Loan Given	230.00	720.00		
	Loan Refund Received	230.00	703.00		
	Investment	16.20	6.82		

Name of Entity	Nature of Transaction	Transaction During (Rs in Lakhs)		Outstanding balance as on (Rs in Lakhs)	
		Current year	Previous Year	Current year	Previous Year
Remi Fans Limited	Purchases	86.25	25.08	18.06 (Dr)	Nil
	Sales	195.51	129.11		
	Interest Received	0.79	Nil		
	Investment	0.14	0.40		
Remi Process Plant & Machinery Limited	Sales	21.13	11.20	10.15 (Dr)	0.30 (Cr)
	Rent Paid	23.39	23.39		
	Reimbursement of Expenses Paid	7.85	7.89		
Rajendra Electric Motor Industries	Royalty Paid	22.76	19.17	3.09 (Cr)	1.37 (Cr)
Skyrise Mercantile Limited	Reimbursement of Expenses Received	5.87	5.87	Nil	Nil
Shri. Ritvik V.Saraf	Remuneration	63.27	47.68	Nil	Nil
Shri. Sunil Saraf	Remuneration	118.39	107.61	Nil	Nil
Shri V.C.Saraf	Remuneration	103.16	89.11	Nil	Nil
Hetal Joshi	Remuneration	4.56	7.96	Nil	Nil
Shri. R.C.Saraf	Director Sitting Fees	0.03	0.10	Nil	Nil
Shri. Ashish Kanodia	Director Sitting Fees	0.04	0.19	Nil	Nil
Shri. Shyam Jatia	Director Sitting Fees	0.13	0.19	Nil	Nil
Shri.Harkishan Zaveri	Director Sitting Fees	0.12	0.15	Nil	Nil
Smt. Archana Bajaj	Director Sitting Fees	0.03	0.15	Nil	Nil
Bajrang Finance Limited	Investment	0.06	0.06	Nil	Nil
Rajendra Finance Pvt. Limited	Investment	0.15	0.15	Nil	Nil
Remi Finance & Investment Pvt. Limited	Investment	0.66	0.39	Nil	Nil

Note : Related Parties are identified by the Company and relied upon by the Auditor.

39. **Percentage of Consumption of Imported Goods with Total Consumption:**

	Value (₹ in Lakhs)	% of Total Consumption
Imported	9.63 (6.03)	0.11 (0.09)
Indigenous	8773.54 (6348.43)	99.89 (99.91)
TOTAL	8783.17 (6354.46)	100.00 (100.00)

40. **Disclosures on Employee Benefits :**

(A) **Defined Contribution Plans:**

The Company has recognized the following amounts in the Statement of Profit and Loss for the year:

For the year ended March 31, 2022
(₹ in Lakhs)

Contribution to Employees' Provident Fund	70.26 (47.18)
---	--------------------------------

(B) **Defined Benefits Plans – Ind AS 19 Disclosures:**

(i) **Changes in the Present Value of Obligation for the year ended March 31, 2022**

(₹ in Lakhs)

	Gratuity	Leave Encashment	Total
(a) Present Value of Obligation as at 1 st April, 2021	368.68 (353.93)	90.87 (110.95)	459.55 (464.88)
(b) Interest Cost	22.24 (20.14)	5.76 (6.31)	28.00 (26.45)
€ Past Service Cost	-- (--)	-- (--)	-- (--)
(d) Current Service Cost	22.25 (22.56)	11.06 (13.09)	33.31 (35.65)
(e) Benefits Paid during the year ending 31-03-2022	10.35 (16.34)	16.08 (32.12)	26.43 (48.46)
(f) Actuarial (Gain)/Loss	8.21 (11.61)	1.39 (7.36)	9.60 (18.97)
(g) Present Value of Obligation as at 31-03-2021	411.03 (368.68)	90.22 (90.87)	501.25 (459.55)

(ii) **Changes in the Fair value of Plan Assets:**

For the year ended March 31, 2022

(₹ in Lakhs)

	Gratuity	Leave Encashment	Total
(a) Fair Value of Plan Assets as at April 1, 2021	359.12 (302.38)	-- (--)	359.12 (302.38)
(b) Interest Income plan assets	24.96 (20.11)	-- (--)	24.96 (20.11)
(c) Employers' Contributions	11.69 (50.89)	-- (--)	11.69 (50.89)
(d) Benefits Paid during the year ending 31-03-2022	10.35 (16.34)	-- (--)	10.35 (16.34)
(e) Actuarial Gains / (losses)	0.74 (2.09)	-- (--)	0.74 (2.09)
(g) Fair Value of Plan Assets as at March 31, 2022	386.17 (359.13)	-- (--)	386.17 (359.13)

(iii) **Amount recognized in the Balance Sheet including a reconciliation of the Present Value of Defined Benefit Obligation and the Fair Value of Assets:-**

For the year ended March 31, 2022

(₹ in Lakhs)			
	Gratuity	Leave Encashment	Total
(a) Present Value of Defined benefit Obligation as at March 31, 2022	411.03 (368.68)	90.22 (90.87)	501.25 (459.55)
(b) Fair Value of Plan Assets as at March 31, 2022	386.17 (359.13)	-- (--)	386.17 (359.13)
(c) Funded status (Surplus) / Deficit as at 31-03-2022	24.87 (9.55)	90.22 (90.87)	115.08 (100.42)

(iv) **Expenses recognized in the Statement of Profit and Loss**

For the year ended March 31, 2022

(₹ in Lakhs)			
	Gratuity	Leave Encashment	Total
(a) Current Service Cost	22.25 (22.56)	11.06 (13.09)	33.31 (35.65)
(b) Interest Cost	22.25 (20.14)	5.76 (6.31)	28.00 (26.45)
€ Expected Return on Plan Assets	24.96 (20.11)	-- (--)	24.96 (20.11)
(d) Past Service Cost	-- (--)	-- (--)	-- (--)
€ Net Actuarial Losses / (Gains)	-- (--)	1.39 (9.08)	1.39 (9.08)
€ Total Expenses / (Income) included in "Employee Benefit Expense"	19.53 (22.59)	15.43 (12.04)	34.96 (34.63)

(v) **Amount recognized in other Comprehensive income (OCI)**

For the year ended March 31, 2022

(₹ in Lakhs)			
	Gratuity	Leave Encashment	Total
(a) Amount recognized in OCI as at April 1, 2021	51.65 (65.34)	-- (--)	51.65 (65.34)
(b) Remeasurement due to :			
Effect of change in financial assumptions (C)	(-)14.85 (9.51)	-- (--)	(-)14.85 (9.51)
Effect of Change in demographic assumptions (D)	-- (--)	-- (--)	-- (--)
Effect of Experience adjustments (E)	23.07 (2.09)	-- (--)	23.07 (2.09)
(c) Actuarial (Gains) / Losses (C+D+E)	8.21 (11.61)	-- (--)	8.21 (11.61)
(d) Return on plan assets (excluding interest)	0.74 (2.09)	-- (--)	0.74 (2.09)
(e) Total remeasurements recognized in OCI	7.47 (13.69)	-- (--)	7.47 (13.69)
(f) Amount recognized in OCI, as at March 31, 2022	59.12 (51.65)	-- (--)	59.12 (51.65)

(vi) The Actual Return on Plan Assets is as follows

(₹ in Lakhs)

Particulars	Gratuity	Leave Encashment	Total
(a) Interest income plan assets	24.96 (20.11)	-- (--)	24.96 (20.11)
(b) Actuarial gain / (losses) on plan assets	0.74 (2.09)	-- (--)	0.74 (2.09)
(c) Actual return on plan assets	25.70 (22.20)	-- (--)	25.70 (22.20)

(vii) Following are the Principal Actuarial Assumptions used as at the balance sheet date:

Sr. No.	Particulars	Gratuity	Leave Encashment
(a)	Discount rate	7.35 % (6.95 %)	7.35 % (6.95 %)
(b)	Salary Growth	7.50% (7.50%)	7.50% (7.50%)
(c)	Expected return on assets	7.35% (6.95%)	-- (--)
(d)	Withdrawal Rate	1% (1%)	1% (1%)
(e)	Mortality Rates	Indian Assured Lives Mortality(2012-14) Ult.	Indian Assured Lives Mortality(2012-14) Ult.

(viii) Percentage of each Category of Plan Assets to total Fair Value of Plan Assets as at March 31, 2022

	Percentage
Insurer Managed Funds	100% (100%)

(ix) The overall expected rate of return on assets is based on the expectation of the average long-term rate of return expected on investments of the Fund during the estimated term of the obligations.

(x) Sensitivity Analysis

For the year ended March 31, 2022		(₹ in Lakhs)		
	Gratuity		Leave Encashment	
Defined Benefit Obligation (Base)	411.03		90.22	
Table 13, Sensitivity Analysis	Decrease	Increase	Decrease	Increase
Discount Rate	429.77 (384.79)	393.90 (353.77)	95.49 (96.62)	85.51 (85.74)
Impact on Increase/ Decrease in 50 bps on DBO	4.56% (4.37%)	(-)4.17% (-4.04%)	5.84% (6.33%)	(-)5.22% (-5.65%)
Salary Growth Rate	394.53 (354.39)	428.57 (383.68)	85.50 (85.74)	95.45 (96.56)
Impact on Increase/ Decrease in 50 bps on DBO	(-)4.01% (-3.88%)	4.27% (4.07%)	(-)5.23% (-5.64%)	5.81% (6.26%)

41. The following are analytical ratios for the year ended on 31st March, 2022 and 31st March, 2021

Ratio	Numerator	Denominator	Current Period	Previous Period	% Variance	Reason for Variance
Current Ratio	Current Asset	Current Liabilities	3.20	2.60	--	--
Debit – Equity Ratio	Total Debit	Shareholder's Equity	1.32	1.37	--	--
Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	16.36	9.07	80.37%	Due to increase in earnings available for debts service, Debts Coverage Ratio increased
Return on Equity Ratio	Net Profit after Taxes	Average Shareholder's Equity	0.19%	0.10%	90.00%	Due to increase in net profit Return on Equity Ratio increased
Inventory Turnover Ratio	Cost of Goods Sold	Average Inventory	6.06	5.03	--	--
Trade Receivable Turnover Ratio	Revenue	Average Trade Receivable	3.85	3.31	--	--
Trade Payable Turnover Ratio	Purchases of services and other expenses	Average Trade Payables	6.93	6.30	--	--
Net Capital Turnover Ratio	Revenue	Working Capital	119.97	106.92	--	--
Net Profit Ratio	Net Profit	Revenue	0.14%	0.08%	75.00%	Net Profit Ratio increased due to decline in finance cost & increase in revenue
Return on Capital Employed	Earnings before interest and taxes	Capital Employed	0.21%	0.12%	75.00%	Return on Capital Employed increased due to increase in earnings
Return on Investment	Profit after Tax	Capital Employed	0.16%	0.09%	77.78%	Return on Investment increased due to increase in profit

42. The details of CSR activities of the Company are as under:-

- (a) Amount required to be spent by the Company during the year : Rs.17.99 Lakhs
- (b) Amount of expenditure incurred : Rs.20 Lakhs
- (c) Shortfall at the end of the year : Nil
- (d) Total of previous year for shortfall : Nil
- (e) Reasons for shortfall : N.A.
- (f) Nature of CSR activities : Rural development project by way of providing solar water pumping system pvc pipeline for drip irrigation for welfare marginal farmers.
- (g) Details of related party transactions : Nil

- (h) Provision is made with respects to a liability incurred by incurred by entering into a contractual Obligation, the movements in the provision during the year. : Nil
43. a) Imports of goods on CIF basis : Rs.332.07 Lakhs (P.Y. Rs. 396.95 Lakhs)
- b) Expenses in Foreign Currency on payment basis :
- Travelling : Rs. 11.61 Lakhs (P.Y. Rs. Nil/-)
- Other Expenses : Rs. 6.39 Lakhs (P.Y. Rs. 6.00 Lakhs)
44. Earning in foreign Currency :
- FOB value of Exports : Rs.1275.67 Lakhs (P.Y. Rs.790.05 Lakhs)
45. The equity shares of the company got delisted form BSE Limited w.e.f. 20th April,2021.
46. Previous year figures are regrouped, rearranged and reclassified, wherever necessary, to conform to current year's presentation.
47. Figures within brackets are for previous year.
48. Figures have been rounded off to the nearest Lakhs.

Signature to Notes 1 to 48
AS PER OUR REPORT OF EVEN DATE
FOR SHANKARLAL JAIN & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
(Firm Registration Number-
109901W/W/00082)

FOR AND ON BEHALF OF BOARD

(SATISH JAIN)
PARTNER
Membership Number – 048874

VISHWAMBHAR C. SARAF
CHAIRMAN & MANAGING
DIRECTOR
DIN : 00161381

SUNIL SARAF
WHOLE TIME
DIRECTOR
DIN :00157244

PLACE : MUMBAI
 DATED : 22 AUGUST, 2022

RITVIK V. SARAF
JOINT MANAGING
DIRECTOR
DIN :01638851