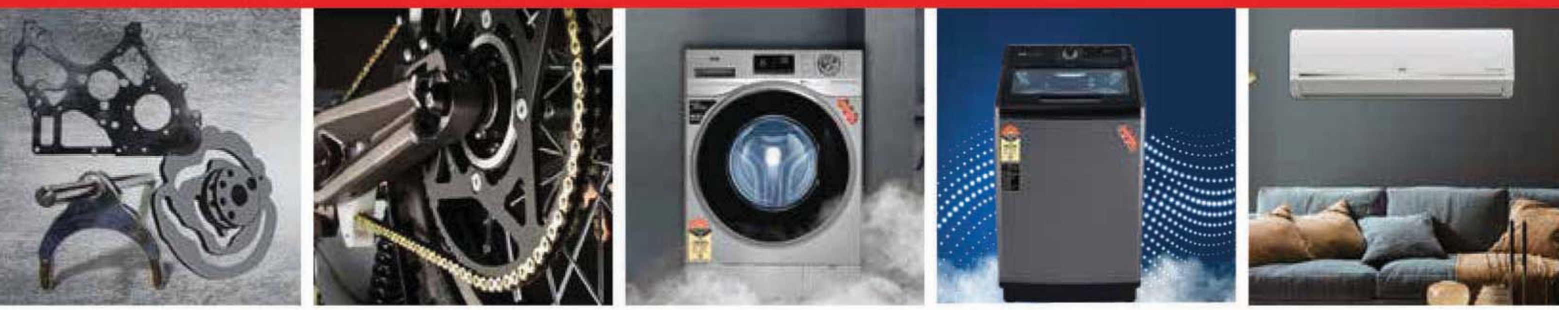
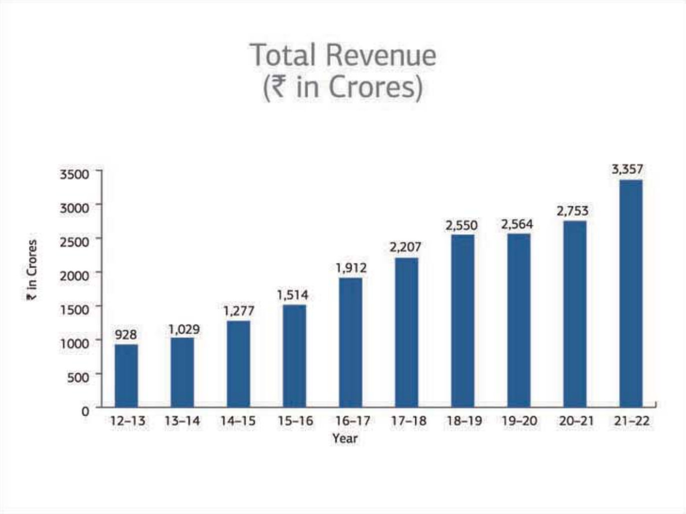
IFB

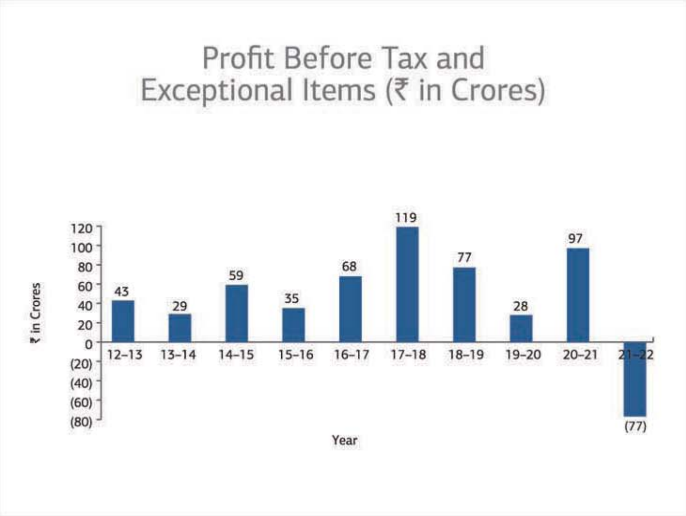


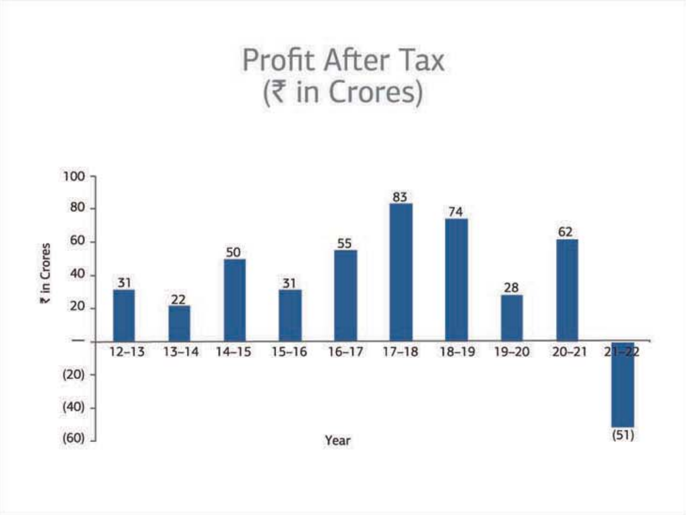
Annual Report
2021–2022

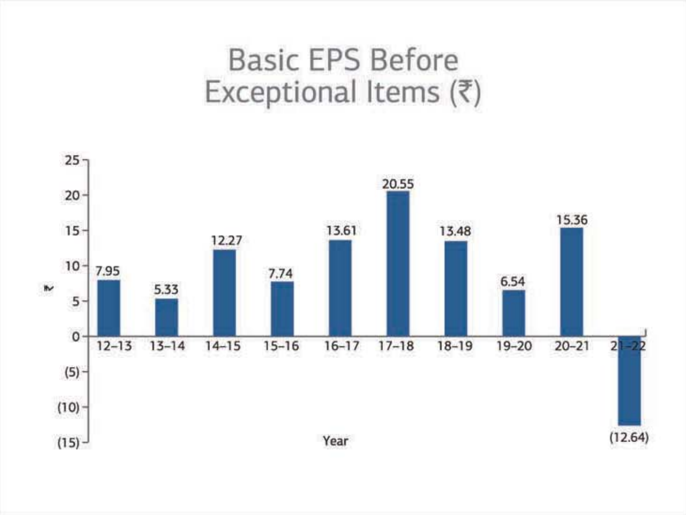
IFB Industries Limited

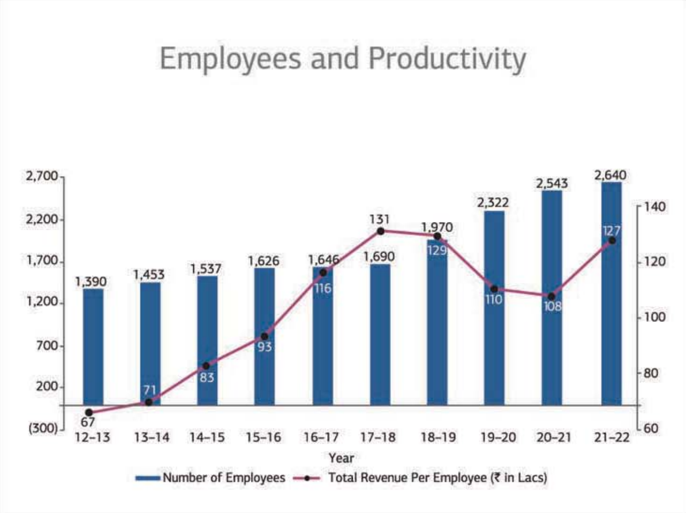
10 YEAR HIGHLIGHTS











Year 2020-21 has been restated to include the results of erstwhile Trishan Metals Pvt. Ltd.

BOARD OF DIRECTORS

Executive Chairman
Mr. Bijon Bhushan Nag

Joint Executive Chairman & Managing Director
Mr. Bikramjit Nag

Managing Director & CEO - Appliances Division
Mr. Rajshankar Ray

Managing Director & CEO - Engineering Division
Mr. Harsh Vardhan Sachdev

Director and CFO
Mr. Prabir Chatterjee

Executive Director & Service Business Head
Mr. Amar Singh Negi

Non-Executive Director
Mr. Sudip Banerjee

Independent Directors
Dr. Rathindra Nath Mitra
Mr. Ashok Bhandari
Ms. Sangeeta Shankaran Sumesh
Mr. Rahul Choudhuri
Mr. Chacko Joseph
Mr. Desh Raj Dogra
Mr. Biswadip Gupta

AUDIT COMMITTEE

Chairman
Dr. Rathindra Nath Mitra

Members
Mr. Ashok Bhandari
Ms. Sangeeta Shankaran Sumesh
Mr. Chacko Joseph
Mr. Prabir Chatterjee

COMPANY SECRETARY

Mr. G. Ray Chowdhury

AUDITORS

Deloitte Haskins & Sells
Chartered Accountants

REGISTRAR AND SHARE TRANSFER AGENT

CB Management Services (P) Ltd.
P 22, Bondel Road, Kolkata - 700 019
Tel : (091) (33) 2280 6692/93/94, 4011 6700
Fax : (091) (33) 2287 0263
E-mail : rta@cbmsl.com

REGISTERED OFFICE

14, Taratolla Road
Kolkata - 700 088, India
Tel : (091) (33) 3048 9299
Fax : (091) (33) 3048 9230
CIN : L51109WB1974PLC029637
E-mail : investors@ifbglobal.com
Website : www.ifbindustries.com

CORPORATE OFFICE

Plot No. IND-5, Sector – I
East Kolkata Township
Kolkata - 700 107
Tel : (091) (33) 3984 9524
Fax : (091) (33) 2442 1003
E-mail : investors@ifbglobal.com

CONTENTS

IFB

IFB INDUSTRIES LTD.

CIN: L51109WB1974PLC029637

Registered Office: 14 Taratolla Road, Kolkata -700 088

Tel:91 33 30489299 Fax: 91 33 30489230, E-mail: investors@ifbglobal.com

Website: www.ifbindustries.com

NOTICE TO MEMBERS

Notice is hereby given that the forty sixth Annual General Meeting of the members of IFB Industries Limited will be held on Friday the 29 day of July, 2022 at 10.30 A.M. IST through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), to transact the following business :

ORDINARY BUSINESS:

1) To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial year ended March 31, 2022, including the audited Balance Sheet as at March 31, 2022, the statement of Profit and Loss for the year ended on that date and the reports of the Board of Directors and Auditors thereon.

2) To receive, consider and adopt Audited Consolidated Financial Statements of the Company for the year ended March 31, 2022 and the Report of the Auditors thereon.

3) To appoint a director in place of Mr. Sudip Banerjee (DIN: 05245757), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and, being eligible, offers himself for re-appointment as a Director.

4) To appoint a director in place of Mr. Amar Singh Negi (DIN: 008941850), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and, being eligible, offers himself for re-appointment as a Director.

SPECIAL BUSINESS:

5) **To consider and if thought fit, to pass, the following Resolution as a Special Resolution:**

"**RESOLVED THAT** pursuant to provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 ("The Act") read with Schedule V to the Act and the Companies (Appointment and Remunerations of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), consent of the Company be and is hereby accorded for waiver of recovery of the excess managerial remuneration paid to Mr. Bijon Bhushan Nag (DIN: 00756995), Executive Chairman of the Company, in excess of the stipulated limits prescribed under Section 197 read with Schedule V to the Companies Act, 2013 during the period April 1, 2021 to March 31, 2022 and as set out in explanatory statement attached hereto and forming part of this notice."

6) **To consider and if thought fit, to pass, the following Resolution as a Special Resolution:**

"**RESOLVED THAT** pursuant to provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 ("The Act") read with Schedule V to the Act and the Companies (Appointment and Remunerations of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), consent of the Company be and is hereby accorded for re-appointment of Mr. Bijon Bhushan Nag (DIN: 00756995), as Executive Chairman of the Company for a further period of 2 (two) years, with effect from 01.06.2022, on the terms and conditions including remuneration as set out in explanatory statement attached hereto and forming part of this resolution notwithstanding that the remuneration may exceed the limits prescribed in the provisions of Section 197, 198 and Schedule V to the Companies Act, 2013 in case of no profits / inadequate profits during any financial year / period in between."

RESOLVED FURTHER THAT notwithstanding anything contained in Sections 197, 198 and Schedule V of the Companies Act, 2013 or any amendments / re-enactment thereof or any revised/ new schedule thereof, in the event of absence of profits or inadequate profits in any financial year, the salary, perquisites and statutory benefits as set out in the explanatory statement forming part of this resolution be paid as minimum remuneration to Mr. Bijon Bhushan Nag, Executive Chairman of the Company even if it exceeds the various stipulated limits of the various provisions of the Companies Act, 2013 or the rules related thereto during any financial year / period in between.

RESOLVED FURTHER THAT the Board (the term "Board" includes Board of Directors of Company and the Nomination and Remuneration Committee) be and is hereby authorized to vary and / or modify the terms and conditions including remuneration, benefits and perquisites payable / made available to the appointee in such manner as may be agreed upon between the board and the appointee.

RESOLVED FURTHER THAT the board be and is hereby authorized to do all acts, deeds and things and execute all such documents, instruments and writings, as may be required to give effect to the aforesaid resolutions."

7) **To consider and if thought fit, to pass, the following Resolution as a Special Resolution:**

"**RESOLVED THAT** pursuant to provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 ("The Act") read with Schedule V to the Act and the Companies (Appointment and Remunerations of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), consent of the Company be and is hereby accorded for waiver of recovery of the excess managerial remuneration paid to Mr. Prabir Chatterjee (DIN: 02662511), Director and CFO of the Company, in excess of the stipulated limits prescribed under Section 197 read with Schedule V to the Companies Act, 2013 during the period April 1, 2021 to March 31, 2022 and as set out in explanatory statement attached hereto and forming part of this notice."

8) **To consider and if thought fit, to pass, the following Resolution as a Special Resolution:**

"**RESOLVED THAT** pursuant to provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 ("The Act") read with Schedule V to the Act and the Companies (Appointment and Remunerations of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), consent of the Company be and is hereby accorded for waiver of recovery of the excess managerial remuneration paid to Mr. Rajshankar Ray (DIN: 03498696), Managing Director and CEO of Appliances Division of the Company, in excess of the stipulated limits prescribed under Section 197 read with Schedule V to the Companies Act, 2013 during the period April 1, 2021 to March 31, 2022 and as set out in explanatory statement attached hereto and forming part of this notice."

9) **To consider and if thought fit, to pass, the following Resolution as a Special Resolution:**

"**RESOLVED THAT** pursuant to provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 ("The Act") read with Schedule V to the Act and the Companies (Appointment and Remunerations of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), consent of the Company be and is hereby accorded for waiver of recovery of the excess managerial remuneration paid to Mr. Partha Sen (DIN: 07547244), erstwhile Managing Director & CEO of Engineering Division of the Company upto December 31, 2021, in excess of the stipulated limits prescribed in Section 197 read with Schedule V to the Companies Act, 2013 during the period April 1, 2021 to December 31, 2021 and as set out in explanatory statement attached hereto and forming part of this notice."

10) **To consider and if thought fit, to pass, the following Resolution as a Special Resolution:**

"**RESOLVED THAT** pursuant to provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 ("The Act") read with Schedule V to the Act and the Companies (Appointment and Remunerations of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), consent of the Company be and is hereby accorded for waiver of excess managerial remuneration paid to Mr. Amar Singh Negi (DIN: 008941850), Executive Director – Service Business Head of the Company, in excess of the stipulated limits prescribed in Section 197 read with Schedule V to the Companies Act, 2013 during the period April 1, 2021 to March 31, 2022 and as set out in explanatory statement attached hereto and forming part of this notice.

11) **To consider and if thought fit, to pass, the following Resolution as a Special Resolution:**

"**RESOLVED THAT** pursuant to provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder read with Schedule IV of the Companies Act, 2013, or any amendment or modification thereof, and Regulation 17 and other applicable Regulations of the Securities and

Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Chacko Joseph (DIN: 7528693), Independent Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in the Act and Listing Regulations, and who is eligible for re-appointment and in respect of whom based on his evaluation of performance, the Nomination and Remuneration Committee has recommended his re-appointment to the Board, be and is hereby re-appointed as an Independent Director of the Company for second term of five consecutive years with effect from November 2, 2022, not liable to retire by rotation."

12) **To consider and if thought fit, to pass, the following Resolution as an Ordinary Resolution.**

"**RESOLVED THAT** pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 (" The Act") read with Rule 14 of Companies (Audit and Auditors) Rules, 2014,the remuneration payable during the year 2022-23 to M/s. MANI & CO, Cost Accountants appointed by the Board of Directors of the Company to conduct the audit of cost records of the Company for the financial year 2022-23, amounting to Rs.8,00,000/- (Rupees Eight lacs Only) plus tax as applicable and reimbursement of conveyance expenses on actual basis as incurred by them in connection with the aforesaid audit be and is hereby ratified and confirmed."

Registered Office :
14, Taratolla Road
Kolkata - 700 088
CIN : L51109WB1974PLC029637
E-mail : investors@ifbglobal.com
Website : www.ifbindustries.com

Place : Kolkata
Date : 28 May, 2022

By Order of the Board

G Ray Chowdhury
Company Secretary
Membership No. : A8529

NOTES :

1. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular nos. 14/2020 and 17/2020 dated April 8, 2020 and April 13, 2020 respectively, in relation to "Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by Covid-19", circular no. 20/2020 dated May 5, 2020 in relation to "Clarification on holding of Annual General Meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)and Circular no. 02/2021 dated January 13, 2021 in relation to "Clarification on holding of Annual General Meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM) and Circular No. 2/2022 dated May 5, 2022 (collectively referred to as "MCA Circulars") and Securities and Exchange Board of India ("SEBI") vide its circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 in relation to "Additional relaxation in relation to compliance with certain provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 – Covid-19 pandemic" and circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 in relation to "Relaxation from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 due to the COVID -19 pandemic and circular no. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 (collectively referred to as "SEBI Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the MCA Circulars and SEBI Circulars, the AGM of the members of the Company is being held through VC / OAVM. .

2. Brief resume of Directors including those proposed to be appointed/ reappointed, nature of their expertise in specific functional areas, no. of companies in which they hold directorships and memberships/ chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under SEBI (Listing Obligations & Disclosure Requirements) Regulation,2015 are provided in the Corporate Governance Report forming part of the Annual Report.

3. Members of the Company had approved the appointment of Messars Deloittee Haskins & Sells, Chartered Accountants, having registration No. 302009E as the Statutory Auditors of the Company at the 43 Annual General Meeting which is

valid till 48 AGM. In accordance with the Act, the appointment of Statutory Auditors is not required to be ratified in every AGM.

4. Pursuant to SEBI Circular no. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 the requirement of sending hard copies of annual reports to shareholders has been dispensed with.

5. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

6. Institutional / Corporate Shareholders of its Board or governing body Resolution/Authorization etc., authorizing its representative to at end the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to patnaikandpatnaik@yahoo.com with a copy marked to evoting@nsdl.co.in or investors@ifbgolobal.com. Institutional Shareholders (i.e. other than individuals HUF, NPI etc.) can also upload their Board Resolution/Powers of Attorney/ Authority Letter etc. by clicking on "Upload Board Resolution/Authority Letter" displayed under "e-voting" tab in their Login.

7. A statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the meeting is annexed hereto.

8. The Company has notified closure of Register of Members and Share Transfer Books from 23.07.2022 to 29.07.2022 (both days inclusive) for the purposes of AGM.

9. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, etc., to their DPs in case the shares are held by them in electronic form and to the Company/Registrar of the Company in case the shares are held by them in physical form.

10. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

11. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before 26 July, 2022 through email to investors@ifbgolobal.com. The same will be replied by the Company suitably.

11. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

12. During the AGM, the Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts or arrangements in which Directors are interested maintained under Section 189 of the Companies Act, shall be made available for on-line inspection upon login at NSDL e-Voting system at www.evoting.nsdl.com.

13. Pursuant to the Circular No. 14/2020 dated April 08, 2020 and Circular No. 2/2022 dated May 5, 2022 issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.

14. The Members can join the AGM in the VC/OAVM mode 45 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

15. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
16. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
17. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020 and Circular No. 2/2022 dated May 5, 2022 the Notice calling the AGM has been uploaded on the website of the Company at wwwifbindustries.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
18. The remote e-voting period begins on July 26, 2022 at 9:00 A.M. and ends on July 28, 2022 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. July 22, 2022, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being July 22, 2022.
19. The details of the process and manner for remote e-Voting are explained herein below:

    Step 1: Access to NSDL e-Voting system

    Step 2: Cast your vote electronically and join virtual meeting on NSDL e-Voting system

Details on Step 1 are mentioned below:

A. Login method for remote e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	**Login Method**
Individual Shareholders holding securities in demat mode with NSDL.	**A. NSDL IDeAS facility** **If you are already registered, follow the below steps:** 1. Visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com/ either on a Personal Computer or on a mobile. 2. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under "IDeAS" section. 3. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. 4. Click on "Access to e-Voting" appearing on the left hand side under e-Voting services and you will be able to see e-Voting page. 5. Click on options available against company name or e-Voting service provider - NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting and e-Voting during the meeting.

	If you are not registered, follow the below steps: 1. Option to register is available at https://eservices.nsdl. com. 2. Select "Register Online for IDeAS" Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Please follow steps given in points 1-5. **B. e-Voting website of NSDL** 1. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a personal computer or on a mobile phone. 2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. 3. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password / OTP and a Verification Code as shown on the screen. 4. After successful authentication, you will be redirected to NSDL website wherein you can see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting and e-Voting during the meeting.
Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi / Easiest, can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest is https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi / Easiest the user will be also able to see the e-Voting Menu. The Menu will have links of ESP i.e. NSDL portal. Click on NSDL to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/ EasiRegistration. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile and e-mail as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	1. You can also login using the login credentials of your demat account through your DP registered with NSDL / CDSL for e-Voting facility. 2. Once logged-in, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-Voting feature. 3. Click on options available against company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting and e-Voting during the meeting

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	**Helpdesk details**
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

B. **Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode:**

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	**Your User ID is:**
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.
   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
   c) How to retrieve your 'initial password'?
      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open

the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**.

6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:

   a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

   b) "**Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2:

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".

3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is send through e-mail and holding shares as of the cut-off date i.e. **July 22, 2022**, may obtain the login ID and password by sending a request at **evoting@nsdl.co.in** or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on **www.evoting.nsdl.com** or call on toll free no. **1800 1020 990** and **1800 224430** . In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. July 22, 2022 may follow steps mentioned in the Notice of the AGM under Step 1 :"Access to NSDL e-Voting system"(Above).

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 224430 or send a request to at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to investors@ifbglobal.com
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to investors@ifbglobal.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF AGM ARE AS UNDER:

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "**Join General meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

3. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending in writing their views or questions to investors@ifbgolobal.com/ rta@cbmsl.com from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number till 26 July, 2022 (5:00 p.m. IST). Those Members who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM. Each Speaker is requested to express his / her views within 2 – 3 minutes of the allotted time.
4. In case of any queries/grievances pertaining to remote e-Voting (before the AGM and during the AGM), you may refer to the Frequently Asked Questions ('FAQs') for Shareholders and e-Voting user manual for Shareholders available in the 'Download' section of www.evoting.nsdl.com or call on the toll-free number: 1800 1020 990/1800 224 430 or send a request at evoting@nsdl.co.in or contact Mr. Amit Vishal, Assistant Vice President or Ms. Pallavi Mhatre, Senior Manager from NSDL at the designated e-mail IDs: amitv@nsdl.co.in or pallavid@nsdl.co.in

Other Instructions

1. Mr. S K Patnaik, Practicing Company Secretary (Membership No. FCS 5699) Partner of M/s. Patnaik & Patnaik, Company Secretaries has been appointed by the Board of Directors as the Scrutinizer for providing facility to the members of the Company, to scrutinize the remote e-voting process and casting vote through the e-Voting system during the Meeting in a fair and transparent manner.
2. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first download the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting system and make, not later than two working days of conclusion of the AGM, and make a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.
3. The result declared along with the Scrutinizer's Report shall be placed on the Company's website www.ifbindustries.com and on the website of NSDL https://www.evoting.nsdl.com immediately after the declaration of the results by the Chairman or person authorized by him in writing. The Company shall simultaneously forward the results to National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed.
4. Subject to receipt of requisite number of votes, the resolutions proposed in the notice shall be deemed to be passed on the date of the meeting itself, i.e. July 29, 2022.

Statement Pursuant to Section 102(1) of the Companies Act, 2013

As required under section 102 of the Companies Act, 2013 the following explanatory statement sets out all material facts relating to business under Items no. 5 to 12 of the accompanying Notice:

Resolution nos. 5 & 6

Mr. Bijon Bhushan Nag (DIN : 00756995), aged 80 years, was reappointed as Executive Chairman of the Company by the Shareholders of the Company at the Annual General Meeting of the Company held on 4 September, 2020 for a period of two years w.e.f. 1.06.2020. His existing tenure will end on 31.05.2022.

Mr. Bijon Bhushan Nag is the Promoter and Executive Chairman of the Company. Mr. Nag a Mechanical Engineer, Mentor, having more than five decades of vast experience in Machine tool, Fine Blanking, Sheet Metals, Engineering Industries, Stamping, Appliances Industries and Alcohol Industries. He is a visionary for our state of art Washing Machine factory at Goa, Engineering Factories in Kolkata & Bangalore.

Section 196(3) of Companies Act, 2013, inter alia, provides that no Company shall continue the employment of a person who has attained the age of seventy years, as Managing Director, Whole-time Director or Manager unless it is approved by the members by passing a Special Resolution, Part I of Schedule V to the Act contains such relaxation.

At the recommendation of Nomination & Remuneration Committee, the Board of Directors of the Company reappointed Mr. Bijon Bhushan Nag as Executive Chairman of the Company for a further period of two years with effect from 01.06.2022, subject to approval of the shareholders of the Company, in terms of Section 197, 198, Schedule V and any other applicable provisions of the Companies Act, 2013, at the terms and conditions as set out below:

Remuneration :

a) **Salary :** Rs. 6,75,025/- (Rupees Six lacs Seventy Five Thousand Twenty Five only) per month.

b) **HRA :** Rs. 3,92,515/- (Rupees Three lacs Ninety Two Thousand Five Hundred Fifteen only) per month.

c) **SPA :** Rs. 72,905/- (Rupees Seventy Two Thousand Nine Hundred Five only) per month.

d) **Additional SPA :** Rs. 88,754/- (Rupees Eighty Eight Thousand Seven Hundred Fifty Four only) per month.

e) **Medical Expenses/ Reimbursement :** As approved by Board.

f) **Leave Travel Allowance :** For self and family once in a year incurred in accordance with the Rules of the Company.

g) **Club Fees :** Fees of Clubs subject to a maximum of two clubs. This will not include admission and life membership fees.

h) **Personal Accident Insurance :** As per the rules of the Company.

i) **Gas & Electricity etc. :** As per the rules of the Company.

j) **Car :** Provision of car for use on Company's Business will not be considered as perquisite. However, use of car for private purpose will be billed by the Company to the Chairman.

k) **Telephone :** Company will reimburse expenses in connection with telephone at residence & mobile connections used for official purposes as per the rules of the Company.

Explanation : For the purpose of this part, 'family' means the spouse.

Other Benefits :

i) **Gratuity :** As per the rules of the Company.

ii) **Contribution to the Provident Fund, Superannuation Fund or Annuity Fund :** As per the rules of the Company.

iii) **Encashment of leave :** As per the rules of the Company.

Apart from the aforesaid remuneration, he will be entitled to reimbursement of all expenses incurred in connection with the business of the Company.

The appointee shall not be entitled to any sitting fees for Board / Committee meetings.

The said perquisites and allowances shall be evaluated, wherever applicable, as per the provisions of Income Tax Act,1961 or any rules thereunder or any statutory modifications or re-enactment thereof; and in the absence of any such rules, perquisite and allowances shall be evaluated at actual cost. The Company's contribution to Provident Fund, Superannuation or Annuity Fund, to the extent these singly or together are not taxable under the Income Tax law, gratuity payable and encashment of leave shall not be included for the purpose of computation of the overall ceiling of remuneration.

The terms and conditions of the said appointment and / or agreement are subject to provisions of Sections 196, 197, 203 and other applicable provisions if any, of the Companies Act, 2013 ("The Act") read with Schedule V to the Act and the Companies (Appointment and Remunerations of Managerial Personnel) Rules, 2014 including any statutory modifications or enactments thereof from time to time and may be altered and varied from time to time by the Board/ Committee as it may in its discretion deem fit within the maximum amount of remuneration payable in accordance with the applicable rules and regulations. Further, the remuneration as would be paid to Mr. Bijon Bhushan Nag, Chairman during his tenure would be the remuneration payable to him even if the said exceeds the stipulated managerial limits in terms of the provisions of Sections 196 and 197 of the Companies Act, 2013 read with Schedule V to the said Act and the excess payment of managerial remuneration, if any, during any financial year / period in between will stand waived subject to fulfillment and compliance of other conditions as mentioned under the various provisions of the Act or rules related thereto.

Mr. Bijon Bhushan Nag is also Chairman of IFB Agro Industries Limited and Director of IFB Automotive Pvt. Ltd., Global Automotives & Appliances Pte. Ltd. and Maruti Insurance Broking Pvt. Ltd. The details of his other Directorship and memberships in other companies/committees are provided in the "Annexure" to the Notice. Mr. Nag holds 157869 shares in the Company.

Considering, his vast experience and association with the Company and on the recommendation of Nomination and Remuneration Committee of the Company, the Board of Directors of the Company vide its meeting held on 28 May, 2022 decided to waive the excess managerial remuneration of Rs. 98,63,339/- as was paid to him during the financial year 2021-2022 and the resolution for such waiver is proposed for your approval. The Company is not in default of payment to any bank, financial institutions or any other secured creditor. The Company does not have any debenture holders.

Information pertaining to Section II in Part II of Schedule V are as follows :

I. General Information:

(1) Nature of industry:

The Company is at present engaged in the business of manufacturing of diverse parts and accessories for motor vehicles etc. and manufacture and trading of Home Appliances Products.

(2) Date or expected date of commencement of commercial production:

The Company was incorporated on 9th September, 1974. It commissioned its commercial production in 1974.

(3) In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus : Not applicable

(4) Financial performance based on given indicators:

Particulars	**2021-22 (Rs. In lacs)**
Revenue from operations	3,33,900
other income	1,814
Sub-total	3,35,714
Total Expenditure (Before interest and depreciation)	3,28,895
PBDIT	6,819
PBDIT%	2.03%
Profit/(Loss) After Tax	(5,121)

(5) Foreign investments or collaborations, if any : None

II. Information about the appointee:

(1) Background details: Mr. Bijon Bhushan Nag a Mechanical Engineer, Mentor, having more than five decades of vast experience in Machine tool and Engineering industries. He is a visionary for our state of art Washing Machine factory at Goa, Engineering Factories in Kolkata & Bangalore.

(2) Past remuneration: Rs. 1.80 Crores per annum as on 31st March, 2021.

(3) Recognition or awards: Nil

(4) Job profile and his suitability: Mr. Nag is specialized in Machine Tool, Fine Blanking technology, Stamping and Washing Machine technology. He guides in relation to all critical technical issues and is also responsible for the management of the affairs of the Company.

(5) Remuneration proposed: As set out in Item No. 5 & 6 of the Notice of the Annual General Meeting.

(6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of her origin): His remuneration is in line with that drawn by his peers in Industry.

(7) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any: Mr. Bikramjit Nag, Joint Executive Chairman and Managing Director is related with Mr. Bijon Bhushan Nag, Chairman of the Company.

III. Other information:

(1) Reasons for inadequate profits:
The Company suffered loss largely on account of unprecedented rise in material cost, escalation in scheme cost, supply chain issues etc. and achieving lower number as compared to budget owing to impact of Covid -19 pandemic as well as market slow down.

(2) Steps taken or proposed to be taken for improvement:
Many corrective actions have been taken including cost control, reduction in avoidable manpower etc.

(3) Expected increase in productivity and profits in measurable terms:
Production & Sales are expected to increase. The Company has also taken action for localization of electronic controllers - this is a major import substitution. AC Plant production is ramped up gradually as demand rising due to heatwave across the country.

However, it is extremely difficult to forecast any profit numbers under this extreme uncertain situation.

IV. Disclosures:

The required disclosures are given in the Report on Corporate Governance annexed to the Directors' Report.

The agreement may be terminated by either party giving the other six months' notice.

The above may be treated as an abstract of the terms of contract between the Company and Mr. Bijon Bhushan Nag.

Mr. Bijon Bhushan Nag shall perform such duties and exercise such powers as are entrusted to him by the Board.

No director, Key managerial personnel or their relatives, except Mr. Bijon Bhushan Nag in his personal capacity and Mr. Bikramjit Nag being the relative of Mr. Bijon Bhushan Nag is concerned or interested, financially or otherwise, in the proposed resolution.

The board recommends the Special Resolutions set forth in item nos 5 & 6 for the approval of the members of the Company.

Resolution no. 7

Mr. Prabir Chatterjee (DIN: 02662511), aged 66 years was reappointed as Whole-time Director and Chief Financial Officer of the Company by the Shareholders of the Company at the Annual General Meeting of the Company held on 4 September, 2020 for a period of two years w.e.f. 01.04.2020.

Further, Mr. Prabir Chatterjee (DIN: 02662511) reappointed as Whole-time Director and CFO of the Company for a further period of two years, passed by shareholders of the Company through Postal Ballot dated 25 March, 2022.

At the recommendation of Nomination & Remuneration Committee, Mr. Prabir Chatterjee drawn remuneration from 1 April, 2021 to 31 March, 2022 as under:

Remuneration :

a) **Salary :** Rs. 5,63,900/- (Rupees Five Lacs Sixty Three Thousand Nine Hundred only) per month

b) **SPA :** Rs. 2,29,117/- (Rupees Two lacs Twenty Nine Thousand One Hundred Seventeen only) per month.

c) **Additional SPA :** Rs. 59,483/- (Rupees Fifty Nine Thousand Four Hundred Eighty Three only) per month

d) **Other allowances :** Rs. 200/- (Rupees Two Hundred only) per month

e) **Medical Reimbursement :** As per the rules of the Company.

f) **Leave Travel Allowance :** For self and family once in a year incurred in accordance with the Rules of the Company.

g) **Personal Accident Insurance :** As per the rules of the Company.

h) **Car :** Provision of car for use on Company's Business will not be considered as perquisite. However, use ofcar for private purpose will be billed by the Company.

i) **Telephone :** Company will reimburse expenses in connection with telephone at residence & mobile connections used for official purposes as per the rules of the Company.

Explanation : For the purpose of this part, 'family' means the spouse, the dependent children and dependent parents.

Other Benefits :

i) **Gratuity :** As per the rules of the Company.

ii) **Contribution to the Provident Fund, National Pension Scheme :** As per the rules of the Company.

iii) **Encashment of leave :** As per the rules of the Company.

Apart from the aforesaid remuneration, he will be entitled to reimbursement of all expenses incurred in connection with the business of the Company.

The appointee shall not be entitled to any sitting fees for Board / Committee meetings.

The said perquisites and allowances shall be evaluated, wherever applicable, as per the provisions of Income Tax Act,1961 or any rules thereunder or any statutory modifications or re-enactment thereof; and in the absence of any such rules, perquisite and allowances shall be evaluated at actual cost. The Company's contribution to Provident Fund, National Pension Scheme, gratuity payable and encashment of leave to the extent these singly or together are not taxable under the Income Tax law, shall not be included for the purpose of computation of the overall ceiling of remuneration.

Considering, his vast experience and association with the Company and on the recommendation of Nomination and Remuneration Committee of the Company, the Board of Directors of the Company vide its meeting held on 28 May, 2022 decided to waive the excess managerial remuneration of Rs. 3,85,154/- as was paid to him during the financial year 2021-2022 and the resolution for such waiver is proposed for your approval. The Company is not in default of payment to any bank, financial institutions or any other secured creditor. The Company does not have any debenture holders.

Information pertaining to Section II in Part II of Schedule V are as follows :

I. General Information:

(1) Nature of industry:

The Company is at present engaged in the business of manufacturing of diverse parts and accessories for motor vehicles etc. and Home Appliances Products.

(2) Date or expected date of commencement of commercial production:

The Company was incorporated on 9th September, 1974. It commissioned its commercial production in 1974.

(3) In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus : Not applicable

(4) Financial performance based on given indicators:

Particulars	**2021-22 (Rs. In lacs)**
Revenue from operations	3,33,900
other income	1,814
Sub-total	3,35,714
Total Expenditure (Before interest and depreciation)	3,28,895
PBDIT	6,819
PBDIT%	2.03%
Profit/(Loss) After Tax	(5,121)

(5) Foreign investments or collaborations, if any : None

II. Information about the appointee:

(1) Background details: Mr. Prabir Chatterjee (DIN : 02662511) is a B. Sc and a qualified Cost Accountant and has rich experience of above forty years in accounts, finance, costing, budgeting, management accounting etc.

(2) Past remuneration: Rs. 1 Crore per annum as on 31 March, 2021.

(3) Recognition or awards: Nil

(4) Job profile and his suitability: He looks after overall financial Accounting, Control, Management in Accounting, Cash Flow analysis etc. He with his vast experience is competent to handle the job.

` (5) Remuneration proposed: As set out in Item No. 7 of the Notice of the Annual General Meeting.

(6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of her origin): His remuneration is in line with that drawn by his peers in Industry.

(7) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any: None

III. Other information:

(1) Reasons for inadequate profits:
The Company suffered loss largely on account of unprecedented rise in material cost, escalation in scheme cost, supply chain problem etc. and achieving lower number as compared to budget owing to impact of Covid -19 pandemic as well as market slow down.

(2) Steps taken or proposed to be taken for improvement:
Many corrective actions have been taken including cost control, reduction in avoidable manpower etc.

(3) Expected increase in productivity and profits in measurable terms:
Production & Sales are expected to increase. The Company has also taken action for localization of electronic controllers - this is a major import substitution. AC Plant production is ramped up gradually as demand rising due to heatwave across the country.

However, it is extremely difficult to forecast any profit numbers under this extreme uncertain situation.

IV. Disclosures:

The required disclosures are given in the Report on Corporate Governance annexed to the Directors' Report.

Mr. Prabir Chatterjee shall perform such duties and exercise such powers as are entrusted to him by the Board.

No director, Key managerial personnel or their relatives, except Mr. Prabir Chatterjee to whom resolution relates are concerned or interested, financially or otherwise, in the proposed resolution.

The board recommends the Resolutions set forth in item no. 7 for the approval of shareholders of the Company.

Resolution no. 8

Mr. Rajshankar Ray (DIN: 03498696), aged 53 years was appointed as Managing Director & CEO of Appliances Division of the Company by the shareholders of the Company at the Annual General Meeting held on 6 August 2021 for a period of five years with effect from 30.10.2020.

At the recommendation of Nomination & Remuneration Committee, Mr. Ray drawn remuneration from 1 April, 2021 to 31 March 2022 as under :

Remuneration :

a) **Salary :** Rs. 5,53,710/- (Rupees Five Lacs Fifty Three Thousand Seven Hundred Ten only) per month.

b) **HRA :** Rs 2,76,860 /- (Rupees Two Lacs Seventy Six Thousand Eight Hundred Sixty only) per month.

c) **Special Personal Allowance (SPA):** Rs. 1,68,410/- (Rupees One Lac Sixty Eight Thousand Four Hundred Ten only) per month.

d) **Additional SPA :** Rs. 38,009/- (Rupees Thirty Eight Thousand Nine only) per month.

e) **Other allowances :** Rs. 2,550/- (Rupees Two Thousand Five Hundred Fifty Only)

f) **Medical Reimbursement :** As per the rules of the Company.

g) **Leave Travel Allowance :** For self and family once in a year incurred in accordance with the Rules of the Company.

h) **Personal Accident Insurance :** As per the rules of the Company.

i) **Car :** Provision of car for use on Company's Business will not be considered as perquisite. However, use of car for private purpose will be billed by the Company.

j) **Telephone :** Company will reimburse expenses in connection with telephone at residence & mobile connections used for official purposes as per the rules of the Company.

Explanation : For the purpose of this part, 'family' means the spouse, the dependent children and dependent parents.

Other Benefits :

i) **Gratuity :** As per the rules of the Company.

ii) **Contribution to the Provident Fund, National Pension Scheme :** As per the rules of the Company.

iii) **Encashment of leave :** As per the rules of the Company.

Apart from the aforesaid remuneration, he will be entitled to variable incentive pay not exceeding of Rs. 30 Lacs per year and reimbursement of all expenses incurred in connection with the business of the Company.

The appointee shall not be entitled to any sitting fees for Board / Committee meetings.

The said perquisites and allowances shall be evaluated, wherever applicable, as per the provisions of Income Tax Act,1961 or any rules thereunder or any statutory modifications or re-enactment thereof; and in the absence of any such rules, perquisite and allowances shall be evaluated at actual cost. The Company's contribution to Provident Fund, National Pension Scheme, gratuity payable and encashment of leave to the extent these singly or together are not taxable under the Income Tax law, shall not be included for the purpose of computation of the overall ceiling of remuneration.

Considering, his vast experience and association with the Company and on the recommendation of Nomination and Remuneration Committee of the Company, the Board of Directors of the Company vide its meeting held on 28 May, 2022 decided to waive the excess managerial remuneration of Rs. 30,21,867/- as was paid to him during the financial year 2021-2022 and the resolution for such waiver is proposed for your approval. The Company is not in default of payment to any bank, financial institutions or any other secured creditor. The Company does not have any debenture holders.

Information pertaining to Section II in Part II of Schedule V are as follows :

I. General Information:

(1) Nature of industry:
The Company is at present engaged in the business of manufacturing of diverse parts and accessories for motor vehicles etc. and Home Appliances Products.

(2) Date or expected date of commencement of commercial production:
The Company was incorporated on 9 September, 1974. It commissioned its commercial production in 1974.

(3) In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus : Not applicable

(4) Financial performance based on given indicators:

Particulars	**2021-22 (Rs. In lacs)**
Revenue from operations	3,33,900
other income	1,814
Sub-total	3,35,714
Total Expenditure (Before interest and depreciation)	3,28,895
PBDIT	6819
PBDIT%	2.03%
Profit/(Loss) After Tax	(5121)

(5) Foreign investments or collaborations, if any : None

II. Information about the appointee:

(1) Background details:

Mr. Rajshankar Ray (53), B. Tech, Mechanical Engg, IIT, Kharagpur. He has more than 30 years of comprehensive experience in Factory Management, Sales, Project Management and in diversified operational areas including cost & management Controls, Strategic Management, Corporate Governance, Risk Management, SAP, inventory and debtor control etc.

(2) Past remuneration: Rs. 99.25 lakhs per annum as on 31 March, 2021.

(3) Recognition or awards: Nil

(4) Job profile and his suitability: He is the Managing Director and CEO of HAD. He with his vast experience is competent to handle the job.

(5) Remuneration proposed: As set out in Item No. 8 of the Notice of the Annual General Meeting.

(6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of her origin): His remuneration is in line with that drawn by his peers in Industry.

(7) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any: None

III. Other information:

(1) Reasons for inadequate profits:
The Company suffered loss largely on account of unprecedented rise in material cost, escalation in scheme cost, supply chain problem etc. and achieving lower number as compared to budget owing to impact of Covid -19 pandemic as well as market slow down.

(2) Steps taken or proposed to be taken for improvement:
Many corrective actions have been taken including cost control , reduction in avoidable manpower etc.

(3) Expected increase in productivity and profits in measurable terms:
Production & Sales are expected to increase. The Company has also taken action for localization of electronic controllers - this is a major import substitution. AC Plant production is ramped up gradually as demand rising due to heatwave across the country.

However, it is extremely difficult to forecast any profit numbers under this extreme uncertain situation.

IV. Disclosures:

The required disclosures are given in the Report on Corporate Governance annexed to the Directors' Report.

Mr. Rajshankar Ray shall perform such duties and exercise such powers as are entrusted to him by the Board.

No director, Key managerial personnel or their relatives, except Mr. Rajshankar Ray to whom resolution relates are concerned or interested, financially or otherwise, in the proposed resolution.

The board recommends the Resolutions set forth in item no. 8 for the approval of shareholders of the Company.

Resolution No. 9

Mr. Partha Sen (DIN: 07547244), aged 69 years was appointed as Managing Director & CEO of Engineering Division of the Company by the shareholders of the Company at the Annual General Meeting held on 6 August, 2021. Due to personal reason Mr. Sen resigned from the post of Whole-time Director of the Company with effect from 31 Decmber, 2021.

At the recommendation of Nomination & Remuneration Committee, Mr. Sen drawn remuneration from 1 April, 2021 to 31 December, 2021 as under :

Remuneration :

a) **Salary :** Rs. 4,75,005/- (Rupees Four Lacs Seventy Five Thousand Five only) per month.

b) **HRA :** Rs 2,37,510/- (Rupees Two Lacs Thirty Seven Thousand Five Hundred Ten only) per month.

c) **SPA :** Rs. 1,69,154/- (Rupees One Lac Sixty Nine Thousand One Hundred Fifty Four only) per month.

Other Benefits :

i) **Encashment of leave :** As per the rules of the Company.

Apart from the aforesaid remuneration, he will be entitled to variable incentive pay not exceeding of Rs. 10 Lacs per year and reimbursement of all expenses incurred in connection with the business of the Company.

The above remuneration paid to Mr. Partha Sen exceeded the limits prescribed in the provisions of Section 197, 198 read with Schedule V to the Companies Act, 2013 due to inadequate profits of the Company for the year ended 31 March, 2022. Considering, his vast experience and association with the Company, the Board of Directors of the Company decided to waive the recovery of excess managerial remuneration of Rs. 33,60,537 which was paid to him during the period April 1, 2021 to December 31, 2021 and accordingly the resolution for waiver of recovery of excess managerial remuneration as paid to him during this period is proposed for your approval. The Company is not in default of payment to any bank, financial institutions or any other secured creditor. The Company does not have any debenture holders.

Information pertaining to Section II in Part II of Schedule V are as follows :

I. General Information:

(1) Nature of industry:
The Company is at present engaged in the business of manufacturing of diverse parts and accessories for motor vehicles etc. and Home Appliances Products.

(2) Date or expected date of commencement of commercial production:
The Company was incorporated on 9 September, 1974. It commissioned its commercial production in 1974.

(3) In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus : Not applicable

(4) Financial performance based on given indicators:

Particulars	**2021-22 (Rs. In lacs)**
Revenue from operations	3,33,900
other income	1,814
Sub-total	3,35,714
Total Expenditure (Before interest and depreciation)	3,28,895
PBDIT	6,819
PBDIT%	2.03%
Profit/(Loss) After Tax	(5,121)

(5) Foreign investments or collaborations, if any : None

II. Information about the appointee:

(1) Background details:

Mr. Partha Sen (69), B.Tech (Hons) in Chemical Engg. IIT KGP, MS in Chemical Engg. and material Science from Syracuse University, New York, USA. He has more than 45 years of comprehensive experience in Manufacturing in diversified operational areas including Supply Chain Management, Cost & management Controls, Strategic Planning and Management, Corporate Governance, Risk Management, inventory and debtor controls etc.

(2) Past remuneration: Rs. 1.02 Crore per annum as on 31 March, 2021.

(3) Recognition or awards: Nil

(4) Job profile and his suitability: He looks after overall financial Accounting, Control, Management in Accounting, Cash Flow analysis etc. He with his vast experience is competent to handle the job.

(5) Remuneration proposed: As set out in Item No. 9 of the Notice of the Annual General Meeting.

(6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person

(in case of expatriates the relevant details would be with respect to the country of her origin): His remuneration is in line with that drawn by his peers in Industry.

(7) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any: None

III. Other information:

(1) Reasons for inadequate profits:
The Company suffered loss largely on account of unprecedented rise in material cost, escalation in scheme cost, supply chain problem etc. and achieving lower number as compared to budget owing to impact of Covid -19 pandemic as well as market slow down.

(2) Steps taken or proposed to be taken for improvement:
Many corrective actions have been taken including cost control , reduction in avoidable manpower etc.

(3) Expected increase in productivity and profits in measurable terms:
Production & Sales are expected to increase. The Company has also taken action for localization of electronic controllers - this is a major import substitution. AC Plant production is ramped up gradually as demand rising due to heatwave across the country.

However, it is extremely difficult to forecast any profit numbers under this extreme uncertain situation.

IV. Disclosures:

The required disclosures are given in the Report on Corporate Governance annexed to the Directors' Report.

No director, Key managerial personnel or their relatives, except Mr. Partha Sen to whom resolution relates are concerned or interested, financially or otherwise, in the proposed resolution.

The board recommends the Resolutions set forth in item no. 9 for the approval of shareholders of the Company.

Resolution no. 10

Mr. Amar Singh Negi (DIN: 008941850), aged 62 years was appointed as Executive Director – Service Business Head of the Company by the shareholders of the Company at the Annual General Meeting held on 6 August 2021 for a period of five years with effect from 30.10.2020.

At the recommendation of Nomination & Remuneration Committee, Mr. Negi drawn remuneration from 1 April, 2021 to 31 March 2022 as under :

Remuneration :

a) **Salary :** Rs. 4,90,395/- (Rupees Four Lacs Ninety Thousand Three Hundred Ninety Five only) per month.

b) **HRA :** Rs. 2,45,200/- (Rupees Two Lacs Forty Five Thousand Two Hundred only) per month.

c) **Special Personal Allowance (SPA) :** Rs. 1,20,487/- (Rupees One lac Twenty Thousand Four Hundred Eighty Seven only) per month.

d) **Additional SPA :** Rs. 34,689/- (Rupees Thirty Four Thousand Six Hundred Eighty Nine only) per month.

e) **Other allowances :** Rs. 2,550/- (Rupees Two Thousand Five Hundred Fifty only) per month.

f) **Medical Reimbursement :** As per the rules of the Company.

g) **Leave Travel Allowance :** For self and family once in a year incurred in accordance with the Rules of the Company.

h) **Personal Accident Insurance :** As per the rules of the Company.

i) **Car :** Provision of car for use on Company's Business will not be considered as perquisite. However, use of car for private purpose will be billed by the Company.

j) **Telephone :** Company will reimburse expenses in connection with telephone at residence & mobile connections used for official purposes as per the rules of the Company.

Explanation : For the purpose of this part, family' means the spouse, the dependent children and dependent parents.

Other Benefits :

i) **Gratuity :** As per the rules of the Company.

ii) **Contribution to the Provident Fund, Superannuation Fund or Annuity Fund :** As per the rules of the Company.

iii) **Encashment of leave :** As per the rules of the Company.

Apart from the aforesaid remuneration, he will be entitled to variable incentive pay not exceeding of Rs. 30 Lacs per year and reimbursement of all expenses incurred in connection with the business of the Company.

The above remuneration paid to Mr. Amar Singh Negi exceeded the limits prescribed in the provisions of Section 197, 198 read with Schedule V to the Companies Act, 2013 due to inadequate profits of the Company for the year ended 31 March, 2022. Considering, his vast experience and association with the Company, the Board of Directors of the Company decided to waive the recovery of excess managerial remuneration of Rs. 2,59,013 which was paid to him during the period April 1, 2021 to 31 March, 2022 and accordingly the resolution for waiver of recovery of excess managerial remuneration as paid to him during this period is proposed for your approval. The Company is not in default of payment to any bank, financial institutions or any other secured creditor. The Company does not have any debenture holders.

Information pertaining to Section II in Part II of Schedule V are as follows :

I. General Information:

(1) Nature of industry:

The Company is at present engaged in the business of manufacturing of diverse parts and accessories for motor vehicles etc. and Home Appliances Products.

(2) Date or expected date of commencement of commercial production:

The Company was incorporated on 9 September, 1974. It commissioned its commercial production in 1974.

(3) In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus : Not applicable

(4) Financial performance based on given indicators:

Particulars	**2021-22 (Rs. In lacs)**
Revenue from operations	3,33,900
other income	1,814
Sub-total	3,35,714
Total Expenditure (Before interest and depreciation)	3,28,895
PBDIT	6,819
PBDIT%	2.03%
Profit/(Loss) After Tax	(5,121)

(5) Foreign investments or collaborations, if any : None

II. Information about the appointee:

(1) Background details:

Mr. Amar Singh Negi (61), obtained Four Years Post diploma in Electrical Engg from YMCA Institute of Engineering Faridabadin 1982, with specialization in Electrical Machines and Power apparatus. He has more than 38 years of experience in variousfields including service operations.

(2) Past remuneration: Rs. 75.15 Lacs per annum as on 31 March, 2021.

(3) Recognition or awards: Nil

(4) Job profile and his suitability: He looks after overall financial Accounting, Control, Management in Accounting, Cash Flow analysis etc. He with his vast experience is competent to handle the job.

(5) Remuneration proposed: As set out in Item No. 10 of the Notice of the Annual General Meeting.

(6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of her origin): His remuneration is in line with that drawn by his peers in Industry.

(7) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any: None

III. Other information:

(1) Reasons for inadequate profits:

The Company suffered loss largely on account of unprecedented rise in material cost, escalation in scheme cost, supply chain problem etc. and achieving lower number as compared to budget owing to impact of Covid -19 pandemic as well as market slow down.

(2) Steps taken or proposed to be taken for improvement:

Many corrective actions have been taken including cost control, reduction in avoidable manpower etc.

(3) Expected increase in productivity and profits in measurable terms:

Production & Sales are expected to increase. The Company has also taken action for localization of electronic controllers - this is a major import substitution. AC Plant production is ramped up gradually as demand rising due to heatwave across the country.

IV. Disclosures:

The required disclosures are given in the Report on Corporate Governance annexed to the Directors' Report.

No director, Key managerial personnel or their relatives, except Mr. Amar Singh Negi to whom resolution relates are concerned or interested, financially or otherwise, in the proposed resolution.

The board recommends the Resolutions set forth in item no. 10 for the approval of shareholders of the Company.

Resolution no. 11

The Board, on the recommendation of the Nomination and Remuneration Committee has recommended for approval of members, the reappointment of Mr. Chacko Joseph as Independent Director of the Company for second term of five consecutive years with effect from 2 November 2022, in terms of Section 149 and other applicable provisions read with Schedule IV of the Companies Act, 2013, or any amendments thereto or modification thereof (" the Act") and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Notice under Section 160 of the Act proposing the reappointment of Mr. Chacko Joseph has been received. Requisite consent pursuant to Section 152 of the Act, has been filed by Mr. Joseph.

Mr. Joseph (62) a Chartered Accountant, superannuated in July 2019 from Tata Steel as Chief Financial Controller (Business Analysis and Group Reporting). Mr. Joseph has 37 years of qualitative experience in overseeing financial operations encompassing Financial Reporting, Strategic Financial Reporting, Project Financing, Budgeting, Finance & Accounting, Auditing, International Business and System Implementations for companies under the TATA Group.

The details of his other Directorship and memberships in other companies/committees are provided in the "Annexure" to the Notice.

In the view of your Board, the association of Mr. Joseph and the rich experience he brings with him, would benefit the Company. Declaration has been received from Mr. Joseph that he meets the criteria of Independence prescribed under Section 149 of the Act read with the Companies (Appointment and qualification of Directors) Rules, 2014 and Regulation 16 of SEBI (LODR) Regulations, 2015. In the opinion of your Board Mr. Joseph fulfills the conditions specified in the Act, the Rules thereunder and the Listing Regulations for reappointment as Independent Director and he is Independent of the Management of the Company. Mr. Joseph does not hold any share in the Company in his individual capacity.

No director, Key managerial personnel or their relatives, except Mr. Chacko Joseph to whom resolution relates are concerned or interested,financially or otherwise, in the proposed resolution. The board recommends the Resolution set forth in item no 11 for the approval of shareholders the Company.

Resolution no. 12

The board on the recommendation of the Audit Committee has approved the appointment and remuneration of the Cost Auditors to conduct the audit of the cost records of the company for the financial year ended March 31, 2023 at a fee of Rs. 8,00,000.

In accordance with the provisions of Section 148 of the Companies Act read with the Companies (Audit and Auditors) Rules 2014, the remuneration payable to Cost Auditors require ratification by the shareholders of the company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at item no 12 of the notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31 March 2023.

No director, Key managerial personnel or their relatives are concerned or interested in the proposed resolution. The board recommends the Resolution set forth in item no 12 for the approval of shareholders of the Company.

Registered Office :
14, Taratolla Road
Kolkata - 700 088
CIN : L51109WB1974PLC029637
E-mail : investors@ifbglobal.com
Website : www.ifbindustries.com

Place : Kolkata
Date : 28 May, 2022

By Order of the Board

G Ray Chowdhury
Company Secretary
Membership No. : A8529

Details of Directors seeking appointment/ reappointment in Annual General Meeting (in pursuance of Clause 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Name of Director	**Mr. Sudip Banerjee**	**Mr. Amar Singh Negi**	**Mr. Bijon Bhushan Nag**	**Mr. Chacko Joseph**
Date of birth	01.02.1960	02.06.1960	16.08.1942	22.06.1959
Nationality	Indian	Indian	Indian	Indian
Date of first appointment on the board	04.04.2012	30.10.2020	01.04.1975	02.11.2019
Qualification	Graduate in Economics(H), Diploma in Management (AIMA)	Four Years Post diploma in Electrical Engg from YMCA Institute of Engineering Faridabad in 1982, specialization in Electrical Machines and Power apparatus.	Mechanical Engineer	Chartered Accountant
Experience in functional area	Business Executive	He has more than 39 years of experiencein various fields including Service Management etc.	A prominent Industrialist having more than five decades of vast experience in machine tool and engineering industries.	37 years rich experience in overseeing financial operations encompassing Financial Reporting, Strategic Financial Reporting, Project Financing etc.
Relationship with other Directors	Not related to any Director.	Not related to any Director.	He is related to Mr. Bikramjit Nag and not related to any other Director.	Not related to any Director
Shareholding in the Company including shareholding as a beneficial owner	Nil	20,000	157869	Nil
List of directorship held in other listed companies	Larsen & Toubro Infotech Ltd. Kesoram Industries Ltd. L & T Technology Services Ltd.	Nil	IFB Agro Industries Limited.	Nil
Committee membership in other listed companies	Kesoram Industries Ltd. – Member of Audit Committee L & T Technology Services Ltd. – Member of Stakeholders Relationship Committee and CSR Committee	Nil	Nil	Nil
Resignation from the directorship of the listed companies in the past three years	Larsen & Toubro Infotech Ltd.	Nil	Nil	Nil
Skills and capabilities required for the role and the manner in which the proposed person meets such requirements	NA	NA	NA	Mr Chacko Joseph a Chartered Accountant, superannuted in July 2019 from Tata Steel as CFO (Business Analysis and Group Reporting). Mr. Joseph has 37 years of qualitative experience in Financial Reporting, Strategic Financial Reporting, Project Financing. His knowledg and overall experience shall help the Company.

DIRECTORS' REPORT to the Members

To the Members,

The Directors have pleasure in presenting before you the forty Sixth Annual Report of the Company together with the Audited Financial Statements of the Company for the year ended 31 March 2022.

FINANCIAL RESULTS

The performance during the period ended 31 March 2022 has been as under:

Rs. in Crores

Particulars	Standalone		Consolidated	
	2021-22	2020-21	**2021-22**	2020-21
Total revenue	**3357.14**	2753.41	**3433.47**	2823.16
Profit before depreciation/amortisation, finance costs and tax	**68.19**	227.69	**73.55**	232.24
Less : Finance costs	**31.46**	30.51	**31.76**	30.91
Less : Depreciation and amortization	**113.45**	100.41	**115.45**	102.42
Profit/(Loss) before Tax	**(76.72)**	96.77	**(73.66)**	98.91
Less : Current Tax	**(3.41)**	37.38	**(3.40)**	37.63
Less Deferred Tax (net)	**(22.10)**	(2.83)	**(22.10)**	(2.83)
Profit/(Loss) after Tax	**(51.21)**	62.22	**(48.16)**	64.11
Other comprehensive income/(loss)				
Items that will not to be classified to profit or loss –				
- Re measurements of defined benefit plan	**0.97**	(0.68)	**0.97**	(0.68)
- Income tax relating to items that will not be reclassified to profit or loss	**(0.34)**	0.25	**(0.34)**	0.25
Items that will reclassified to profit or loss –				
- Exchange differences in translating the financial statements of foreign operations	**–**	–	**(0.09)**	(0.14)
- Income tax relating to items that will be reclassified to profit or loss	**–**	–	**–**	–
Other comprehensive income/(loss)	**0.63**	(0.43)	**0.54**	(0.57)
Total comprehensive income/(loss) for the year	**(50.58)**	61.79	**(47.62)**	63.54
- Owners of the parents	**NA**	NA	**(47.62)**	63.54
- Non-controlling interests	**NA**	NA	**NA**	NA

Consolidated figure includes standalone figure and figure of Global Automotive & Appliances Pte. Ltd. (GAAL), a wholly owned subsidiary company and step down subsidiary company, Thai Automotive & Appliances Ltd. (TAAL).

OPERATIONS - Standalone

Your Company completed year 2021-22 on a moderate growth on revenue terms, however suffered loss of Rs. 76.72 Crores at PBT level. The net revenue from operations grew by 22.2% to Rs. 3339 Crores. The profit before depreciation, finance cost and tax as compared to last year reduced by 70.1% to Rs. 68.19 Crores. The reduction in margin is largely on account of hike in material cost, scheme cost, employee costs, overheads and achieving lower number as compared to plan due to Covid-19 etc.

OPERATIONS - Consolidated

Net revenue from operations on consolidated basis increased by 21.9% to Rs. 3415.38 Crores. Profit before depreciation, finance cost and tax on consolidated basis as compared to last year dropped by 68.3% to Rs. 73.55 Crores.

DIVIDEND

Your Directors have decided not to recommend any dividend for the financial year under review to conserve resources for working capital, capital expenditure projects, acquisition etc.

TRANSFER TO RESERVE

The company does not propose to transfer any amount to Reserve.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

As required under Listing Obligations and Disclosure Requirements Regulations (LODR Regulations), 2015, the Management Discussion and Analysis Report is enclosed as a part of this report.

CHANGE IN THE NATURE OF BUSINESS OF THE COMPANY

During the year under review, there is no change in the nature of the business operations of the Company.

CORPORATE GOVERNANCE AND SHAREHOLDERS INFORMATION

Your Company has always taken adequate steps to adhere to all the stipulations laid down in LODR Regulations, 2015. A report on Corporate Governance is included as a part of this Annual Report. Certificate from the Statutory Auditors of the company M/s. Deloitte Haskins & Sells, Chartered Accountants confirming the compliance with the conditions of Corporate Governance as stipulated under Listing Obligations & Disclosure Requirements, Regulations, 2015 (LODR) is included as a part of this report.

LISTING WITH STOCK EXCHANGES

The Company confirms that it has paid the Annual Listing Fee for the year 2022-23 to NSE, BSE & CSE where the Company's Shares are listed. The company applied for delisting from CSE which is pending before them.

DEMATERIALISATION OF SHARES

98.27% of the company's paid up Equity Share Capital is in dematerialized form as on 31 March, 2022 and balance 1.73% is in physical form. The Company's Registrars is M/s. C.B. Management Services Pvt. Ltd., having their registered office at P-22, Bondel Road, Kolkata- 700 019. The entire shareholding of the promoters' and promoters' group are in dematerialized form.

NUMBER OF BOARD MEETINGS HELD

The Board of Directors duly met six times during the financial year from 01 April 2021 to 31 March 2022. The dates on which the meetings were held are as follows :

14 June 2021, 7 August 2021, 30 October 2021, 31 December 2021, 1 February 2022 and 29 March 2022.

DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

Mr. Rajshankar Ray (DIN 03498696) and Mr. Amar Singh Negi (DIN 08941850) were appointed on the Board as Managing Director and CEO of Appliances Division and Executive Director – Service Business Head respectively of the Company for a period of 5 years with effect from 30 October 2020.

Mr. Ashok Bhandari (DIN 00012210) an Independent Director of the Company was re-appointed for second term of five consecutive years with effect from 30 January 2021 and the same was approved by the shareholders at the 45 AGM of the Company held on 6 August 2021.

Mr. Desh Raj Dogra (DIN 00226775) reappointed as Independent Director for a further period of five years and Mr. Biswadip Gupta (DIN 00048258) reappointed as Independent Director for a further period of four years, passed by shareholders of the Company through Postal Ballot dated 25 March 2022.

Mr. Harsh Vardhan Sachdev (DIN 06385288) appointed as Managing Director & CEO of Engineering Division of the Company for a period of three years, passed by shareholders of the Company through Postal Ballot dated 25 March 2022.

Mr. Prabir Chatterjee (DIN 02662511) reappointed as Whole-time Director and CFO of the Company for a further period of two years, passed by shareholders of the Company through Postal Ballot dated 25 March 2022.

Mr. Sudip Banerjee (DIN 05245757) retires by rotation and being eligible offers himself for reappointment.

Mr. Amar Singh Negi (DIN 08941850) retires by rotation and being eligible offers himself for reappointment.

The three years term as an Independent Director of Mr. Chacko Joseph (DIN 07528693) will expire on 1 November 2022. Based on recommendation of Nomination and Remuneration Committee, it is proposed to re-appoint him for second term of five consecutive years with effect from 2 November 2022.

Mr. Bijon Bhushan Nag (DIN 00756995), Chairman of the Company was re-appointed for a further period of two years w.e.f 1 June, 2020 and the same was approved by the shareholders at the 44 AGM of the Company held on 4 September, 2020. The existing term of Mr. Nag will expire on 31 May, 2022. It is proposed to re-appoint him for a term of two years and the concerned resolutions for approval of his appointment are proposed for approval of the members.

During the year under review, Mr. Partha Sen ceased to be Director with effect from 31 December, 2021 due to resignation. The Board took on record its deep sense of appreciation rendered by him during the tenure of his directorship.

Brief particulars and expertise of all the directors seeking appointment/re-appointment together with their other Directorship and Committee membership have been given in the annexure to the notice of the Annual General Meeting.

During the year under review, there is no other change in KMP of the Company.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, Directors of your Company hereby state and confirm that:

a) in the preparation of the annual accounts for the year ended 31 March 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures;

b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for the same period;

c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

d) they have prepared the annual accounts on a going concern basis;

e) they have laid down internal financial controls in the company that are adequate and were operating effectively;

f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and these are adequate and are operating effectively.

DECLARATION BY INDEPENDENT DIRECTORS

All the Independent Directors have submitted a declaration that each of them meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 along with Rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations. In the opinion of Board there has been no change in the circumstances affecting their status as independent directors of the Company. The Independent Directors have also confirmed the compliance pertaining to their enrolment with the databank of the independent directors maintained by The Institute of Corporate Affairs in terms of Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014. The declaration was placed and noted by the Board in its meeting held on 28 May 2022.

REMUNERATION POLICY

A Nomination and Remuneration Policy has been formulated pursuant to the provisions of Section 178 and other applicable provisions of the Companies Act, 2013 and rules there to and Regulation 19 of SEBI (LODR) Regulation 2015 stating therein the Company's policy on Directors/ Key Managerial Personnel/other employees appointment and remuneration by the Nomination and Remuneration Committee and approved by the Board of Directors. The said policy may be referred to on company's website at www.ifbindustries.com/Legal/Policies. As a part of the policy, the Company strives to ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors / KMPs of the quality required to run the company successfully; Relationship between remuneration and performance is clear and meets appropriate performance benchmarks.

ANNUAL EVALUATION OF BOARD'S PERFORMANCE

The Board of Directors has carried out an annual evaluation of its own performance, board committees, and individual directors pursuant to the provisions of the Act and SEBI Listing Regulations.

The performance of the board was evaluated by the Board after seeking inputs from all the directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the Board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc.

In a separate meeting of independent directors, performance of non-independent directors, the Board as a whole and Chairman of the Company was evaluated, taking into account the views of executive directors and non-executive directors.

At the board meeting that followed the meeting of the independent directors and meeting of Nomination and Remuneration Committee, the performance of the Board, its Committees, and individual directors was also discussed. Performance evaluation of independent directors was done by the entire Board, excluding the independent director being evaluated.

AUDIT COMMITTEE

The Board has constituted an Audit Committee, the details pertaining to the composition of the audit committee are included in the report on Corporate Governance. There has been no instance during the year where recommendations of the Audit Committee were not accepted by the board.

AUDITORS' REPORT

The notes on Financial statements referred to in the Auditor's Report are self-explanatory and do not call for any further explanation. During the year under review, the Auditors did not report any matter under Section 143(12) of the Act, therefore no detail is required to be disclosed under Section 134(3)(ca) of the Act.

STATUTORY AUDITORS

At 43 Annual General Meeting held on 26 July 2019 the shareholders of the company reappointed M/s. Deloitte Haskins & Sells (Firm Registration No.: 302009E), Chartered Accountants as the Auditors of the Company for the second term of five consecutive years from the conclusion of 43rd Annual General Meeting to the conclusion of 48th Annual General Meeting. The requirement to place the matter relating to reappointment of auditors for ratification by Members at every Annual General Meeting has been done away by the Companies (Amendment) Act, 2017 with effect from 7 May 2018. Accordingly, no resolution is being proposed for ratification of reappointment of statutory auditors at the ensuing AGM and a note in respect of same has been included in the Notice for this AGM.

COST AUDITORS

Your Board has appointed M/s. MANI & Co., Cost Accountants as Cost Auditors of the Company for conducting cost audit for the financial year 2022-23. Accordingly, a resolution seeking approval of the members for ratifying the remuneration payable to Cost Auditors for financial year 2022-23 is provided in the Notice to the ensuing Annual General Meeting.

COST RECORDS

The Cost accounts and records as required to be maintained under Section 148(1) of the Act are duly made and maintained by the Company.

SECRETARIAL AUDIT

The provision of Section 204 read with Section 134(3) of the Companies Act, 2013 mandates Secretarial Audit of the Company to be done from the financial year commencing on or after 1 April 2014 by a Company Secretary in practice. The board in its meeting held on 29 March 2022 appointed Mr. Sankar Kumar Patanaik, Practising Company Secretary (Certificate of Practice no 7177) as the Secretarial Auditor for the financial year ended 31 March 2022.

According to the provision of section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Secretarial Audit Report submitted by Company Secretary in Practice is enclosed as a part of this report as **Annexure-A**. The observations of the Secretarial Auditor are self explanatory in nature and does not call for any further explanation.

SECRETARIAL STANDARDS

The Company has in place proper system to ensure compliance with the provisions of the applicable Secretarial Standards issued by The Institute of Company Secretaries of India and such systems are adequate and operating effectively.

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

Information required under section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is enclosed as a part of this report as **Annexure-B**.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

In terms of section 135 and Schedule VII of the Companies Act, 2013, the Board of Directors of your Company constituted a CSR Committee. The Committee comprises independent director, non-executive director and executive director. CSR Committee of the Board has developed a CSR Policy which has been uploaded on the website of the Company at **www.ifbindustries.com**. Your company has identified the activities covering mainly relating to

(a) Promoting education, (b) Promoting Health Care and (c) skill development programme in line with the CSR policy of the Company. The company made an expenditure of Rs. 153.83 lacs against the budgeted amount of Rs. 153.49 lacs. The complete disclosure on CSR activities in terms of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is enclosed as a part at this report as **Annexure-**C.

VIGIL MECHANISM

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company at **www.ifbindustries.com**.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All contracts/ arrangements/ transactions entered by the company during the financial year with related parties were in ordinary course of business and on an arm's length basis. During the year, the company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the company on materiality of related party transaction on which is required to be reported in Form No. AOC-2 in terms of Section 134(3)(h) read with Section 188 of the Act. The policy on materiality of related party transaction and on dealing with related party transaction as approved by the board may accessed on company's website at **www.ifbindustries.com**. There were no materially significant related party transactions which could have potential conflict with interest of the Company at large. Your directors draw attention of members to note 37 to the Financial Statements which set out related party disclosures. As required under the Companies Act, 2013, the prescribed Form AOC-2 is appended as **Annexure-D** to the Board's report.

ANNUAL RETURN

In compliance with Section 92(3) and Section 134(3)(a) of the Act read with Companies (Management and Administration) Amendment Rules, 2020, the Annual Return for FY 2021-22 in the prescribed format has been placed at the Company's website at www.ifbindustries.com.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The particulars of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

REMUNERATION RATIO OF THE DIRECTORS / KEY MANAGERIAL PERSONNEL (KMP) / EMPLOYEES

The information required pursuant to Section 197 of the Companies Act, 2013 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is enclosed as part of this report as **Annexure-E**.

The number of permanent employees on the role of the company as on 31 March 2022 is 2640.

The statement containing particulars of employees employed throughout the year and in receipt of remuneration of Rs. 1.02 crore or more per annum and employees employed for part of the year and in receipt of remuneration of Rs. 8.5 lacs or more per month, as required under Section 197(12) of the Companies Act, 2013, read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forming part of this report and is available on the website of the Company, at **www.ifbindustries.com**.

In terms of Section 136 of the Act, the said annexure is open for inspection and any member interested in obtaining a copy of the same may write to the Company to email Id investors@ifbglobal.com.

BUSINESS RESPONSIBILITY REPORT

In conformance to the requirements of the clause (f) of sub-regulation (2) of regulation 34 of Securities and Exchange Board of India (SEBI) Listing Regulations, the Business Responsibility Report for Financial Year 2021-2022 is given in as **Annexure-F** which forms part of this Report.

DIVIDEND DISTRIBUTION POLICY

The Board of Directors of IFB Industries Limited at its meeting held on May 29, 2018 has adopted this Dividend Distribution Policy (the "Policy") as required by Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") is available at our website **www.ifbindustries.com**.

DEPOSITS

During the year under review, your company has not accepted any deposit from the public / members u/s 73 of the Companies Act 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 during the year.

SHARE CAPITAL

During the year under review, no new shares were issued by the Company, therefore there was no change in the Issued and Paid-Up Share Capital of the Company. However, pursuant to the Scheme of Amalgamation the Authorized Equity Share Capital of Trishan Metals Private Limited of Rs. 2,400 lacs has been added in the Authorized Equity Share Capital of IFB Industries Limited. The enhanced Authorized Equity Share Capital of IFB Industries Limited stands at Rs. 8,900 lacs, divided into 8,90,00,000 equity shares of Rs. 10 each.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There has been no significant and material orders passed by the Regulators / Courts / Tribunals which would impact the going concerns status of the Company and its future operations.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

There has been no material changes and commitments have occurred after the closure of the year till the date of this Report, which affect the financial position of the Company.

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

As per the requirement of Sexual Harassment of Women at workplace (Prevention, Prohibition & redressal) Act, 2013, your Company has in place a Policy for Prevention of Sexual Harassment of Women at Work Place and constituted Internal Complaints Committees. No compliant has been raised during the year ended 31 March, 2022.

DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY

The Board of Directors of the Company already formed a Risk Management Committee to frame, implement and monitor the risk management plan for the Company. The Committee is monitoring and reviewing the risk management plan and ensuring its effectiveness.

Risk management is the process of minimizing or mitigating the risk. It starts with the identification and evaluation of risk followed by optimal use of resources to monitor and minimize the same. The company is exposed to several risks. They can be categorized as operational risk and strategic risk. The company has taken several mitigating actions, applied many strategies and introduced control and reporting systems to reduce and mitigate those risks.

Appropriate structures are in place to proactively monitor and manage the inherent risks in businesses with unique/ relatively high risk profiles.

An independent Internal Audit function carries out risk focused audits across all business, enabling identification of areas where risk management processes may need to be strengthened. The Audit committee of the board reviews internal audit findings on risk and provides strategic guidance on internal controls.

FAMILARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

To familiarize the Independent Directors with the strategy, operations and functions of our company, the executive directors/senior managerial employees make presentation to the Independent Directors about the company's strategy, operations, product and service offerings, markets, finance, quality etc. Independent Directors are also visiting factories and branch offices to familarise themselves with the operations of the company and to offer their specialized knowledge for improvement of the performance of the company.

Further, at the time of appointment of an Independent director, the company issues a formal letter of appointment outlining his/her role, function, duties and responsibilities as a director. The format of the letter of appointment is available at our website **www.ifbindustries.com** .

MERGER AND ACQUISITION

During the year, Hon'ble National Company Law Tribunal (NCLT), Kolkata Bench vide its order dated January 27, 2022 has approved the scheme of Amalgamation of wholly owned subsidiary Trishan Metals Private Limited (TMPL) with IFB Industries Limited (IFBIL). IFB Industries Ltd and Trishan Metals Pvt. Ltd. have filed necessary Forms with Registrar of Companies (ROC), which have been approved by ROC and thus Trishan Metals Private Limited amalgamated with IFBIL.

INSOLVENCY AND BANKRUPTCY CODE

No applicatioin has been made under the Insolvency and Bankruptcy Code; hence the requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the year along with their status as at the end of the financial year is not applicable.

VALUATION

The requirement to disclose the details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from banks on financial institutions along with the reason thereof, is not applicable.

SUBSIDIARY COMPANIES

IFB Industries Limited, has one wholly owned subsidiary company Global Automotive & Appliances Pte Ltd. (GAAL) and one step down subsidiary Thai Automotive & Appliances Ltd. (TAAL).

Wholly Owned Subsidiary Global Automotive & Appliances Pte Ltd. (GAAL) and step down subsidiary Thai Automotive & Appliances Ltd. (TAAL)

IFB Industries Ltd. acquired 100 % equity shares of GAAL during July 2017. GAAL holds 100% equity holding in TAAL. GAAL acts as a special purpose vehicle for further investment in TAAL. GAAL is also engaged in trading of Electronics Parts and semiconductors and other commodities. TAAL is engaged in the business of Fine Blanking and Conventional Blanking and its acquisition helps IFB to consolidate its position in similar type of business in Thailand.

GAAL

During the year under review, GAAL has achieved revenue of US$ 4.90 Million and made a PBT of 8.05%. GAAL estimates that market would be subdued till end of Q2 and slowly would begin to rise subsequently.

TAAL

During the year under review, TAAL has achieved turnover of 181.86 million THB, which is a 5.82% growth as compared to 171.86 million THB achieved during 2020-21. During the year the company earned PBT of 0.13 million THB as compared to PBT of 2.39 million THB achieved during 2020-21.

Consolidated financial statements of the company and its subsidiary Global Automotive & Appliances Pte Ltd have been prepared in accordance with Section 129(3) of the Companies Act, 2013. Further, the report on the performance and financial position of the subsidiary companies in the prescribed form AOC-1 is given in **Annexure-G**.

In accordance with Section 136 of the Companies Act, 2013, the audited financial statements, including the Consolidated financial statements and related information of the company and financial statement of the subsidiary companies will be available on our website at **www.ifbindustries.com**. These documents will also be available for inspection during business hours at the corporate office of company.

ACKNOWLEDGEMENT :

Directors take this opportunity to express their thanks to various departments of the Central and State Government, Bankers, Customers and Shareholders for their continued support.

The Directors wish to place on record their appreciation for the dedicated efforts put in by the Employees of the Company at all level.

For and on behalf of the Board of Directors

Bikramjit Nag
(DIN: 00827155)
Joint Executive Chairman
& Managing Director

Prabir Chatterjee
(DIN: 02662511)
Director & CFO

Place : Goa / Kolkata
Date : 28 May 2022

MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

a) Structure and Developments, Opportunities and Threats, Performance, outlook, Risks and Concerns:

The pandemic impacted the GDP in the year FY 22, which grew by 8.9 %. Some of the sectors slowed down and the automotive sector did not have any growth in FY 22. Most of the auto companies faced supply chain disruptions. Industries using any major commodity as raw materials faced a rising cost pressure.

The spike in the cost of raw materials and fuel price increase was challenging for companies. The revenue growth of Auto Component industry was estimated at 13-15 percent, driven by export volumes and a part pass through of commodity prices. The metal forming companies specifically faced rising metal price increase pressure.

The Indian auto component industry is expected to clock 5-9 % growth in FY 23, after three years of decline, supported by the gradual easing of supply-chain issues and commodity inflation in the second half of the year. The company continues to develop new products for its customers and expand its customer and segment base in order to grow its business.

The company is well a live to the possibility of changes in its existing market place and the continuation of disruption in some parts of the supply chain in its major markets. The operations at all factories and workplaces were carried out, with full protection to employees and with complete safety measures in place.

The company has a well defined process to identify risks and put mitigation measures in place. The company has and will continue to rise to the challenges which are further imposed by the Pandemic and the possibility of a third / fourth wave.

The G.O.I encourages foreign investment in the automobile sector and has allowed 100 percent FDI under the automatic route.

Going forward, with transition to BSVI and implementation of safety norms, the value-addition from the component industry is expected to progressively increase.

A transition from BS IV to BS VI, and the emerging policy on battery change for electrical vehicles continues to emerge. The Government of India has shortlisted 11 cities in the country for introduction of electric vehicles (EVs) in their public transport systems under the FAME (Faster Adoption and Manufacturing of (Hybrid) and Electric Vehicles in India) scheme.

The Government had also approved Production Linked Incentive (PLI) scheme for Automobile and Auto Component industry in India for Advanced Automotive product with a budgetary outlay of Rs 25938 Crs. Under the scheme, incentive upto 18% will be granted to encourage industry to make fresh investments in indigenous supply chain of Advanced Automotive Technology (AAT) products under PLI scheme for automotive sector. The objective of the scheme includes overcoming cost disabilities, creating economics of scale and building a robust supply chain in areas of AAT products. This scheme will facilitate the automobile industry to move up the value chain into higher value-added products, apart from generating employment.

The Engineering business faced the challenge of the second wave of the pandemic, which started in March'21 and continued till June'21. The domestic automotive sector saw a sharp decline in its production and sales during the same period. Significant increase in steel prices, and commodity prices were fresh challenges to the division. A shortage of semi-conductors also affected the automotive sector, for most part of the financial year. The rising cost of fuel was also a factor that dampened demand for automobiles. Operating margins for auto ancillaries are likely to be impacted in the near term with elevated raw material, fuel and freight cost. While the semi conductor situation has been improving in last 1-2 months, the Russia-Ukraine war could stress the globalized chip value chain.

The Engineering business put in place a strategy to deal with the changing demands of the domestic market and ensured that it developed business from new segments. Products were also targeted for the emerging Electrical vehicle space. The Plants adopted TPM to ensure that the journey of operational excellence was taken forward. The stamping business was well integrated into the existing business with a lot of common customers with the fine blanking business and would grow further in the coming financial year. The Engineering business grew by 28.5% over the previous year, despite the challenge of a steep increase in its raw materials costs and no growth in its major markets, though it faced margin pressure. The PBIDT grew by 6% over the previous year.

The issues that Engineering Division is successfully addressing include

i. Countering the reduction in demand of auto components.

ii. Strong pricing pressure from customers & competitors.

iii. Higher cost of CRC and HRC steel and other raw materials.

iv. Consistent increase in power cost.

v. Rapid increase in minimum wages.

vi. High cost for new machinery & technology.

vii. Timely Raw material availability.

viii. Fluctuations in demand forecasting by the automobile sector has created pressure in meeting inventory, debtors and margin metrics.

The Appliance Division has ended the year on a growth of 19.8% in revenue terms and achieved a turnover of Rs. 2,693.84 Crores including service income of Rs. 84.23 Crores. However, EBITDA margins reduced to Rs. 37.08 Crores, and registered a degrowth of 80.80% as compared to 2020-21. The below par condition is due to missing the targeted number in volume sales due to lock down in various states in April & May 2021, no growth in sales in November and December 2021 due to 3rd wave of Covid (omicron) and the high pressure on input material costs through out the year. Supply chain pressure on commodity pricing are a major contributor to the significant reduction in margin.

Our focus remains on the key agenda of localization for some of our high cost imports. This is a key de-risking mechanism against future currency fluctuations which has an impact on our business. Our focus on localizing manufacturing within India has resulted in a new generation of electronic components for models being manufactured in India. The work resulted in a significant portion of electronic controller imports being substituted by localized production in the washer segment. For this year, the key focus is on material cost reduction.

The Appliance Division continues to deliver a well-positioned and differentiated range of products in both domestic and industrial categories. The products include domestic washing machines, industrial washing systems (including dry cleaning and other finishing equipment like ironers etc), microwave ovens, domestic and industrial dishwashers, clothes dryers, modular kitchens, kitchen appliances (hobs, chimneys and built-in ovens), air conditioners, a range of service products etc. In Front Loaders, the company upgraded all its models with a steam feature, which helps in hygienic washing. Top Loader models with in-built heater options were ramped up in placements. The industrial laundry division of the company has added a significant product portfolio in the ~11kg semi-commercial segment which will drive business volumes and has also finished field testing a new water-less technology of washing laundry. The commercial laundry and dishwashing range of the company is unique. In addition, field trials and launch preparations were completed for the industrial washing machines through the patented Xeros technology with low water, detergent and chemical consumption. The impact of the increased forex levels and additional customs duties is also being addressed through price increases, which are regularly rolled out. The models introduced and to be introduced include a new series of front load and top load washing machines as well as new microwave models. The market continues to see launches of new models and an increasing trend of cash backs, easy finance options, including zero down payments and long-term EMI schemes.

After the lock down in most of the states in April & May 2021, demand started increasing from the 2nd quarter 2021 and remained healthy upto October 2021. There was no growth in November and December 2021 due to rapid growth of 3rd wave of Covid (Omicron). However, supply chain stresses, especially in areas of electronic components, remain high. Also, commodity prices have significantly increased in 2021-22 and continue to rise. These issues pose a serious risk to market pricing and profitability. We have taken price increases in both washers and air conditioners – these have partially offset the impact of the price increases.

Tier 2 and Tier 3 towns are seeing a significant rise in demand towards high capacity washers as well as in categories like dishwashers etc. IFB Point sales growth YTD is 10 % with a growth in conversion ratios. The new format of the IFB Points has been executed on a pilot basis in select cities. This will be extended to 7 metro cities within the 2nd quarter of 2022 - 23 and will cover 100 plus existing stores. The IFB Point count ended at 522 as on March 31, 2022. There are – 30 new stores in the pipeline.

Government Initiatives

PLI

The production linked incentive (PLI) scheme for white goods is outlined to build an end-to-end component ecosystem for ACs and LED lights, in order to make India a hub of the global supply chain. The scheme will extend benefits of 4-6% on incremental sales for five years subsequent to the base year. According to market experts, providing incentives for the manufacturing of components is the right move by government given the huge response from the Indian firms to manufacture three main air-conditioning components-compressors, copper-tubing and aluminum fins. At present, India has a market of roughly 7.5 million AC units, of which 6 million are assembled with domestic value addition making up for just one-fourth of the units. The PLI scheme has the potential of not only boosting domestic production but also of lowering the dependence of imports. The AC unit of Home Appliance Division have already initiated the process to avail incentive under PLI scheme.

Modified Special Incentive Package Scheme (MSIPS)

The Government has approved special incentive package to promote large-scale manufacturing in the Electronic system Design and Manufacturing (ESDM) sector. The scheme is called the Modified Special Incentive Package Scheme (M-SIPS). Under M-SIPS, the Government will provide subsidy of 20% on capital investments in special economic zones (SEZs) and 25% on capital investments in non-SEZs for individual companies. It also provides for reimbursement of CVD/ excise for capital equipment for the non-SEZ units. The incentives are available for investments made in a project within a period 10 years from the date of approval. The company is availing incentive under MSIPS for its washer plant in Goa and has already received Rs 17.02 crs. up to 2021-22.

The updates on the products and the relative market position of our future plans are as given hereunder:

Washing Category

Front Loaders (Domestic Segment)

The range of models is well differentiated, both by aesthetics and performance. The significant rise in commodity pricing has led to a steep increase in prices in the beginning of calendar year 2022. Q1 of 2021-22 was also affected due to second wave as there was market disruptions from mid-April 21 to end May 21. Market disruption was also noticed from Dec'21 to January'22 on account of 3rd wave. Although disruptions have been significantly less, the impact of people testing positive and restrictions in market movement have been high. The Company's key task is to increase sales volume and market share, for which two actions are being implemented. On the product front, a new feature 'Steam' has been introduced across the present range of washers. In addition, a new range of washers with inverter motor technology / WiFi development is in its final stages. We have plans to roll these out by end of 2022-23. We are also working on IoT / AI introductions and the planned roll out is by Q2 FY '22-'23. On the sales front, the product availability and placement are being driven through channel expansion, adequate manning and a drive on extraction from the distribution network as well as increase in revenue shares from the large key accounts.

Top loading washing machines (Domestic Segment)

Existing models and models with "In-built heaters / Steam", which are uniquely differentiated in the 6.5 to 11 Kg segments, have been well received in the market. The company ensured that these models were made available for placement and sale across all market channels, though there were some supply chain constraints of critical items. We are also introducing the "steam" feature in select models in this category. There is an increasing demand for models of higher capacities, which has been a consistent trend in the financial year.

Clothes Dryers and Dishwashers (Domestic Segment)

This category will partially move to Washer Dryer segment, post the ramp up of the Company's Washer- Dryer-Refresher. Value growth in this category was 15%.

The Domestic Dishwasher segment has seen a positive growth for the IFB brand. We have improved our shares and are leading the market. In terms of placement, we are now placed in- 3,000 plus counters. We are driving placements in the distribution network to a level of – 4,500 plus counters. Our aim remains to sell – 75-100 K plus dishwashers per annum.

Dish washing and Laundry Equipment (Industrial Segment)

Our customers are from verticals like Hotels, Educational Institutions, Medical Institutions, Defence, Pharmaceuticals, Railways etc. They have been using our laundry equipment which serve them with better reliability and durability. The IFB product range services all needs- from washing to finishing, with the help of equipment like Washer Extractors, Tumble Driers, Flat work ironers, Folders, Body Presses, Dry Cleaning Machine, other accessories etc. The new Xeros technology enabled washer extractors be ramped up and will offer significant savings in water, power and energy consumption- with additional savings on fabric by increasing its life almost twice over, especially for hoteliers. In the Laundry segment, the 11 kg variants which was launched in 2021-22, has started giving a very good response in the market. The Company continues to enjoy dominant market share across all customer segments. During 2021-22, the Government Sector business was very low - contributing only 2-3%. The Company's efforts will be to increase our presence in Defence and other sector business. We have also started focusing on the export business in high potential markets like Middle East, Maldives etc.

The Revenue in both the industrial categories have been lower as all major institutions such as Colleges, Hotels and Restaurants have been shut over last few quarters. We expect a turnaround in the demand scenario.

Kitchen Appliances

In this category, the range includes products like chimneys, hobs and built-in-ovens. These are products which are aspiration led- and with the modernizing of the Indian kitchens and the rising disposable incomes- your company expects significant growth from these products in the medium term of 2-3 years.

Built-in Ovens, cooker hoods and Hobs

The Kitchen Appliances built-in segment has been significant value growth of around 52 % for the year ended 31st March 2022, as compared to last year. In terms of product placement, we could place this product in 460 MBO counters at the end of March 31, 2022 along with 522 plus IFB points. IFB Points account for – 50% of sales in this category. The Company is investing in full range product displays to increase its presence in multi-brand outlets. The Kitchen Appliances category is a key segment for expansion and is also accretive to margins. Our target is to achieve monthly sales of Rs 5 crore by the end Q2 of the new fiscal year. In this category we were not able to meet the demand due to the shipping crisis and the pandemic-led situation at suppliers' end, however the same has been resolved now.

Microwave Ovens

IFB continues to be a dominant player in this category. The key delivery targets ahead are to address the new model introductions, including models with new technology for automating and improving the cooking process. Availability issues are fixed now and will continue to work on using the new ranges to drive placements and volumes.

Modular Kitchens

'Renovation Kitchen' and 'Builder Line' solutions were introduced in 2021-22. The Builder Line order book at end of 2021-22 is ~Rs 300 lakhs worth of kitchens across Goa and Bangalore and will be executed in Q1 and Q2 of the new fiscal year. The overall order book for retail kitchens in Goa and Bangalore has been increasing in the last two Quarters and is now ~ Rs 350 lakhs as of end March, 2022. Marketing initiatives have been launched for both the allied channel and end customers to increase both leads and conversions.

This is a segment in which we have not delivered the desired results and our processes and operating structures are key focus areas for business delivery as committed.

The IFB design offering for this category is of high quality with unique customer offerings. The products are well priced and include attractive EMI offers and an enabling range of accessories for the various storage modules.

Cooling category

Air conditioner

Our range of Air conditioners are energy efficient and deliver superior performance at high ambient temperatures. The IFB range is uniquely placed in the market, with features such as 58 degrees compliant compressors across all models with green gas and copper piping features designed for high-end performance. IFB is also unique in terms of having a complete green range of products at par with the best in the market. There is a complete change of the product range which has been introduced from February'22 onwards. This includes new capacity points like 1.6 T and 1.2 T ACs and also new 4-star ratings. Over the last year, even though volumes have been lesser than expected, the product range has been well received in the market and is differentiated and benchmarked to the best in the industry. The quality and performance levels of the product range have been acknowledged to be among best in class. The new line up from February' 2022 has strengthened the range placements in the channels of distribution, key accounts and also smaller multi-brand and SSD channels. As on date, the overall performance is not satisfactory in this product category and we need to focus on both volumes and margins in the season period of January to June 2022.

A specific, geography by geography plan has been put in place for marketing and selling ACs. We are doing this to increase market penetration for the season. We will continue to invest in brand building with the aim to grow the segment to the target level of – 225 K pa of domestic brand sales in the current FY – OEM & Export sales of 125-150 kunits over and above the domestic brand sales.

One of the key strengths for the Appliances Division is the service function and its reach to the customers. We have a total of ~1200 service franchisees across India. Currently, we have 29 service training centers, which are fully equipped to impart training on all aspects of assembly, dismantling, installation and troubleshooting of our products.

Sales of additives and accessories continue to be a key focus area and are expected to continue to contribute significantly, both to the topline and bottom line in the current year. IFB's 6 million plus customer base has a high potential for the company to generate revenues through the sale of additives and accessories. The company's own contact centers in Goa, Delhi and Bangalore - which we call "call centers" continue to be effective in issue resolution and customer feed-back / cross selling initiatives with a total manning of ~250 people as on date. IFB has also outsourced call centers at Munnar and Hyderabad. The service centers focus on out-bound calls to track and improve customer satisfaction and drive reduction in the number of pending customer issues.

In the Company's Customer Contact Program, we continue to contact customers directly and then visit them. This is increasing customer satisfaction and is also enabling higher revenues from the customer visits.

Amongst the major issues, Appliance Division is addressing are:

1. Competition is increasing. To manage this, company is in continuous process of improving its placement of products and managing multiple channels effectively.
2. The impact of significant commodity price increases, increased duties. This is being addressed through multiple projects to drop material costs.

Your company continues, in answer to the above challenges, to be focused on differentiating itself by better product range planning continuously. Local challenges are addressed as applicable and needed. We are confident of our ability to remain a dominant market share player across categories as it is now and we will keep investing in building market networks and product development capability.

Motor Division

The division started operation in 1993, producing motors for our washing machine plant in Goa. In 2019, the Motor Division acquired Automotive Motor Division from IFB Automotive Pvt. Ltd. and merged it with existing business, keeping in mind the operational synergy between the two. The Division is supplying to our Appliance Division as well as to automotive companies such as Hanon Automotive, M&M, Subros, Sanden Vikas etc. Business trends are down over last year due to lower demand from the market. We expect that the offtake from OEMs will improve. The division has made a strategy to work towards achieving energy conservation in the near future. In order to achieve this goal, all the appliance motors will be replaced by efficient BLDC motors, which will save energy and have lower noise etc. The Appliance motor Division will focus on Washing Machine and AC motors. Capex for this is under implementation. Production from new line to start in August'22. The Automotive Motor Market is picking up and we expect the business to go up substantially in the coming months with the launch of many new models. Revenue from operations increased by 46.5% and achieved a revenue of 4906 lacs. Higher material costs affected the profitability of the Division due to hike in commodity prices and the division suffered a loss of Rs 129 lacs at PBDIT level.

Steel Division

During the year, NCLT Kolkata Bench vide its order dated January 27, 2022 has approved the Scheme of Amalgamations of wholly owned subsidiary Trishan Metals Private Limited with IFB Industries Limited with appointed date April 01, 2021. Now the division is named as "Steel Division". Steel division achieved a revenue of Rs. 11,672 lacs and the division earned a gain of 93 lacs at PBDIT level.

b) Internal Control Systems and their Adequacy :

Your Management has put in place effective Internal Control Systems to provide reasonable assurance for:

- Safeguarding Assets and their usage.
- Maintenance of Proper Accounting Records and
- Adequacy and Reliability of the information used for carrying on Business Operations.

Key elements of the Internal Control Systems are as follows:

(i) Corporate policies for Financial Reporting and Accounting.

(ii) A Management information system updated from time to time as may be required.

(iii) Annual Budgets and Long-Term Business Plans.

(iv) Internal Audit System.

(v) Periodical review of opportunities and risk factors depending on the Global / Domestic Scenario and to undertake measures as may be necessary.

(vi) Application of Internal Financial Control - Your company has in place adequate internal financial controls with reference to the Financial Statements. Such controls have been tested at during the year and no reportable material weakness in the design or operations was observed. Moreover, regular review of the processes ensure that such systems are reinforced on an ongoing basis.

Over and above Company's in house Internal Audit team, the Company has appointed E&Y and Maheswari Associates to ensure compliance and effectiveness and of the Internal Control Systems.

The Audit Committee regularly reviews the Internal Audit / Internal Control Reports for the auditing carried out in all the key areas of the operations. Additionally, the Audit Committee approves all the audit plans and reports for significant issues raised by the Internal and External Auditors. Regular reports on the business development, future plans and projections are given to the Board of Directors. Internal Audit Reports are regularly circulated for perusal of Senior Management for appropriate action as required.

Normal foreseeable risks of the Company's assets are adequately covered by comprehensive insurance.

c) Financial and Operational Performance :

The Highlights of Financial Operational Performance are given below :

(Rs. In crores)

Sl. No.	Particulars	Standalone		Consolidated	
		2021-22	2020-21	**2021-22**	2020-21
1	Revenue from operations	**3339.00**	2731.33	**3415.38**	2800.80
2	Other Income	**18.14**	22.08	**18.09**	22.36
3	Sub-total	**3357.14**	2753.41	**3433.47**	2823.16
4	Total Expenditure (Before interest and depreciation)	**3288.95**	2525.72	**3359.92**	2590.92
5	PBDIT before exceptional item	**68.19**	227.69	**73.55**	232.24
6	PBDIT %	**2.03%**	8.27%	**2.14 %**	8.23%
7	Profit/ (Loss) after Tax	**(51.21)**	62.22	**(48.16)**	64.11

d) Human Resources Development and Industrial Relations :

IFB is a knowledge-driven organization and its greatest asset is the experience and skill of its employees. Recognizing that the workforce will provide critical competitive edge in its growth endeavor, IFB has laid major emphasis on recruiting, maintaining and developing its human asset base. It offer's a wide range of career development programmes including on the job training and job rotation amongst others. A highly evolved Human Resource Policy has ensured a minimal rate of attrition amongst executives.

IFB's welfare activities for employees include Medical Care, Group Insurance etc.

e) Key Financial Ratios :

Key Financial Ratios for the financial year ended 31 March 2022 to be enclosed as a part of this report as **Annexure - H**.

f) Cautionary Statement :

Statements in the Management Discussion and Analysis and Directors Report describing the Company's strengths, strategies, projections and estimates, are forward-looking statements and progressive within the meaning of applicable laws and regulations. The Actual results may vary from those expressed or implied, depending upon economic conditions, Government Policies and other incidental factors.

For and on behalf of the Board of Directors

Bikramjit Nag
(DIN: 00827155)
Joint Executive Chairman & Managing Director

Prabir Chatterjee
(DIN: 02662511)
Director & CFO

Place : Goa / Kolkata
Date : 28 May 2022

ANNEXURE - A

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members
IFB Industries Ltd.
14 Taratolla Road
Kolkata – 700 088

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **IFB Industries Ltd.** (hereinafter called the Company). Secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2022 ("Audit Period") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022 according to the provisions of:

(i) The Companies Act, 2013 ("the Act") and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act") :-

a] The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b] The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2021;

c] The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (Not applicable to the company during the audit period);

d] Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not applicable to the company during the audit period);

e] The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the company during the audit period);

f] The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

g] The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the company during the audit period); and

h] The Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018 (Not applicable to the company during the audit period).

(vi) The other laws, as informed and certified by the Management of the Company, which are specifically applicable to the Company namely:

a] The Environment (Protection) Act, 1986, read with the Environment (Protection) Rules, 1986;

b] The Water (Prevention & Control of Pollution)Act, 1974, read with Water (Prevention & Control of Pollution) Rules, 1975;

c] The Air (Prevention & Control of Pollution) Act, 1981 read with Air (Prevention & Control of Pollution) Rules, 1982;

d] The Factories Act, 1948 and allied state laws.

We have also examined compliance with the applicable clauses of the following :

(i) The Secretarial Standards (SS-1 and SS-2) issued by The Institute of Company Secretaries of India;

(ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

We report that, during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that, the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the Audit Period, the Company has not undertaken any specific events / actions that can have a bearing on the Company's compliance responsibility in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards, etc., except as follows:

1) The Hon'ble National Company Law Tribunal (NCLT), Kolkata Bench vide its order dated January 27, 2022 has approved the Scheme of Amalgamation for the merger of wholly owned subsidiary, Trishan Metals Private Limited ("Transferor Company") with IFB Industries Limited ("Transferee Company"), pursuant to sections 230 to 232 and other relevant provisions of the Companies Act, 2013 with appointed date as 1st April, 2021.

2) Alteration of Article of Association of the company for substitution of Clause 97 by special resolution passed by the shareholders of the company through Postal Ballot on 25th March, 2022.

For **Patnaik & Patnaik**
Company Secretaries
Unique Code: P2017WB064500
S. K. Patnaik
Partner
FCS No.: 5699, C.P. No.: 7117
Peer Review Cert. No. 1688/2022
UDIN: F005699D000414822

Place : Kolkata
Date : 28th May 2022

*[Note: This Report is to be read with our letter of declaration which is annexed hereto as **"Annexure –A"** and forms an integral part of this Report.]*

Annexure - A

To
The Members
IFB Industries Ltd.
14 Taratolla Road
Kolkata – 700 088.

Our Report is to be read along with this letter.

(i) Maintenance of secretarial record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

(ii) We have followed the audit practices and processes as appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

(iii) We have not verified the compliance by the Company of applicable financial laws such as direct and indirect tax laws and maintenance of financial records and books of accounts since the same have been subject to review by the statutory financial auditors, tax auditors and other designated professionals.

(iv) The status of compliance of other laws as listed at (vi) in our Report, we relied upon the statement provided by the Management.

(v) Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc.

(vi) The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. Our examination was limited to the verification of the same on test basis.

(vii) The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For **Patnaik & Patnaik**
Company Secretaries
Unique Code: P2017WB064500
S. K. Patnaik
Partner
FCS No.: 5699, C.P. No.: 7117
Peer Review Cert. No. 1688/2022
UDIN: F005699D000414822

Place : Kolkata
Date : 28th May 2022

ANNEXURE - B

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO ETC.

Information on conservation of Energy, Technology absorption, Foreign Exchange earning and outgo required to be disclosed under section 134 of the companies Act, 2013 read with Companies (Accounts) Rules, 2014 are provided hereunder:

(A)	**Conservation of Energy :**	
	1. Steps taken or impact on conservation of energy.	Energy conservation continues to receive priority attention at all levels. All the factories have implemented measures to maintain the power factor in excess of 0.97 to reduce reactive power losses. High energy illumination has been replaced by lower power consuming illumination (Eg LED lights) in the working area. We have started drive of putting variable frequency drive on rotating parts of machines. Such as blowers, pumps etc. That is through capital investments and could save a minimum of 10% power and can be even up to 40% on case to case basis. Engineering Division had installed some press automation for component evacuation which will help in reduction of Air consumption and also will help in protecting the parts from dent and damages.
	2. The steps taken by the company for utilizing alternate sources of energy.	The factories at Goa is now operating majorly with solar energy. All lighting in offices are covered by auto-shut off mode sensors – which only activate lighting when movements are traceable. As on date, nearly ~35 – 40% of demand is fed through solar energy. Areas like the paint shop have already been shifted to LPG led burners - diesel usage has been eliminated.
	3. The capital investment on energy conservation equipment.	Not significant, as work has been done over the years.
(B)	**Technology absorption :**	
	1. The efforts made towards technology absorption.	In its Home Appliance Division, the company continues to work with partners from countries like Korea, Italy, China etc. - to enhance knowledge and capability developments.
	2. The benefits derived like product improvement, cost reduction, product development or import substitution.	Localization of electronic controllers – this is a major import substitution agenda for the country – in line with the Government's 'Make in India program'. The localization of electronic controllers (and the high end inverter controllers included) for both washer and air conditioner business have been a significant Make / Design in India initiative by the company.

<table>
<tr><td></td><td></td><td>Testing and validation of products like Internet of Things (IoT), wireless controls and app-based controls for appliances. Advance Sensors Internal design teams are working on technology upgrades, cost reduction and product improvement projects on an ongoing basis. IFB has introduced Smart washing machines and also Smart ACs in its manufacturing – these come with AI capabilities.</td></tr>
<tr><td></td><td>3. 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</td><td>
The technology imported during 2019-20 includes designs for Air conditioners, with which the company will substitute imports and save foreign exchange. The technology has been fully absorbed.</td></tr>
<tr><td></td><td>b. The year of import</td><td>2019-20</td></tr>
<tr><td></td><td>c. Whether the technology been fully absorbed</td><td>Technology fully absorbed.</td></tr>
<tr><td></td><td>d. If not fully absorbed, areas where absorption has not taken place, and the reasons thereof.</td><td>–</td></tr>
<tr><td>(C)</td><td>The expenditure incurred on Research and Development.</td><td>Data provided in the table below :
<table>
<tr><th colspan="3">Expenditure on R&D</th><th>(Rs in crores)</th></tr>
<tr><th>Sl No</th><th>Particulars</th><th>2021-22</th><th>2020-21</th></tr>
<tr><td>A</td><td>Capital</td><td>3.94</td><td>0.87</td></tr>
<tr><td>B</td><td>Recurring</td><td>37.60</td><td>35.60</td></tr>
<tr><td>C</td><td>Total</td><td>41.54</td><td>36.47</td></tr>
</table></td></tr>
<tr><td>(D)</td><td>The foreign exchange earnings and Outgo.</td><td>Data provided in the table below :
<table>
<tr><th colspan="4">(Rs in crores)</th></tr>
<tr><th>Sl No</th><th>Particulars</th><th>2021-22</th><th>2020-21</th></tr>
<tr><td>A</td><td>Foreign exchange earnings</td><td>23.12</td><td>10.45</td></tr>
<tr><td>B</td><td>Foreign exchange outgo</td><td>844.25</td><td>673.32</td></tr>
</table></td></tr>
</table>

For and on behalf of the Board of Directors

Bikramjit Nag
(DIN: 00827155)
Joint Executive Chairman
& Managing Director

Prabir Chatterjee
(DIN: 02662511)
Director & CFO

Place : Goa / Kolkata
Date : 28 May 2022

ANNEXURE - C

CORPORATE SOCIAL RESPONSIBILITY

1. **Brief outline on CSR Policy of the Company.**

   The CSR Committee decided to spend amount towards promoting education, Skill development and Promoting Health programme during the year 2021-22.

   The activities undertaken are within the broad framework of Schedule VII of the Companies Act, 2013. Details of the CSR policy and activities undertaken by the Company are available on www.ifbindustries.com.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Sudip Banerjee	Chairman/Non Executive Director	2	2
2	Mr. Ashok Bhandari	Member/ Independent Director	2	2
3	Mr. Prabir Chatterjee	Member/ Executive Director	2	2

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company. –

   Composition of the CSR committee, CSR Policy etc. are available on the Company's website on www.ifbindustries.com

4. Provide the 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 (attach the report) – Not Applicable. There is no project undertaken or completed during the year for which the impact assessment report is applicable in FY 2021-22.

5. Details of the 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:-

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
1	2020-21	33529	NIL

6. Average net profit of the company as per section 135(5). - Rs. 7674.66 lacs

7. (a) Two percent of average net profit of the company as per section 135(5) - Rs. 153.49 lacs

   (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. 153.49 lacs

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

Total Amount Spent for the Financial Year. (in Rs.)	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount.	Date of transfer	Name of the Fund	Amount.	Date of transfer
Rs. 153.83 lacs	NIL	NA	NA	NIL	NA

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

Sl. 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		Project duration	Amount allocated for the project (in Rs.)	Amount spent in the current financial Year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
–	–	–	–	–	–	–	–	–	–	–	–	

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

Sl. 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.		Amount spent for the project (in Rs.).	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
1.	Promoting Health	Clause (i)	Yes	Goa	South Goa District	12,99,000	Yes	Sub District Hospital, Margao for Molbio RTPCR Testing Equipment	NA
2.	Promoting Health	Clause (i)	Yes	Goa	South Goa District	1,84,000	Yes	Cortalim Panchayat for supply of COVID Kit	NA
3.	Promoting Education	Clause (ii)	Yes	Goa	South Goa District	10,00,000	No	Shri Bhumika Primary School, Sankli	CSR00024739
4.	Promoting Education	Clause (ii)	Yes	Goa	South Goa District	10,00,000	No	Chetna Charitable Trust, Curchorem	CSR00010577
5.	Promoting Education	Clause (ii)	Yes	Goa	Sanquelim	12,00,000	No	Sai Nursing Institute	CSR00016606
6.	Promoting Education	Clause (ii)	Yes	Karnataka	Udupi District	2,50,000	Yes	Zilla Panchyat Govt. Primary School, Kaup Taluk, Udupi District 574112	NA
7.	Promoting Education	Clause (ii)	Yes	Karnataka	Udupi District	2,50,000	Yes	Govt. Primary School Adve, Kaup Taluk, Udupi District 574112	NA
8.	Promoting Education	Clause (ii)	Yes	Karnataka	Udupi District	2,50,000	Yes	Govt. Higher Primary School, Charvaka, Kadaba Taluk, Karnataka	NA
9.	Promoting Education	Clause (ii)	Yes	Karnataka	Udupi District	1,25,000	Yes	Govt. Higher Primary School Hesakuthur, Kundapura Taluk, Udupi District 576210	NA
10.	Promoting Education	Clause (ii)	Yes	Karnataka	Udupi District	1,25,000	Yes	Govt. Lower Primary School Kondejeddu, Chara, Hebri Taluk District 576210	NA
11.	Promoting Education	Clause (ii)	Yes	Karnataka	Udupi District	1,25,000	Yes	Govt. Lower Primary School 38th Kathur Brahmavara Taluk District 576210	NA
12.	Promoting Education	Clause (ii)	Yes	Karnataka	Udupi District	1,25,000	Yes	Govt. Model Higher Primary School Panchanbettu, Hiriyadka, Udupi Taluk	NA
13.	Promoting Education	Clause (ii)	Yes	Karnataka	Udupi District	2,50,000	Yes	Sri Kapileshwara Temple,Charvaka Village, Kadaba Taluk, Dkashina Kannada district	NA
14.	Promoting Education	Clause (ii)	Yes	Karnataka	Bengaluru	10,00,000	No	Spastics Society of Karnataka, Bangalore	CSR00003311
15.	Promoting Education	Clause (ii)	Yes	Maha rashtra	Andheri East	15,00,000	No	Abhiyan	CSR00024137
16.	Promoting Education	Clause (ii)	Yes	Tamilnadu	Chennai	5,00,000	No	Vidya Sagar	CSR00003082
17.	Promoting Education	Clause (ii)	Yes	West Bengal	Hooghly	2,00,000	Yes	Prabartak Nari Mandir	NA
18.	Promoting Education & Skill development	Clause (ii)	Yes	West Bengal	Kolkata	2,00,000	No	Mahendra Nath Ghosh Educational & Welfare Trust	CSR00006860
19.	Promoting Education & Skill Development	Clause (ii)	Yes	Haryana	Gurgaon	50,00,000	No	Anjali Foundation	CSR00020792
20.	Promoting Education	Clause (ii)	Yes	West Bengal	Hooghly	3,00,000	No	Pratibandhi Kalyan Kendra	CSR00026496
21.	Promoting Education	Clause (ii)	Yes	West Bengal	Kolkata	5,00,000	No	Women's Interlink Foundation	CSR00003370

(d) Amount spent in Administrative Overheads : NIL

(e) Amount spent on Impact Assessment, if applicable : Not Applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) : Rs. 1,53,83,000

(g) Excess amount for set off, if any

Sl. No.	Particulars	Amount (in Rs.)
1.	Two percent of average net profit of the company as per section 135(5)	1,53,49,000
2.	Total amount spent for the Financial Year	1,53,83,000
3.	Excess amount spent for the financial year [(ii)-(i)]	34,000
4.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
5.	Amount available for set off in succeeding financial years [(iii)-(iv)]	34,000

9. **(a) Details of Unspent CSR amount for the preceding three financial years: N.A**

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any				Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs)	Date of transfer		
1	NA	NIL	NA	NA	NIL	NA		NA

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): NIL

1.	2.	3.	4.	5.	6.	7.	8.	9.
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed /Ongoing.
–	–	–	–	–	–	–	–	–

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

(a) Date of creation or acquisition of the capital asset(s) : Not Applicable

(b) Amount of CSR spent for creation or acquisition of capital asset : NIL

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. : Not Applicable

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset) : Not Applicable

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

For and on behalf of the Board of the CSR Committee

Sudip Banerjee
(DIN: 05245757)
Chairman

For and on behalf of the Board of Directors

Bikramjit Nag
(DIN: 00827155)
Joint Executive Chairman & Managing Director

Prabir Chatterjee
(DIN: 02662511)
Director & CFO

Place : Goa / Kolkata
Date : 28 May 2022

ANNEXURE - D

PARTICULARS OF CONTRACTS / ARRANGEMENTS MADE WITH RELATED PARTIES

[Pursuant to Clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013, and Rule 8(2) of the Companies (Accounts) Rules, 2014 – AOC-2]

This Form pertains to the disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013, including certain arm's length transactions under third proviso thereto.

Details of contracts or arrangements or transactions not at arm's length basis

There were no contracts or arrangements or transactions entered into during the year ended 31 March, 2022, which were not at arm's length basis.

Details of material contracts or arrangement or transactions at arm's length basis.

There were no material contracts or arrangements, or transactions entered into during the year ended 31 March, 2022.

For and on behalf of the Board of Directors

Bikramjit Nag
(DIN: 00827155)
Joint Executive Chairman
& Managing Director

Prabir Chatterjee
(DIN: 02662511)
Director & CFO

Place : Goa / Kolkata
Date : 28 May 2022

ANNEXURE - E

PARTICULARS OF EMPLOYEES

The information required pursuant to section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given hereunder.

1) The ratio of remuneration of each director to the median remuneration of the employees of the Company:

Name	Ratio of remuneration to Median remuneration of employee (including whole time directors)
Mr. Bijon Bhushan Nag	29.01
Mr. Bikramjit Nag	9.58
Mr. Rajshankar Ray	19.93
Mr. Amar Singh Negi	16.27
Mr. Harsh Vardhan Sachdev*	2.81
Mr. Partha Sen**	16.40
Mr. Prabir Chatterjee	16.44

* Remuneration has been considered w.e.f. from 01 January, 2022.

** Resigned on 31 December, 2021.

2) Percentage increase in remuneration of each director, Chief Financial Officer (CFO), Chief Executive Officer (CEO), Company Secretary in the financial year 2021-22

Name	Designation	% increase/(decrease) in remuneration in the financial year
Mr. Bijon Bhushan Nag	Executive Chairman	42.68
Mr. Bikramjit Nag#	Joint Executive Chairman and Managing Director	(18.13)
Mr. Rajshankar Ray	MD & CEO, Home Appliances Division	85.18
Mr. Amar Singh Negi	ED, Service Business Head	63.12
Mr. Prabir Chatterjee	Director and CFO	40.69
Mr. Partha Sen*	CEO, Engineering Division	45.25
Mr. G Ray Chowdhury	Company Secretary	23.45
Mr. Harsh Vardhan Sachdev**	MD & CEO, Engineering Division	--

Mr. Bikramjit Nag, Joint Executive Chairman and Managing Director of the Company expressed his disire to reduce his salary by 50% w.e.f. 1 september, 2021 till further to notice. The same was noted by Nomination & Remuneration Committee and by the Board of Directors.

* Resigned on 31 December, 2021.

** Remuneration has been considered w.e.f. from 01 January, 2022.

3) **Percentage decrease in the median remuneration of employees in the financial year 2021-22:**

The median remuneration of employees (including whole time directors) was Rs. 7.54 lacs and Rs. 6.10 lacs in financial year 2021-22 and 2020-21 respectively. The increase in median remuneration was 23.51%.

4) The number of permanent employees on the rolls of the Company as on 31 March 2022 is 2640 nos.

5) Average percentage increase in salaries of employees other than managerial personnel in the last financial year and its comparison with the percentage increase in the Managerial Remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the Managerial Remuneration.

Average percentage increase in salaries of employees other than managerial personnel during 2021-22	0.92
The percentage increase in the Managerial Remuneration	25.28

6) Key parameter for any variable component availed by the Directors:

No variable component of remuneration was availed by the Directors.

7) Affirmation that the remuneration is as per the remuneration policy of the Company:

The Board of Directors of the Company affirms that the remuneration is as per the remuneration policy of the Company.

Part B : The Statement of Disclosure Pursuant to Section 197 of Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(A) Names of Top ten employees in terms of remuneration drawn during the Financial year 2021-22

Name	**Mr. Seungki Bae**	**Mr. Dong Shin**	**Mr. Hwan Myung**	**Mr. Jin Kim**	**Mr. Bijon Bhushan Nag**
	(1)	(2)	(3)	(4)	(5)
Designation	Head-Design	Head-Mechanical Design	Head-R&D	Head-R&D Drives	Chairman
Remuneration received (2021-22)	Rs 303.58 lacs	Rs 260.49 lacs	Rs 278.40 lacs	Rs 190.61 lacs	Rs 218.63 lacs
Nature of employment	Permanent employee	Permanent Employee	Permanent Employee	Permanent Employee	Permanent Employee
Qualification	Graduation	MSC (Mechanical Systems Major)	PHD Mechanical Engg	Poly techs Mold Major	Mechanical Engineer
Experience	29 years	29 years	20 years	30 years	> 50 years
Date of joining the company	1 April 2015	25 Nov 2016	12 Nov 2016	14 Nov 2016	9 Dec 1974
Age of employee on 31.03.2022	57 years	60 years	52 years	60 years	80 years
Last employment held before joining the company	Don Design	Institute of Press Die Techn of Dong Gu	L.G	Kum-Oh Engg.	–
Percentage of equity shares held by the employee within the meaning of clause (iii) of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014	NIL	NIL	NIL	NIL	0.39
Whether the employee is a relative of any director	No	No	No	No	Yes

Name	Mr. Amitabha Kumar Nag	Mr. Gautam Dasgupta	Mr. Rajshankar Ray	Mr. Prabir Chatterjee	Mr. Amar Singh Negi
	(6)	(7)	(8)	(9)	(10)
Designation	Sr. President	Mentor	MD&CEO – HAD	Executive Director	Executive. Director – Service Business Head
Remuneration received (2021-22)	Rs. 167.09 lacs	Rs. 154.66 lacs	Rs. 150.22 lacs	Rs. 123.85 lacs	Rs. 122.59 lacs
Nature of employment	Permanent employee	Permanent Employee	Permanent Employee	Permanent Employee	Permanent Employee
Qualification	ACA, M. Com	B. Com (Hons.)	B. Tech, Mechanical Engg, IIT Kharagpur	Cost Accountant, B.Sc	Four years Post diploma in Electrical Engg
Experience	40 years	More than 50 years	More than 30 years	More than 40 years	More than 39 years
Date of joining the company	16 Dec 1982	01-02-2020	15-05-2006	16-08-2000	04-11-2000
Age of employee on 31.03.2022	66 years	76 years	53 years	67 years	62 years
Last employment held before joining the company	Price Waterhouse & Co., Kolkata	IFB Appliances Ltd.	Eicher Motors	Dunlop India Ltd.	Gravs Appliances Pvt. Ltd.
Percentage of equity shares held by the employee within the meaning of clause (iii) of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014	NIL	0.042	0.022	0.046	0.049
Whether the employee is a relative of any director	No	No	No	No	No

• Remuneration includes LTA, Medical, Leave Salary etc. as drawn by the above employees during the FY 2021-22.

(B) Names of other employees employed throughout the financial year and was in receipt of remuneration during the Financial year 2021-22 which in the aggregate was not less than Rs. 102 lacs: Nil

(C) Other employees employed for a part of the financial year and was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than Rs. 8.5 lacs per month:

Name	**Partha Sen**
Designation	MD & CEO - Engineering Division
Monthly Remuneration received (2021-22)	Rs. 10.34 lacs
Nature of employment	Permanent

Name	**Partha Sen**
Qualification	B. Tech (Hons)- Chemical Engg, IIT-KGP MS from USA
Experience	39 years
Date of joining the company	15-11-2010
Age of employee on 31.12.2021	69 years
Last employment held before joining the company	Exide Industries Ltd
Percentage of equity shares held by the employee within the meaning of clause (iii) of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014	NIL
Whether the employee is a relative of any director	NO

(D) Other employees employed throughout the financial year and was in receipt of remuneration which, in the aggregate, is in excess of that drawn by the managing director or whole time director or manager and holds by himself or along with his spouse and dependent children not less than 2% of the equity shares of the company: Nil

For and on behalf of the Board of Directors

Bikramjit Nag
(DIN: 00827155)
Joint Executive Chairman
& Managing Director

Prabir Chatterjee
(DIN: 02662511)
Director & CFO

Place : Goa / Kolkata
Date : 28 May 2022

ANNEXURE - F

BUSINESS RESPONSIBILITY REPORT

The Company is conscious of its responsibilities towards various stakeholders such as customers, vendors, employees, shareholders, Bankers, Statutory authorities and to the society at large. Our Business Responsibility Report (BRR) includes the responses of the Company to the questions on its practices and performance on key principles defined by the Regulation 34(2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 covering topics across environment, governance and stakeholder relationships. We provide hereunder the Business Responsibility Report in the format provided under Regulation 34(2)(f) of SEBI (listing Obligations and Disclosure Requirements) Regulations, 2015.

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. Corporate Identity Number (CIN) of the Company: L51109WB1974PLC029637
2. Name of the Company : IFB Industries Limited
3. Registered Office Address : 14, Taratolla Road, Kolkata – 700088
   Website: www.ifbindustries.com
   E-mail id : investors@ifbglobal.com
4. Financial Year reported : 2021-2022
5. Sector(s) that the Company is engaged in (industrial activity code-wise)

Sl. No.	Name and Description of main products / service	NIC Code of the Product/Service
1	Engineering – Manufacture of diverse parts and accessories for motor vehicles etc.	29301
2	Home Appliances Products	27501

6. List three key products/services that the Company manufactures/provides (as in balance sheet)
   (a) Diverse parts and accessories for motor vehicles etc.
   (b) Washing Machines
   (c) Microwave Ovens
7. Total number of locations where business activity is undertaken by the Company
   (a) Number of International Locations (Provide details of major 5): NIL. However, the company has a subsidiary i.e. Global Automotive & Appliances Pte. Ltd. at Singapore and a step-down subsidiary Thai Automotive & Appliances Ltd. at Thailand.
   (b) Number of National Locations: The Company's business and operations are spread across the country. Details of Plant locations are provided in the section, 'General Shareholder Information' in the Corporate Governance Report.
8. Markets served by the Company – IFB's products and services have a national presence and some of products are exported.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. Paid up Capital (INR): Rs. 4128 lacs
2. Total Turnover (INR): Rs. 335,714 lacs
3. Total profit/(loss) after taxes (INR): Rs. (5121) lacs
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%): 2% of average profit for previous three years.

5. List of activities in which expenditure in 4 above has been incurred:
   (a) Promoting Education
   (b) Skill Development Program
   (c) Promoting Health Care

SECTION C: OTHER DETAILS

1. Does the Company have any Subsidiary Company/Companies? – Yes.
2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s) - No
3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%] - No

SECTION D: BUSINESS RESPONSIBILITY (BR) INFORMATION

1. Details of Director/Directors responsible for BR

(a) Details of the Director/Directors responsible for implementation of the BR policy/policies
   1. DIN Number 03498696
   2. Name: Mr. Raj Shankar Ray
   3. Designation: Managing Director and CEO – HAD

(b) Details of the BR Head

No.	Particulars	Details	Details
1	DIN Number(if applicable)	03498696	06385288
2	Name	Mr. Rajshankar Ray	Mr. Harsh Vardhan Sachdev
3	Designation	Managing Director and CEO – Home Appliances Division	Managing Director and CEO – Engineering Division
4	Telephone number	0832 3044800	033 30489299
5	e-mail id	rajshankar_ray@ifbglobal.com	harsh_s@ifbglobal.com

2. **Principle-wise (as per NVGs) BR Policy/policies**

(a) Details of compliance (Reply in Y/N)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for.	√	√	√	√	√	√	√	√	√
2	Has the policy being formulated in consultation with the relevant stakeholders?	√	√	√	√	√	√	√	√	√
3	Does the policy conform to any national / international standards? If yes, specify?	√	√	√	√	√	√	√	√	√
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/ Owner/CEO/ appropriate Board director?	√	√	√	√	√	√	√	√	√
5	Does the Company have a specified committee of the Board /Director/Official to oversee the implementation of the Policy?	√	√	√	√	√	√	√	√	√

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
6	Indicate the link for the policy to be viewed online?	Policies available on Company website **www.ifbindustries.com**								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	√	√	√	√	√	√	√	√	√
8	Does the Company have in house structure to implement the policy/ policies.	√	√	√	√	√	√	√	√	√
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	√	√	√	√	√	√	√	√	√
10	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	The BR Policy is evaluated internally.								

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options) – Not applicable

3. **Governance related to BR**

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, more than 1 year: Six Board meetings were held during the year and different committees meeting were held time to time.

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published? –

Yes. Being published once a year with the Annual Report of the Company. The report can be viewed at www.ifbindustries.com

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/ Joint Ventures/ Suppliers/Contractors/NGOs /Others?

   Yes. It extends only to the Company.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so

   During the past financial year, no compliant received.

Principle 2

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

   (a) Not directly applicable – however, the following points can be noted

   a. The front loading and top loading automatic washers save water during the washing process – compared to manual washing.

   b. The appliances manufactured and marketed are energy efficient – and benchmarked to global standards.

   c. Fine blanking does not have any product design of its own. It manufactures components etc. on the basis of drawings and designs given by customers. FBD follows the process as agreed and approved by the customers.

(b) *The design process currently followed does not directly incorporate social and environmental inputs – however, the manufacturing process followed by the company and by its suppliers have controls on environmentally friendly processes, effluent discharge control which are fully addressed as mandated by the Government.*

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional):

(a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?

Not specifically measured throughout the value chain.

Power to the factory is now also through solar energy. Sewage and water effluent treatments are in line with Government regulations. Water is recycled, post treatment, for usage in areas like gardening.

(b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

All washing machines produced by the company now have 5-star rating in energy norms (as per Government Norms). The company started voluntary rating of its products. The new air conditioning manufacturing plant started since 17th March, 2020 is also producing products with energy ratings as per Government directives.

3. Does the company have procedures in place for sustainable sourcing (including transportation)?

(a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

No formal procedures written specifically for sustainable sourcing as on date – as this is still evolving within India. As written earlier, the supplier partners of the company adhere to all environmental and social standards as mandated by the Government of India.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

Yes, the company has built up a complete small producers' supplier base over the years – generating employment in the local community.

(a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

For capacity and capability enhancement, the company's suppliers visit technology hubs in India and abroad. They also attend exhibitions and learn about new raw material / processing trends. The company organizes discussions / interactions with leading global players also – along-with the local / small supplier partners – thus involving them in all projects and driving the upgradation agenda. Many of the suppliers have also formed partnerships with global companies to upgrade technology and also localize production within India for sub-components / special inputs.

For the Fine Blanking Division (FBD): Most of the subcontracting works done on the products of the company are done through local small vendors and MSME suppliers. The parties are trained and their competencies increased through intervention of company's vendor development department.

5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so. –

Yes, the company promotes a product "End Of Life" return policy. The company enables exchange of old products and the returned products are then recycled by approved partners in an environmentally friendly manner – in accordance with regulations of the Government of India.

In both the Appliances Division and the Fine Blanking Division, the Scrap generated in the processes are disposed of in accordance to regulations under the EPR standards or are sent to Mini steel plants and copper smelters for recycling into another value-added product.

Principle 3

1. Please indicate the Total number of employees:
2640 Nos. as on March 31, 2022 employees in IFB Industries Ltd – inclusive of the Appliances, Motor, Engineering divisions and Steel Division.
2. Please indicate the Total number of employees hired on temporary/ contractual/ casual basis. - *2228 nos. as on March 31, 2022 – across all divisions of the company*
3. Please indicate the Number of permanent women employees. – *266 nos.as on March 31, 2022. across all the division*
4. Please indicate the Number of permanent employees with disabilities - 2
5. Do you have an employee association that is recognized by management - *Not applicable?*
6. What percentage of your permanent employees is members of this recognized employee association? *Not applicable*
7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year :

No.	Category	No. of complaints filed during the financial year	No. of complaints pending as on end of the financial year
1	Child labour/ forced labour/ involuntary labour	NIL	
2	Sexual harassment		
3	Discriminatory employment		

8. What percentage of your under mentioned employees were given safety & skill upgradation training in the last year?
   (a) Permanent employees *100%*
   (b) Permanent Women employees *100%*
   (c) Casual / Temporary/ Contractual employees *60 – 70%*
   (d) Employees with disabilities – *100%*

Principle 4

1. Has the company mapped its internal and external stakeholders? Yes/No –
Yes – in terms of mapping stake holders upto supplier / sales partner levels
2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders. - No
3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so. – All our policies are directed towards responsibility and sustainability to the society. We have a number of programmes towards promoting education, skill development, promoting health care etc.

Principle 5

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/Others? –

   The policy of the company on human rights covers only the Company.
2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management? -

   There was no complaint received related to violation of human rights during 2021-22.

Principle 6

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others? –

   All supplier partners and also the company itself adhere to the environment and social norms as mandated by the Government of India.

2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

   Not applicable.

3. Does the company identify and assess potential environmental risks?

   Yes.

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

   Not applicable

5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

   The company has projects on energy efficiency at the work place and in its products. Details of the energy efficiency of the company's products and it's activities are listed on the company's website

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported? –

   Yes

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year – NIL

Principle 7

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

   Confederation of Indian Industries (CII), GIDC (Local Goa chamber), Consumer Electronics and Manufacturers Association (CEAMA), CII, MAIT.

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

   Not Applicable

Principle 8

1. Does the company have specified programs / initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

   The Company is committed to programmes and initiatives with regard to promoting education, skill development, promoting health care etc.

2. Are the programs / projects undertaken through in-house team/ own foundation/ external NGO/ government structures/ any other organization?

   The programmes are undertaken through in-house team as well as external NGO and Government Structures

3. Have you done any impact assessment of your initiative?

   Not applicable

4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?

   The company's contribution in CSR projects during 2021-22 was Rs. 153.83 lacs which has been elaborated in Annexure to the Board's Report.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

   Currently the company is working with schools and Charitable Trust and working to establish infrastructure and programs to promote education, health and skill development for under privileged.

Principle 9

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year?

   These are handled on an ongoing manners. The Company promptly addresses all consumer complaints and most of the consumer cases resolved, we don't foresee any adverse impact.

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A./ Remarks (additional information) – *Yes*

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so - *No*

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

   Yes, these are done on an ongoing manner.

For and on behalf of the Board of Directors

Bikramjit Nag
(DIN: 00827155)
Joint Executive Chairman
& Managing Director

Prabir Chatterjee
(DIN: 02662511)
Director & CFO

Place : Goa / Kolkata
Date : 28 May 2022

ANNEXURE - G

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

Part A Subsidiaries

(Rs. in Lacs)

Sl. No.	1	2
Name of the subsidiary	**Global Automotive & Appliances Pte Ltd.**	**Thai Automotive & Appliances Limited**
The date since when subsidiary was acquired	13 July 2017	13 July 2017
Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	Same as holding company ie., 31 March, 2022	Same as holding company ie., 31 March, 2022
Reporting currency	U.S. Dollar	Thai Bhatt
Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	75.79	2.28
Share capital	2976	2763
Reserves and surplus	1040	(842)
Total assets	4674	3378
Total Liabilities	658	1457
Investments (excluding investments made in subsidiaries)	–	–
Turnover	3652	4151
Profit before taxation	295	2
Provision for taxation	–	1
Profit after taxation	295	1
Proposed Dividend	–	–
Extent of shareholding (in percentage)	100%	100%

Notes :

1. There are no subsidiaries which are yet to commence operations.
2. There are no subsidiaries which have been liquidated or sold during the year.
3. Name of the subsidiary which have been merged during the year : Trishan Metals Private Limited.

Part B : Associates and Joint Ventures

Statement pursuant to Section129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Since there are no associates and joint ventures as at 31 March, 2022 the information required in Part B has not been furnished.

Notes :

1. There are no associates or joint ventures which are yet to commence operations.
2. There are no associates or joint ventures which have been liquidated or sold during the year.

For and on behalf of the Board of Directors

Bikramjit Nag
(DIN: 00827155)
Joint Executive Chairman
& Managing Director

Prabir Chatterjee
(DIN: 02662511)
Director & CFO

Place : Goa / Kolkata
Date : 28th May 2022

ANNEXURE - H

KEY FINANCIAL RATIOS

[Pursuant to Schedule V(B) to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015].

Key Financial Ratios for the Company:

Sl. No.	Particulars	FY 2021-22	FY 2020-21
i)	Interest Coverage Ratio (No of times)	2.17	7.46
ii)	Debt Equity Ratio (No of times)	0.37	0.33
iii)	Operating Profit Margin (%)	(1.35)	4.62
iv)	Net Profit Margin (%)	(1.53)	2.26

Notes :

1. Earnings before depreciation, interest & tax has reduced due to increase in material cost, promotion cost, and office expenses. EBDITA being the numerator for the Interest coverage ratio and debt equity ratio hence there is fall in the ratio.
2. The ratios have been impacted due to loss for the year for reasons stated in 1 above. Further depreciation and amortization and finance cost have also increased significantly.

For and on behalf of the Board of Directors

Bikramjit Nag
(DIN: 00827155)
Joint Executive Chairman
& Managing Director

Prabir Chatterjee
(DIN: 02662511)
Director & CFO

Place : Goa / Kolkata
Date : 28 May 2022

REPORT ON CORPORATE GOVERNANCE

[Pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "SEBI LODR")]

1) Company's philosophy on code of Governance

IFB Industries Limited "the Company" is committed to good Corporate Governance. The Company fully realizes the rights of its shareholders to information on the performance of the Company and considers itself a trustee of its shareholders. The Company is of the view that good Corporate Governance is an optimum mix of regulatory compliances as well as voluntary disclosures and practices.

The Company is focused on attaining the highest levels of transparency, fairness, accountability and integrity in its dealings with all the constituents of its business i.e. the stakeholders. Towards this end, substantial disclosures on the Board of Directors and its Committees, financial and stock performance has been made in this Annual Report.

2) Board of Directors

A) Composition of the Board of Directors as on 31 March 2022 is as follows:

The Board of Directors of the Company had an optimum combination of Executive, Non-Executive and Independent Directors. The Composition of the board as on 31 March 2022 is as per "SEBI LODR".

Category	No. of Directors	%
Executive Directors	6	43.00
Non-Executive & Independent Directors	7	50.00
Non-Executive & Non-Independent Director	1	7.00
Total	**14**	**100.00**

B) Particulars of Directorships & Committee Chairmanship/Membership of other Companies & Attendance at the Board Meetings & Last AGM held on 6 August 2021

Name	Category	No. of Board Meetings attended during 2021-22	Last AGM Attended	No. of Directorships in other Indian Public Limited Companies as on 31 March 2022*		No. of Committee position held in other Indian Public Limited Companies as on 31 March 2022**		Directorship in other listed entity (Category of Directorship)
				Chairman	Member	Chairman	Member	
Mr Bijon Bhushan Nag (Executive Chairman)	Executive, Non-Independent	1	Yes	1	–	–	–	IFB Agro Industries Limited-Non Executive Chairman, Non Independent
Mr Bikramjit Nag (Joint Executive Chairman & MD)	Executive, Non-Independent	6	Yes	1	1	–	–	IFB Agro Industries Limited - Joint Executive Chairman, Non-Independent
Mr Prabir Chatterjee	Executive, Non-Independent	6	Yes	–	1	–	–	–
Mr Sudip Banerjee	Non-Executive, Non-Independent	6	Yes	–	3	–	3	1. Kesoram Industries Limited (Non - Executive, Independent) 2. L & T Technology Services Limited (Non - Executive, Independent) 3. LTI Limited (Non - Executive, Independent)

Name	Category	No. of Board Meetings attended during 2021-22	Last AGM Attended	No. of Directorships in other Indian Public Limited Companies as on 31 March 2022*		No. of Committee position held in other Indian Public Limited Companies as on 31 March 2022**		Directorship in other listed entity (Category of Directorship)
				Chairman	Member	Chairman	Member	
Dr Rathindra Nath Mitra	Non-Executive, Independent	6	Yes	–	1	1	–	–
Ms. Sangeeta Shankaran Sumesh	Non-Executive, Independent	6	Yes	–	–	–	–	–
Mr. Rahul Choudhuri	Non-Executive, Independent	5	Yes	–	–	–	–	–
Mr. Ashok Bhandari	Non-Executive, Independent	6	Yes	–	8	–	5	1. Maithan Alloys Ltd (Non - Executive, Independent) 2. Maharashtra Seamless Limited (Non - Executive, Independent) 3. N.B.I. Industrial Finance company ltd. (Non - Executive, Independent) 4. Rupa & Company Limited (Non - Executive, Independent) 5. Skipper Limited (Non - Executive, Independent)
Mr. Chacko Joseph	Non-Executive, Independent	6	Yes	–	2	–	–	–
Mr. Partha Sen (Resigned on 31.12.2021)	Executive, Non-Independent	3	Yes	–	–	–	–	–
Mr. Harsh Vardhan Sachdev (Appointed on 01.01.2022)	Executive, Non-Independent	2	Yes	–	–	–	–	–
Mr. Raj Shankar Ray	Executive, Non-Independent	6	Yes	–	–	–	–	–
Mr. Amar Singh Negi	Executive, Non-Independent	6	Yes	–	–	–	–	–
Mr. Biswadip Gupta	Non-Executive, Independent	6	Yes	1	8	2	1	Vesuvius India Limited

Name	Category	No. of Board Meetings attended during 2021-22	Last AGM Attended	No. of Directorships in other Indian Public Limited Companies as on 31 March 2022*		No. of Committee position held in other Indian Public Limited Companies as on 31 March 2022**		Directorship in other listed entity (Category of Directorship)
				Chairman	Member	Chairman	Member	
Mr. Desh Raj Dogra	Non-Executive, Independent	6	Yes	1	5	2	3	1. S Chand and Company limited (Non - Executive, Independent) 2. Welspun Corp Limited (Non - Executive, Independent) 3. Capri Global Capital Limited (Non - Executive, Independent) 4. Axiscades Technologies Limited (Non - Executive, Independent) 5. G R Infra projects Ltd. (Non - Executive, Independent)

*Number includes only public limited companies as per Companies Act, 2013.

**Only Membership/ Chairmanship of Audit Committee, Stakeholders Relationship Committee have been considered.

None of the Directors held directorship in more than 10 Public Limited Companies and/or were members of more than 10 committees or acted as Chairman of more than 5 committees across all the Indian Public Limited Companies in which they were Directors.

None of the Directors served as Director in more than 8 listed Companies.

None of the Independent Directors served as an Independent Director in more than 7 listed Companies.

No Director is related to any other Director on the Board except Mr. Bijon Bhushan Nag and Mr. Bikramjit Nag in terms of the definition of "Relative" given under the Companies Act, 2013.

No shares or any other convertible instrument is held by any Non-Executive Director during the year.

The information to be made available to the Board of Directors as mentioned under Regulation 17(7) read with Part A of Schedule II of the Listing Regulations was made available to the Board members. The Board periodically reviews compliance reports of all laws applicable to the Company.

There was no instance of non-acceptance of any recommendation of any Committee of the Board which was mandatorily required.

C) Board Meetings held in the financial year 2021-2022

The Board meets at least once in a quarter in order to consider amongst other business, the quarterly performance of the Company and its financial results. The gap between any two meetings does not exceed 120 days.

During the year under review 6 meetings were held on following dates:

14 June 2021, 7 August 2021, 30 October 2021, 31 December 2021, 1 February 2022 and 29 March 2022.

D) Independent Directors

The Company has complied with the definition of Independent Director as per "SEBI LODR" and according to the Provisions of section 149(6) Companies Act, 2013. The Company has also obtained declarations from all the Independent Directors pursuant to section 149(7) of the Companies Act, 2013. In terms of Regulation 25(8) of the SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may reasonably be anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Section 149 of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management. Further, the IDs have in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014, confirmed that they have enrolled themselves in the Independent Directors' Databank maintained with the Indian Institute of Corporate Affairs.

i) Training of Independent Directors :

Whenever new Non-executive and Independent Directors are inducted on the Board they are introduced to the Company's culture through appropriate session and they are also introduced to the organization structure, the business, constitution, board procedures, the major risks and management strategy.

The appointment letters of Independent Directors has been placed on the Company's website at **http://ifbindustries.com/financial.php**.

ii) Performance Evaluation of Board, its committees and individual Directors :

During the year, the Board evaluated the performance of its own performance, its committees and individual directors which has been recommended by Nomination and Remuneration Committee. All the Directors are eminent personalities having wide experience in the field of business, industry and administration. Their presence on the Board is advantageous and fruitful in taking business decisions.

iii) Separate Meeting of the Independent Directors :

The Independent Directors held a Meeting on 29 March, 2022, without the attendance of Non-Independent Directors and members of Management. All Independent Directors were present at the meeting.

iv) Familiarisation program for Independent Directors :

The familiarisation of the Independent Directors is done by the Managing Director/ Executive Director / Sr. Management Personnel who conduct programmes and give presentation to familiarise the Independent Directors with the operations and functioning of the Company.

Such presentation/ programs enable the Independent Directors to directly interact with senior executives of the Company and help them to know Company's strategy, business model, product, market, finance, human resource, technology and such other areas as may arise from time to time. Presentations cover quarter/annual results, budgets, policies, internal audit reports, cost audit reports etc.

The presentation/ program familiarizes the Independent Directors with their role, rights and responsibilities specified under the Companies Act and the "SEBI LODR". The Web link of the familiarization programme is given under the official website of the Company at **http://www.ifbindustries.com**

The Company is also conducting familiarisation program whenever a new Independent Director is inducted on the Board of the Company.

E) Code of conduct

The Board of the Company laid down a code of conduct for all Board members and for its employees including Senior Management of the Company. The Code of Conduct is available on the website of the Company under the weblink: **http://ifbindustries.com/legal.php**. All Board members and Senior Management personnel have affirmed compliance with the Code of Conduct for Board and senior management for the financial year 2021-22.

In compliance with the SEBI (Prohibition of Insider Trading) Regulaions, 2015 (SEBI Insider Trading Regulations) as amended from time to time your Company has adopted the Code of Conduct for prevention of Insider Trading and the Code of Conduct for corporate disclosure practices ('Insider Trading Code'). All Directors, employees and other designated persons, who could have access to unpublished price sensitive information of the Company are governed by this Insider Trading Code. Mr. Gautam Ray Chowdhury, Company Secretary is the Compliance Officer in terms of the Insider Trading Code.

F) Skills / Expertise/ Competencies of Board of Directors

The Board composition is evenly poised between members specialized in technical & commercial fields. The specialized skills/ experience of Board Members are given hereunder :

1. **Mr. Bijon Bhushan Nag,** Chairman

   Mr. Bijon Bhushan Nag a Mechanical Engineer, Mentor, having more than five decades of vast experience in Machine tool, Fine Blanking, Sheet Metals, Engineering Industries, Stamping, Appliances Industries and Alcohol Industries. He is a visionary for the Company's state of art Washing Machine factory at Goa, Engineering Factories in Kolkata & Bangalore.

2. **Mr. Bikramjit Nag,** Joint Executive Chairman and Managing Director

   Mr. Bikramjit Nag is a BBA from Richmond College, U.K. His area of core competency area includes Strategic Business Management, Controls, Planning, Strategic decision Making, Marketing etc.

3. **Mr. Sudip Banerjee,** Non Executive Director

   Mr. Banerjee Graduated in Economics (Hons.) from Sri Ram College of Commerce, New Delhi and obtained Diploma in Management from AIMA. Mr. Banerjee is having rich exposure in functions like business development, operations, technology, HR, IT services, acquisitions etc.

4. **Dr. Rathindra Nath Mitra,** Independent Director

   Dr. Mitra is a B.Sc (Hons.) from IIT Kharagpur, M. Sc., DIIT from IIT Kharagpur and also a Ph. D from IIT Kharagpur. He is specialized in process development and IT System etc.

5. **Mr. Ashok Bhandari,** Independent Director

   Mr. Bhandari, a Chartered Accountant and his key areas of competency includes Fund Management, negotiation with Banks, Govt., JV Partners, Technology and equipment suppliers etc.

6. **Ms. Sangeeta Sumesh,** Independent Director

   Ms Sangeeta Sumesh has done her graduation in commerce from the University of Madras. She is a qualified Chartered Accountant, Cost Accountant and also a Certified Public Accountant from Botswana Institute of Accountants. She also has undergone Executive Education in Organizational leadership from Harvard Business School. She is a credentialed coach from International Coaching Federation. She got comprehensive experience in diversified areas including Cost & Management controls, financials analysis, strategic management, CSR activities, corporate governance, risk management, operations management etc.

7. **Mr. Chacko Joseph,** Independent Director

   Mr. Chacko Joseph, a qualified Chartered Accountant with 37 years rich experience in overseeing financial operations encompassing Financial Reporting, Strategic Financial Reporting, Project Financing, Budgeting, Finance& Accounting, Auditing, International Business and System Implementations etc.

8. **Mr. Rahul Choudhuri,** Independent Director

   Mr. Rahul Choudhuri Hons. Graduate from Presidency College, Kolkata, Certified Associates of Indian Institute of Banking, Mumbai. His key area of competency includes management of forex risk, treasury management, working capital management, investment etc.

9. **Mr. Prabir Chatterjee,** Whole-time Director and Chief Financial Officer

   Mr. Prabir Chatterjee is a B. Sc & qualified Cost Accountant and his core areas of competency includes Management Accounting, Financial Accounting, Budgeting, Control, Financial Analysis etc.

10. **Mr. Harsh Vardhan Sachdev,** Managing Director & CEO – Engineering Division

    Mr. Harsh Vardhan Sachdev is B. Tech (Hons.), Institute of Technology - Banaras Hindu University. Mr. Sachdev has more than 38 years of experience across multiple businesses of TATA Steel in various leadership roles.

11. **Mr. Raj Shankar Ray,** Managing Director & CEO – Appliances Division

    Mr. Rajshankar Ray is B. Tech, Mechanical Engg, IIT, Kharagpur. He has more than 29 years of experience in areas like operations, sales etc.

12. **Mr. Amar Singh Negi,** Executive Director - Service Business Head

    Mr. Amar Singh Negi is Four Years Post diploma in Electrical Engg from YMCA Institute of Engineering

Faridabad in 1982, specialisation in Electrical Machines and Power apparatus. He has more than 38 years of experience.

13. **Mr. Biswadip Gupta,** Independent Director

    Mr. Biswadip Gupta is a BE (Metallurgy) and MBA (Marketing) and has more than 44 years' experience in steel and refractory industry.

14. **Mr. Desh Raj Dogra,** Independent Director

    Mr. Desh Raj Dogra is Bachelor's and Master's in Agriculture from Himachal Pradesh University and MBA from Faculty of Management Studies, University of Delhi. He is a certified associate of the Indian Institute of Bankers. He has over 38 years of experience in the financial sector in the areas of banking and credit rating.

G) Confirmation

The Board of Directors of the Company confirmed that the Independent Directors of the Company fulfill the conditions specified in the SEBI (LODR) Regulations, 2015 and they are Independent of the management as on 31 March 2022.

3. Audit Committee

A) Terms of Reference

The Audit Committee is responsible for reviewing with the management the financial statements and adequacy of internal audit function and to discuss significant internal audit findings. The Committee acts as a link between the management, external and internal auditors and the Board of Directors of the Company. The broad terms of reference of this Committee cover the matters specified for Audit Committees under section 177 of the Companies Act, 2013 as well as "SEBILODR":

i) Overview of the Company's financial reporting processes and financial information disclosure;

ii) Review with the Management, the annual and quarterly financial statements before submission to the Board; matters to be included into the Director Responsibility Statement;

iii) Monitoring the auditor's independence and performance, and effectiveness of audit process;

iv) Review with the Management, the Internal and External Audit Reports and the adequacy of internal control systems and risk management systems;

v) Review the adequacy and effectiveness of accounting and financial controls of the company, compliance with the Company's policies and applicable laws and regulations;

vi) Review the functioning of the Whistle Blower Mechanism;

vii) Recommending the appointment and removal of External Auditors and fixation remuneration and of audit terms;

viii) To approve transactions of the Company with related parties.

ix) Review of utilisation proceeds raised from Public/Right issue.

B) Composition, Name of members, Number of meetings, Chairman and attendance of the Audit Committee during the financial year 2021-22:

Name of Members	Category	Member/ Chairman	No. of Meetings held	No. of Meetings attended
Dr. Rathindra Nath Mitra	Independent Director	Chairman	5	5
Mr. Ashok Bhandari	Independent Director	Member	5	5
Ms. Sangeeta Sumesh	Independent Director	Member	5	5
Mr. Chacko Joseph	Independent Director	Member	5	5
Mr. Prabir Chatterjee	Executive Director	Member	5	5

- The Company Secretary acted as the 'Secretary' to the Audit Committee.
- The Chairman of the audit committee is an Independent Director.

C) No. of Meetings held during the year

During the year under review five meetings were held of the members of the Committee which are as follows: 14 June 2021, 7 August 2021, 30 October 2021, 1 February 2022 and 29 March 2022.

M/s Deloitte Haskins & Sells, Statutory Auditors, Internal Auditors of the Company are invited to attend the Audit Committee Meetings.

The Minutes of the Audit Committee are circulated to all the members of the Committee.

4. Nomination and Remuneration Committee:

A) Terms of reference :

This Committee identifies the persons, who are qualified to become Directors of the Company / who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal and also carries out evaluation of the performance of the board, its committees and each director's performance. The Committee also formulate the criteria for determining qualifications, positive attributes, independence of the Directors and recommend to the Board a Policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.

B) Composition, Name of members, Number of meetings, Chairperson and attendance of the Nomination and Remuneration Committee during the financial year 2021-22 :

Name of Members	Category	Member/ Chairman	No. of Meetings held	No. of Meetings attended
Mr. Ashok Bhandari	Independent Director	Chairman	4	4
Mr. Rahul Choudhuri	Independent Director	Member	4	4
Mr. Sudip Banerjee	Non Executive, Non Independent Director	Member	4	4
Ms. Sangeeta Shankaran Sumesh	Independent Director	Member	4	4

C) No. of meetings held during the year

During the year under review four meetings were held on 14 June 2021, 28 October 2021, 31 December 2021 and 31 January 2022.

D) Nomination and Remuneration Policy

The Nomination and Remuneration policy may be referred to at the Company's official website at **http://ifbindustries.com** .

E) Remuneration paid or payable to Directors for the year ended 31 March 2022 are as follows:

(Fig in Rs.)

Name of Director	Sitting Fees	Salary and Perquisites	Total	Stock Option granted
Mr. Bijon Bhushan Nag	–	2,18,63,339	2,18,63,339	NIL
Mr. Bikramjit Nag	–	72,17,795	72,17,795	NIL
Mr. Prabir Chatterjee	–	1,23,85,154	1,23,85,154	NIL
Mr. Rajshankar Ray	–	1,50,21,867	1,50,21,867	NIL
Mr. Partha Sen#	–	1,23,60,537	1,23,60,537	NIL
Mr. Harsh Vardhan Sachdev#	–	21,16,800	21,16,800	NIL
Mr. Amar Singh Negi	–	1,22,59,013	1,22,59,013	NIL
Mr. Sudip Banerjee	8,20,000	–	8,20,000	NIL
Dr. Rathindra Nath Mitra	10,10,000	–	10,10,000	NIL

Name of Director	Sitting Fees	Salary and Perquisites	Total	Stock Option granted
Ms. Sangeeta Shankaran Sumesh	9,90,000	–	9,90,000	NIL
Mr. Rahul Choudhuri	8,30,000	–	8,30,000	NIL
Mr. Ashok Bhandari	11,30,000	–	11,30,000	NIL
Mr. Chacko Joseph	9,10,000	–	9,10,000	NIL
Mr. Desh Raj Dogra	5,80,000	–	5,80,000	NIL
Mr. Biswadip Gupta	5,80,000	–	5,80,000	NIL
Total	**68,50,000**	**8,32,24,505**	**9,00,74,505**	

- No severance fee is payable, no stock option has been given & no performance bonus is granted.
- Other than sitting fees and expenses paid for rendering professional services, there is no other pecuniary relationship or transactions with any of the Non – executive Directors.

\# Mr. Harsh Vardhan Sachdev appointed as Managing Director & CEO of Engineering Division w.e.f 1 January, 2022. Mr. Partha Sen resigned on 31 December, 2021.

5. Corporate Social Responsibility Committee (CSR)

A) Terms of reference

The Committee formulates and recommend to the Board a CSR Policy. Committee framed a mechanism for implementation of CSR activities undertaken by the Company and also monitor CSR Policy from time to time. This policy has been placed in the website of the company at the weblink **http://ifbindustries.com/csr_policy.php**

B) No of meetings held during the year

During the year the Committee had two meetings i.e. on 11 June, 2021 and 23 March, 2022.

C) Composition, Name of Members and Attendance

The CSR Committee of the company consists of Non-Executive, Independent and Executive Director

Name of Director	Category	Position	No of Meetings held	No of Meetings attended
Mr. Sudip Banerjee	Non Executive Director	Chairman	2	2
Mr. Ashok Bhandari	Independent Director	Member	2	2
Mr. Prabir Chatterjee	Executive Director	Member	2	2

6. Risk Management

A) Terms of reference :

The Committee formulates and recommends to the Board a Risk Management Policy. The primary objectives of the Committee are to assist the Board in the following :

i. To assist the Board in fulfilling its responsibilities with regard to the identification, evaluation and mitigation of strategic, operational, and external environment risks.

ii. To periodically assess risks to the effective execution of business strategy by reviewing key leading indicators inthis regard.

iii. To periodically review the risk management processes and practices of the Company and ensure that the Company is taking the appropriate measures to achieve prudent balance between risk and reward in both ongoing andnew business activities.

iv. To evaluate significant risk exposures of the Company and assess the Management's actions to mitigate the exposures in a timely manner.

B) No of meetings held during the year

During the year the Committee had two meetings i.e. on 12 June 2021 and 7 December 2021.

C) Composition, Name of Members and Attendance

The Risk Management Committee of the company consists of Non-Executive, Independent and Executive Directors.

Name of Director	Category	Position	No of Meetings held	No of Meetings attended
Dr. Rathindra Nath Mitra	Independent Director	Chairman	2	2
Mr. Sudip Banerjee	Non Executive Director	Member	2	2
Mr. Rahul Choudhuri	Independent Director	Member	2	2
Mr. Chacko Joseph	Independent Director	Member	2	2
Mr. Prabir Chatterjee	Executive Director	Member	2	2
Mr. Raj Shankar Ray	Executive Director	Member	2	2
Mr. Partha Sen#	Executive Director	Member	2	1
Mr. Harsh Vardhan Sachdev*	Executive Director	Member	2	–

Mr. Partha Sen resigned from the Committee with effect from 31 December, 2021.

* Mr. Harsh Vardhan Sachdev appointed as member in the Committee with effect from 1 January, 2022.

7. Investors Grievance & Stakeholder's Relationship Committee :

A) Terms of reference :

The terms of reference of the Committee includes the following:

i. To review all complaints recorded in SCORES of SEBI and replies made to the same by the RTA/Company Secretary of the Company.

ii. To receive report on all complaints recorded in SCORES of the Registrar and Share Transfer Agent and note the corrective actions taken by the Registrars.

iii. To take action of all grievances and complaints lodged by stock exchange, shareholder associations and other bodies.

iv. To review grievances of other Stakeholders of the Company given in their individual capacity.

v. Overview activities relating to Share maintenance and related work.

B) Composition and attendance of the Investors Grievance &Stakeholder's Relationship Committee during the financial year 2021-22 :

Name of Members	Executive/ Non-Executive	Member/ Chairman	No. of Meetings held	No. of Meetings attended
Dr. Rathindra Nath Mitra	Independent Director	Chairman	5	5
Mr. Ashok Bhandari	Independent Director	Member	5	5
Mr. Prabir Chatterjee	Executive Director	Member	5	5
Mr. Rahul Choudhuri	Independent Director	Member	5	5

In view of compulsory trading of shares in dematerialized form and consequent lowering of volume of physical transfers there were very few complaints which were adequately addressed to at the level of the Compliance Officer and CB Management Services (P) Ltd., the Registrar &Shares Transfer Agent of the Company for shares both in physical and demat modes.

C) No. of Meetings Held during the year

During the year under review five meetings were held on the following dates:

16 April 2021, 27 September 2021, 3 December 2021, 10 January 2022 and 21 March 2022.

D) Complaints status as on 31 March 2022

No. of shareholders complaints received so far	7
No. of complaints not solved to the satisfaction of shareholders	0
No. of pending complaints	0
No of Complaint disposed off	7

E) Name, Designation & Address of the Compliance Officer :

Mr. G. Ray Chowdhury, Company Secretary
IFB Industries Limited
Plot No IND-5 Sector 1,
East Kolkata Township
Kolkata 700107
Tel: (033) 39849524
Fax: (033) 24421003
E-Mail: investors@ifbglobal.com

8. General Body Meetings :

A) Location and time where last three AGMs were held:

Annual General Meeting	Date	Time	Venue of the AGM	No of Special Resolutions passed
45thAnnual General Meeting	6 August 2021	10.30 A.M	through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")*	2
44th Annual General Meeting	4 September 2020	10.30 A.M	through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")*	7
43rd Annual General Meeting	26 July 2019	9.30 A.M	Club Ecovista, Eco Space (Business Park), Premises No. 2F/11, Action Area II, Rajarhat, New Town, Kolkata – 700 156.	1

* The AGM was held through Video Conferencing / Other audio-visual means by following the guidelines of Ministry of Corporate Affairs.

B) Whether any special resolution passed in the previous three AGMs : Yes

C) Whether any special resolution passed last year through postal ballot : Yes

Postal Ballot :

During the year under review, the Company initiated Five Special Resolutions through Postal Ballot for :

- Appointment of Mr. Harsh Vardhan Sachdev (DIN: 06385288) as Managing Director & CEO of Engineering Division for a period of three years.
- Reappointment of Mr. Desh Raj Dogra (DIN: 00226775) as Independent Director for a further period of five years.
- Reappointment of Mr. Biswadip Gupta (DIN: 00048258) as Independent Director for a further period of four years.

- Reappointment of Mr. Prabir Chatterjee (DIN: 02662511), Whole-time Director and CFO of the Company for a further period of two years.
- Modification of Clause 97 of Articles of Association of the Company.

  The result of the Postal Ballot is posted on Company's website www.ifbindustries.com. initimation to SE, NSDL etc. The Board had appointed Mr. S. K. Patnaik (Membership No. FCS 5699, CP No. 7177), Practicing Company Secretary, partner of **M/s Patnaik & Patnaik**, Company Secretaries, as the Scrutinizer to conduct the Postal Ballot and e-voting process. Due process was followed to conduct the Postal Ballot in accordance with Section 110 of the Companies Act, 2013, and other applicable provisions, if any, read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in compliance with General Circular nos. 14/2020 dated April 08, 2020, 17/2020 dated April 13, 2020, 10/2021 dated June 23, 2021 and 20/2021 dated December 08, 2021 issued by Ministry of Corporate Affairs.

Details of Voting Pattern of Postal Ballot:

Appointment of Mr. Harsh Vardhan Sachdev

Vote	No. of Members Voted	No of votes cast by them	% of total number of votes cast
In favour of proposal	217	31907579	99.81
In against of proposal	17	60818	0.19
Total	234	31968397	100

Reappointment of Mr. Desh Raj Dogra

Vote	No. of Members Voted	No of votes cast by them	% of total number of votes cast
In favour of proposal	217	31212220	97.63
In against of proposal	17	756177	2.37
Total	234	31968397	100

Reappointment of Mr. Biswadip Gupta

Vote	No. of Members Voted	No of votes cast by them	% of total number of votes cast
In favour of proposal	214	31212085	97.63
In against of proposal	19	756242	2.37
Total	233	31968327	100

Reappointment of Mr. Prabir Chatterjee

Vote	No. of Members Voted	No of votes cast by them	% of total number of votes cast
In favour of proposal	209	31905570	99.99
In against of proposal	24	62757	0.01
Total	233	31968327	100

Modification of Clause 97 of Articles of Association of the Company

Vote	No. of Members Voted	No of votes cast by them	% of total number of votes cast
In favour of proposal	217	31967311	99.99
In against of proposal	14	810	0.01
Total	233	31968121	100

D) Whether any special resolution is proposed to be conducted through postal ballot : No

9. Means of communication :

The quarterly, half yearly and annual results of the Company are forthwith communicated to the Stock Exchanges with whom the Company has listing agreements as soon as the results are approved and taken on record by the Board of Directors of the Company. Further, the results are generally published in leading newspapers such as Business Standard (English) and Aajkal (Bengali). Presentation of quarterly results were made to the Stock Exchanges & also in Company website during the year 2021-22. Investors calls on such presentations were duly attended and redressed by Company representative.

The quarterly, half-yearly and annual financial results and Official News releases are posted in respective Stock Exchange web-sites and also on the website of the Company.

10. General Shareholder Information :

i) 46th AGM date, time and venue : 29 July, 2022
At 10.30. A.M

The Company is conducting meeting through VC / OAVM pursuant to the MCA Circular dated May 5, 2020 and No. 2/2022 dated 05.05.2022 and as such there is no requirement to have a venue for the AGM.

ii) Financial Year : 1 April 2021 to 31 March 2022.

iii) Book Closure date : 23.07.2022 to 29.07.2022.

iv) Dividend payment date : Dividend is not recommended.

v) Listing on Stock Exchange :
a) BSE Limited
b) The National Stock Exchange of India Limited
c) The Calcutta Stock Exchange Association Limited (CSE) (applied for delisting)

vi) Listing Fees to Stock Exchange : The listing Fees for NSE, BSE & CSE has been paid with in time limit for the year 2022-23.

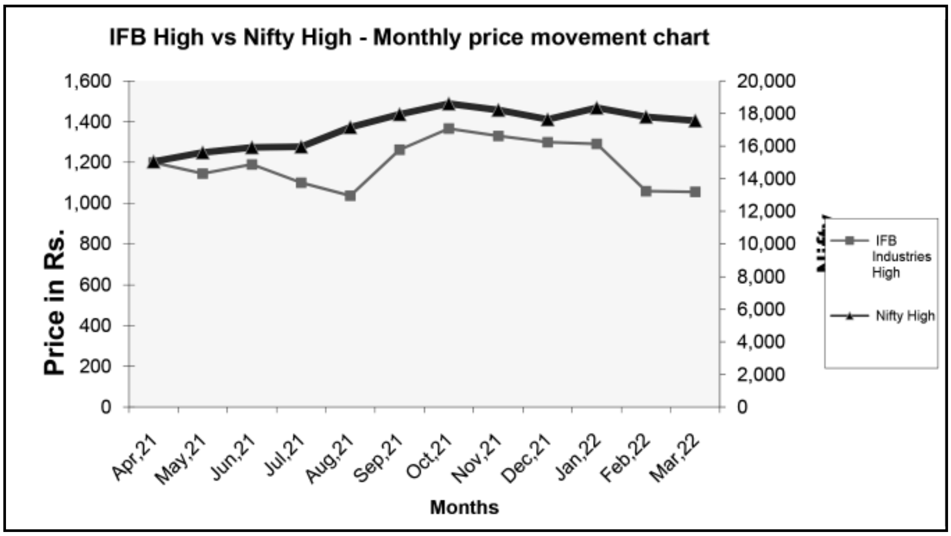
vii) Stock Code :
BSE : 505726
NSE : IFB IND
CSE : 10019067

viii) Market Price Data (In Rupees) : Monthly High and Low quotation along with the volume of shares traded at National Stock Exchange of India Ltd during the Financial Year 2021-22.

NATIONAL STOCK EXCHANGE OF INDIA LIMITED			
Period	**Monthly Low (Rs.)**	**Monthly High (Rs.)**	**Monthly Volume**
Apr-21	961.00	1199.00	1157652
May-21	903.15	1145.00	1799865
Jun-21	1015.00	1190.00	1817751
Jul-21	990.00	1099.90	734287
Aug-21	876.25	1036.15	681939
Sep-21	918.00	1261.75	3731324

NATIONAL STOCK EXCHANGE OF INDIA LIMITED			
Period	**Monthly Low (Rs.)**	**Monthly High (Rs.)**	**Monthly Volume**
Oct-21	1147.00	1365.85	1985039
Nov-21	1135.00	1329.70	2560062
Dec-21	1086.65	1299.00	340748
Jan-22	1031.05	1291.00	809047
Feb-22	850.00	1058.50	396012
Mar-22	800.00	1054.80	2777455

ii) Share price performance in comparison to broad based indices- NSE High V/S NIFTY High on a month to month basis



ix) Registrar & Share Transfer Agent : CB Management Services (P) Ltd.
P-22, Bondel Road, Kolkata - 700 019
Tel : (033) 4011 6700/2280 6692/2282 3643/2287 0263
Fax : (033) 4011 6739
E-mail : rta@cbmsl.com
Website : www.cbmsl.com

x) Share Transfer System

In order to expedite the process, the Board of Directors has delegated the authority to approve the share transfers to theStakeholder's Relationship Committee of the Company. The transactions of shares held in Demat and Physical form are handled by the Company's Depository Registrar, CB Management Services (P) Ltd.

Shares transferred in physical form during the years are as follows :

Particulars	**2021-22**	2020-21
No. of Shares Transferred	**49**	200
Total No. of Shares	**4,05,18,796**	4,05,18,796
% on Share Capital	**0.00**	0.00

The Securities and Exchange Board of India ('SEBI') and Ministry of Corporate Affairs ('MCA') during FY 2018-19, has mandated that existing members of the Company who hold securities in physical form and intend to transfer their securities after April 1, 2019, can do so only in dematerialised form, except in case of requests received for transmission or transposition and relodged transfer of securities. Therefore, necessary intimation was sent by the Company to the members regarding the restriction on transfer of securities in the physical form and members holding shares in physical form were requested to consider converting their shareholding to dematerialized form within the due date. Further SEBI vide circular no. SEBI/HO/MIRSD/RTAMB/CIR/P/2020/236 dated December 2, 2020 had fixed March 31, 2021 as the cut-off date for re-lodgement of transfer deeds and the shares that are re-lodged for transfer shall be issued only in demat mode.

SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022, mandated all listed companies to issue securities in dematerialized form only while processing the service request of issue of duplicate securities certificate, claim from Unclaimed Suspense Account, renewal/ exchange of securities certificate, endorsement, sub-division/ splitting of securities certificate, consolidation of securities certificates/ folios, transmission and transposition.

In compliance with Regulation 40(9) of the Listing Regulations all certificates have been issued within 30 days of the date of transfer, sub-division, consolidation, renewal and exchange of endorsement of calls/ allotment monies as applicable during FY 2021-22.

SEBI vide circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021 had laid down common and simplified norms for processing Investor's Service request by RTAs and norms for furnishing PAN, KYC details and nomination. As per the above said circular the shareholders holding physical securities are required to mandatory furnish PAN, KYC details and Nomination by holders and are also required to link PAN with Aadhaar. The said circular stipulates that folios wherein the required documents are not made available on or before April 1, 2023 shall be frozen by RTA. The Company had sent relevant communication to all physical holders along with relevant Forms to enable the shareholders to update the PAN, KYC and other relevant details with RTA/Company in line with the SEBI directives. The PAN, KYC and other relevant documents are being processed by RTA on receipt from the shareholders. The relevant Forms are also made available on the Company's website at www.ifbindustries.com.

Members are advised to registered their details with the RTA, in compliance with the said Circular for smooth processing of their service requests.

xii) Distribution of Shareholding & Shareholding Pattern :

A) Distribution of Shareholding as on 31 March 2022 :

No. of Equity Shares Held	**As on 31 March 2022**				As on 31 March 2021			
	No. of share holders	**% of Share holders**	**No. of Shares**	**% of Share holding**	No. of share holders	% of Share holders	No. of Shares	% of Share holding
1-500	**25584**	**96.96**	**1484372**	**3.66**	23479	96.08	1502125	0.76
501-1000	**373**	**1.41**	**287235**	**0.71**	419	1.72	327286	0.66
1001-2000	**181**	**0.69**	**265014**	**0.65**	211	0.86	307386	0.36
2001-3000	**82**	**0.31**	**212655**	**0.53**	103	0.42	266808	0.37
3001-4000	**32**	**0.12**	**113293**	**0.28**	42	0.17	148541	1.20
4001-5000	**24**	**0.10**	**112446**	**0.28**	32	0.13	150066	92.13
5001-10000	**45**	**0.17**	**316592**	**0.78**	66	0.27	486226	0.88
10001 and above	**64**	**0.24**	**37727189**	**93.11**	86	0.35	37330358	91.80
Total	**26385**	**100.00**	**40518796**	**100.00**	24438	100.00	40518796	100.00

B) Shareholding Pattern as on 31 March 2022 :

	No. of Shares	% of total
Indian Promoters	30373199	74.96
Mutual Funds/UTI	1580401	3.90
Alternate Investment Funds	50900	0.13
Foreign Portfolio Investors	2832701	6.99
Banks, Financial Institutions	2980	0.01
Indian Public	2730469	6.74
Trust	34995	0.09
Clearing Members	22081	0.05
Non - Resident Indians	66517	0.16
Private Corporate Bodies	1405594	3.47
Employee	186635	0.46
Director & Director Relatives	47892	0.12
LLP	1132760	2.79
HUF	51672	0.13
Total :	**40518796**	**100.00**

xii) Dematerialization of shares :

As on 31 March 2022, 98.27% of the Company's total shares representing 39819969 shares were held in dematerialised form and the balance 1.73% representing 698827 shares were held in physical form.

xiii) Commodity Price Risk or Foreign Exchange Risk and Hedging Activities :

The Company is exposed to foreign currency risk for the raw materials, finished goods and capital goods that it imports and export of finished goods and engages in foreign currency hedging with banks by way of currency forward contracts in order to protect its foreign exchange exposure arising from its foreign-currency denominated purchase in terms of the foreign exchange risk management policy of the Company.

xiv) Credit Ratings :

Credit Ratings obtained by the Company for any debt instrument, fixed deposit programme for any other scheme involving mobilization of funds : None.

xv) Outstanding GDRs/ADRs/ Warrants or any convertible instruments : The Company has not issued any Convertible instruments, neither has done conversion of any GDRs/ADRs/Warrants.

xvi) Plant locations :

14 Taratolla Road, Kolkata 700088

JL-71, P.O. Bishnupur, Gangarampur, West Bengal

L-1, Verna Electronic City, Verna, Selcete, Goa - 403722

62, 64 & 66 Corlim Indl. Estate, CorlimIlhas, Goa – 403110

Plot No. 7, Survey No 261/0, Phase – IV, Verna Industrial Estate, Verna, Salcete – Goa - 403722

16/17, Visveswariah Indl. Estate, Whitefield Road, Bangalore-560048

3B/3C, Bommasandra Industrial Area, Anekal Taluk, Bengaluru Urban, Karnataka - 560099

Plot No. 5, 4A, 4B, 3B, Malur Industrial Area, Kurandanahalli Village-563160

Bamunari NH-2, Delhi Road, Hooghly – 712250, West Bengal

xvii) Address for correspondence : Corporate Office
IFB Industries Limited
Plot No. IND 5, Sector I, East Kolkata Township, Kolkata 700 107.
Tel.: (033) 39849475, Fax: (033) 39849676
E-mail: investors@ifbglobal.com

11. Other Disclosures :

A) Disclosure on materially significant related party transactions that may have potential conflict with the interest of the Company at large.

None of the transactions with any of the related parties were in conflict with interests of the Company. Transactions with the related parties are disclosed in Note No. 37 "Notes to Financial Statements" annexed to the Financial Statements for the year. The Policy on Related Party has been given under Company's official website at **www.ifbindustries.com**

B) Details of non-compliance by the Company, penalties, and strictures imposed on the Company by the Stock Exchanges, SEBI or any statutory authorities on any matter related to capital markets during the last 3 years: During preceding financial years, the Company received notices from NSE & BSE for non compliance pertaining to provisions of Regulation 17 (1) of SEBI (LODR) and accordingly the fine as demanded by these exchanges were paid by the Company under protest. The Company made proper representations before the exchanges.

C) The financial statements for the year 2021-22 have been prepared in accordance with the Indian Accounting Standards (Ind AS's) notified under Section 133 of the Companies Act, 2013 read together with the Companies (Indian Accounting Standards) Rules, 2015 and other relevent provisions of the Act as amended from time to time and there are no deviations.

D) The Board noted and reviewed the Compliance Reports of all laws applicable to the Company, which were placed before each of its meeting held during the year 2021-2022.

E) The Company has adopted Whistle Blower/Vigil Mechanism Policy for Directors and employees which has been placed in the website of the Company under the web link http://www.ifbindustries.com/vigil_mechanism.php. No personnel has been denied access to the Audit Committee.

F) The Company has adopted Policy for determining 'material' subsidiaries which has been placed in the website of the Company at **www.ifbindustries.com**.

G) The Company has taken several mitigating actions, applied many strategies and introduced control and reporting systems to reduce and mitigate risk.

H) The Company has not raised funds through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) during the financial year 2021-22.

I) The Company has received a certificate from a Company Secretary in Practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.

J) During the financial year 2021-22, the Board had accepted all mandatory recommendation made by its Committees.

K) M/s Deloitte Haskins & Sells , Chartered Accountants (Firm Registration No. 302009E) have been appointed as the Statutory Auditors of the Company. The particulars of payment of Statutory Auditors' fee, on consolidated basis for financial year 2021-22 is given below:

Rs. in lacs

Particulars	**Amount**
Statutory Audit Fee	51
Tax Audit Fee	16
Limited Review Fee	18
Others	19
Reimbursement of expenses	2
Total	**106**

L) The disclosure regarding the complaints of sexual harassment as per the sexual harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013 are given in the Directors' Report.

M) **Reconciliation of Share Capital Audit:**

A Qualified Practicing Company Secretary carried out Reconciliation of Share Capital Audit during the financial year 2021-22 on quarterly basis to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The Reconciliation of Share Capital Audit Report confirms that the total Paid up Share Capital is in agreement with the total No. of Shares in physical form and the total number of Dematerialized shares held with NSDL and CDSL.

N) The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of the SEBI LODR as on 31 March, 2022.

This Corporate Governance Report of the Company for the year 2021-2022 as on 31 March 2022 are in compliance with the requirements of Corporate Governance under SEBI LODR as applicable.

12. Requirement under PART E of Schedule II

i) The Board

It is not applicable as the company is having one Executive Chairman.

ii) Shareholders' Rights

The Company's financial results are published in the newspaper and also posted on its website (www.ifbindustries.com). Hence Financial Results are not send to the Shareholders. However the Company furnishes the financial results on receipt of request from the shareholders.

iii) Modified opinion in Audit Report

Statutory Auditor have provided an unmodified opinion in their Audit Reports on the financials for Standalone and Consolidated Reports of IFB Industries Limited for the year ended 31 March 2022.

iv) Separate Post of Chairman and Chief Executive Officer

The Company has appointed separate persons as Chairman, Managing Director & CEOs.

v) Reporting of Internal Auditor

Internal Auditors report directly to the Audit Committee.

For and on behalf of the Board of Directors

Bikramjit Nag
(DIN: 00827155)
Joint Executive Chairman
& Managing Director

Prabir Chatterjee
(DIN: 02662511)
Director & CFO

Place : Goa / Kolkata
Date : 28 May 2022

CERTIFICATION BY CHIEF EXECUTIVE OFFICERS (CEOs) AND CHIEF FINANCIAL OFFICER (CFO) UNDER REGULATION 17(8) OF (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

Pursuant to Regulation 17(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, this is to certify that:

1. We have reviewed the financial statements and the cash flow statement of IFB Industries Ltd. ('the Company') for the year ended 31st March, 2022 and to the best of our knowledge and belief:
   i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
   ii) these statements together present a true and fair view of Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2022 are fraudulent, illegal or violates Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
4. We have indicated to the Auditors and the Audit Committee that :
   i. there are no significant changes in the internal control over financial reporting during the year;
   ii. there are no significant changes in accounting policies during the year;
   iii. there are no instances of significant fraud during the year, with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Yours truly,

	Harsh Vardhan Sachdev	**Rajshankar Ray**	**Prabir Chatterjee**
	Managing Director &	*Managing Director &*	*Director &*
Place : Goa / Kolkata	*Chief Executive Officer*	*Chief Executive Officer*	*Chief Financial Officer*
Date : 28 May 2022	*Engineering Division*	*Home Appliances Division*	

INDEPENDENT AUDITORS' CERTIFICATE on Corporate Governance

To the Members of **IFB Industries Limited**

1. This certificate is issued in accordance with the terms of our engagement letter dated 6 October, 2021.
2. We, Deloitte Haskins & Sells, Chartered Accountants, the Statutory Auditors of IFB Industries Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31 March, 2022, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, (the Listing Regulations).

Managements' Responsibility

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's responsibility

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the books of accounts and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations, as amended from time to time, during the year ended 31 March, 2022.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm Registration No. 302009E)

Varsha A. Fadte
Partner
(Membership No. 103999)
UDIN: 22103999AJUSOQ6923

Panaji, 28 May 2022

Independent Auditor's Report to the Members of IFB INDUSTRIES LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of IFB Industries Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2022, and 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 significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its loss, total comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone 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 (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	**Recognition of Revenue** Revenue from the sale of goods (hereinafter referred to as "Revenue") is recognised when the Company performs its obligation to its customers and the amount of revenue can be measured reliably and recovery of the consideration is probable. The timing of such recognition is when the control over the same is transferred to the customer which is mainly upon delivery.	Our audit approach was a combination of test of internal controls and substantive procedures including: • Assessing the appropriateness of the Company's revenue recognition accounting policy, in line with Ind AS 115 ("Revenue from Contracts with Customers"). • Evaluating the design and implementation of Company's controls in respect of revenue recognition. Testing the effectiveness of such controls over revenue cut off during the year.

Sr. No.	Key Audit Matter	Auditor's Response
	The timing of revenue recognition is relevant to the reported performance of the Company. Revenue may be recognised before completion of contractual performance obligation due to incorrect recording of point of time when the customer obtains control of the asset. Refer to 1(B)(d) for the Accounting policy on recognition on revenue.	• Testing the supporting documentation for sales transactions recorded during the period closer to the year-end including customer acknowledgments of receipt of goods on a sample basis. • Testing sales returns subsequent to the year end, including examination of credit notes issued after the year-end to determine whether revenue was recognised in the correct period. • Rolling out confirmation requests to customers to confirm the recorded year-end balances on a sample basis.

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

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- 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.

Management's Responsibility for the Standalone 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 standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the IndAS and other accounting principles generally accepted in India. This responsibility also includes 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 frauds and other irregularities; selection and application of appropriate 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 standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is 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.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone 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 standalone 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place 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 the 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 Company's ability 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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 standalone 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 Section 143(3) of the Act, based on our audit 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 and the reports of the other auditors.

   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 relevant books of account.

   d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 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 A". 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, 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.

   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, as amended in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in Note 36 of its standalone financial statements;

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

      iv. (a) The Management has represented that, to the best of it's knowledge and belief, no funds 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(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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) The Management has represented, that, to the best of it's knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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 performed 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-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm Registration No. 302009E)

Varsha A. Fadte
Partner
(Membership No. 103999)
UDIN: 22103999AJURFN1310

Panaji, Goa, 28 May 2022

ANNEXURE "A" to the Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting 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 IFB Industries Limited ("the Company") as of 31 March 2022 in conjunction with our audit of the standalone Ind AS 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. 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 the 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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.

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 judgement, 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 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, to the best of our information and according to the explanations given to us, 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 31 March 2022, based on the criteria for internal financial control over financial reporting 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 **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm Registration No. 302009E)

Varsha A. Fadte
Partner
(Membership No. 103999)
UDIN: 22103999AJURFN1310

Panaji, Goa, 28 May 2022

ANNEXURE "B" to the Independent Auditor's Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) (a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, capital work–in–progress, investment properties and relevant details of right–of–use assets.

B. The Company has maintained proper records showing full particulars of intangible assets.

(i) (b) Some of the property, plant and equipment, capital work–in–progress, investment properties and right–of–use assets were physically verified during the year by the Management in accordance with a programme of verification, which in our opinion provides for physical verification of all the property, plant and equipment, capital work–in–progress, investment properties and right–of–use assets at reasonable intervals having regard to the size of the Company and the nature of its activities. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(i) (c) Based on our examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds of all the immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment, capital work–in progress and investment properties are held in the name of the Company as at the balance sheet date.

(i) (d) The Company has not revalued any of its property, plant and equipment (including right of use assets) and intangible assets during the year.

(i) (e) No proceedings have been initiated during the year or are pending against the Company as at 31 March 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) The inventories except for goods–in–transit and stocks held with third parties, were physically verified during the year by the Management at reasonable intervals. In our opinion and based on 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. For stocks held with third parties at the year–end, written confirmations have been obtained and in respect of goods in–transit, the goods have been received subsequent to the year–end or confirmations have been obtained from the parties. 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 the books of account.

(ii) (b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising stock statements, debtors and creditors statement (including revised returns/ statements, if any) filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company of the respective quarters and no material discrepancies have been observed.

(iii) (a) The Company has not granted advances in the nature of loans or given security, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. The Company has made investments in, provided loans and guarantee to companies, firms, Limited Liability Partnerships or any other parties during the year and details of which are given below:

	Loans (Rs. In Lacs)	Guarantees (Rs. In Lacs)
A. Aggregate amount granted / provided during the year:		
- Subsidiaries - Others (employees)	– 1,408	2,132 –
B. Balance outstanding as at balance sheet date in respect of above cases:*		
- Subsidiaries - Others (employees)	– 119	2,132 –

* The amounts reported are at gross amounts, without considering provisions made.

(b) The investments made, guarantees provided and the terms and conditions of the grant of all the above- mentioned loans during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.

(c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are regular as per stipulation.

(d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted and advances in the nature of loans provided by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

(e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(f) According to the information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii)(f) is not applicable.

(iv) The Company has not granted any loans or securities. In our opinion and 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 making investments and providing guarantees.

(v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.

(vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013 in respect of the "Electricals or Electronic Machinery, Other machinery and Mechanical Appliances, Iron & Steel and Base metals". 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) In respect of statutory dues:

(a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.

(b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on 31 March 2022 on account of disputes are given below:

Name of Statue	Nature of Dues	Forum where Dispute is Pending	Period to which the amount relates	Amount involved net of amount paid under protest (Rs. in lacs)	Amount Paid under Protest (Rs. in lacs)
Income Tax Act, 1961	Income Tax	Commissioner of Income Tax (Appeals)	AY 2012–13 & AY 2018-19	4,231	–
Central Excise Act 1944	Excise Duty	Customs Excise and Service Tax Appellate Tribunal (CESTAT)	2004-05 to 2009-10 to 2011-12; 2012-13 to 2015-16 to 2016-17	200	7
Central Excise Act 1944	Excise Duty	Deputy Director– Directorate general of Goods and Service Tax department	2014 to 2018	40	–
Central Sales Tax Act and Local Sales Tax Act	Sales Tax including trade tax	Assessing officer	1991-92 to 1994-95	176	–
		Assistant Commissioner	2002-03	1	–
		Additional Commissioner	2009-10	7	–
		Commissioner Appeals	2009-10 and 2015-16	–	4
		Deputy Commissioner (Appeals)	2005-06; 2009-10; 2010-11 and 2013-15	35	6
		Deputy Commissioner	2013-14	1	–
		Tribunal	2002-2004 2004-2005	1	34
		Trade Tax Tribunal	1999-2000	2	–
		Joint Commissioner (Appeals)	2006-07	1	–
		High Court	2009-10	89	174
		Objection Hearing Authority	2009-2017	56	1
		Appellate and Revision Board	1996-97	10	–
		Sr. Joint Commissionerate, Corporate division	2013-14	2	–
		Joint Commissioner (Appeal)	2011-13 and 2014 -2015	11	18
		Sales Tax Tribunal	2003-05 and 2007-12	23	6
		Appellate Tribunal	2004-2005 to 2007-08	-	13
		Supreme Court	2001-03	62	83
Central Goods & Service Tax	GST	High Court	2017-18	67	-
		Commissioner Customs	2019–20	72	–

Name of Statue	Nature of Dues	Forum where Dispute is Pending	Period to which the amount relates	Amount involved net of amount paid under protest (Rs. in lacs)	Amount Paid under Protest (Rs. in lacs)
Labour Laws	Wages of Labour	Bombay High Court	2011-12	49	–
Labour Laws	Wages of Labour	Industrial Labour Court	2011 to 2013	10	–
Customs Act, 1962	Customs duty	Additional Director General, Directorate of Revenue Intelligence	2008-2012	2	–
The Finance Act, 1994	Service Tax	Customs Excise and Service Tax Appellate Tribunal (CESTAT)	2009 - 2012, 2009 - 2013, 2005-06, 2011-12 2015-16 & 2016-17	537	–
		Deputy / Assistant Commissioner (Appeal)	2012–16	15	1

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(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.

(ix) (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(ix) (c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained, other than temporary deployment pending application.

(ix) (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.

(ix) (e) The Company did not have any associate or joint venture during the year. The Company has not made any investment in or given any new loan or advances to any of its subsidiaries during the year and hence, reporting under clause (ix)(e) of the Order is not applicable.

(ix) (f) The Company did not have any associate or joint venture during the year. The Company has not raised loans during the year on the pledge of securities held in its subsidiary companies.

(x) (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.

(x) (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(xi) (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(xi) (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year (and upto the date of this report).

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions 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.

(xiv) (b) We have considered, the internal audit reports issued to the Company during the year and covering upto December 2021 and the internal audit reports, where issued after the balance sheet date covering the period January 2022 to March 2022 for the period under audit.

(xv) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not 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. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

(xxi) With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO report issued by and the information provided by the auditors of the companies included in the consolidated financial statements of the Company we report that CARO is applicable only to the holding company and to no other company included in the consolidated financial statements. We have not reported any qualifications or adverse remarks in the CARO report of the holding company.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm Registration No. 302009E)

Varsha A. Fadte
Partner
(Membership No. 103999)
UDIN: 22103999AJURFN1310

Panaji, Goa, 28 May 2022

Standalone Balance Sheet

	Notes	As at 31 March 2022 Rs. in Lacs	As at 31 March 2021 Rs. in Lacs
ASSETS			
1. **Non-current assets**			
(a) Property, plant and equipment	3A	**49,907**	50,684
(b) Capital work-in-progress	3A	**980**	1,774
(c) Right of use assets	3C	**13,069**	6,834
(d) Investment property	4	**11**	11
(e) Goodwill	40	**1,355**	1,781
(f) Other intangible assets	3B	**2,904**	3,332
(g) Intangible assets under development	3B	**328**	232
(h) Financial assets			
(i) Investments	5	**2,385**	2,385
(ii) Loans	6	**61**	51
(iii) Others	7	**1,647**	1,729
(i) Deferred tax assets (net)	19	**205**	–
(j) Income tax assets (net)	8	**1,243**	9
(k) Other non-current assets	9	**1,923**	1,227
2. **Current assets**			
(a) Inventories	10	**57,165**	45,787
(b) Financial assets			
(i) Investments	5	**22,722**	25,822
(ii) Trade receivables	11	**29,639**	24,650
(iii) Cash and cash equivalents	12	**6,479**	9,536
(iv) Other bank balances	13	**2,252**	2,419
(v) Loans	6	**60**	54
(vi) Others	7	**537**	336
(c) Income tax assets (net)	8	**–**	645
(d) Other current assets	9	**5,000**	6,392
Total assets		**1,99,872**	1,85,690
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	14	**4,128**	4,128
(b) Other equity		**59,591**	64,649
Liabilities			
1. **Non-current liabilities**			
(a) Financial liabilities			
(i) Borrowings	15	**11,213**	16,665
(ii) Lease liabilities		**10,326**	3,894
(iii) Other financial liabilities	16	**37**	45
(b) Provisions	18	**5,098**	5,912
(c) Deferred tax liabilities (net)	19	**–**	2,676
(d) Other non-current liabilities	17	**3,348**	2,562
2. **Current liabilities**			
(a) Financial liabilities			
(i) Borrowings	20	**12,086**	5,890
(ii) Lease liabilities		**2,118**	2,090
(iii) Trade payables			
(A) total outstanding dues of micro enterprises and small enterprises		**14,374**	10,141
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		**65,426**	53,584
(iv) Other financial liabilities	16	**1,689**	1,799
(b) Other current liabilities	17	**9,539**	10,994
(c) Provisions	18	**899**	607
(d) Income tax liabilities (net)		**–**	54
Total equity and liabilities		**1,99,872**	1,85,690

The accompanying notes 1 to 54 are an integral part of the financial statements

In terms of our report attached

For **Deloitte Haskins & Sells**
Chartered Accountants

Varsha A Fadte
Partner

Panjim
28 May 2022

For and on behalf of the Board of Directors of **IFB Industries Limited**

Joint Executive Chairman and Managing Director **Bikramjit Nag**
Managing Director and Chief Executive Officer, Home Appliances Division **Rajshankar Ray**
Managing Director and Chief Executive Officer, Engineering Division **Harsh Vardhan Sachdev**
Director and Chief Financial Officer **Prabir Chatterjee**
Company Secretary **G. Ray Chowdhury**

Verna / Kolkata
28 May 2022

Standalone Statement of Profit and Loss

		Notes	For the year ended 31 March 2022 Rs. in Lacs	For the year ended 31 March 2021 Rs. in Lacs
I	Revenue from operations	21	**3,33,900**	2,73,133
II	Other income	22	**1,814**	2,208
III	**Total income (I + II)**		**3,35,714**	2,75,341
IV	**Expenses**			
	(a) Cost of materials consumed	23	**1,70,100**	1,22,210
	(b) Purchases of stock-in-trade	24	**37,754**	32,043
	(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	25	**(6,609)**	(2,308)
	(d) Employee benefits expense	26	**36,371**	29,811
	(e) Finance costs	27	**3,146**	3,051
	(f) Depreciation and amortisation expense	28	**11,345**	10,041
	(g) Other expenses	29	**91,279**	70,816
	Total expenses (IV)		**3,43,386**	2,65,664
V	**(Loss) / Profit before tax (III - IV)**		**(7,672)**	9,677
VI	**Tax expense**			
	(a) Current tax	30A	**(341)**	3,738
	(b) Deferred tax	30A	**(2,210)**	(283)
			(2,551)	3,455
VII	**(Loss) / Profit for the year (V - VI)**		**(5,121)**	6,222
VIII	**Other comprehensive income / (loss)**			
	(i) Items that will not to be reclassified to profit or loss			
	- Remeasurements of the defined benefit plan	32	**97**	(68)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	30B	**(34)**	25
	Total other comprehensive income / (loss)		**63**	(43)
IX	**Total comprehensive (loss) / income for the year (VII + VIII)**		**(5,058)**	6,179
X	**Earnings per equity share (Face value Rs. 10 each)**			
	(a) Basic (in Rs.)	31	**(12.64)**	15.36
	(b) Diluted (in Rs.)	31	**(12.64)**	15.36

The accompanying notes 1 to 54 are an integral part of the financial statements

In terms of our report attached
For **Deloitte Haskins & Sells**
Chartered Accountants

Varsha A Fadte
Partner

Panjim
28 May 2022

For and on behalf of the Board of Directors of **IFB Industries Limited**

Joint Executive Chairman and Managing Director	**Bikramjit Nag**
Managing Director and Chief Executive Officer, Home Appliances Division	**Rajshankar Ray**
Managing Director and Chief Executive Officer, Engineering Division	**Harsh Vardhan Sachdev**
Director and Chief Financial Officer	**Prabir Chatterjee**
Company Secretary	**G. Ray Chowdhury**

Verna / Kolkata
28 May 2022

Standalone Statement of Changes in Equity

A. Equity share capital

	As at the beginning of the reporting year	Changes in equity share capital during the year	As at the end of the reporting year
	Rs. in lacs	Rs. in lacs	Rs. in lacs
For the year ended 31 March 2021	4,128	–	**4,128**
For the year ended 31 March 2022	4,128	–	**4,128**

B. Other equity

		Reserves and surplus				Total
	Capital Reserve	Securities premium	Capital redemption reserve	Debt restructuring reserve	Retained earnings	
	Rs. in lacs	Rs. in lacs	Rs. in lacs	Rs. in lacs	Rs. in lacs	Rs. in lacs
Balance as at 01 April 2020	522	17,433	1,605	8,981	29,929	58,470
Profit for the year	–	–	–	–	6,222	6,222
Other comprehensive loss (net of tax)	–	–	–	–	(43)	(43)
Total comprehensive income for the year	–	–	–	–	6,179	6,179
Balance as at 31 March 2021	522	17,433	1,605	8,981	36,108	64,649
Loss for the year	–	–	–	–	(5,121)	(5,121)
Other comprehensive income (net of tax)	–	–	–	–	63	63
Total comprehensive loss for the year	–	–	–	–	**(5,058)**	**(5,058)**
Balance as at 31 March 2022	**522**	**17,433**	**1,605**	**8,981**	**31,050**	**59,591**

Capital reserve This reserve represents the difference between the value of net assets acquired by the Company in the course of business combinations and the consideration paid for such combinations.

Securities premium This reserve represents premium on issue of shares and expenses on employee stock purchase scheme and can be utilised in accordance with the provisions of the Companies Act, 2013.

Capital redemption reserve This reserve has been created under the Companies Act, 1956 on redemption of redeemable preference shares and can utilised in accordance with the provisions of the Companies Act, 2013.

Debt restructuring reserve This reserve represents the principal loan amount that were waived off in earlier years.

Retained earnings This reserve represents the cumulative profits of the Company and effects of remeasurement of defined benefit plans. This can be utilised in accordance with the provisions of the Companies Act, 2013.

The accompanying notes 1 to 54 are an integral part of the financial statements

In terms of our report attached
For **Deloitte Haskins & Sells**
Chartered Accountants

Varsha A Fadte
Partner

Panjim
28 May 2022

For and on behalf of the Board of Directors of **IFB Industries Limited**

Joint Executive Chairman and Managing Director **Bikramjit Nag**
Managing Director and Chief Executive Officer, Home Appliances Division **Rajshankar Ray**
Managing Director and Chief Executive Officer, Engineering Division **Harsh Vardhan Sachdev**
Director and Chief Financial Officer **Prabir Chatterjee**
Company Secretary **G. Ray Chowdhury**

Verna / Kolkata
28 May 2022

Standalone Cash Flow Statement

		For the year ended 31 March 2022 Rs. in Lacs	For the year ended 31 March 2021 Rs. in Lacs
A.	**Cash flows from operating activities**		
	(Loss) / Profit before tax	**(7,672)**	9,677
	Adjustments for:		
	Depreciation and amortisation expense	**11,345**	10,041
	Gain on disposal of property, plant and equipment	**(5)**	(13)
	Write-off of property, plant and equipment	**101**	162
	Write-off of capital work in progress	**1**	–
	Write-off of debts/ advances	**85**	30
	Allowances for doubtful debts and advances	**21**	104
	Dividend from investments in mutual fund	**–**	(23)
	Net gain on disposal of mutual funds measured at fair value through profit and loss (FVTPL)	**(41)**	(98)
	Write back of liabilities no longer required	**(85)**	(380)
	Write back of provision on assets no longer required	**(62)**	(6)
	Unrealised exchange loss / (gain)	**319**	(888)
	Interest income on financial assets	**(252)**	(450)
	Net gain arising on mutual funds measured at FVTPL	**(1,018)**	(783)
	Net (gain)/loss arising on derivative instruments measured at FVTPL	**(315)**	974
	Income in respect to deferred revenue from government grant	**(150)**	(19)
	Finance costs	**2,897**	2,781
	Operating profit before working capital changes	**5,169**	21,109
	Adjustments for:		
	Trade payables	**16,125**	19,079
	Provisions	**(504)**	(532)
	Other financial liabilities	**(1)**	201
	Other liabilities	**(519)**	2,962
	Trade receivables	**(5,033)**	(5,593)
	Other financial assets	**4**	(288)
	Other assets	**1,221**	1,375
	Loans	**(16)**	6
	Inventories	**(11,378)**	(7,852)
	Cash generated from operations	**5,068**	30,467
	Income tax paid (net of refunds)	**(543)**	(647)
	Net cash generated from operating activities	**4,525**	29,820
B.	**Cash flows from investing activities**		
	Purchase of property, plant and equipment and intangible assets	**(7,233)**	(9,215)
	Proceeds from sale of property, plant and equipment	**50**	156
	Investment in equity shares of a company (other than subsidary)	**–**	(225)
	Government grant received	**–**	1,702
	Consideration paid to the non-controlling shareholders of a subsidiary	**–**	(1,430)
	Purchase of current investments (mutual funds)	**(13,639)**	(74,921)
	Sale of current investments (mutual funds)	**17,798**	65,281
	(Increase)/Decrease in bank balances (with maturity more than 12 months)	**167**	(396)
	Interest income on financial assets	**256**	490
	Net cash used in investing activities	**(2,601)**	(18,558)

Standalone Cash Flow Statement

		For the year ended 31 March 2022	For the year ended 31 March 2021
		Rs. in Lacs	Rs. in Lacs
C.	**Cash flows from financing activities**		
	Proceeds from borrowings	**20,665**	9,041
	Repayment of borrowings	**(20,209)**	(15,461)
	Lease rent paid - principal portion	**(3,470)**	(3,034)
	Lease rent paid - interest portion	**(164)**	(135)
	Finance costs	**(1,803)**	(2,277)
	Net cash used in financing activities	**(4,981)**	(11,866)
Net change in cash and cash equivalents (A+B+C)		**(3,057)**	(604)
Cash and cash equivalents at the beginning of the year		**9,536**	10,140
Cash and cash equivalents at the end of the year (refer note 12)		**6,479**	9,536

Note :

The above cash flow statement has been prepared under the "Indirect Method" as set out in Ind AS 7 - Statement of Cash Flows.

The accompanying notes 1 to 54 are an integral part of the financial statements

In terms of our report attached

For **Deloitte Haskins & Sells**
Chartered Accountants

Varsha A Fadte
Partner

Panjim
28 May 2022

For and on behalf of the Board of Directors of **IFB Industries Limited**

Joint Executive Chairman and Managing Director **Bikramjit Nag**
Managing Director and Chief Executive Officer, Home Appliances Division **Rajshankar Ray**
Managing Director and Chief Executive Officer, Engineering Division **Harsh Vardhan Sachdev**
Director and Chief Financial Officer **Prabir Chatterjee**
Company Secretary **G. Ray Chowdhury**

Verna / Kolkata
28 May 2022

Notes to the standalone financial statements for the year ended 31 March 2022

1A. BACKGROUND :

IFB Industries Limited ("the Company") is a Listed Public Limited Company having its registered office in Kolkata. The Company is engaged in the business of manufacturing of fine blanked components, in manufacturing and trading of home appliances and in the manufacture of cold rolled steel strips.

1B. SIGNIFICANT ACCOUNTING POLICIES :

a. Statement of compliance

The standalone financial statements have been prepared in all material respects in accordance with Indian Accounting Standards (Ind ASs) notified under the Companies Act, 2013 ('Act'), read together with the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act as amended from time to time.

The Company has consistently applied accounting policies to all periods.

b. Basis of preparation

The standalone financial statements are prepared in accordance with the historical cost convention, except for certain items that are measured at fair values at the end of each reporting period, as explained in the accounting policies. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The financial statements are prepared in Indian rupees and all amounts are rounded off to the nearest lacs unless otherwise stated.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 – Inventories or value in use in Ind AS 36 – Impairment of Assets.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions (such estimates and judgements are reviewed every year) that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

All assets and liabilities have been classified as current or non-current as per Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act 2013 and Ind AS 1 - Presentation of Financial Statements based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

c. Going concern

The directors have, at the time of approving the financial statements, a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

d. Revenue recognition

Revenue from contract with customers is recognised when the Company satisfies performance obligation by transferring promised goods and services to the customer. Performance obligations are satisfied at a point of time or over a period of time. Performance obligations satisfied over a period of time are recognised as per the terms of relevant contractual agreements/ arrangements. Performance obligations are said to be satisfied at a point of time when the customer obtains control of the asset.

Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns, value added tax, goods and services tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/ discounts. Accumulated experience is used to estimate and provide for the discounts/ right of return, using the expected value method.

Revenue from services rendered over a period of time, such as annual maintenance contracts, are recognised on straight line basis over the period or as per the terms of the contract.

Dividend income from investments is recognised when the shareholder's right to receive dividend has been established provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

Interest income from financial assets is recognized when it is probable that the economic benefit will flow to the Company and the amount can be measured reliably. Interest income is accrued on time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Rental income from operating leases is accounted for on a straight-line basis over the lease term.

e. Property, plant and equipment

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any.

Cost is inclusive of inward freight, duties and taxes and incidental expenses related to acquisition. In respect of major projects involving construction, related pre-operational expenses form part of the value of assets capitalised. Expenses capitalised also include applicable borrowing costs for qualifying assets, if any. All upgradation / enhancements are charged off as revenue expenditure unless they bring significant additional benefits.

Properties in course of construction for production, supply or administrative purposes, or for purposes not yet determined, are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with Company's policy. Depreciation on these assets commences when they are ready for their intended use.

Depreciation on property, plant and equipment has been provided on the straight-line method less residual values as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the tools and moulds, in whose case the life of the assets has been assessed as 5 years based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc. Depreciation commences when the assets are ready for their intended use.

Freehold land is not depreciated.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The estimated useful lives of property, plant and equipment of the Company are as follows:

Buildings	30 years
Buildings (Roads and Fences)	5 years
Plant and equipment	10 – 15 years
Plant and equipment (Tools and Moulds)	5 years
Furniture and fixtures	10 years
Office equipment	5 years
Vehicles	8 years
Computers	3-6 years

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

f. Investment property

Investment property are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16 – Property, Plant and Equipment requirement for cost model, other than those that meet the criteria to be classified as held for sale (or are included in a disposal group that is classified as held for sale) in accordance with Ind AS 105 – Non-current Assets Held for Sale and Discontinued Operations.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on de-recognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in statement of profit and loss in the period in which the property is derecognised.

g. Intangible assets

Intangible assets that the Company acquires separately and from which it expects future economic benefits are capitalised upon acquisition and measured initially at cost comprising the purchase price (including import duties and non-refundable taxes) and directly attributable costs to prepare the asset for its intended use.

Internally generated assets for which the cost is clearly identifiable are capitalised at cost. All directly attributable expenditure incurred to prepare the asset for its intended use are recognised as the cost of such assets.

Research expenditure is recognised as an expense when it is incurred. Development costs are capitalised only after the technical and commercial feasibility of the asset for sale or use has been established. All directly attributable expenditure incurred to prepare the asset for its intended use are recognised as the cost of such assets.

Internally generated brands, websites and customer lists are not recognised as intangible assets.

The useful life of an intangible asset is considered finite where the rights to such assets are limited to a specified period of time by contract or law (e.g., patents, licences, trademarks, franchise and servicing rights) or the likelihood of technical, technological obsolescence (e.g., computer software, design, prototypes) or commercial obsolescence (e.g., lesser-known brands are those to which adequate marketing support may not be provided).

Intangible assets that have finite lives are amortised over their estimated useful lives by the straight-line method unless it is practical to reliably determine the pattern of benefits arising from the asset. An intangible asset with an indefinite useful life is not amortised. The estimated useful lives of intangible assets of the Company are as follows:

Computer software	3 years
Technical knowhow	5 years / 7 years
Brand	5 years
Non-Compete Agreement	10 years

Amortisation expenses and impairment losses and reversal of impairment losses are taken to the statement of profit and loss. Thus, after initial recognition, an intangible asset is carried at its cost less accumulated amortisation and / or impairment losses.

The useful lives of intangible assets are reviewed annually to determine if a reset of such useful life is required for assets with finite lives and to confirm that business circumstances continue to support an indefinite useful life assessment for assets so classified. Based on such review, the useful life may change or the useful life assessment may change from indefinite to finite. The impact of such changes is accounted for as a change in accounting estimate.

An intangible asset is derecognised on disposal or when no future economic benefits are expected from use or disposal. Gains or losses from derecognition are measured as the difference between the net disposal proceeds and the carrying amount of the assets, and are recognised in statement of profit or loss when the asset is derecognised.

h. Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit (CGU) to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or CGU) is estimated to be less than it's carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a CGU) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or CGU) in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit and loss.

i. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

j. Foreign currency transactions

The functional and presentation currency of the Company is Indian Rupee.

Foreign currency transactions are recorded at the exchange rate prevailing on the date of the respective transactions. Gains / losses arising on foreign currency transactions settled during the year are recognised in the statement of profit and loss.

At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange differences arising on translation of monetary items are recognised in the statement of profit and loss except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of the assets when they are regarded as an adjustment to interest costs on these foreign currency borrowings.

Exchange differences arising on monetary items that, in substance, form part of the Company's net investment in a foreign operation (having a functional currency other than Indian Rupee) are accumulated in foreign currency translation reserve.

Non-monetary items denominated in foreign currency are carried at cost.

k. Derivatives

The Company enters into derivative financial instruments, primarily foreign exchange forward contracts and currency swaps to manage its exposure to foreign exchange risks.

Derivatives are initially recognised at fair value and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gains / losses is recognised in the statement of profit and loss.

l. Investment in subsidiaries

Investment in subsidiaries is carried at cost less accumulated impairment, if any.

m. Inventories

Inventories are valued at the lower of cost and net realisable value. Costs of inventories are determined using weighted average method. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to its present location and condition and includes, where applicable, appropriate overheads based on normal level of activity. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Obsolete, slow moving and defective inventories are identified from time to time and, where necessary, a provision is made for such inventories.

n. Employee benefits

Retirement benefit costs

Contribution payable for provident fund and superannuation fund, which are defined contribution schemes are recognised as an employee benefit expense in the statement of profit and loss.

For retirement benefit - defined benefit plan i.e., gratuity, other long-term employee benefits i.e., leave encashment and sick leave, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period.

Re-measurement, comprising actuarial gains and losses and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit in other comprehensive income for gratuity and statement of profit and loss for leave encashment and sick leave in the period in which they occur.

Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to statement of profit and loss. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement

The Company presents the first two components of defined benefit costs in statement of profit and loss in the line item 'Employee benefits expense'.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of reductions in future contributions to the plans.

Short-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

o. Taxation

Tax expenses comprises current and deferred tax.

Current tax

Current tax is measured at the amount expected to be paid to tax authorities in accordance with the Income Tax Act, 1961. The Company's current tax is calculated using tax rates and tax laws that have been enacted during the period, together with any adjustment to tax payable in respect of previous years. Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on net basis, or to realise the asset and settle the liability simultaneously.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Income tax, in so far as it relates to items disclosed under other comprehensive income or equity, are disclosed separately under other comprehensive income or equity, as applicable.

Deferred tax assets and liabilities are offset when there is legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances related to the same taxation authority.

Minimum Alternate Tax (MAT) credit entitlement is recognised only to the extent there is convincing evidence that the Company will pay normal tax during the period specified by the Income Tax Act, 1961. In the year in which the MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of credit to the statement of profit and loss. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

p. Government grants

Government grants are recognised when there is reasonable assurance that the grant will be received, and the Company will comply with the conditions attached to the grant. Accordingly, government grants:

a) related to or used for assets are included in the balance sheet as deferred income and recognised as income over the useful life of the assets.

b) related to incurring specific expenditures are taken to the statement of profit and loss on the same basis and in the same periods as the expenditures incurred.

c) by way of financial assistance on the basis of certain qualifying criteria are recognised as they become receivable.

q. Warranties

Warranty costs are estimated by the management on the basis of a technical evaluation and based on specific warranties, claims and claim history. Provision is made for estimated liability in respect of warranty cost in the year of sale of goods. Warranty provisions are measured at discounted amounts. The Company discounts its provision for warranty to present value at reporting dates. Consequently, the unwinding of discount is recognised in the statement of profit and loss.

Provision for warranty is expected to be utilised over a period of one to five years.

r. Provisions and contingent liabilities

The Company recognises a provision when there is a present obligation as a result of an obligating event that probably requires outflow of resources and a reliable estimate can be made of the amount of the obligation. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. When a provision is measured using the cash flows estimated to settle the present obligation, it's carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

A disclosure of a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote, no provision or disclosure of contingent liability is made.

s. Leases

i. **Company as a lessee**

The Company assesses whether a contract is or contains a lease, at the inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration.

The Company recognises a right-of-use asset and corresponding lease liability at the lease commencement date with respect to all lease arrangements in which it is a lessee, except for short- term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term and evaluated for any impairment losses.

The Company applies Ind AS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the policy for 'Property, Plant and Equipment'.

Whenever the Company incurs an obligation for costs to dismantle and remove leased assets, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under Ind AS 37. To the extent those costs relate to a right- of-use asset, the costs are included in the right-of-use asset, unless the costs are incurred to produce inventories.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in the statement of profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are presented in the line 'Other Expenses' in the statement of profit or loss.

The right-of-use assets and lease liabilities are presented as a separate line item in the balance sheet.

ii. **Company as a lessor**

Leases for which the Company is a lessor are classified as finance or operating leases. Whenever, the terms of the lease transfers substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Lease receipts under operating leases are recognised as an income, on a straight-line basis in the statement of profit and loss over the lease term except where the lease payments are structured to increase in line with expected general inflation.

The Company does not have any finance lease arrangements.

t. Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (CODM). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the divisional Chief Executive Officers.

Segments are organised based on business which have similar economic characteristics as well as exhibit similarities in nature of products and services offered, the nature of production processes, the type and class of customer and distribution methods.

Segment revenue arising from third party customers is reported on the same basis as revenue in the financial statements. Inter-segment revenue is reported on the basis of transactions which are primarily market led. Segment results represent profits before finance charges, unallocated expenses and taxes.

"Unallocated expenses" represents revenue and expenses attributable to the Company as a whole and are not attributable to segments.

u. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value except for trade receivables that do not have a significant financing component which are measured at transaction price.

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in the statement of profit and loss.

Financial assets and liabilities are offset and the net amount is included in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

v. Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

Financial assets are classified as those measured at:

(a) Amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and / or interest.

(b) Fair value through other comprehensive income, where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.

(c) Fair value through profit and loss, where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on their fair value of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in the statement of profit and loss in the period in which they arise.

Trade receivables, cash and cash equivalents, other bank balances, loans and other financial assets are classified for measurement at amortised cost. Derivative instruments are measured at fair value through profit and loss while investments may fall under any of the aforesaid classes. However, in respect of particular investments in equity instruments that would otherwise be measured at fair value through profit and loss, an irrevocable election at initial recognition may be made to present subsequent changes in fair value through other comprehensive income.

Financial assets at amortised cost are subsequently measured at amortised cost using effective interest method. The effective interest method is a method of calculating the amortised cost of an instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Recognition

Financial assets include investments, trade receivables, derivative instruments, cash and cash equivalents, other bank balances, loans and other financial assets. Such assets are initially recognised at transaction price when the Company becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the statement of profit and loss.

Impairment

At each reporting date a financial asset such as investment, trade receivable, loans and other financial assets held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit loss is assessed and loss allowance is recognised if the credit quality of that financial asset has deteriorated significantly since initial recognition.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For debt securities at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount of the financial asset in the balance sheet.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the trade receivable does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in statement of profit and loss.

Reclassification

When and only when the business model is changed the Company shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through other comprehensive income, fair value through profit and loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to financial instruments.

De-recognition

Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Company has transferred substantially all of the risks and rewards of ownership. Consequently, if the asset is one that is measured at

(a) Amortised cost, the gain or loss is recognised in the statement of profit and loss.

(b) Fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the statement of profit and loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

w. Financial liabilities and equity instruments

Classification:

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received.

Financial liabilities

Borrowings, trade payables and other financial liabilities are initially recognised at the value of the respective contractual obligations. They are subsequently measured at amortised cost. Any discount or premium on redemption / settlement is recognised in the statement of profit and loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the balance sheet.

Financial liabilities are derecognised when the liability is extinguished, i.e., when the contractual obligation is discharged, cancelled and on expiry.

x. Earning per share

Basic earnings per share are calculated by dividing the profit and loss for the year attributable to shareholders by the weighted average number of shares outstanding during the year. For the purpose of calculating diluted earnings per share, the profit and loss for the year attributable to shareholders and weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential shares.

y. Goodwill

Goodwill is not amortised but is reviewed for impairment at least annually.

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Company's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination. A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than it's carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in the statement of profit and loss. An impairment loss recognised for goodwill is not reversed in subsequent periods. On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

z. Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the difference between the assets acquired by the Company and liabilities assumed by the Company at the acquisition-date.

Acquisition related costs are generally recognised in the statement of profit or loss as incurred. The identifiable assets acquired and liabilities assumed are recognised at fair value except deferred tax assets or liabilities and liabilities related to employee benefit arrangements which are recognised and measured in accordance with Ind AS 12 and Ind AS 19 respectively.

Goodwill is measured as the excess of the sum of the consideration transferred over the net amounts of the identifiable assets acquired and the liabilities assumed at the acquisition date. If the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the excess, after reassessment, is recognised in capital reserve through other comprehensive income or directly depending on whether there exists clear evidence of the underlying reason for classifying the business combination as a bargain purchase.

Business combinations arising from acquisition of net assets from entities that are under common control are accounted for using the pooling of interest method. The difference between any consideration transferred and the aggregate historical carrying values of assets and liabilities of the acquired entity are recognised in shareholders' equity.

2A. USE OF ESTIMATES AND JUDGEMENTS

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In particular, information about the significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are related to:

(i) Useful life of property, plant and equipment and intangible assets
(ii) Provision for product warranties
(iii) Provision for employee benefits
(iv) Fair value of financial assets / liabilities
(v) Provisions and contingent liabilities

Useful life of property, plant and equipment and intangible assets

As described in the significant accounting policies, the Company reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period. The Company is required to determine whether its intangible assets have indefinite or finite life which is a subject matter of judgement.

Provision for product warranties:

Provision is estimated in respect of warranty cost in the year of sale of goods and it represents the present value of the management's best estimate of the future outflow of economic benefit that will be required under the Company's obligation for warranties. It is estimated by the management on the basis of a technical evaluation and based on specific warranties, claims and claim history.

The determination of provision for product warranties takes into account assumptions which is a subject matter of judgement.

Provision for employee benefits

The determination of Company's liability towards defined benefit obligation and other long-term employee benefits to employees is made through independent actuarial valuation including determination of amounts to be recognised in the statement of profit and loss and in other comprehensive income. Such valuation depends upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to accounts.

Fair value measurements and valuation processes

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation, if required.

Provisions and contingent liabilities

The Company has ongoing litigations with various regulatory authorities and third parties. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty.

2B. RECENT ACCOUNTING PRONOUNCEMENT

On 23 March, 2022, Ministry of Company Affairs has amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 1 April, 2022, as below:

Ind AS 103 – Reference to Conceptual Framework: The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 16 – Proceeds before intended use: The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the Company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact on its recognition of its property, plant and equipment in its financial statements.

Ind AS 37 – Onerous Contracts: Costs of Fulfilling a Contract: The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact on its financial statements.

Ind AS 109 – Annual Improvements to Ind AS (2021): The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 106 – Annual Improvements to Ind AS (2021): The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.

Notes to the standalone financial statements for the year ended 31 March 2022

3A. Property, plant and equipment

Rs. in Lacs

		Gross Block				Depreciation and amortisation				Net Book Value	
		As at 01 April 2021	Additions	Adjustments / disposals	As at 31 March 2022	As at 01 April 2021	For the year	Adjustments / disposals	As at 31 March 2022	As at 31 March 2022	As at 31 March 2021
(a)	**Land**	1,405	–	–	**1,405**	–	–	–	–	**1,405**	1,405
	Land	1,405	–	–	**1,405**	–	–	–	–	**1,405**	1,405
	Previous year	*1,405*	–	–	*1,405*	–	–	–	–	*1,405*	*1,405*
(b)	**Buildings**	12,487	422	(44)	**12,865**	1,474	695	(41)	**2,128**	**10,737**	11,013
	Buildings	11,219	422	(44)	**11,597**	1,260	653	(41)	**1,872**	**9,725**	9,959
	R and D buildings	1,268	–	–	**1,268**	214	42	–	**256**	**1,012**	1,054
	Previous year	*10,244*	*2,243*	–	*12,487*	*1,047*	*427*	–	*1,474*	*11,013*	*9,197*
(c)	**Plant and equipment**	56,169	5,009	(248)	**60,930**	20,674	6,010	(117)	**26,567**	**34,363**	35,495
	Plant and equipment	54,153	4,975	(242)	**58,886**	19,908	5,844	(113)	**25,639**	**33,247**	34,245
	R and D plant and equipment	2,016	34	(6)	**2,044**	766	166	(4)	**928**	**1,116**	1,250
	Previous year	*49,311*	*7,259*	*(401)*	*56,169*	*15,535*	*5,251*	*(112)*	*20,674*	*35,495*	*33,776*
(d)	**Furniture and fixtures**	2,883	675	(18)	**3,540**	996	320	(9)	**1,307**	**2,233**	1,887
	Furniture and fixtures	2,518	671	(18)	**3,171**	838	285	(9)	**1,114**	**2,057**	1,680
	R and D furniture and fixtures	365	4	–	**369**	158	35	–	**193**	**176**	207
	Previous year	*2,494*	*414*	*(25)*	*2,883*	*745*	*265*	*(14)*	*996*	*1,887*	*1,749*
(e)	**Vehicles**	79	11	–	**90**	44	8	–	**52**	**38**	35
	Vehicles	51	11	–	**62**	29	5	–	**34**	**28**	22
	R and D vehicles	28	–	–	**28**	15	3	–	**18**	**10**	13
	Previous year	*64*	*15*	–	*79*	*35*	*9*	–	*44*	*35*	*29*
(f)	**Office equipment**	546	184	(5)	**725**	327	78	(5)	**400**	**325**	219
	Office equipment	538	184	(5)	**717**	320	77	(5)	**392**	**325**	218
	R and D office equipment	8	–	–	**8**	7	1	–	**8**	**–**	1
	Previous year	*477*	*77*	*(8)*	*546*	*262*	*71*	*(6)*	*327*	*219*	*215*
(g)	**Computers**	1,620	467	(35)	**2,052**	990	288	(32)	**1,246**	**806**	630
	Computers	1,467	429	(31)	**1,865**	894	264	(28)	**1,130**	**735**	573
	R and D computers	153	38	(4)	**187**	96	24	(4)	**116**	**71**	57
	Previous year	*1,384*	*256*	*(20)*	*1,620*	*765*	*243*	*(18)*	*990*	*630*	*619*
Total		75,189	6,768	(350)	**81,607**	24,505	7,399	(204)	**31,700**	**49,907**	50,684
Total		71,351	6,692	(340)	**77,703**	23,249	7,128	(196)	**30,181**	**47,522**	48,102
Total R and D		3,838	76	(10)	**3,904**	1,256	271	(8)	**1,519**	**2,385**	2,582
Previous year		65,379	10,264	(454)	**75,189**	18,389	6,266	(150)	**24,505**	**50,684**	46,990
Capital work–in–progress		1,774	912	(1,706)	**980**	–	–	–	**–**	**980**	1,774
Previous year		*700*	*1,713*	*(639)*	*1,774*	–	–	–	–	*1,774*	*700*

1 *R and D denotes research and development.*

2 *Amount of borrowing cost capitalised during the period Nil (31 March, 2021 - Rs. 230 Lacs).*

3. *All the title deeds of Immovable properties are held in the name of the Company.*

Capital work-in-progress ageing schedule:

Rs. in lacs

	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress - 31 March, 2022	**912**	**64**	**4**	**–**	**980**
Previous year	*1,713*	*55*	*6*	–	*1,774*

3B. Intangible assets

Rs. in Lacs

		Gross Block				Depreciation and amortisation				Net Book Value	
		As at 01 April 2021	Additions	Adjustments / disposals	As at 31 March 2022	As at 01 April 2021	For the year	Adjustments / disposals	As at 31 March 2022	As at 31 March 2022	As at 31 March 2021
(a)	**Brand**	382	–	–	**382**	187	76	–	**263**	**119**	195
	Brand	382	–	–	**382**	187	76	–	**263**	**119**	195
	Previous year	*382*	*–*	*–*	*382*	*111*	*76*	*–*	*187*	*195*	*271*
(b)	**Computer software**	1,989	260	(3)	**2,246**	1,658	207	(3)	**1,862**	**384**	331
	Computer software	1,595	198	(3)	**1,790**	1,402	126	(3)	**1,525**	**265**	193
	R and D computer software	394	62	–	**456**	256	81	–	**337**	**119**	138
	Previous year	*1,835*	*156*	*(2)*	*1,989*	*1,484*	*176*	*(2)*	*1,658*	*331*	*351*
(c)	**Technical knowhow**	4,378	276	–	**4,654**	2,037	619	–	**2,656**	**1,998**	2,341
	Technical knowhow	960	20	–	**980**	340	139	–	**479**	**501**	620
	R and D technical knowhow	3,418	256	–	**3,674**	1,697	480	–	**2,177**	**1,497**	1,721
	Previous year	*4,378*	*–*	*–*	*4,378*	*1,420*	*617*	*–*	*2,037*	*2,341*	*2,958*
(d)	**Non-compete agreement**	617	–	–	**617**	152	62	–	**214**	**403**	465
	Non-compete agreement	617	–	–	**617**	152	62	–	**214**	**403**	465
	Previous year	*617*	*–*	*–*	*617*	*90*	*62*	*–*	*152*	*465*	*527*
Total		7,366	536	(3)	**7,899**	4,034	964	(3)	**4,995**	**2,904**	3,332
Total		3,554	218	(3)	**3,769**	2,081	403	(3)	**2,481**	**1,288**	1,473
Total R and D		3,812	318	–	**4,130**	1,953	561	–	**2,514**	**1,616**	1,859
Previous year		*7,212*	*156*	*(2)*	**7,366**	*3,105*	*931*	*(2)*	**4,034**	**3,332**	*4,107*
Intangible assets under development		232	280	(184)	**328**	–	–	–	–	**328**	232
Previous year		*96*	*165*	*(29)*	*232*	–	–	–	–	*232*	*96*

1 *R and D denotes research and development.*
2 *The amortisation of intangible assets is disclosed in the face of Statement of Profit and Loss under the heading "Depreciation and amortisation expenses".*
3 *None of the above stated intangible assets are intenally generated.*
4 *The remaining useful life of significant intangible assets are as under:-*

Description	*Remaining useful life as at 31 March 2022*
(a) Brand	*The entire net block would be amortised in 2 years.*
(b) Design Cost for washing machines	*The entire net block would be amortised in 1 year.*
(c) Engineering design and process for Industrial Launderete Equipments	*The entire net block would be amortised in 4 years.*
(d) Design cost of Motors	*The entire net block would be amortised in 2 years.*
(e) Design cost for air conditioner	*The entire net block would be amortised in 3 years.*
(f) Design cost for washer dryer	*The entire net block would be amortised in 3 years.*
(g) Technical knowhow for air conditioner controller	*The entire net block would be amortised in 5 years.*
(h) Non-compete agreement	*The entire net block would be amortised in 7 years.*

Intangible assets under development ageing schedule:

Rs. in lacs

	Amount in intangible assets under development for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress - 31 March, 2022	**280**	**43**	**5**	**–**	**328**
Previous year	*165*	*49*	*4*	*14*	*232*

Notes to the standalone financial statements for the year ended 31 March 2022

3C. Right of use assets

Rs. in Lacs

	Gross Block				Depreciation and amortisation				Net Book Value	
	As at 01 April 2021	**Additions**	**Adjustments / disposals**	**As at 31 March 2022**	As at 01 April 2021	**For the year**	**Adjustments / disposals**	**As at 31 March 2022**	**As at 31 March 2022**	As at 31 March 2021
Right of use assets	10,638	9,344	(561)	**19,421**	3,804	2,982	(434)	**6,352**	**13,069**	6,834
Previous year	*9,511*	*3,497*	*(2,370)*	*10,638*	*2,703*	*2,844*	*(1,743)*	*3,804*	*6,834*	*6,808*
Total	10,638	9,344	(561)	**19,421**	3,804	2,982	(434)	**6,352**	**13,069**	6,834
Previous year	*9,511*	*3,497*	*(2,370)*	*10,638*	*2,703*	*2,844*	*(1,743)*	*3,804*	*6,834*	*6,808*

Notes to the standalone financial statements for the year ended 31 March 2022

4. Investment property

Rs. in Lacs

Particulars	Gross Block / Net Book Value			
	As at 01 April, 2021	Additions	Adjustments/ disposals	As at 31 March 2022
Land	11	–	–	**11**
Total	11	–	–	**11**

1. The Company's investment properties consist of lands in India and includes an amount of **Rs. 7 lacs** (31 March 2021: Rs. 7 lacs) being assets given on an lease.
2. As at 31 March 2022 and 31 March 2021 the fair values of the properties are **Rs. 715 lacs** and Rs. 645 lacs respectively. These fair values are based on valuations performed by NagChowdhury Associates, an accredited independent registered valuer. NagChowdhury Associates is a specialist in valuing these types of investment properties. A valuation model (market approach) has been adopted and the valuation is in accordance with that recommended by the International Valuation Standards. The fair value measurement can be categorised into level 3 category. There has been no change in the valuation technique as compared to 31 March, 2021.
3. The Company has no restrictions on the realisability of its investment properties and no contractual obligations to either purchase, construct or develop investment properties or for repairs, maintenance and enhancements. All the title deeds of the investment properties are held in the name of the Company.
4. Information regarding income and expenditure of investment property:

Particulars	Year ended	
	31 March 2022 Rs. in Lacs	31 March 2021 Rs. in Lacs
Rental income derived from investment property	**6**	6
Total profit arising from investment property	**6**	6

5. Investments

	Particulars	As at 31 March 2022			As at 31 March 2021		
		Nos	Current Rs. in Lacs	Non Current Rs. in Lacs	Nos	Current Rs. in Lacs	Non Current Rs. in Lacs
(A)	**INVESTMENT IN EQUITY INSTRUMENTS**						
	Unquoted investments (fully paid)						
(i)	**Investment in subsidiary (at cost)**						
	- Global Automotive & Appliances Pte. Ltd. (ordinary shares of USD. 1/- each)	**47,55,625**	–	**2,160**	47,55,625	–	2,160
(ii)	**Investment in others (at fair value through profit and loss otherwise stated)**						
	- Astrea Greentech Private Ltd (equity shares of Rs. 10/- each)	**15,000**	–	**225**	15,000	–	225
			–	**2,385**		–	2,385

Notes to the standalone financial statements for the year ended 31 March 2022

5. Investments *(Contd.)*

	Particulars	As at 31 March 2022 Nos	As at 31 March 2022 Current Rs. in Lacs	As at 31 March 2022 Non Current Rs. in Lacs	As at 31 March 2021 Nos	As at 31 March 2021 Current Rs. in Lacs	As at 31 March 2021 Non Current Rs. in Lacs
(B)	**INVESTMENT IN MUTUAL FUNDS**						
	Unquoted investments						
	At fair value through statement of profit and loss						
a)	Aditya Birla Sun Life Saving Fund - Direct plan- growth	–	–	–	2,93,986	1,255	–
b)	Aditya Birla Sun Life Arbitrage Fund - Direct plan- growth	**57,52,352**	**1,309**	–	–	–	–
c)	AXIS Liquid Fund - Direct plan- growth (*)	**15**	–	–	4,377	100	–
d)	Axis Treasury Advantage Fund - Direct plan- growth	**81,398**	**2,108**	–	–	–	–
e)	Edelweiss Arbitrage Fund - Growth plan	**54,62,724**	**900**	–	54,62,724	860	–
f)	HDFC low duration fund - Direct plan- growth	**38,25,724**	**1,905**	–	13,38,232	637	–
g)	HDFC Money Market Fund - Direct plan- growth	–	–	–	20,036	896	–
h)	HDFC Short term Debt Fund - Dividend reinvestment-fortnightly	**31,21,898**	**819**	–	99,11,019	2,472	–
i)	ICICI Prudential Liquid - Direct plan - growth	**4,23,057**	**1,334**	–	5,62,495	1,714	–
j)	ICICI Prudential Ultra Short term fund - Direct plan- growth	**1,57,74,994**	**3,772**	–	1,43,18,024	3,276	–
k)	ICICI Prudential money market fund - Direct plan- growth	–	–	–	6,92,656	2,045	–
l)	ICICI Prudential Short term fund - Direct plan- growth	**44,35,377**	**2,264**	–	45,80,803	2,227	–
m)	ICICI Prudential Equity Arbitrage fund - Direct plan- growth	**45,68,138**	**1,338**	–	–	–	–
n)	IDFC Arbitrage Fund - Direct plan- growth	**6,99,038**	**195**	–	32,13,512	860	–
o)	Kotak Equity Arbitrage fund - Direct plan- growth	**73,15,919**	**2,317**	–	28,22,760	855	–
p)	Kotak Bond Fund - Direct plan- growth	**15,83,113**	**723**	–	15,83,113	688	–
q)	Kotak Money Market Fund - Direct plan- growth	–	–	–	20,778	724	–
r)	Kotak Floating Rate Fund - Direct plan- growth	–	–	–	88,645	1,026	–
s)	SBI Magnum Ultra Short Duration Fund - Growth plan	–	–	–	13,621	643	–

(*) represents amount less than Rs. 50,000

5. Investments *(Contd.)*

Particulars	As at 31 March 2022 Nos	As at 31 March 2022 Current Rs. in Lacs	As at 31 March 2022 Non Current Rs. in Lacs	As at 31 March 2021 Nos	As at 31 March 2021 Current Rs. in Lacs	As at 31 March 2021 Non Current Rs. in Lacs
t) SBI Magnum Low Duration Fund - Direct plan- growth	**63,143**	**1,837**	**–**	1,33,824	3,741	–
u) Trust MF Banking & PSU Debt Fund - Direct plan- growth	**1,79,991**	**1,901**	**–**	1,79,991	1,803	–
Total		**22,722**	**–**		25,822	–
Total investments		**22,722**	**2,385**		25,822	2,385
Other disclosures						
Aggregate amount of unquoted investments		**22,722**	**2,385**		25,822	2,385
Aggregate amount of impairment in value of investments		**–**	**–**		–	–

Details of investment in subsidiary :	As at 31 March 2022	As at 31 March 2021
1. Name	**Global Automotive & Appliances Pte. Ltd**	Global Automotive & Appliances Pte. Ltd
Principal place of business	**Singapore**	Singapore
Proportion of the ownership interest and voting rights held	**100%**	100%
Method used to account for above stated subsidiary	**Cost**	Cost

6. Loans

Particulars	As at 31 March 2022 Current Rs. in Lacs	As at 31 March 2022 Non Current Rs. in Lacs	As at 31 March 2021 Current Rs. in Lacs	As at 31 March 2021 Non Current Rs. in Lacs
Unsecured, considered good				
- Loans to related parties (refer note 37) (#)	**4**	**4**	2	2
- Other loans to employees	**56**	**57**	52	49
Total	**60**	**61**	54	51

(#) Includes **Rs. 3 lacs** (31 March 2021: Rs. 1 lacs) as outstanding product loan to a director. In terms of percentage to the total loans and advances in the nature of loans the same stand at **2%** (31 March 2021: 1%) This loan is given as per the Company policy and is applicable for all employees of the Company.

Notes to the standalone financial statements for the year ended 31 March 2022

7. Other financial assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	Current	**Non Current**	Current	Non Current
	Rs. in Lacs	**Rs. in Lacs**	Rs. in Lacs	Rs. in Lacs
(a) Security deposits				
- to related parties (unsecured, considered good) - refer note 37	**–**	**58**	–	58
- to others				
(i) Unsecured, considered good	**56**	**1,067**	31	1,278
(ii) Unsecured, considered doubtful	**–**	**14**	–	14
Less: Allowance for doubtful deposits	**–**	**14**	–	14
(b) Margin money with more than 12 months maturity	**–**	**–**	–	31
(c) Bank deposit with more than 12 months maturity	**–**	**12**	–	48
(d) Others				
- Derivative instruments at fair value through profit and loss and not designated as hedges	**267**	**430**	65	313
- Interest accrued on fixed deposits	**37**	**1**	70	1
- Other receivables	**–**	**79**	–	–
- Other receivables from related parties - refer note 37	**177**	**–**	170	–
Total	**537**	**1,647**	336	1,729
(a) Security deposit to related parties includes advances to private limited companies in which any director is a director or a member	**–**	**50**	–	50

(b) Other receivables represents excess funding of leave liability with insurance companies as at 31 March, 2022

(c) The Company has not advanced or loaned or invested funds to any other persons or entities (intermediary) with the understanding that the intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or shall provide guarantee, security or the like to or on behalf of the Company.

8. Income tax assets (net)

Particulars	As at 31 March 2022		As at 31 March 2021	
	Current	**Non Current**	Current	Non Current
	Rs. in Lacs	**Rs. in Lacs**	Rs. in Lacs	Rs. in Lacs
Advance tax (net of provision)	**–**	**1,243**	645	9
Total	**–**	**1,243**	645	9

9. Other assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	Current	**Non Current**	Current	Non Current
	Rs. in Lacs	**Rs. in Lacs**	Rs. in Lacs	Rs. in Lacs
Capital advance	**–**	**1,338**	–	772
Advances other than capital advance				
- deposit with statutory authorities	**172**	**424**	140	430
- advances with statutory authorities	**2,591**	**117**	3,427	23
- advances with related parties (refer note 37)	**99**	**–**	89	–
Other advances				
- advances for goods and services	**1,332**	**14**	2,054	15
less: allowance for doubtful advances	**–**	**14**	–	14
- prepaid expenses	**806**	**44**	682	1
Total	**5,000**	**1,923**	6,392	1,227
Advances with related parties includes advances to private limited companies in which any director is a director or a member	**57**	**–**	47	–

10. Inventories (valued at lower of cost and net realisable value)

Particulars	**As at 31 March 2022 Rs. in Lacs**	As at 31 March 2021 Rs. in Lacs
Raw materials	**23,910**	18,231
Work-in-progress	**3,531**	3,054
Finished goods	**16,780**	12,926
Stock-in-trade	**8,585**	6,307
Stores and spares	**4,359**	5,269
Total	**57,165**	45,787
The above includes goods in transit as under:		
Raw materials	**3,738**	4,804
Stock-in-trade	**3,140**	2,614
Stores and spares	**88**	136
	6,966	7,554

1. *The cost of inventories recognised as an expense includes* ***Rs. 257 lacs*** *(31 March 2021 : Rs. 443 lacs) in respect of write-downs of inventory to its net realisable value. Further a sum of* ***Rs. 304 lacs*** *(31 March 2021: Rs. 395 lacs) is in respect of reversal of such write-downs. The write downs have been reversed primarily as a result of increased sales price or subsequent disposals.*
2. *Carrying amount of inventories carried at net realisable value* ***Rs. 444 Lacs*** *(31 March 2021: Rs. 558 lacs)*
3. *The entite amount of inventories as stated above is pledged as security for borrowings*

Notes to the standalone financial statements for the year ended 31 March 2022

11. Trade receivables

Particulars	As at 31 March 2022 Rs. in Lacs	As at 31 March 2021 Rs. in Lacs
Unsecured, considered good		
- receivable from subsidiaries(*)	**33**	2
- receivable from related parties other than subsidiaries(*) (refer note 37)	**3,421**	3,395
- receivable from others	**26,185**	21,253
Unsecured - which have significant increase in credit risk		
- receivable from others	**187**	229
Less: allowances for doubtful debts	**(187)**	(229)
Total	**29,639**	24,650
(*) Includes trade receivable from private limited companies in which any director is a director or a member	**3,388**	3,369

Transfer of financial assets

The Company discounted certain trade receivables with an aggregate carrying amount of **Rs. 351 lacs** (31 March 2021: Nil) to a bank for cash proceeds of **Rs. 348 lacs** (31 March 2021: Nil). If the trade receivables are not paid at maturity, the bank has the right to request the Company to pay the unsettled balance. As the Company has not transferred the significant risks and rewards relating to these trade receivables, it continues to recognise the full carrying value of the receivables and has recognised the cash received on the transfer as secured borrowings.

At the end of the reporting period, there were no trade receivables that have been transferred but have not been derecognised and the corresponding associated liability.

Trade receivables ageing as at 31 March 2022

	Particulars	Outstanding for the following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i)	**Undisputed trade receivables:**						
	Unsecured - considered good	29,389	195	1	51	3	**29,639**
	Unsecured - which have significant increase in credit risk	2	–	3	32	60	**97**
(ii)	**Disputed trade receivables:**						
	Unsecured - considered good	–	–	–	–	–	**–**
	Unsecured - which have significant increase in credit risk	–	–	–	30	60	**90**
		29,391	**195**	**4**	**113**	**123**	**29,826**
	Less: allowances for doubtful debts						**(187)**
	Total trade receivable						**29,639**

Notes to the standalone financial statements for the year ended 31 March 2022

11 Trade receivables (cont..)

Trade receivables ageing as at 31 March 2021

	Particulars	Outstanding for the following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i)	**Undisputed trade receivables:**						
	Unsecured - considered good	23,712	338	550	47	3	**24,650**
	Unsecured - which have significant increase in credit risk	2	3	44	25	63	**137**
(ii)	**Disputed trade receivables:**						
	Unsecured - considered good	–	–	–	–	–	**–**
	Unsecured - which have significant increase in credit risk	–	–	30	2	60	**92**
		23,714	**341**	**624**	**74**	**126**	**24,879**
	Less: allowances for doubtful debts						**(229)**
	Total trade receivable						**24,650**

12. Cash and cash equivalents

Particulars	As at 31 March 2022 Rs. in Lacs	As at 31 March 2021 Rs. in Lacs
Balances with banks		
- current account	**5,849**	6,736
- deposit account	**346**	2,245
Cheques on hand	**239**	499
Cash on hand	**45**	56
Total	**6,479**	9,536

13. Other bank balances

Particulars	As at 31 March 2022 Rs. in Lacs	As at 31 March 2021 Rs. in Lacs
In deposit account	**2,013**	2,026
Margin money deposits	**239**	393
Total	**2,252**	2,419

14. Equity share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	No. of shares	Rs. in Lacs	No. of shares	Rs. in Lacs
Authorised share capital				
Equity shares of Rs. 10 each	**8,90,00,000**	**8,900**	8,90,00,000	8,900
Total	**8,90,00,000**	**8,900**	8,90,00,000	8,900

Particulars	As at 31 March 2022		As at 31 March 2021	
	No. of shares	Rs. in Lacs	No. of shares	Rs. in Lacs
Issued, subscribed and fully paid up				
Equity shares of Rs. 10 each	**4,05,18,796**	**4,052**	4,05,18,796	4,052
Forfeited shares				
30,50,000 (31 March 2021: 30,50,000) equity shares of Rs. 10 each, Rs. 2.50 paid - up	–	76	–	76
Total	**4,05,18,796**	**4,128**	4,05,18,796	4,128

There has been no change in equity share capital during the year.

Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company.

Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

Scheme of Amalgamation

Pursuant to the Scheme of Amalgamation (Refer note 44) the Authorised Equity Share Capital of Trishan Metals Private Limited of Rs. 2,400 lacs has been added in the Authorised Equity Share Capital of IFB Industries Limited. The enhanced Authorised Equity Share Capital of IFB Industries Limited stands at Rs. 8,900 lacs, divided into 8,90,00,000 equity shares of Rs. 10 each.

Details of shareholders holding more than 5% equity shares in the Company

Particulars	As at 31 March 2022		As at 31 March 2021	
	%	No. of shares	%	No. of shares
1. IFB Automotive Private Limited	**46.54%**	**1,88,56,833**	46.54%	1,88,56,833
2. Nurpur Gases Private Limited	**14.83%**	**60,10,416**	14.83%	60,10,416
3. Asansol Bottling & Packaging Company Private Limited	**8.31%**	**33,66,428**	8.31%	33,66,428
4. Jwalamukhi Investment Holdings	**6.41%**	**25,98,556**	7.17%	29,06,115

14. Equity share capital (contd…)

Shareholding of promoters (equity shares)

Promoters name	As at 31 March 2022		As at 31 March 2021	
	%	**No. of shares**	%	No. of shares
1. Bijon Bhushan Nag	**0.39%**	**1,57,869**	0.39%	1,57,869
2. Preombada Nag	**0.33%**	**1,31,902**	0.33%	1,31,902
3. Bikramjit Nag	**0.01%**	**3,000**	0.01%	3,000
4. Zim Properties Private Limited	**0.08%**	**34,300**	0.08%	34,300
5. Special Drinks Private Limited	**0.04%**	**17,250**	0.04%	17,250
6. Asansol Bottling & Packaging Company	**8.31%**	**33,66,428**	8.31%	33,66,428
7. CPL Industries Limited	**0.18%**	**74,813**	0.18%	74,813
8. Mac Consultants Private Limited	**1.74%**	**7,06,197**	1.74%	7,06,197
9. IFB Automotive Private Limited	**46.54%**	**1,88,56,833**	46.54%	1,88,56,833
10. CPL Projects Limited	**1.29%**	**5,23,535**	1.29%	5,23,535
11. Windsor Marketiers Pvt Ltd	**0.05%**	**19,600**	0.05%	19,600
12. IFB Agro Industies Limited	**0.43%**	**1,72,733**	0.43%	1,72,733
13. Lupin Agencies Pvt Ltd	**0.09%**	**37,600**	0.09%	37,600
14. Nurpur Gases Private Limited	**14.83%**	**60,10,416**	14.83%	60,10,416
15. Shubh Engineering Limited	**0.64%**	**2,60,723**	0.64%	2,60,723

There has been no change in the shareholding of promoters during the year.

15. Non-current borrowings

Particulars	**As at 31 March 2022 Rs. in Lacs**	As at 31 March 2021 Rs. in Lacs
Term loans from banks - secured	**11,213**	16,665
Total	**11,213**	16,665

(a) For sanction of term loan amounting to Rs. 650 lacs by Federal Bank Ltd. (Balance as at 31 March, 2022 is Rs. 128 lacs), the following securites have been created:

1. Primary Security:- First charge on the plant & machineries located at Village / Mouza – Bamunari, NH-2 Delhi Road, Hooghly - 712250, West Bengal.
2. Collateral Security :-Equitable mortgage of Factory land and building along with the properties & Fixed assets (present & future) located at Village / Mouza – Bamunari, NH-2 Delhi Road, Hooghly - 712250, West Bengal.

The said loan was restructured in September 2020 and thereafter equal quarterly instalments of Rs. 43 lacs is payable for 10 quarters. The entire loan will be discharged by December, 2022.

(b) For sanction of credit facilities amounting to Rs. 2,000 lacs (including Capex Letter of Credit amounting to Rs. 1,500 lacs as its sublimit) and Rs. 3,000 lacs by ICICI Bank Ltd. (Balance as at 31 March, 2022 is Rs. 3,500 lacs), following securities have been created:

- Exclusive charge over the movable properties including movable plant and machinery, machinery spares, tools and accessories and other movables, both present and future, whether installed or not and whether now lying loose or in cases or which are now lying or stored in or about or shall hereafter from time to time during the continuance of the security of these presents be brought into or upon or be stored or be in or about all the Company's stamping and motor business's factories, premises and godowns or wherever else the same may be or be held by any party to the order or disposition of the Company or in the course of transit or in high seas or on order, or delivery, howsoever and wheresoever in the possession of the Company and either by way of substitution or addition in such manner that the security cover of 1.25 times is maintained. For the limit utilised the Term Loan is repayable in 20 quarterly instalments starting from 19 May, 2022.

(c) For sanction of credit facilities amounting to Rs. 6,000 lacs and Rs. 1,000 lacs by DBS Bank India Ltd. (Balance as at 31 March, 2022 is Rs. 3,139 lacs), following securities have been created:

- Hypothecation by way of first and exclusive floating charge over all present and future moveable plant and machinery, equipment, appliances, furniture, vehicles, machinery, spares and stores, tools and accessories and other moveables whether or not installed and whether lying loose or in cases or which are now lying or stored in or about and may hereafter from time to time during the currency of this deed be brought into or upon or be stored in or about all the Company's factories, premises, warehouses and godowns or wherever else the same may be or be held by any party to the order or disposition of the Company or in the courses of transit or on high seas or on order, or delivery, howsoever and wheresoever in the possession of the Company and either by way of substitution or addition (all pertaining to Company's units located at Kolkata and Bangalore) stored or to be stored at the Company's Godowns or premises or wherever else the same may be except asset charged specifically for debt availed, if any for purchase of conventional press line subject to NOC being sought from DBS. The Term Loan was prepaid partially in 2020-21 and the balance as at 31 March 2021 is repayable in 14 equal quarterly instalments starting from June, 2021.

(d) For sanction of external commercial borrowings amounting to USD 200 lacs by Standard Chartered Bank, London, following securities have been created:

- Hypothecation by way of first and exclusive charge over all present and future moveable properties of the Company's manufacturing unit of air conditioners in Goa and on the existing plant and machinery of washing machine division at Goa (Verna) plant (except exclusive charge to term lenders), including without limitations its moveable plant and machinery, furniture and fittings, equipments, computers, hardware, computer software, machinery spares, tools and accessories and other movables, both whether now lying loose or in cases or which are now lying or stored in or about or shall hereafter from time to time during the continuance of the security of these presents be brought into or upon or be stored or be in or about all the Company's premises, warehouses, stockyards and godowns or those of the Company's agents, affiliates, associates or representatives or at various worksites or at any upcountry place or places wherever else the same maybe or be held by any party including, without limitation, the following plot no. N-7, Phase IV, Survey No. 261/10, Verna Industrial Estate, Verna, Goa - 403722. The external commercial borrowings is standing at USD 135 lacs as at 31 March, 2022. The loan is repayable in 13 equal quarterly instalments starting from 1 October, 2021.

The scheduled maturity of the Term loans from banks is as under:

Particulars	**As at 31 March 2022 Rs. in Lacs**	As at 31 March 2021 Rs. in Lacs
Repayable in first year	**5,815**	3,226
Current maturities of long-term debt (refer note 20)	**5,815**	3,226
In the second year	**5,687**	5,683
In the third to fifth year	**5,526**	10,282
Beyond fifth year	**-**	700
Non-current borrowings	**11,213**	16,665

The Company has used the borrowings from banks for the specific purpose for which they were taken at the balance sheet date.

All charges for the borrowings have been registered with the Registrar of Companies as at the balance sheet date.

Details of Authorised Capital of cumulative redeemable preference shares

Particulars	As at 31 March 2022 Rs. in Lacs	As at 31 March 2021 Rs. in Lacs
30,000,000 (31 March 2021: 30,000,000) cumulative redeemable preference shares of Rs.10 each	**3,000**	3,000
	3,000	3,000

There were no outstanding cumulative redeemable preference shares as at both the year ends.

16. Other financial liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	Current	**Non Current**	Current	Non Current
	Rs. in Lacs	**Rs. in Lacs**	Rs. in Lacs	Rs. in Lacs
Interest accrued but not due on borrowings	**236**	**–**	297	–
Derivative instruments at fair value through profit and loss and not designated as hedges	**185**	**–**	181	–
Others				
- Security deposit	**766**	**37**	759	45
- Payable for property, plant and equipment and intangibles	**502**	**–**	562	–
Total	**1,689**	**37**	1,799	45

17. Other liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	Current	**Non Current**	Current	Non Current
	Rs. in Lacs	**Rs. in Lacs**	Rs. in Lacs	Rs. in Lacs
Income received in advance on annual maintenance contracts and extended warranty services	**5,038**	**1,939**	4,613	992
Deferred government grant	**149**	**1,409**	138	1,570
Advance from customers	**2,022**	**–**	3,124	–
Others				
- Statutory liabilities	**2,330**	**–**	3,119	–
Total	**9,539**	**3,348**	10,994	2,562

18. Provisions

Particulars	As at 31 March 2022		As at 31 March 2021	
	Current	**Non Current**	Current	Non Current
	Rs. in Lacs	**Rs. in Lacs**	Rs. in Lacs	Rs. in Lacs
Provision for employee benefits				
Gratuity (Refer note 32)	**–**	**613**	–	726
Leave	**–**	**–**	3	893
Sick Leave	**81**	**388**	77	391
Others				
Warranty	**818**	**4,097**	527	3,902
Total	**899**	**5,098**	607	5,912

Notes to the standalone financial statements for the year ended 31 March 2022

Details of movement in warranty provisions

	Rs. in Lacs
Balance as at 01 April 2020	3,905
Additional provisions recognised	1,544
Effect of unwinding of discount	221
Amounts used (i.e. incurred and charged against the provision) during the period	(1,241)
Balance as at 31 March 2021	4,429
Additional provisions recognised	1,586
Effect of unwinding of discount	227
Amounts used (i.e. incurred and charged against the provision) during the period	(1,327)
Balance as at 31 March 2022	**4,915**

a. Provision is estimated in respect of warranty cost in the year of sale of goods and it represents the present value of the management's best estimate of the future outflow of economic benefit that will be required under the Company's obligation for warranties.

b. Provision for warranty is expected to be utilised over a period of 1 to 5 years.

c. The estimates may vary as a result of product quality, availability of spare parts, price of raw materials, altered manufacturing processess and discount rates.

d. Warranty costs are estimated by the management on the basis of a technical evaluation and based on specific warranties, claims and claim history.

19. Deferred tax liabilities (net)

Particulars	**As at 31 March 2022 Rs. in Lacs**	As at 31 March 2021 Rs. in Lacs
Deferred tax liabilities	**5,861**	5,378
Less: Deferred tax assets	**6,066**	2,702
Total Deferred tax (assets) / liabilities - (net)	**(205)**	2,676

Breakup of deferred tax liabilities / asset balances is as under:

	As at 31 March 2022 Rs. in Lacs	As at 31 March 2021 Rs. in Lacs
Deferred tax liabilities		
On provision for warranty	**285**	247
On changes in fair value of investments	**294**	94
On property, plant and equipment and intangible assets	**5,282**	5,037
	5,861	5,378
Deferred tax assets		
On unused tax credits (Minimum Alternate Tax Credit) (*)	**245**	–
On tax losses and unabsorbed depreciation (note a)	**3,546**	326
On government grants	**545**	591
On allowance for doubtful debts and advances	**75**	90
On employee benefits	**1,581**	1,625
Other timing differences	**74**	70
	6,066	2,702
Total Deferred tax (assets) / liabilities - (net)	**(205)**	2,676

Movement of deferred tax (assets) / liabilities (net) is as under

Particulars	As at 31 March 2022 Rs. in Lacs	As at 31 March 2021 Rs. in Lacs
Deferred tax liabilities / (assets) as at the beginning of the year	**2,676**	1,129
Deferred tax for the year recognised in profit and loss (@)	**(2,210)**	(287)
Deferred tax recognised on business combination (note b)	**(426)**	–
Minimum alternate tax credit related to previous years - Net (@)	**–**	4
Minimum alternate tax credit availed	**(245)**	–
Minimum alternate tax credit utilised	**–**	1,830
Deferred tax liabilities as at the end of the year	**(205)**	2,676

(@) refer note 30

(*) Unused tax credits are due to expire in assessment year 2038-39

Note :

a) **Unrecognised deferred tax assets on tax losses and unabsorbed depreciation :** At the reporting date, tax losses amounting to Rs. 1,276 lacs and unabsorbed depreciation amounting to Rs. 8,866 lacs are available for offset against future profits. A deferred tax asset amounting to Rs. 447 lacs on tax losses and Rs. 3,099 lacs on unabsorbed depreciation has been recognised.

Tax losses are due to expire in assessment year 2031-32. Unabsorbed depreciation can be carried forward indefinitely.

b) Consequent to approval of the Scheme of Amalgamation (Refer note 44), deferred tax assets have been recognised on carry forward tax losses and unabsorbed depreciation pertaining to erstwhile Trishan Metals Private Limited amounting to Rs. 426 lacs. The same has been recognised by reducing the carrying amount of any goodwill related to that acquisition.

Notes to the standalone financial statements for the year ended 31 March 2022

20. Current borrowings

Particulars	**As at 31 March 2022 Rs. in Lacs**	As at 31 March 2021 Rs. in Lacs
Secured		
Loans from banks		
- Working capital buyers credit (refer note A below)	**6,203**	2,342
- Cash credit facility from bank (refer note B below)	**68**	51
Loans from Others	**–**	271
Current maturities of long term borrowings (refer note 15)	**5,815**	3,226
Total	**12,086**	5,890

(a) The Company has used the borrowings from banks for the specific purpose for which they were taken at the balance sheet date.

(b) The Company has borrowings from banks on the basis of security of current assets and the final quaterly statements of current assets filed by the Company with the banks are materially in agreement with the books of accounts and there is no discrepancy that has been identified.

(c) All charges for the borrowings have been registered with the Registrar of Companies as at the balance sheet date.

(d) The Company has not received any fund from any other persons or entities (Funding Party) with the understanding that the Company shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party or shall provide guarantee, security or the like to or on behalf of the Funding Party.

(e) **Charge and hypothecation details are as follows:**

(i) Credit facilities utilised as at 31 March, 2022

(A) For sanction of working capital facility amounting to Rs 10,000 lacs by Standard Chartered Bank (Utilised as at 31 March, 2022 Rs. 6,203 lacs), following securities have been created

(i) First pari passu charge on the entire current assets, both present and future.

(ii) First and exclusive charge on the plant & machinery of washing machine division at Goa (Verna) plant (both present and future).

(iii) First and exclusive charge over the plant & machinery of air-conditioner division at Goa, (both present and future).

(B) Hypothecation details of cash credit facility by Federal Bank Limited (Utilised as at 31 March, 2022 Rs. 68 lacs) as at 31 March, 2022:

Working capital facilities has been sanctioned by The Federal Bank Limited to the extent Rs. 2,500 lacs. These can be used inter-changeably between fund based and non-fund based. Following securities has been created:

1. Primary security :- Hypothecation of all current assets including entire stocks and book debts (both present and future) relating to plant situated at Village / Mouza – Bamunari, NH-2 Delhi Road, Hooghly - 712250, West Bengal.
2. Collateral security :- Equitable mortgage of factory land & building along with the Fixed assets (present & future) located at Village / Mouza – Bamunari, NH-2 Delhi Road, Hooghly - 712250, West Bengal.

(ii) Credit facilities unutilised as at 31 March 2022

(C) For sanction of capex facility amounting to Rs 2,000 lacs by Standard Chartered Bank (Unutilised as at 31 March, 2022), following securities have been created:

(i) First and exclusive charge on the plant & machinery of washing machine division at Goa (Verna) plant (both present and future).

(ii) First and exclusive charge over the plant & machinery of air-conditioner division at Goa, (both present and future).

(D) For sanction of credit facilities amounting to Rs.5,000 lacs by ICICI Bank Ltd. (Unutilised as at 31 March, 2022), following securities have been created:

– First and pari passu charge on all the current assets of the Company - the whole of the Company's stocks of raw materials, good-in-process, semi-finished and finished goods, consumable stores and spares and such other moveables, including book debts, bills whether documentary or clean, both present and future, whether in the possession or under the control of the Company or not, whether now lying loose or in cases or which are now lying or stored in or about or shall hereafter from time to time during the continuance of these presents be brought into or upon or be stored or be in or about all the Company's factories, premises and godowns situated at all places of business or wherever else the same may be or be held by any party to the order or disposition of the Company or in course of transit or on high seas or on order or delivery.

– Hypothecation by way of first and pari passu charge on the receivables of the Company - all amounts owing to and received and / or receivable by, the Company and / or any person on its behalf, all book debts, all cash flows and receivables and proceeds arising from / in connection with business and all rights, titles, interest, benefits, claims and demand whatsoever of the Company into or in respect of all the aforesaid assets, including but not limited to the Company's cash-in-hand, both present and future. This facility remains unutilised as at 31 March, 2022.

(E) For sanction of credit facilities amounting to Rs. 5,000 lacs by HDFC Bank Ltd (Unutilised as at 31 March, 2022), following securities have been created:

– First pari passu charge by way of hypothecation on all the stock in trade both present and future consisting of raw material, finished goods, goods in process of manufacturing and other goods, movable assets or merchandise whatsoever now.

– First pari passu charge by way of hypothecation on all the book debts, amounts outstanding, monies receivables, claims and bills which are now due and owing or which may at any time hereafter during the continuance of this security become due.

– Exclusive charge on the sum of Rs. 2,000 lacs deposited by the Company with the Bank at its branch.

Notes to the standalone financial statements for the year ended 31 March 2022

21. Revenue from operations

	For the year ended 31 March 2022 Rs. in Lacs	For the year ended 31 March 2021 Rs. in Lacs
Gross revenue from sale of manufactured products	**3,18,376**	2,48,476
Revenue from sale of traded products	**89,468**	82,790
Total sale of products	**4,07,844**	3,31,266
Less: trade schemes and discounts	**90,020**	70,443
Sale of products (net of trade schemes and discounts)	**3,17,824**	2,60,823
Sale of services	**8,601**	7,758
Other operating revenues		
- Scrap sales	**7,106**	4,350
- Others	**369**	202
	3,33,900	2,73,133
Details of sale of products		
A. Finished goods		
Press tools and dies	**1,952**	1,553
Fine blanked components	**49,969**	39,352
Motors	**4,891**	3,259
Home appliances		
- Washing machines	**1,91,986**	1,72,944
- Dryers	**3,027**	2,560
- Washer Dryer	**7,408**	685
- Industrial Launderete Equipments	**3,797**	2,198
- Cold rolled steel strips	**2,676**	979
- Air conditioners	**52,126**	24,557
Others	**544**	389
	3,18,376	2,48,476
B. Stock-in-trade		
Home appliances		
- Microwave ovens	**36,727**	31,198
- Accessories and additives	**24,868**	22,211
- Dishwashers	**13,517**	11,811
- Air conditioners	**55**	3,388
- Spares	**11,203**	11,135
Others	**3,098**	3,047
	89,468	82,790
Details of sale of services:		
Annual maintenance/ service contracts income	**7,512**	6,672
Extended warranty income	**194**	209
Others	**895**	877
	8,601	7,758

Notes to the standalone financial statements for the year ended 31 March 2022

22. Other income

	For the year ended 31 March 2022 Rs. in Lacs	For the year ended 31 March 2021 Rs. in Lacs
Interest income		
- Interest on financial assets measured at amortised cost(#)	**252**	450
- Other interest	**–**	161
Dividend from investments in mutual funds	**–**	23
Other non-operating income		
(i) Operating lease rental income		
- Investment property	**6**	6
- Others	**54**	161
(ii) Net gain on disposal of property, plant and equipment	**5**	13
(iii) Net foreign exchange (loss) / gain	**(940)**	711
(iv) Net gain / (loss) arising on financial instruments measured at fair value through profit and loss (FVTPL)		
- Mutual funds	**1,018**	783
- Derivative instruments	**315**	(974)
(v) Net gain on disposal of mutual funds measured at FVTPL	**41**	98
(vi) Insurance claim received	**393**	71
(vii) Write back of liabilities no longer required (@)	**85**	380
(viii) Write back of provision on debts/advances no longer required	**62**	6
(ix) Income in respect of deferred revenue from government grant	**150**	19
(x) Miscellaneous income	**373**	300
	1,814	2,208

(@) includes write back of lease liability amounting to Rs. 7 lacs (31 March, 2021: Rs. 44 lacs) (Refer note 34)

(#) includes interest on discounting of security deposit - leased premises amounting to Rs. 29 lacs (31 March, 2021: Nil)

23. Cost of materials consumed

	For the year ended 31 March 2022 Rs. in Lacs	For the year ended 31 March 2021 Rs. in Lacs
Raw material consumed		
Raw material inventory at the beginning of the year	**18,231**	13,689
Add: Purchases during the year	**1,75,779**	1,26,752
	1,94,010	1,40,441
Raw material inventory at the end of the year	**23,910**	18,231
Cost of materials consumed	**1,70,100**	1,22,210
Expenditure related to research and development at Verna, Goa included in note 23 are:		
Raw material consumed	**377**	207

Notes to the standalone financial statements for the year ended 31 March 2022

24. Purchases of stock-in-trade

	For the year ended 31 March 2022 Rs. in Lacs	For the year ended 31 March 2021 Rs. in Lacs
Home appliances		
- Microwave ovens	**17,836**	13,374
- Accessories and additives	**9,852**	8,631
- Dishwashers	**8,451**	8,831
- Air conditioners	**7**	57
- Others	**1,608**	1,150
	37,754	32,043

25. Changes in inventories of finished goods, stock-in-trade and work-in-progress

		For the year ended 31 March 2022 Rs. in Lacs	For the year ended 31 March 2021 Rs. in Lacs
Inventories as at the end of the year			
Stock-in-trade		**8,585**	6,307
Work-in-progress		**3,531**	3,054
Finished goods		**16,780**	12,926
	(A)	**28,896**	22,287
Inventories as at the beginning of the year			
Stock-in-trade		**6,307**	6,524
Work-in-progress		**3,054**	2,284
Finished goods		**12,926**	11,171
	(B)	**22,287**	19,979
	(B – A)	**(6,609)**	(2,308)

Details of inventories

	For the year ended 31 March 2022 Rs. in Lacs	For the year ended 31 March 2021 Rs. in Lacs
Stock-in-trade		
- Microwave ovens	**2,659**	1,511
- Accessories and additives	**695**	866
- Dishwashers	**4,304**	3,153
- Air conditioners	**27**	62
- Kitchen Appliances	**550**	238
- Others	**350**	477
	8,585	6,307

Notes to the standalone financial statements for the year ended 31 March 2022

	For the year ended 31 March 2022 Rs. in Lacs	For the year ended 31 March 2021 Rs. in Lacs
Finished goods		
- Washing machines	**7,339**	6,118
- Industrial launderete equipments	**44**	44
- Dryers	**227**	279
- Fine blanked components	**1,715**	1,269
- Press tools and dies	**246**	309
- Air conditioners	**6,431**	4,178
- Cold rolled steel strips	**418**	149
- Others	**360**	580
	16,780	12,926

26. Employee benefits expense

	For the year ended 31 March 2022 Rs. in Lacs	For the year ended 31 March 2021 Rs. in Lacs
Salaries and wages	**29,688**	24,699
Contribution to provident and other funds	**2,925**	2,436
Staff welfare expenses	**3,758**	2,676
	36,371	29,811
Expenditure related to research and development at Verna, Goa included in note 26 are:		
Salaries and wages	**2,545**	2,535
Contribution to provident and other funds	**221**	221
Staff welfare expenses	**112**	94
	2,878	2,850

27. Finance costs

	For the year ended 31 March 2022 Rs. in Lacs	For the year ended 31 March 2021 Rs. in Lacs
Interest on financial liabilities measured at amortised cost	**1,742**	2,242
Effect of unwinding of discount for warranty provision	**227**	221
Interest on discounting of lease liabilities	**1,155**	539
Others	**22**	49
	3,146	3,051

Notes to the standalone financial statements for the year ended 31 March 2022

28. Depreciation and amortisation expense

	For the year ended 31 March 2022 Rs. in Lacs	For the year ended 31 March 2021 Rs. in Lacs
Depreciation of property, plant and equipment	**7,399**	6,266
Amortisation of intangible assets	**964**	931
Amortisation of right of use assets	**2,982**	2,844
	11,345	10,041

29. Other expenses

	For the year ended 31 March 2022 Rs. in Lacs	For the year ended 31 March 2021 Rs. in Lacs
Consumption of stores and spare parts	**20,265**	14,688
Rent	**441**	348
Insurance	**509**	373
Freight, octroi and carriage	**11,506**	9,297
Power and fuel	**3,737**	3,147
Ancillary cost	**8,098**	7,037
Rates and taxes	**556**	512
Expenditure on corporate social responsibility	**154**	157
Office expenses	**6,443**	5,032
Advertisement and sales promotion	**24,170**	17,006
Travelling	**2,203**	1,284
Repairs		
Buildings	**162**	87
Plant and machinery	**1,252**	1,157
Others	**898**	773
Write-off of property, plant and equipment	**101**	162
Write-off of capital work in progress	**1**	-
Write-off of debts/ advances	**85**	30
Allowances for doubtful debts	**20**	104
Bank charges	**296**	268
Directors' sitting fees	**69**	60
Service expenses	**5,710**	5,100
Warranty expenses	**1,586**	1,544
Miscellaneous expenses	**3,017**	2,650
	91,279	70,816

Payment to statutory auditors included under office expenses (excluding taxes)

As auditors		
Audit fees	**51**	51
Tax audit fees	**16**	17
Limited review fees	**18**	18
Others	**19**	22
Reimbursement of expenses	**2**	3
	106	111

Notes to the standalone financial statements for the year ended 31 March 2022

		For the year ended 31 March 2022 Rs. in Lacs	For the year ended 31 March 2021 Rs. in Lacs
Expenditure on corporate social responsibility			
(a)	Gross amount required to be spent by the company during the year	**154**	157
(b)	Amount spent during the year on purpose other than construction/acquisition of assets in cash	**154**	157
(c)	Shortfall at the end of the year	**-**	-
(d)	Total of previous years shortfall (^)	**-**	-
(e)	Reason for shortfall	**NA**	NA
(f)	Nature of CSR activities	**Activities relating to promoting education, health care and skill development programme**	Activities relating to promoting education, health care and skill development programme
(g)	Details of related party transactions (Refer note 37)	**50**	40
(h)	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movement in the provision during the year	**NA**	NA

(^) total of previous years shortfall have been considered starting from the year from which Companies (CSR Policy) Amendment Rules, 2021 became effective

Expenditure related to research and development at Verna, Goa included in note 29 are:		
Rent	**17**	18
Power and fuels	**119**	100
Ancillary cost	**4**	5
Rates and taxes	**18**	2
Office expenses	**248**	302
Travelling	**18**	21
Repairs		
Building	**5**	1
Plant and machinery	**8**	6
Others	**4**	3
Write-off of property, plant and equipment	**3**	1
Miscellaneous expenses	**61**	44
	505	503

30. Tax expense

	For the year ended 31 March 2022 Rs. in Lacs	For the year ended 31 March 2021 Rs. in Lacs
A. Amount recognised in statement of profit and loss		
Current tax		
Income tax for the year	**(34)**	3,666
Adjustments related to previous years (net)	**(307)**	72
Total current tax	**(341)**	3,738
Deferred tax		
Deferred tax for the year	**(2,210)**	(287)
Minimum alternate tax credit related to previous years (net)	**–**	4
Total deferred tax	**(2,210)**	(283)
	(2,551)	3,455
B. Amount recognised in other comprehensive income		
Current tax:		
On items that will not be reclassified to profit or loss		
- Remeasurements of the defined benefit liabilities / (asset)	**34**	(25)
	34	(25)
C. Reconciliation of effective tax rate		
The income tax expense for the year can be reconciled to the accounting profit as follows:		
(Loss) / Profit before tax	**(7,672)**	9,677
Income tax expense calculated @ 34.944% (31 March 2021 - 34.944%) (*)	**(2,681)**	3,382
Effect of additional deductions under tax	**–**	(119)
Effect of carry forward of losses	**–**	(326)
Effect of different tax rate on certain items	**3**	99
Effect of non allowable expenses	**79**	112
Effect of changes in deferred tax provision on property, plant and equipment and statutory returns filed	**209**	146
Effect of tax differences on account of Ind AS 116	**180**	60
Effect of amount recognised in other comprehensive income	**(34)**	25
Effect of adjustments relating to earlier year	**(307)**	76
Income tax recognised in statement of profit and loss	**(2,551)**	3,455
Tax rate used for current tax	**34.944%**	34.944%
Tax rate used for deferred tax	**34.944%**	34.944%

(*) The applicable tax rate is as prescribed by the Income Tax Act 1961

Notes to the standalone financial statements for the year ended 31 March 2022

31. Earnings per share

		For the year ended 31 March 2022	For the year ended 31 March 2021
(a)	(Loss) / Profit after taxes available to equity shareholders (Rs. in lacs)	**(5,121)**	6,222
(b)	Weighted average number of equity shares outstanding	**4,05,18,796**	4,05,18,796
(c)	Basic and diluted earnings per equity share of face value Rs. 10 each **(in Rs.)** [(a)/(b)]	**(12.64)**	15.36

32. Defined benefit plan - Gratuity

The Company operates a defined benefit plan for gratuity for its employees. It is administered through approved trust in accordance with its trust deeds and rules. The concerned trust is managed by trustees who provide guidance with regard to the management of their assets and liabilities and review their performance periodically or directly through insurance company. Risk mitigation systems are in place to ensure that the health of the portfolio is regularly reviewed and the investments do not pose any significant risk of impairment. Periodic audits are conducted to ensure the adequacy of internal controls.

The liability arising in the defined benefit plan is determined by an independent professionally qualified actuary using the projected unit credit method.

Risk management

The risks commonly affecting the gratuity liability and the financial results are expected to be:

1. Interest rate risk - The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yield falls, the defined benefit obligations will tend to increase.
2. Salary inflation risk - Higher the expected increase in salary, higher the defined benefit obligation.
3. Demographic risk - This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

Rs. in Lacs

I.	Changes in defined benefit obligations		Gratuity (funded)	
			31 March 2022	31 March 2021
	1.	Defined benefit obligations at the beginning of the year	**7,018**	6,150
	2.	Current service cost	**635**	551
	3.	Interest costs	**406**	369
	4.	Acquisition cost / (credit)	**48**	57
	5.	Effect of experience adjustment	**39**	55
	6.	Effect of assumption change	**(172)**	76
	7.	Benefits paid	**(275)**	(240)
	8.	Defined benefit obligations at the end of the year	**7,699**	7,018

Notes to the standalone financial statements for the year ended 31 March 2022

Rs. in Lacs

II.	Changes in fair value of plan assets		Gratuity (funded)	
			31 March 2022	31 March 2021
	1.	Fair value of assets at the beginning of the year	**6,292**	4,874
	2.	Interest income on plan assets	**384**	330
	3.	Employer contribution	**721**	1,264
	4.	Return on plan assets (less than discount rate)	**(36)**	64
	5.	Benefits paid	**(275)**	(240)
	6.	Fair value of assets at the end of the year	**7,086**	6,292
	7.	Actual returns	**348**	394

Rs. in Lacs

III.	Net assets / (liabilities) recognised in balance sheet		Gratuity (funded)	
			31 March 2022	31 March 2021
	1.	Defined benefit obligations	**7,699**	7,018
	2.	Fair value of plan assets	**7,086**	6,292
	3.	Funded status - deficit	**613**	726
	4.	Net liability recognised in balance sheet		
		– Current	**–**	–
		– Non current	**613**	726

Rs. in Lacs

IV.	Components of employer expenses		Gratuity (funded)	
			31 March 2022	31 March 2021
	Recognised in profit or loss			
	1.	Current service cost	**635**	551
	2.	Net interest costs	**22**	39
	3.	Total recognised in profit or loss (*)	**657**	590
	Recognised in other comprehensive income			
	1.	Effect of experience adjustment	**39**	55
	2.	Effect of assumption change	**(172)**	76
	3.	Return on plan assets (less than discount rate)	**36**	(64)
	4.	Total recognised in other comprehensive income	**(97)**	67
	Total expense recognised in total comprehensive income		**560**	657

(*) recognised in "Contribution to provident and other funds" in "Employee benefits expense" under note 26

V.	Actuarial assumptions	Gratuity (funded)	
		31 March 2022	31 March 2021
	Discount rate	**6.3%**	5.9% and 6.9%
	Rate of salary increase	**10.0%**	10.0%
	Mortality rate	**Indian Assured Lives Mortality (2006-08) Ult**	Indian Assured Lives Mortality (2006-08) Ult

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in employment market.

Notes to the standalone financial statements for the year ended 31 March 2022

VI. Plan asset information

	Gratuity (funded)	
	31 March 2022	31 March 2021
Cash	**1%**	1%
Scheme of insurance - conventional products	**99%**	99%

In the absence of detailed information regarding plan assets which is funded with insurance companies, the composition of each major category of plan assets, the percentage or amount for each category to the fair value of plan assets has not been disclosed.

Rs. in Lacs

VII.		**Net asset / (liability) recognised in balance sheet (including experience adjustment impact)**	**Gratuity (funded)**	
			31 March 2022	31 March 2021
	1.	Present value of defined benefit obligations	**7,699**	7,018
	2.	Fair value of plan assets	**7,086**	6,292
	3.	Funded Status - deficit	**613**	726
	4.	Experience adjustment of plan assets -gain/(loss)	**(36)**	64
	5.	Experience adjustment of obligations - (loss)	**(39)**	(55)

VIII. Expected employer contribution for the next year (Rs. in lacs)	**613**	**726**

IX. Sensitivity analysis

The sensitivity results below determine their individual impact on the plan's year end defined benefit obligations. In reality, the plan is subject to multiple external experience items which may move the defined benefit obligations in similar or opposite directions, while the plans's sensitivity to such changes can vary over time.

Rs. in Lacs

		Gratuity (funded)	
		31 March 2022	31 March 2021
Defined benefit obligations on base assumptions (refer point no V)		**7,699**	7,018
a.	1% increase in discount rate	**7,302**	6,643
b.	1% decrease in discount rate	**8,143**	7,440
c.	1% increase in salary escalation rate	**8,079**	7,374
d.	1% decrease in salary escalation rate	**7,340**	6,682

Rs. in Lacs

X.	**Maturity analysis of benefit payments**	**Gratuity (funded)**	
		31 March 2022	31 March 2021
	Year 1	**987**	924
	Year 2	**978**	999
	Year 3	**1,196**	764
	Year 4	**1,256**	963
	Year 5	**1,279**	1,059
	Next 5 years	**5,134**	4,164

The Company has contributed **Rs. 2,268 lacs** (31 March, 2021: Rs. 1,855 lacs) to defined contribution schemes.

Notes to the standalone financial statements for the year ended 31 March 2022

33. Segment reporting

Rs. in Lacs

		Engineering	Home Appliances	Motor	Steel	Un-allocated	Inter-segment	Total
Revenue from sale of products and services	**31 March 2022**	**52,203**	**2,67,664**	**4,906**	**11,337**	**–**	**(9,685)**	**3,26,425**
	31 March 2021	41,275	2,23,757	3,348	6,957	–	(6,756)	2,68,581
Other operating revenue	**31 March 2022**	**5,536**	**1,010**	**28**	**908**	**–**	**(7)**	**7,475**
	31 March 2021	3,310	660	25	564	–	(7)	4,552
Revenue from operations	**31 March 2022**	**57,739**	**2,68,674**	**4,934**	**12,245**	**–**	**(9,692)**	**3,33,900**
	31 March 2021	44,585	2,24,417	3,373	7,521	–	(6,763)	2,73,133
Other income	**31 March 2022**	**90**	**710**	**29**	**30**	**955**	**–**	**1,814**
	31 March 2021	404	392	27	294	1,091	–	2,208
Total income	**31 March 2022**	**57,829**	**2,69,384**	**4,963**	**12,275**	**955**	**(9,692)**	**3,35,714**
	31 March 2021	44,989	2,24,809	3,400	7,815	1,091	(6,763)	2,75,341
Segment results before finance costs	**31 March 2022**	**2,511**	**(4,167)**	**(221)**	**32**	**(2,712)**	**31**	**(4,526)**
	31 March 2021	2,986	12,008	(472)	(149)	(1,658)	13	12,728
Less: finance costs	**31 March 2022**							**3,146**
	31 March 2021							3,051
(Loss) / Profit before tax	**31 March 2022**							**(7,672)**
	31 March 2021							9,677
Tax expense	**31 March 2022**							**(2,551)**
	31 March 2021							3,455
(Loss) / Profit for the year	**31 March 2022**							**(5,121)**
	31 March 2021							6,222
Segment assets	**31 March 2022**	**42,292**	**1,31,933**	**3,113**	**4,146**	**18,388**	**–**	**1,99,872**
	31 March 2021	38,379	1,19,710	2,874	3,702	21,025	–	1,85,690
Segment liabilities	**31 March 2022**	**22,712**	**1,08,188**	**1,884**	**1,560**	**1,809**	**–**	**1,36,153**
	31 March 2021	18,905	89,404	1,319	1,598	5,687	–	1,16,913

Other information

Depreciation and amortisation expense	**31 March 2022**	**3,212**	**7,875**	**92**	**128**	**38**	**–**	**11,345**
	31 March 2021	2,411	7,311	131	130	58	–	10,041
Capital expenditure	**31 March 2022**	**7,790**	**7,761**	**31**	**314**	**54**	**–**	**15,950**
	31 March 2021	4,545	10,134	180	46	188	–	15,093
Non cash expenditure other than depreciation and amortisation	**31 March 2022**	**8**	**189**	**1**	**6**	**3**	**–**	**207**
	31 March 2021	4	263	4	21	4	–	296

33. Segment reporting *(Contd.)*

		Rs. in lacs
Geographical information		
Revenue from external customers		
- Within India	**31 March 2022**	**3,33,633**
	31 March 2021	2,74,079
- Outside India	**31 March 2022**	**2,081**
	31 March 2021	1,262
Total	**31 March 2022**	**3,35,714**
	31 March 2021	2,75,341
Non - Current assets excluding financial assets and deferred tax assets		
- Within India	**31 March 2022**	**71,720**
	31 March 2021	65,884
- Outside India	**31 March 2022**	**–**
	31 March 2021	–
Total	**31 March 2022**	**71,720**
	31 March 2021	65,884

NOTES :

- The Company is primarily engaged in business of fine blanked components, home appliances, motors and steel. Accordingly the Company considers the above business segment as the primary segment. Segment revenue, segment result, segment asset and segment liabilities include the respective amount identifiable to each of the segments as also amounts allocated on reasonable basis. The expenses, which are not directly relatable to the business segment, are shown as unallocable corporate cost and grouped as “Unallocated”. Assets and liabilities that cannot be allocated between the segments are shown as unallocable corporate assets and liabilities and are grouped as “Unallocated”. These segments have been reported in the manner consistent with the internal reporting to divisional CEO's, who are the chief operating decision makers.
- The geographical information considered for disclosure are revenue within India and revenue outside India.
- The Company is not reliant on revenues from transactions with any single external customer and does not receive 10% or more of its revenues from transactions with any single external customer.

Notes to the standalone financial statements for the year ended 31 March 2022

34. Leases

The Company is obligated under cancellable leases for residential, office premises, warehouses, etc. Total rental expense under cancellable short term operating lease amounted to **Rs. 391 Lacs** (31 March 2021: Rs. 298 lacs).

In applying Ind AS 116 - "Leases", the Company has applied a single discount rate to a portfolio of leases with reasonably similar characteristics. The leases with remaining lease term of less than 12 months are considered as "short term leases".

The movement of lease liabilities during the year is as under:-

	As at 31 March 2022 Rs. in Lacs	As at 31 March 2021 Rs. in Lacs
Opening Balance	**5,984**	5,921
Addition during the year	**9,065**	3,364
Adjustment for leases closed / expired / terminated	**(119)**	(627)
Write back of liabilities no longer required (Refer note 22)	**(7)**	(44)
Interest expenses	**1,155**	539
Payments	**(3,634)**	(3,169)
Closing Balance	**12,444**	5,984

The maturity analysis of lease liabilities is as under:

Within one year	**2,118**	2,090
One to five years	**3,665**	3,355
Five to ten years	**893**	280
Beyond ten year	**5,768**	259
	12,444	5,984

35. Commitments

	As at 31 March 2022 Rs. in Lacs	As at 31 March 2021 Rs. in Lacs
(i) Outstanding capital commitments for tangible assets	**1,500**	1,702
(ii) Outstanding capital commitments for intangible assets	**19**	239

36. Contingent Liabilities :

	As at 31 March 2022 Rs. in Lacs	As at 31 March 2021 Rs. in Lacs
Disputed sales tax matters, excise matters, income tax matters and other matters contested in appeals.	**5,823**	5,838

(These disputes mostly relate to arbitrary disallowances of claims of the Company under various state laws, which are under appeal. The management is of the view that these demands are not sustainable in law and is hopeful of succeeding in appeals.)

37. Related party disclosures

(A) The Company has the following related parties

Investor Company :	IFB Automotive Private Limited
Subsidiary Companies :	Global Automotive and Appliances Pte Limited (GAAL) Thai Automotive and Appliances Limited (TAAL) – subsidiary of GAAL
Key Management Personnel (KMP) :	- **Mr. Bijon Bhushan Nag** - Executive Chairman
	- **Mr. Bikramjit Nag** - Joint Executive Chairman and Managing Director
	- **Mr. Prabir Chatterjee** - Director and Chief Financial Officer
	- **Mr. G. Ray Chowdhury** - Company Secretary
	- **Mr. A. K. Nag** - Senior President
	- **Mr. Sujan Kumar Ghosh Dastidar** - President, Legal
	- **Mr. Siddhartha Chatterjee** - Vice-President - Real Estate and Leased Assets
	- **Ms. Souravi Sinha** - AVP - Human Resource - Corporate
	- **Mr. Uma Shankar Ghosh Dastidar** - Head, Taxation
	- **Mr. Rajat Paul** - AVP, IT
	- **Mr. Soumitra Goswami** - AVP, Financial Controller
	- **Ms. Smita Agarwal** - General Manager- Finance and Accounts
	- **Mr. Rajeev Mundhra** - Head - Internal Audit
	Home Appliance division :
	- **Mr. Rajshankar Ray** - Managing Director and Chief Executive Officer
	- **Mr. A. S. Negi** - Executive Director and Service Business Head
	- **Mr. B. M. Shetye** - Senior Vice President, Sustainability
	- **Mr. Pawan Koul** - Head of Goa factory - Washing Machine Plant
	- **Mr. Sukhdev Nag** - Senior VP- Sales Processes and Excellence
	- **Mr. Ranjan Mohan Mathur** - Business Head - Cooking products
	- **Mr. Abhijit Gangopadhyay** - Business Head, North 2
	- **Mr. R. Anand** - Head, Motor Division
	- **Mr. C.S.Govindaraj** - CEO, Industrial Business & Projects
	- **Mr. B. Krishnamoorthy** - Business Head Commercial Appliances
	- **Mr. Vilas Sanjeev Kamath** - Head - Supply Chain
	- **Mr. Venkata Subba Rao Madala** - Head of Factory - A.C. plant
	- **Mr. Manoj Agnihotri** - Head, Human Resources, A.C. plant
	- **Mr. Narayana Panth** - Head of R&D, A.C. plant
	- **Mr. Kartik Ishwar Muchandi** - Head, Finance and Accounts, Goa Factory
	- **Mr. Ashish Singh** - Head, Finance and Accounts, Marketing
	- **Mr. Vinay Karan Mathur** - AGM- Industrial Service, Central and West

Notes to the standalone financial statements for the year ended 31 March 2022

	Home Appliance division: (contd..)
	- **Mr. Anand Khedia** - Regional Accountant West
	- **Mr. Ashutosh Verma** - Regional Accounts Head- South
	- **Mr. Suresh Turkani** - Regional Service Manager – South
	- **Mr. Saurabh Uppal** - Regional Accountant- North 1
	- **Mr. Rohit Dhupar** - Regional Accountant- North 2
	- **Mr. Sankar Pal** - Regional Manager sales - East
	- **Mr. Navneet Chaudhary** - Regional Service Manager-East
	- **Mr. Damodar Narendra Kale** - Product Head for A.C.
	- **Mr. V Lakshman Kumar** - Product Head,WM
	- **Mr. Anthony Francis D'Souza** - Product Sourcing Development and Imports
	- **Mr. P Nandan** - Manufacturing Head for W.M.
	- **Ms. Tekke Cheruvat Manjima** - Head training & ICLD
	- **Mr. Seungki Bae** - Industrial Head Design
	- **Mr. Hwan Myung** - Head of R&D
	- **Mr. Jin Kim** - Head, R&D, Motor Division
	- **Mr. Rajan Rahi** - Sales Head- Home Appliances Division
	- **Mr. Manav Mehra** - Zonal Business Head - North1
	- **Mr. Ashok Hazra** - GM, Finance
	Engineering division :
	- **Mr. Harsh Vardhan Sachdev** - MD & CEO
	- **Mr. Arup Das** - Head Marketing
	- **Mr. Aloke Kumar Sarkar** - Plant Head
	- **Mr. Shantanu Chakraborty** - Head of Production and Ancillary
	- **Mr. Amit Agarwal** - Head finance & Accounts Kolkata Factory
	- **Mr. Anjan Poddar** - Head of Design
	- **Mr. Sisir Kumar Mitra** - Head of Purchase and tool Room
	- **Mr. Anit Kumar Ghosh** - AGM Business Development
	- **Mr. Arup Chatterjee** - Senior Manager Business Development
	- **Mr. K. R. K. Prasad** - CEO
	- **Mr. Jayanta Chanda** - AVP, Finance
	- **Mr. Nagaraju K R** - Head Operations
	- **Mr. Subramanian N** - AGM Marketing
	- **Mr. Dong Shin** - Head- Central Tool Room
	- **Mr. Srinivas U** - GM-Quality
	- **Mr. Buragadda Jaya Panduranga Kalyan** - Senior Manager Finance
	Steel division :
	- **Mr. Abesh Chattopadhyay** - CEO- Special Steel Unit

Notes to the standalone financial statements for the year ended 31 March 2022

Other related parties	- IFB Agro Industries Limited - IFB Agro Marine FZE (100% subsidiary of IFB Agro Industries Limited) - Travel Systems Limited - IFB Global Limited - IFB Appliances Limited - Anjali foundation
Employee trusts where there is significant influence (Employee trusts) :	- Indian Fine Blank Limited Employees Gratuity Fund (IFBLEGF) - The IFBL Group Superannuation Scheme (IFBLSAF)

(B) Transactions with related parties

		For the year ended 31 March 2022 Rs. in Lacs	For the year ended 31 March 2021 Rs. in Lacs
1	**Sales, service and other income**		
	- Investor Company	**5,866**	4,400
	- Subsidiaries	**57**	28
	- KMP	**6**	4
	- Other related parties	**22**	19
	Total	**5,951**	4,451
2	**Purchase of inventories**		
	- Investor Company	**448**	90
	- Subsidiaries	**114**	467
	- Other related parties	**5**	42
	Total	**567**	599
3	**Expenditure on other services**		
	- Investor Company	**182**	389
	- Subsidiaries	**6**	–
	- Other related parties	**9,392**	7,744
	Total	**9,580**	8,133
4	**Expenditure on corporate social responsibility**		
	- Other related parties	**50**	40
	Total	**50**	40
5	**Purchase of investments**		
	- Investor Company	**–**	225
	Total	**–**	225
6	**Sale of property, plant and equipment**		
	- Investor Company	**–**	1
	Total	**–**	1

Notes to the standalone financial statements for the year ended 31 March 2022

		For the year ended 31 March 2022 Rs. in Lacs	For the year ended 31 March 2021 Rs. in Lacs
7	**Contribution to employees' benefit plans**		
	- Employee trusts	**618**	714
	Total	**618**	714
8	**Expenses recovered**		
	- Subsidiaries	**9**	23
	Total	**9**	23
9	**Remuneration**		
	(a) Short term benefits - KMP	**5,190**	2,293
	(b) Post employment benefits - KMP	**311**	80
	(c) Other long term benefits - KMP	**125**	69
	Total	**5,626**	2,442

(C) Outstanding balances with related parties

		As at 31 March 2022 Rs. in lacs	As at 31 March 2021 Rs. in lacs
1	**Trade Receivables**		
	- Investor Company	**3,388**	3,369
	- Subsidiaries	**33**	2
	- Other related parties	**33**	26
	Total	**3,454**	3,397
2	**Security deposits given**		
	- Investor Company	**50**	50
	- Other related parties	**8**	8
	Total	**58**	58
3	**Advances given**		
	- Investor Company	**57**	47
	- KMP	**1**	1
	- Other related parties	**41**	41
	Total	**99**	89
4	**Loans given**		
	- KMP	**8**	4
	Total	**8**	4
5	**Other receivables**		
	- Subsidiaries	**32**	23
	- Other related parties	**–**	6
	- Employee trusts	**145**	141
	Total	**177**	170

Notes to the standalone financial statements for the year ended 31 March 2022

		As at 31 March 2022 Rs. in lacs	As at 31 March 2021 Rs. in lacs
6	**Trade payables**		
	- Investor Company	**23**	43
	- Subsidiaries	**6**	123
	- Other related parties	**379**	163
	Total	**408**	329
7	**Other payables**		
	- Investor Company	**–**	4
	- Employee trusts	**613**	709
	Total	**613**	713
8	**Guarantees given**		
	- Subsidiaries	**2,132**	1,889
	Total	**2,132**	1,889

(D) Party-wise details of significant transactions with related parties

		For the year ended 31 March 2022 Rs. in Lacs	For the year ended 31 March 2021 Rs. in Lacs
1	**Sales, service and other income**		
	- TAAL	**57**	28
	- IFB Agro Industries Limited	**22**	12
2	**Purchase of inventories**		
	- TAAL	**114**	17
	- GAAL	**–**	450
3	**Expenditure on other services**		
	- TAAL	**6**	–
	- Travel Systems Limited	**908**	295
	- IFB Agro Marine FZE	**54**	54
	- IFB Appliances Limited	**7,883**	6,791
4	**Expenditure on corporate social responsibility**		
	- Anjali foundation	**50**	40
5	**Contribution to employees' benefit plans**		
	- IFBLEGF	**613**	709
	- IFBLSAF	**5**	5
6	**Expenses recovered**		
	- TAAL	**5**	14
	- GAAL	**4**	9

Notes to the standalone financial statements for the year ended 31 March 2022

(E) Party-wise details of significant balances with related parties

		As at 31 March 2022 Rs. in lacs	As at 31 March 2021 Rs. in lacs
1	**Trade Receivables**		
	- TAAL	**33**	2
2	**Security deposits given**		
	- IFB Agro Industries Limited	**8**	8
3	**Advances given**		
	- IFB Agro Industries Limited	**41**	41
4	**Other receivables**		
	- TAAL	**19**	14
	- GAAL	**13**	9
	- IFBLEGF	**145**	141
5	**Trade payables**		
	- TAAL	**6**	–
	- GAAL	**–**	123
	- IFB Agro Marine FZE	**9**	27
	- IFB Appliances Limited	**219**	82
	- Travel Systems Limited	**122**	50
6	**Other payables**		
	- IFBLEGF	**613**	709
7	**Guarantees given**		
	- TAAL	**1,174**	1,158
	- GAAL	**958**	731

38. Dues to micro, small and medium enterprises

The Ministry of micro, small and medium enterprises has issued an office memorandum dated 26 August 2008 which recommends that the micro and small enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprise Development Act, 2006' ('the Act'). Accordingly, the disclosure in respect of the amounts payable to such enterprises has been made in the financial statements based on the information received and available with the Company. Payable to micro and small enterprises as at **31 March 2022: Rs. 14,374 lacs** (31 March 2021: Rs. 10,141 lacs).

Further, in view of the management, the impact of the interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any supplier as at the balance sheet date.

39. Financial instruments and related disclosures

i) Capital management

The Company's capital management policy is focused on business growth and creating value for shareholders. The Company determines the amount of capital required on the basis of annual business plans and the funding needs are met through internal accruals and bank borrowings.

ii) Categories of financial instruments

		Particulars	Note	As at 31 March 2022		As at 31 March 2021	
				Carrying value	**Fair value**	Carrying value	Fair value
				Rs. in lacs	**Rs. in lacs**	**Rs. in lacs**	**Rs. in lacs**
A.	**Financial assets**						
	a)	**Measured at amortised cost:**					
		i) Trade receivables	11	**29,639**	**29,639**	24,650	24,650
		ii) Cash and cash equivalents	12	**6,479**	**6,479**	9,536	9,536
		iii) Other bank balances	13	**2,252**	**2,252**	2,419	2,419
		iv) Loans	6	**121**	**121**	105	105
		v) Other financial assets		**1,487**	**1,487**	1,687	1,687
	b)	**Measured at fair value through Profit and Loss:**					
		i) Investments	5	**22,947**	**22,947**	26,047	26,047
	c)	**Derivatives measured at fair value through Profit and Loss:**					
		i) Derivatives not designated as hedges	7	**697**	**697**	378	378
B.	**Financial liabilities**						
	a)	**Measured at amortised cost:**					
		i) Term loans from banks	15	**11,213**	**11,213**	16,665	16,665
		ii) Working capital buyers credit from banks	20	**6,203**	**6,203**	2,342	2,342
		iii) Cash Credit facility from a bank	20	**68**	**68**	51	51
		iv) Loan from others	20	**–**	**–**	271	271
		v) Current maturities of long term borrowings	20	**5,815**	**5,815**	3,226	3,226
		vi) Lease Liabilities		**12,444**	**12,444**	5,984	5,984
		vii) Trade payables		**79,800**	**79,800**	63,725	63,725
		viii) Other financial liabilities		**1,541**	**1,541**	1,663	1,663
	b)	**Derivatives measured at fair value through Profit and Loss:**					
		i) Derivative instruments not designated as hedges	16	**185**	**185**	181	181

Investments exclude investment in subsidiaries of **Rs. 2,385 lacs** (31 March 2021: Rs. 2,385 lacs) which are shown at cost in balance sheet as per Ind AS 27 - 'Separate Financial Statements'.

(iii) Financial risk management objectives

The Company has a system-based approach to risk management, anchored to policies and procedures and internal financial controls aimed at ensuring early identification, evaluation and management of key financial risks (such as market risk, credit risk and liquidity risk) that may arise as a consequence of its business operations as well as its investing and financing activities. Accordingly, the Company's risk management framework has the objective of ensuring that such risks are managed within acceptable and approved risk parameters in a disciplined and consistent manner and in compliance with applicable regulation. It also seeks to drive accountability in this regard.

a) Liquidity risks

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquid risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The Company has obtained fund and non-fund based working capital lines from banks. Furthermore, the Company has sufficient quantities of finished goods and stock-in-trade which are liquid and readily saleable. Hence the risk that the Company may not be able to settle its financial liabilities as they become due does not exist.

The following tables shows a maturity analysis of the anticipated cash flows for the Company's derivative and non-derivative financial liabilities.

As at 31 March 2022

	Total	**Due within one year**	**Due after one year**
	Rs. in lacs	**Rs. in lacs**	**Rs. in lacs**
Borrowings	**23,299**	**12,086**	**11,213**
Lease liabilities	**12,444**	**2,118**	**10,326**
Trade payables	**79,800**	**79,800**	**–**
Other financial liabilities	**1,541**	**1,504**	**37**
Derivative financial liabilities	**185**	**185**	**–**
Total	**1,17,269**	**95,693**	**21,576**

As at 31 March 2021

	Total	Due within one year	Due after one year
	Rs. in lacs	Rs. in lacs	Rs. in lacs
Borrowings	22,555	5,890	16,665
Lease liabilities	5,984	2,090	3,894
Trade payables	63,725	63,725	–
Other financial liabilities	1,663	1,618	45
Derivative financial liabilities	181	181	–
Total	94,108	73,504	20,604

b) Market risks

The Company does not trade in equities. Treasury activities, focused on managing investments in debt instruments, are centralised and administered under a set of approved policies and procedures guided by the tenets of liquidity, safety and returns. This ensures that investments are only made within the acceptable risk parameters after due evaluation.

The Company's investments are predominantly held in debt mutual funds. Such investments are susceptible to market risks that arise mainly from changes in interest rate which may impact the return and value of such investments. Mark to market movements in respect of these investments are measured at fair value through Profit and Loss.

Fixed deposits are held with highly rated banks and generally have a short tenure and are not subject to interest rate volatility.

The Company has short-term borrowings which are generally not susceptible to interest rate volatility since they are for short tenure. Long term loans from banks are at highly competitive rates. Hence interest rate fluctuations on borrowings does not affect the Company significantly.

c) Foreign currency risk

The Company undertakes transactions denominated in foreign currency (mainly US Dollar, Euro, GBP, RMB, THB, JPY and AED) which are subject to the risk of exchange rate fluctuations.

The carrying amount of foreign currency denominated financial assets and liabilities, are as follows:

	As at 31 March 2022		As at 31 March 2021	
	Financial Assets	**Financial Liabilities**	Financial Assets	Financial Liabilities
	Rs. in lacs	**Rs. in lacs**	**Rs. in lacs**	**Rs. in lacs**
USD	**798**	**27,943**	469	25,472
Euro	**45**	**2,895**	65	4,457
RMB	**–**	**1,124**	–	1,221
Total	**843**	**31,962**	534	31,150

The Company uses forward exchange contracts and currency swaps to hedge its exposure in foreign currency.

i) **Forward exchange contracts / Currency swaps that were outstanding for financial liabilities as at the end of respective reporting dates:**

Particulars	**No. of contracts**	**USD (lacs)**	**No. of contracts**	**Euro (lacs)**	**No. of contracts**	**RMB (lacs)**
As at 31 March 2022	**135**	**349**	**41**	**65**	**21**	**69**
As at 31 March 2021	175	340	53	53	27	47

The aforesaid forwards / currency swaps have a maturity before 2 October, 2024.

ii) **Unhedged foreign currency exposure (excluding derivatives) as at the end of the respective reporting dates:**

	As at 31 March 2022		As at 31 March 2021	
	Financial Asset	**Financial Liability**	Financial Asset	Financial Liability
USD	**1**	**–**	1	3
Rs. in lacs	**102**	**–**	91	188
EURO	**1**	**–**	1	–
Rs. in lacs	**44**	**–**	65	–
RMB	**–**	**18**	–	62
Rs. in lacs	**–**	**212**	–	694
Total Rs. in lacs	**146**	**212**	156	882

iii) **Foreign currency sensitivity**

For every percentage point change in the underlying exchange rate of the outstanding foreign currency denominated assets and liabilities, holding all other variables constant, the loss before tax would change by **Rs. 311 lacs** for the year ended 31 March 2022 (31 March 2021: Rs 308 lacs).

d) Credit risk

Credit risk arise from the possibility that the counter party may not be able to settle their obligations. Financial instruments that are subject to such risk primarily consists of investments, trade receivables, bank deposits, loans, derivative instruments and other financial assets.

Bank deposits are primarily held with highly rated and different banks.

The Company's customer base is large and diverse limiting the risk arising out of credit concentration. Further the credit is extended in business interest in accordance with guidelines issued centrally and business-specific credit policies that are consistent with such guidelines. Exceptions are managed and approved by appropriate authorities after due consideration of the counter parties credentials and financial capacity, trade practices and prevailing business and economic conditions.

The Company's historical experience of collecting receivables and the level of default indicates that the credit risk is low and generally uniform across markets. Loss allowances are recognised where considered appropriate by the management.

The movement of allowance for doubtful advances and receivables is as under:-

	As at 31 March 2022 Rs. in lacs	As at 31 March 2021 Rs. in lacs
Balance at beginning of the year	**243**	145
Provision recognised in the year	**20**	104
Amounts written off during the year as uncollectible	**(59)**	–
Amounts recovered during the year	**(2)**	(3)
Provisions written back	**(1)**	(3)
Balance at end of the year	**201**	243

Other than financial assets mentioned above, none of the Company's financial assets are either impaired or past due, and there were no indications that defaults in payment would occur.

e) **Fair value hierarchy**

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value and have been grouped into Level 1, Level 2 and Level 3 below:

			Fair value hierarchy (Level)	Fair Value	
				As at 31 March 2022	As at 31 March 2021
				Rs. in lacs	Rs. in lacs
A.	**Financial Assets**				
	a)	**Measured at FVTPL:**			
		Investment in mutual funds	1	**22,722**	25,822
		Investment in equity instruments (other than subsidiary)	2	**225**	225
	b)	**Derivatives measured at FVTPL:**			
		Derivatives not designated as hedges	2	**697**	378
B.	**Financial Liabilities**				
	a)	**Derivatives measured at FVTPL:**			
		Derivatives not designated as hedges	2	**185**	181

40. Goodwill

A reconciliation of the carrying amount of goodwill at the beginning and end of the reporting period showing separately:

	As at 31 March 2022 Rs. in lacs	As at 31 March 2021 Rs. in lacs
Amount as at the beginning of the year (net of accumulated impairment loss of Nil)	**1,781**	1,781
Amount adjusted on recognition of deferred tax on business combination. Refer note 19	**(426)**	–
Amount as at the end of the year (net of accumulated impairment loss of Nil)	**1,355**	1,781

Allocated to Home appliance division	**1,355**	1,355
Allocated to Steel division	**–**	426

Goodwill as stated above is carried at cost and annually tested for impairment in line with applicable Accounting Standards. Impairment testing for goodwill has been carried out considering their recoverable amounts which, inter-alia, includes estimation of their value-in-use based on management projections. These projections have been made for a period of five years and consider various factors, such as market scenario, growth trends, growth and margin projections and terminal growth rates specific to the business. For such projections, discount rate of 15% and long-term growth rate of 5% have been considered. Discount rate has been determined considering the Weighted Average Cost of Capital (WACC) of market benchmarks. Based on the above assessment, no impairment has been recognised during the year.

41. The Company has disaggregated revenues from contract with customers for the year by the type of goods and services. The Company believe that this disaggregation best depicts how the nature, amount, timing and uncertainty of revenues and cash flows are affected by industry, market and other economic factors. Refer note 21 for revenue disaggregation.

The following table includes revenue expected to be recognised in the future related to annual maintenance contracts and extended warranty services and advance from customers.

	Year ended 31 March 2023	**Year ended 31 March 2024**	**Year ended 31 March 2025**	**Year ended 31 March 2026**	**Beyond 31 March 2026**
	Rs. in lacs	**Rs. in lacs**	**Rs. in lacs**	**Rs. in lacs**	**Rs. in lacs**
Income received in advance on annual maintenance contracts	4,703	974	–	–	–
Income received in advance on extended warranty services	335	352	259	202	152
Advance from customers	2,022	–	–	–	–
	7,060	**1,326**	**259**	**202**	**152**

The Company recognized revenue of **Rs. 7,737 lacs** (31 March 2021 : Rs. 5,454 lacs) arising from contract liability balances comprising of income received in advance on annual maintenance contracts and extended warranty services and advance from customers at the beginning of the year.

The below table shows the movement of income received in advance on annual maintenance contracts and extended warranty services and advance from customers :

	As at 31 March 2022 Rs. in lacs	As at 31 March 2021 Rs. in lacs
Opening Balance	**8,729**	7,105
Progress billing during the year	**3,26,695**	2,70,205
Less: Revenue recognised during the year	**3,26,425**	2,68,581
Closing Balance	**8,999**	8,729

Invoicing in excess of revenues from sale of services are classified as "Income received in advance on annual maintenance contracts and extended warranty services" and invoicing in excess of revenues from sale of goods are classified as "Advance from customers" in note no 17.

42. Ratios:

		As at 31 March 2022	As at 31 March 2021
1	Current ratio (no of times)	**1.17**	1.36
2	Debt-equity ratio (no of times)	**0.37**	0.33
3	Debt service coverage ratio (no of times)[a]	**0.31**	1.29
4	Return on equity ratio (%)[b]	**(8.04)**	9.05
5	Inventory turnover ratio (no of days)	**51**	50
6	Trade receivables turnover ratio (no of days)	**34**	34
7	Trade payables turnover ratio (no of days)	**75**	83
8	Net capital turnover ratio (no of times)[c]	**18.42**	8.81
9	Net (loss) / profit ratio (%)[b]	**(1.53)**	2.26
10	Return on capital employed (%)[d]	**(4.83)**	12.66
11	Return on investment (%)	**4.36**	4.29

Reasons where the change in the ratios is more than 25% as compared to preceeding years:

a) Earnings before depreciation, interest and tax (EBDITA) has reduced due to increase in material cost, promotion cost, and offices expenses that have increased considerably. EBDITA being the numerator for the debt equity ratio, hence the fall in the ratio.

b) The ratios have been impacted due to fall in profits for the year for reasons stated in (a) above. Further depreciation and amortisation and finance cost have also increased.

c) Working capital for the period has reduced due to increase in trade payable whereas sales and service income has increased, hence the ratio has increased.

d) Capital employed has not changed significantly, however earnings before interest and tax has reduced for reasons stated above.

Notes to the standalone financial statements for the year ended 31 March 2022

Items included in numerator and denominator:

		Numerator	Denominator
1	Current ratio	Current assets	Current liabilities
2	Debt-equity ratio	Total debt	Shareholders equity
3	Debt service coverage ratio	Earnings before depreciation, interest and tax	Interest expenses + Principal repayments of loans
4	Return on equity ratio	Net (loss) / profit after tax	Shareholders equity
5	Inventory turnover ratio (no of days)	Gross sales of product	Closing inventory
6	Trade receivables turnover ratio (no of days)	Net sales	Closing trade receivables
7	Trade payables turnover ratio (no of days)	Net purchases	Closing trade payable for goods
8	Net capital turnover ratio	Net sales and service income	Working capital
9	Net (loss) / profit ratio	Net (loss) / profit after tax	Total Income
10	Return on capital employed	Earnings before interest and tax	Capital employed
11	Return on investment	Net gain/loss arising on current investments measured at FVTPL + Net gain on disposal of current investment	Average current investments

43. Trade payables ageing **Rs. lacs**

Particulars	As at 31 March, 2022				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables:					
Dues of micro enterprises and small enterprises	14,374	–	–	–	**14,374**
Dues of creditors other than micro enterprises and small enterprises	64,440	147	631	208	**65,426**
Disputed trade payables:					
Dues of micro enterprises and small enterprises	–	–	–	–	–
Dues of creditors other than micro enterprises and small enterprises	–	–	–	–	–
	78,814	**147**	**631**	**208**	**79,800**

Rs. lacs

Particulars	As at 31 March, 2021				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables:					
Dues of micro enterprises and small enterprises	10,141	–	–	–	10,141
Dues of creditors other than micro enterprises and small enterprises	52,690	786	108	–	53,584
Disputed trade payables:					
Dues of micro enterprises and small enterprises	–	–	–	–	–
Dues of creditors other than micro enterprises and small enterprises	–	–	–	–	–
	62,831	786	108	–	63,725

44. Business Combination Note:

(a) During the year, the Hon'ble National Company Law Tribunal (NCLT), Kolkata Bench vide its order dated 27 January, 2022 has approved the 'Scheme of Amalgamation' of wholly owned subsidiary of IFB Industries Limited (IFBIL) namely Trishan Metals Private Limited (TMPL) (Transferor Company) with IFBIL (Transferee Company) with appointed date 1 April, 2021. IFBIL filed the certified copy of the said order along with the requisite form with the Registrar of Companies, Kolkata on 19 February, 2022 (effective date).

No voting interest were acquired in the above transaction.

(b) Since it was an amalgamation of a wholly owned subsidiary, no consideration was required to be transferred upon amalgamation. The 'Scheme of Amalgamation' has accordingly been given effect in the financial statements of the Company from the appointed date. Accordingly the figures presented in the financial statements are after giving effect to the said Scheme. The 'Scheme of Amalgamation' being a common control transaction, as per the requirement of Appendix C of Ind AS 103 on Business Combinations, the pooling of interest method has been applied and the comparative figures have been restated for the accounting impact of the Scheme. The effects of the 'Scheme of Amalgamation' has been accounted for in the books of accounts of the Company in accordance with the Scheme and is in accordance with the Indian Accounting Standards.

(c) Acquisition related cost amounting to **Rs. 8 lacs** (31 March, 2021 Rs 6 lacs) has been included in note no. 29 under 'Office expenses'.

45. Impact of COVID-19 (pandemic)

The spread of COVID-19 has impacted businesses around the globe. The Company's operations and financial statements for the year ended 31 March 2022 have been impacted by COVID-19 pandemic. On the basis of the assessment done by the management the carrying amounts of assets are recoverable.

46. As per the E-Waste (Management) Rules, 2016, as amended, companies dealing in certain categories of products as specified in Schedule-I therein are required to undertake Extended Producer Responsibility (EPR) for its end-of-life products. The obligation for a financial year is measured based on sales made in the preceding 9th/10th year and the Company has met its obligations for the current year. In accordance with Appendix B of Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets', the Company will have an e-waste obligation for future years, only if it participates in the market in those years.

Notes to the standalone financial statements for the year ended 31 March 2022

47. No proceedings have been initiated or is pending against the company for holding any benami property under the 'Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

48. The Company has not been declared a wilful defaulter by any banks.

49. The Company has not identified any transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

50. The Company has complied with the number of layers prescribed under (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.

51. All transactions have been recorded in the books of accounts and there are no unrecorded income that have been disclosed during the year in the tax assessments under the Income Tax Act, 1961. Moreover there are no unrecorded income and related assets pertaining to previous years.

52. The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

53. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification.

54. The standalone financial statements were approved by the Board of Directors on 28 May 2022.

Independent Auditor's Report to the Members of IFB INDUSTRIES LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of IFB Industries Limited ("the Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31 March 2022, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS'), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March, 2022, and their consolidated loss, their consolidated total comprehensive loss, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	**Recognition of Revenue** Revenue from the sale of goods (hereinafter referred to as "Revenue") is recognised when the Company performs its obligation to its customers and the amount of revenue can be measured reliably and recovery of the consideration is probable. The timing of such recognition is when the control over the same is transferred to the customer which is mainly upon delivery.	Our audit approach was a combination of test of internal controls and substantive procedures including: • Assessing the appropriateness of the Company's revenue recognition accounting policies, in line with Ind AS 115 ("Revenue from Contracts with Customers"). • Evaluating the design and implementation of Company's controls in respect of revenue recognition. Testing the effectiveness of such controls over revenue cut off during the year.

Sr. No.	Key Audit Matter	Auditor's Response
	The timing of revenue recognition is relevant to the reported performance of the Company. Revenue may be recognised before completion of contractual performance obligation due to incorrect recording of point of time when the customer obtains control of the asset. Refer to 1(B)(c) for the accounting policy on recognition on revenue.	• Testing the supporting documentation for sales transactions recorded during the period closer to the yearend including customer acknowledgments of receipt of goods on a sample basis. • Testing sales returns subsequent to the yearend, including examination of credit notes issued after the yearend to determine whether revenue was recognised in the correct period. • Rolling out confirmation requests to customers to confirm the recorded yearend balances on a sample basis.

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

- The Parent Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information, and consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- 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.

Management's Responsibility for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent Company has adequate internal financial controls system in place 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 the 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 Group 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 consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Parent Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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 consolidated 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 Section 143(3) of the Act, based on our audit 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 of the aforesaid consolidated financial statements.

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, returns and the reports of the other auditors.

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors of the Parent Company as on 31 March 2022 taken on record by the Board of Directors of the Company, none of the directors of the Group companies, is disqualified as on 31 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 and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.

   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, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Parent Company to their directors during the year is in accordance with the provisions of section 197 of the Act.

   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, as amended in our opinion and to the best of our information and according to the explanations given to us:

      i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group - Refer Note 35 to the consolidated financial statements.

      ii) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.

      iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent Company.

iv) (a) The Managements of the Parent Company, whose financial statements have been audited under the Act, have represented to us, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Managements of the Parent Company, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds have been received by the Parent Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent Company shall, 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 performed that have been considered reasonable and appropriate in the circumstances performed by us, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v) The Parent Company, whose financial statements have been audited under the Act, have not declared or paid any dividend during the year and have not proposed final dividend for the year.

2. With respect to the matters specified in Clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the audit report under section 143 issued by us and the auditors of respective companies included in the consolidated financial statements, as provided to us by the Management of the Parent Company, we report that CARO is applicable only to the Parent Company and not to any other company included in the consolidated financial statements. We have not reported any qualification or adverse remark in the CARO report of the Parent Company.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm Registration No. 302009E)

Varsha A. Fadte
Partner
(Membership No. 103999)
UDIN: 22103999AJURH03653

Panaji, Goa, 28 May 2022

ANNEXURE "A" to the Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended 31 March 2022, we have audited the internal financial controls over financial reporting of IFB Industries Limited (hereinafter referred to as "the Parent"), as of that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Parent 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 ("the 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 the Parent'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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Parent'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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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.

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 judgement, 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 Parent'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 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 to the best of our information and according to the explanations given to us, the Parent, 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 31 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 **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm Registration No. 302009E)

Varsha A. Fadte
Partner
(Membership No. 103999)
UDIN: 22103999AJURH03653

Panaji, Goa, 28 May 2022

Consolidated Balance Sheet

	Notes	As at 31 March 2022 Rs. in Lacs	As at 31 March 2021 Rs. in Lacs
ASSETS			
1. **Non-current assets**			
(a) Property, plant and equipment	3A	**51,819**	52,824
(b) Capital work-in-progress	3A	**1,185**	1,883
(c) Right of use assets	3C	**13,069**	6,834
(d) Investment property	4	**11**	11
(e) Goodwill	3D	**1,956**	2,361
(f) Other intangible assets	3B	**2,908**	3,338
(g) Intangible assets under development	3B	**328**	232
(h) Financial assets			
(i) Investments	5	**225**	225
(ii) Loans	6	**61**	51
(iii) Others	7	**1,691**	1,772
(i) Deferred tax assets (net)	19	**205**	–
(j) Income tax assets (net)	8	**1,243**	9
(k) Other non-current assets	9	**1,923**	1,229
2. **Current assets**			
(a) Inventories	10	**57,682**	46,228
(b) Financial assets			
(i) Investments	5	**22,722**	25,822
(ii) Trade receivables	11	**31,031**	26,569
(iii) Cash and cash equivalents	12	**7,035**	9,829
(iv) Other bank balances	13	**2,252**	2,419
(v) Loans	6	**60**	54
(vi) Others	7	**537**	336
(c) Income tax assets (net)	8	**–**	645
(d) Other current assets	9	**5,103**	6,470
Total assets		**2,03,046**	1,89,141
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	14	**4,128**	4,128
(b) Other equity		**60,698**	65,460
Liabilities			
1. **Non-current liabilities**			
(a) Financial liabilities			
(i) Borrowings	15	**11,467**	17,156
(ii) Lease liabilities		**10,326**	3,894
(iii) Other financial liabilities	16	**37**	45
(b) Provisions	18	**5,098**	5,912
(c) Deferred tax liabilities (net)	19	**–**	2,676
(d) Other non-current liabilities	17	**3,348**	2,562
2. **Current liabilities**			
(a) Financial liabilities			
(i) Borrowings	20	**12,394**	6,136
(ii) Lease liabilities		**2,118**	2,090
(iii) Trade payables			
(A) total outstanding dues of micro enterprises and small enterprises		**14,374**	10,141
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		**66,825**	55,406
(iv) Other financial liabilities	16	**1,689**	1,799
(b) Other current liabilities	17	**9,645**	11,054
(c) Provisions	18	**899**	607
(d) Income tax liabilities (net)		**–**	75
Total equity and liabilities		**2,03,046**	1,89,141

The accompanying notes 1 to 53 are an integral part of the financial statements

In terms of our report attached

For **Deloitte Haskins & Sells**
Chartered Accountants

Varsha A Fadte
Partner

Panjim
28 May 2022

For and on behalf of the Board of Directors of **IFB Industries Limited**

Joint Executive Chairman and Managing Director	**Bikramjit Nag**
Managing Director and Chief Executive Officer, Home Appliances Division	**Rajshankar Ray**
Managing Director and Chief Executive Officer, Engineering Division	**Harsh Vardhan Sachdev**
Director and Chief Financial Officer	**Prabir Chatterjee**
Company Secretary	**G. Ray Chowdhury**

Verna / Kolkata
28 May 2022

Consolidated Statement of Profit and Loss

		Notes	For the year ended 31 March 2022 Rs. in Lacs	For the year ended 31 March 2021 Rs. in Lacs
I	Revenue from operations	21	**3,41,538**	2,80,080
II	Other income	22	**1,809**	2,236
III	**Total income (I + II)**		**3,43,347**	2,82,316
IV	**Expenses**			
	(a) Cost of materials consumed	23	**1,72,020**	1,23,639
	(b) Purchases of stock-in-trade		**40,931**	35,129
	(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	24	**(6,707)**	(2,307)
	(d) Employee benefits expense	25	**37,236**	30,693
	(e) Finance costs	26	**3,176**	3,091
	(f) Depreciation and amortisation expense	27	**11,545**	10,242
	(g) Other expenses	28	**92,512**	71,938
	Total expenses (IV)		**3,50,713**	2,72,425
V	**(Loss) / Profit before tax (III - IV)**		**(7,366)**	9,891
VI	**Tax expense**			
	(a) Current tax	29A	**(340)**	3,763
	(b) Deferred tax	29A	**(2,210)**	(283)
			(2,550)	3,480
VII	**(Loss) / Profit for the year (V - VI)**		**(4,816)**	6,411
VIII	**Other comprehensive income / (loss)**			
	A (i) Items that will not to be reclassified to profit or loss			
	- Remeasurements of the defined benefit plan	31	**97**	(68)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	29B	**(34)**	25
	B (i) Items that will be reclassified to profit or loss			
	- Exchange differences in translating the financial statements of foreign operations		**(9)**	(14)
	(ii) Income tax relating to items that will be reclassified to profit or loss		–	–
	Total other comprehensive income / (loss)		**54**	**(57)**
IX	**Total comprehensive (loss) / income for the year (VII + VIII)**		**(4,762)**	6,354
	Profit for the year			
	Attributable to :			
	Owners of the parent		**(4,816)**	6,411
	Non-controlling interests		–	–
	Total comprehensive income for the year			
	Attributable to:			
	Owners of the parent		**(4,762)**	6,354
	Non-controlling interests		–	–
X	**Earnings per equity share (Face value Rs. 10 each)**			
	(a) Basic (in Rs.)	30	**(11.89)**	15.82
	(b) Diluted (in Rs.)	30	**(11.89)**	15.82

The accompanying notes 1 to 53 are an integral part of the financial statements.

In terms of our report attached
For **Deloitte Haskins & Sells**
Chartered Accountants

Varsha A Fadte
Partner

Panjim
28 May 2022

For and on behalf of the Board of Directors of **IFB Industries Limited**

Joint Executive Chairman and Managing Director **Bikramjit Nag**
Managing Director and Chief Executive Officer, Home Appliances Division **Rajshankar Ray**
Managing Director and Chief Executive Officer, Engineering Division **Harsh Vardhan Sachdev**
Director and Chief Financial Officer **Prabir Chatterjee**
Company Secretary **G. Ray Chowdhury**

Verna / Kolkata
28 May 2022

Consolidated Statement of Changes in Equity

A. Equity share capital

	As at the beginning of the reporting year	Changes in equity share capital during the year	As at the end of the reporting year
	Rs. in lacs	Rs. in lacs	Rs. in lacs
For the year ended 31 March 2021	4,128	–	**4,128**
For the year ended 31 March 2022	4,128	–	**4,128**

B. Other equity

	Reserves and Surplus					Other comprehensive income	Attribui-table to owners of the parent	Non-controlling interest	Total
	Capital Reserve	Securities Premium	Capital Redemption Reserve	Debt Restruc-turing Reserve	Retained earnings	Foreign currency translation reserve			
	Rs. in lacs	Rs. in lacs	Rs. in lacs	Rs. in lacs	Rs. in lacs	Rs. in lacs	Rs. in lacs	Rs. in lacs	Rs. in lacs
Balance as at 01 April 2020	522	17,433	1,605	8,981	31,522	473	60,536	–	60,536
Profit for the year	–	–	–	–	6,411	–	6,411	–	6,411
Other comprehensive loss (net of tax)	–	–	–	–	(43)	(14)	(57)	–	(57)
Total comprehensive income for the year	–	–	–	–	6,368	(14)	6,354	–	6,354
Adjustment on acquisition of non-controlling interest of a subsidiary	–	–	–	–	(1,430)	–	(1,430)	–	(1,430)
Balance as at 31 March 2021	**522**	**17,433**	**1,605**	**8,981**	**36,460**	**459**	**65,460**	**–**	**65,460**
Loss for the year	**–**	**–**	**–**	**–**	**(4,816)**		**(4,816)**	–	**(4,816)**
Other comprehensive income (net of tax)	**–**	**–**	**–**	**–**	**63**	**(9)**	**54**	–	**54**
Total comprehensive loss for the year	**–**	**–**	**–**	**–**	**(4,753)**	**(9)**	**(4,762)**	–	**(4,762)**
Balance as at 31 March 2022	**522**	**17,433**	**1,605**	**8,981**	**31,707**	**450**	**60,698**	**–**	**60,698**

Capital reserve : This reserve represents the difference between the value of net assets acquired by the Group in the course of business combinations and the consideration paid for such combinations.

Securities premium : This reserve represents premium on issue of shares and expenses on employee stock purchase scheme and can be utilised in accordance with the provisions of the Companies Act, 2013.

Capital redemption reserve : This reserve has been created under the Companies Act, 1956 on redemption of redeemable preference shares and can utilised in accordance with the provisions of the Companies Act, 2013.

Debt restructuring reserve : This reserve represents the principal loan amount that were waived off in earlier years.

Retained earnings : This reserve represents the cumulative profits of the Group and effects of remeasurement of defined benefit plans. This can be utilised in accordance with the provisions of the Companies Act, 2013.

The accompanying notes 1 to 53 are an integral part of the financial statements.

In terms of our report attached

For **Deloitte Haskins & Sells**
Chartered Accountants

Varsha A Fadte
Partner

Panjim
28 May 2022

For and on behalf of the Board of Directors of **IFB Industries Limited**

Joint Executive Chairman and Managing Director **Bikramjit Nag**
Managing Director and Chief Executive Officer, Home Appliances Division **Rajshankar Ray**
Managing Director and Chief Executive Officer, Engineering Division **Harsh Vardhan Sachdev**
Director and Chief Financial Officer **Prabir Chatterjee**
Company Secretary **G. Ray Chowdhury**

Verna / Kolkata
28 May 2022

Consolidated Cash Flow Statement

		For the year ended 31 March 2022 Rs. in Lacs	For the year ended 31 March 2021 Rs. in Lacs
A.	**Cash flows from operating activities**		
	(Loss) / Profit before tax	**(7,366)**	9,891
	Adjustments for:		
	Depreciation and amortisation expense	**11,545**	10,242
	Gain on disposal of property, plant and equipment	**(7)**	(14)
	Write-off of property, plant and equipment	**101**	162
	Write-off of capital work in progress	**1**	–
	Write-off of debts/ advances	**85**	30
	Allowances for doubtful debts and advances	**20**	104
	Dividend from investments in mutual fund	**–**	(23)
	Net gain on disposal of mutual funds measured at fair value through profit and loss (FVTPL)	**(41)**	(98)
	Write back of liabilities no longer required	**(85)**	(380)
	Write back of provision on assets no longer required	**(62)**	(6)
	Unrealised exchange loss / (gain)	**317**	(888)
	Interest income on financial assets	**(252)**	(450)
	Net gain arising on mutual funds measured at FVTPL	**(1,018)**	(783)
	Net (gain)/loss arising on derivative instruments measured at FVTPL	**(315)**	974
	Income in respect to deferred revenue from government grant	**(150)**	(19)
	Finance costs	**2,900**	2,821
	Operating profit before working capital changes	**5,673**	21,563
	Adjustments for:		
	Trade payables	**15,698**	18,651
	Provisions	**(504)**	(532)
	Other financial liabilities	**(1)**	201
	Other liabilities	**(470)**	2,934
	Trade receivables	**(4,490)**	(6,214)
	Other financial assets	**3**	(290)
	Other assets	**1,196**	1,428
	Loans	**(16)**	6
	Inventories	**(11,468)**	(7,904)
	Cash generated from operations	**5,621**	29,843
	Income tax paid (net of refunds)	**(565)**	(651)
	Net cash generated from operating activities	**5,056**	29,192
B.	**Cash flows from investing activities**		
	Purchase of property, plant and equipment and intangible assets	**(7,386)**	(9,330)
	Proceeds from sale of property, plant and equipment	**80**	166
	Investment in equity shares of a company (other than subsidary)	**–**	(225)
	Government grant received	**–**	1,702
	Consideration paid to the Non-controlling shareholders of a subsidiary	**–**	(1,430)
	Purchase of current investments (mutual funds)	**(13,639)**	(74,921)
	Sale of current investments (mutual funds)	**17,798**	65,281
	(Increase)/Decrease in bank balances (with maturity more than 12 months)	**167**	(396)
	Interest income on financial assets	**256**	490
	Net cash used in investing activities	**(2,724)**	(18,663)

Consolidated Cash Flow Statement

	For the year ended 31 March 2022	For the year ended 31 March 2021
	Rs. in Lacs	Rs. in Lacs
C. Cash flows from financing activities		
Proceeds from borrowings	**20,719**	9,770
Repayment of borrowings	**(20,424)**	(15,461)
Lease rent paid - principal portion	**(3,470)**	(3,034)
Lease rent paid - interest portion	**(164)**	(135)
Finance costs	**(1,806)**	(2,317)
Net cash generated used in financing activities	**(5,145)**	(11,177)
Net change in cash and cash equivalents (A+B+C)	**(2,813)**	(648)
Cash and cash equivalents at the beginning of the year	**9,829**	10,487
Foreign currency transalation adjustment on cash and cash equivalent	**19**	(10)
Cash and cash equivalents at the end of the year (refer note 12)	**7,035**	9,829

Note :

The above cash flow statement has been prepared under the "Indirect Method" as set out in Ind AS 7 - Statement of Cash Flows

The accompanying notes 1 to 53 are an integral part of the financial statements.

In terms of our report attached

For **Deloitte Haskins & Sells**
Chartered Accountants

Varsha A Fadte
Partner

Panjim
28 May 2022

For and on behalf of the Board of Directors of **IFB Industries Limited**

Joint Executive Chairman and Managing Director **Bikramjit Nag**
Managing Director and Chief Executive Officer, Home Appliances Division **Rajshankar Ray**
Managing Director and Chief Executive Officer, Engineering Division **Harsh Vardhan Sachdev**
Director and Chief Financial Officer **Prabir Chatterjee**
Company Secretary **G. Ray Chowdhury**

Verna / Kolkata
28 May 2022

Notes to the consolidated financial statements for the year ended 31 March 2022

1A. BACKGROUND :

IFB Industries Limited ("the Holding Company") and its subsidiaries (together, "the Group") are engaged in the business of fine blanked components, home appliances and cold rolled steel strips.

1B. SIGNIFICANT ACCOUNTING POLICIES :

a. Statement of compliance

The consolidated financial statements have been prepared in all material respects in accordance with Indian Accounting Standards (Ind ASs) notified under the Companies Act, 2013 ('Act'), read together with the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act as amended from time to time.

The Group has consistently applied accounting policies to all periods.

b. Basis of preparation

The consolidated financial statements are prepared in accordance with the historical cost convention, except for certain items that are measured at fair values at the end of each reporting period, as explained in the accounting policies. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The financial statements are prepared in Indian rupees and all amounts are rounded off to the nearest lacs unless otherwise stated.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such basis, except measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 - Inventories or value in use in Ind AS 36 - Impairment of Assets.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The preparation of consolidatedfinancial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions (such estimates and judgements are reviewed every year) that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

All assets and liabilities have been classified as current or non-current as per Group's normal operating cycle and other criteria set out in Schedule III to the Companies Act 2013 and Ind AS 1- Presentation of Financial

Statements based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

c. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Holding Company and its subsidiaries. Control is achieved when the Holding Company:

- has the power over the investee;
- is exposed, or has rights, to variable return from its involvement with the investee; and
- has the ability to use its power to affect its return.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed off during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the holding company. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedure:

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries.

(b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

(c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and property, plant and equipment, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group losses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss

Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

d. Going Concern

The directors have, at the time of approving the financial statements, a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

e. Revenue recognition

Revenue from contract with customers is recognised when the Group satisfies performance obligation by transferring promised goods and services to the customer. Performance obligations are satisfied at a point of time or over a period of time. Performance obligations satisfied over a period of time are recognised as per the terms of relevant contractual agreements/ arrangements. Performance obligations are said to be satisfied at a point of time when the customer obtains control of the asset.

Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns, value added tax and goods and services tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/ discounts. Accumulated experience is used to estimate and provide for the discounts/ right of return, using the expected value method.

Revenue from services rendered over a period of time, such as annual maintenance contracts, are recognised on straight line basis over the period or as per the terms of the contract.

Dividend income from investments is recognised when the shareholder's right to receive dividend has been established provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably.

Interest income from financial assets is recognized when it is probable that the economic benefit will flow to the Group and the amount can be measured reliably. Interest income is accrued on time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Rental income from operating leases is accounted for on a straight-line basis over the lease term.

f. Property, plant and equipment

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any.

Cost is inclusive of inward freight, duties and taxes and incidental expenses related to acquisition. In respect of major projects involving construction, related pre-operational expenses form part of the value of assets capitalised. Expenses capitalised also include applicable borrowing costs for qualifying assets, if any. All upgradation/enhancements are charged off as revenue expenditure unless they bring significant additional benefits.

Properties in course of construction for production, supply or administrative purposes, or for purposes not yet determined, are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with Group's policy. Depreciation on these assets commences when they are ready for their intended use.

Depreciation on property, plant and equipment has been provided on the straight-line method less residual values as per the useful life stated below.

Freehold land is not depreciated.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The estimated useful lives of property, plant and equipment of the Group are as follows:

Buildings	30 years
Buildings (Roads and Fences)	5 years
Building (improvements)	6 years
Plant and equipment	10 – 20 years
Plant and equipment (tools and moulds)	5years / number of outputs
Furniture and fixtures	10 years
Office equipment	3, 5,10 years
Vehicles	5, 8 years
Computers	3-6 years

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

g. Goodwill on consolidation

Goodwill on consolidation is stated at cost (substituted for restated cost where applicable) less impairment loss, where applicable. On disposal of a subsidiary, attributable amount of goodwill is included in the determination of the profit and loss recognised in the statement of profit and loss. Impairment loss, if any to the extent the carrying amount exceeds the recoverable amount is charged off to the statement of profit and loss as it arises and is not reversed.

For impairment testing, goodwill is allocated to cash generating unit (CGU) or groupof CGUs to which it relates, which is not larger than an operating segment.

h. Investment property

Investment property are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16 – Property, Plant and Equipment requirements for cost model, other than those that meet the criteria to be classified as held for sale (or are included in a disposal group that is classified as held for sale) in accordance with Ind AS 105 – Non-current Assets Held for Sale and Discontinued Operations.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on de-recognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in statement of profit and loss in the period in which the property is de-recognised.

For transition to Ind AS, the Group has elected to continue with the carrying value of its investment property recognised as of 01 April 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

i. Intangible assets

IIntangible assets that the Groupacquires separately and from which it expects future economic benefits are capitalised upon acquisition and measured initially at cost comprising the purchase price (including import duties and non-refundable taxes) and directly attributable costs to prepare the asset for its intended use.

Internally generated assets for which the cost is clearly identifiable are capitalised at cost. All directly attributable expenditure incurred to prepare the asset for its intended use are recognised as the cost of such assets.

Research expenditure is recognised as an expense when it is incurred. Development costs are capitalised only after the technical and commercial feasibility of the asset for sale or use has been established. All directly attributable expenditure incurred to prepare the asset for its intended use are recognised as the cost of such assets.

The useful life of an intangible asset is considered finite where the rights to such assets are limited to a specified period of time by contract or law (e.g., patents, licences, trademarks, franchise and servicing rights) or the likelihood of technical, technological obsolescence (e.g., computer software, design, prototypes) or commercial obsolescence (e.g., lesser known brands are those to which adequate marketing support may not be provided).

Intangible assets that have finite lives are amortized over their estimated useful lives by the straight-line method unless it is practical to reliably determine the pattern of benefits arising from the asset. An intangible asset with an indefinite useful life is not amortized.

The estimated useful lives of intangible assets of the Group are as follows:

Computer software	3 years
Technical knowhow	5 years / 7 years
Brand	5 years
Non-Compete Agreement	10 years

Amortisation expenses and impairment losses and reversal of impairment losses are taken to the statement of profit and loss. Thus, after initial recognition, an intangible asset is carried at its cost less accumulated amortisation and/or impairment losses.

The useful lives of intangible assets are reviewed annually to determine if a reset of such useful life is required for assets with finite lives and to confirm that business circumstances continue to support an indefinite useful life assessment for assets so classified. Based on such review, the useful life may change or the useful life assessment may change from indefinite to finite. The impact of such changes is accounted for as a change in accounting estimate.

An intangible asset is derecognised on disposal or when no future economic benefits are expected from use or disposal. Gains or losses from derecognition are measured as the difference between the net disposal proceeds and the carrying amount of the assets, and are recognised in the statement of profit and loss when the asset is derecognised.

j. Impairment of tangible and intangible assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the CGU to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a CGU) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or CGU) in prior years. A reversal of an impairment loss is recognised immediately in statement of profit and loss.

k. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

l. Foreign currency transactions

The presentation currency of the Group is Indian Rupee.

Foreign currency transactions are recorded at the exchange rate prevailing on the date of the respective transactions. Gains/losses arising on foreign currency transactions settled during the year are recognised in the statement of profit and loss.

At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange differences arising on translation of monetary items are recognised in the statement of profit and loss except for exchange differences on foreign currency borrowings relating to assets under constructions for future productive use, which are included in the cost of the assets when they are regarded as an adjustment to interest costs on these foreign currency borrowings. Non-monetary items denominated in foreign currency are carried at cost.

Exchange differences arising on monetary items that, in substance, form part of the Group's net investment in a foreign operation (having a functional currency other than Indian Rupee) are accumulated in foreign currency translation reserve.

For the preparation of the consolidated financial statements: -

– assets and liabilities of foreign operations, together with goodwill and fair value adjustments assumed on acquisition thereon, are translated to Indian Rupees at exchange rate prevailing at the reporting period end.

– income and expense items are translated at the average exchange rate prevailing during the period; when exchange rates fluctuate significantly the rates prevailing on the transaction date are used instead.

Differences arising on such translation are accumulated in foreign currency translation reserve and attributed to non-controlling interests proportionately.

On the disposal of foreign operation, all of the exchange differences accumulated in equity in respect of that operating attributable to the owners of the Group is reclassified to the statement of profit and loss. In relation to partial disposal, that does not result in losing control over the subsidiary, the proportionate exchange differences accumulated in equity is reclassified to the statement of profit and loss

m. Derivatives

The Group enters into derivative financial instruments, primarily foreign exchange forward contracts and currency swaps, to manage its exposure to foreign exchange risks.

Derivatives are initially recognised at fair value and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gains/losses is recognised in the statement of profit and loss.

n. Inventories

Inventories are valued at the lower of cost and net realisable value except for raw material, work-in-progress which are valued at cost and scrap which is valued at market price of a foreign subsidiary

Costs of inventories are determined using weighted average method. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to its present location and condition and includes, where applicable, appropriate overheads based on normal level of activity. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Obsolete, slow moving and defective inventories are identified from time to time and, where necessary, a provision is made for such inventories

o. Employee benefits

Retirement benefit costs

Contribution payable for provident fund and superannuation fund, which are defined contribution schemes are recognised as an employee benefits expense in the statement of profit and loss.

For retirement benefit – defined benefit plan i.e. gratuity, other long-term employee benefits i.e. leave encashment and sick leave, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period.

Re-measurement, comprising actuarial gains and losses and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit in other comprehensive income for gratuity and statement of profit and loss for leave encashment and sick leave in the period in which they occur.

Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit and loss. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losseson curtailments and settlements);
- net interest expense or income; and
- re-measurement

The Group presents the first two components of defined benefit costs in statement of profit and loss in the line item 'Employee benefits expense'.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of reductions in future contributions to the plans.

For an overseas subsidiary, annual leave is recognised when they accrue to the employee. An accrual is made for the estimated liability for annual leave as a result of services rendered by the employee upto the year end date.

Short-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

p. Taxation

Tax expenses comprises current and deferred tax.

Current tax

Current tax is measured at the amount expected to be paid to tax authorities in accordance with the Income Tax Act, 1961. The Group's current tax is calculated using tax rates and tax laws that have been enacted during the period, together with any adjustment to tax payable in respect of previous years. Current tax assets and tax liabilities are offset where the Group has a legally enforceable right to offset and intends either to settle on net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Income tax, in so far as it relates to items disclosed under other comprehensive income or equity, are disclosed separately under other comprehensive income or equity, as applicable.

Deferred tax assets and liabilities are offset when there is legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances related to the same taxation authority.

Minimum Alternate Tax (MAT) credit entitlement is recognized only to the extent there is convincing evidence that the Group will pay normal tax during the period specified by the Income Tax Act, 1961. In the year in which the MAT credit becomes eligible to be recognised as an asset,the said asset is created by way of credit to the statement of profit and loss. The Group reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Group will pay normal income tax during the specified period.

q. Government grants

Government grants are recognised when there is reasonable assurance that the grant will be received, and the Group will comply with the conditions attached to the grant. Accordingly, government grants:

a) related to or used for assets are included in the balance sheet as deferred income and recognised as income over the useful life of the assets.

b) related to incurring specific expenditures are taken to the statement of profit and loss on the same basis and in the same periods as the expenditures incurred.

c) by way of financial assistance on the basis of certain qualifying criteria are recognised as they become receivable.

r. Warranties

Warranty costs are estimated by the Management on the basis of a technical evaluation and based on specific warranties, claims and claim history. Provision is made for estimated liability in respect of warranty cost in the year of sale of goods. Warranty provisions are measured at discounted amounts. The Group discounts its provision for warranty to present value at reporting dates. Consequently, the unwinding of discount is recognised in the statement of profit and loss.

Provision for warranty is expected to be utilized over a period of one to five years.

s. Provisions and contingent liabilities

The Group recognizes a provision when there is a present obligation as a result of an obligating event that probably requires outflow of resources and a reliable estimate can be made of the amount of the obligation. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

A disclosure of a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote, no provision or disclosure of contingent liability is made.

t. Leasing

Group as a lessee:

At the inception of a contract, the Group assesses whether the contract is a lease or not. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration.

The Group recognises a right-of-use asset and corresponding lease liability at the lease commencement date with respect to all lease arrangements in which it is a lessee, except for short- term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term and evaluated for any impairment losses.

The Group applies Ind AS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the policy for 'Property, Plant and Equipment'.

Whenever the Group incurs an obligation for costs to dismantle and remove leased assets, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under Ind AS 37. To the extent those costs relate to a right- of-use asset, the costs are included in the right-of-use asset, unless the costs are incurred to produce inventories.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Group's incremental borrowing rate. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded instatement of profit and loss if the carrying amount of the right-of-use asset has been reduced to zero.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are presented in the line 'Other Expenses' in the statement of profit and loss.

The right-of-use assets and lease liabilities are presented as a separate line item in the balance sheet.

Group as a lessor:

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever, the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Lease receipts under operating leases are recognised as an income, on a straight-line basis in the statement of profit and loss over the lease term except where the lease payments are structured to increase in line with expected general inflation.

The Group does not have any finance lease arrangements.

u. Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (CODM). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Chief Executive Officer's.

Segments are organised based on business which have similar economic characteristics as well as exhibit similarities in nature of products and services offered, the nature of production processes, the type and class of customer and distribution methods.

Segment revenue arising from third party customers is reported on the same basis as revenue in the consolidated financial statements. Inter-segment revenue is reported on the basis of transactions which are primarily market led. Segment results represent profits before finance charges, unallocated expenses and taxes.

"Unallocated expenses" represents revenue and expenses attributable to the Group as a whole and are not attributable to segments.

v. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value except for trade receivables that do not have a significant financing component which are measured at transaction price.

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in statement of profit and loss.

Financial assets and liabilities are offset and the net amount is included in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

w. Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place concerned.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

Financial assets are classified as those measured at:

(a) Amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and/or interest.

(b) Fair value through other comprehensive income, where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.

(c) Fair value through profit and loss, where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on their fair value of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in the statement of profit and loss in the period in which they arise.

Trade receivables, cash and cash equivalents, other bank balances, loans and other financial assets are classified for measurement at amortised cost. Derivative instruments are measured at fair value through profit and loss while investments may fall under any of the aforesaid classes. However, in respect of particular investments in equity instruments that would otherwise be measured at fair value through profit and loss, an irrevocable election at initial recognition may be made to present subsequent changes in fair value through other comprehensive income.

Financial assets at amortised cost are subsequently measured at amortised cost using effective interest method. The effective interest method is a method of calculating the amortised cost of an instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Recognition

Financial assets include investments, trade receivables, derivative instruments, cash and cash equivalents, other bank balances, loans and other financial assets. Such assets are initially recognised at transaction price when the Group becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the statement of profit and loss.

Impairment

At each reporting date a financial asset such as investment, trade receivable, loans and other financial assets held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit loss is assessed and loss allowance is recognised if the credit quality of that financial asset has deteriorated significantly since initial recognition.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For debt securities at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount of the financial asset in the balance sheet.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the trade receivable does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in the statement of profit and loss.

Reclassification

When and only when the business model is changed the Group shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through other comprehensive income, fair value through profit and loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to financial instruments.

De-recognition

Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Group has transferred substantially all of the risks and rewards of ownership. Consequently, if the asset is one that is measured at

(a) Amortised cost, the gain or loss is recognised in the statement of profit and loss.

(b) Fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the statement of profit and loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

x. Financial liabilities and equity instruments

Classification:

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Holding company are recognised at the proceeds received.

Financial liabilities

Borrowings, trade payables and other financial liabilities are initially recognised at the value of the respective contractual obligations. They are subsequently measured at amortised cost. Any discount or premium on redemption/settlement is recognised in the statement of profit and loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the balance sheet.

Financial liabilities are derecognised when the liability is extinguished, i.e., when the contractual obligation is discharged, cancelled and on expiry.

y. Earnings per share

Basic earnings per share are calculated by dividing the profit and loss for the year attributable to owners of the parent of the group by the weighted average number of shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit and loss for the year attributable to owners of the parent of the group and weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential shares.

z. Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date value of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interest issued by the Group in exchange of control of the acquiree.

Acquisition related costs are generally recognised in the statement of profit and loss as incurred. The identifiable assets acquired and liabilities assumed are recognised at fair value except deferred tax assets or liabilities and liabilities related to employee benefit arrangements which are recognised and measured in accordance with Ind AS 12 and Ind AS 19 respectively.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of non-controlling interest in the acquiree and the fair value of the Group's previously held equity interest in the acquiree over the net of the acquisition date amounts of the identifiable assets acquired and the liabilities assumed.If the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess, after reassessment, is recognised in capital reserve through other comprehensive income or directly depending on whether there exists clear evidence of the underlying reason for classifying the business combination as a bargain purchase.

Business combinations arising from acquisition of net assets from entities that are under common control are accounted for using the pooling of interest method. The difference between any consideration transferred and the aggregate historical carrying values of assets and liabilities of the acquired entity are recognised in shareholders' equity.

2A. USE OF ESTIMATES AND JUDGEMENTS:

The preparation of consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the consolidated financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In particular, information about the significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated financial statements are related to:

(i) Useful life of property, plant and equipment and intangible assets
(ii) Provision for product warranties
(iii) Provision for employee benefits
(iv) Fair value of financial assets/liabilities
(v) Provisions and contingent liabilities
(vi) Control

Useful life of property, plant and equipment and intangible assets

As described in the significant accounting policies, the Group reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period The Group is required to determine whether its intangible assets have indefinite or finite life which is a subject matter of judgement.

Provision for product warranties:

Provision is estimated in respect of warranty cost in the year of sale of goods and it represents the present value of the management's best estimate of the future outflow of economic benefit that will be required under the group's obligation for warranties. It is estimated by the management on the basis of a technical evaluation and based on specific warranties, claims and claim history.

The determination of provision for product warranties takes into account assumptions which is a subject matter of judgement.

Provision for employee benefits

The determination of Group's liability towards defined benefit obligation and otherlong-term employee benefits to employees is made through independent actuarial valuation including determination of amounts to be recognized in the statement of profit and loss and in other comprehensive income. Such valuation depends upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to accounts.

Fair value measurements and valuation processes

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages third party qualified valuers to perform the valuation, if required.

Provisions and contingent liabilities

The Group has ongoing litigations with various regulatory authorities and third parties. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty.

Control

The Group assessed whether or not it has control on its investees based on whether, as an investor, it has the power/ rights and consequently the practical ability to direct the relevant activities of its investees unilaterally. In making this judgement, the Group considered the absolute size of its holding, the relative size of and dispersion of other shareholders, and whether any contractual arrangements exist between the Group and other shareholders of the investees. Based on this, and in accordance with its accounting policy, the Group has determined that the entities listed in notes to the consolidated financial statements are the only entities over which Group has control.

Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash generating units to which goodwill has been allocated. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value which is a subject matter of judgement.

2B. RECENT ACCOUNTING PRONOUNCEMENT

On 23 March, 2022, Ministry of Company Affairs amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 1 April, 2022, as below:

Ind AS 103 – Reference to Conceptual Framework: The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 16 – Proceeds before intended use: The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

Ind AS 37 – Onerous Contracts: Costs of Fulfilling a Contract: The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 – Annual Improvements to Ind AS (2021): The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 106 – Annual Improvements to Ind AS (2021): The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.

Notes to the consolidated financial statements for the year ended 31 March 2022

3A Property, plant and equipment

Rs. in lacs

	Gross Block					Depreciation and amortisation					Net Book Value	
	As at 1 April 2021	Additions	Adjustments / disposals	Foreign currency translation reserve adjustment	As at 31 March 2022	As at 1 April 2021	For the year	Adjustments / disposals	Foreign currency translation reserve adjustment	As at 31 March 2022	As at 31 March 2022	As at 31 March 2021
(a) Land	**1,405**	**–**	**–**	**–**	**1,405**	**–**	**–**	**–**	**–**	**–**	**1,405**	**1,405**
Previous year	*1,405*	*–*	*–*	*–*	*1,405*	*–*	*–*	*–*	*–*	*–*	*1,405*	*1,405*
(b) Buildings	**12,566**	**437**	**(44)**	**(2)**	**12,957**	**1,534**	**699**	**(41)**	**(2)**	**2,190**	**10,767**	**11,032**
Previous year	*10,312*	*2,253*	*–*	*1*	*12,566*	*1,104*	*429*	*–*	*1*	*1,534*	*11,032*	*9,208*
(c) Plant and equipment	**59,764**	**5,040**	**(248)**	**(96)**	**64,460**	**22,213**	**6,192**	**(117)**	**(44)**	**28,244**	**36,216**	**37,551**
Previous year	*52,718*	*7,403*	*(401)*	*44*	*59,764*	*16,874*	*5,435*	*(111)*	*15*	*22,213*	*37,551*	*35,844*
(d) Furniture and fixtures	**2,917**	**676**	**(18)**	**(1)**	**3,574**	**1,021**	**321**	**(9)**	**–**	**1,333**	**2,241**	**1,896**
Previous year	*2,526*	*415*	*(25)*	*1*	*2,917*	*768*	*266*	*(14)*	*1*	*1,021*	*1,896*	*1,758*
(e) Vehicles	**89**	**11**	**–**	**–**	**100**	**54**	**8**	**–**	**–**	**62**	**38**	**35**
Previous year	*74*	*15*	*–*	*–*	*89*	*45*	*9*	*–*	*–*	*54*	*35*	*29*
(f) Office equipment	**629**	**186**	**(33)**	**(2)**	**780**	**362**	**85**	**(5)**	**(1)**	**441**	**339**	**267**
Previous year	*568*	*81*	*(22)*	*2*	*629*	*292*	*80*	*(11)*	*1*	*362*	*267*	*276*
(g) Computers	**1,650**	**471**	**(35)**	**(1)**	**2,085**	**1,012**	**292**	**(32)**	**–**	**1,272**	**813**	**638**
Previous year	*1,410*	*259*	*(20)*	*1*	*1,650*	*784*	*246*	*(18)*	*–*	*1,012*	*638*	*626*
Total	**79,020**	**6,821**	**(378)**	**(102)**	**85,361**	**26,196**	**7,597**	**(204)**	**(47)**	**33,542**	**51,819**	**52,824**
Previous year	*69,013*	*10,426*	*(468)*	*49*	*79,020*	*19,867*	*6,465*	*(154)*	*18*	*26,196*	*52,824*	*49,146*
Capital work–in–progress	**1,883**	**1,117**	**(1,812)**	**(3)**	**1,185**	**–**	**–**	**–**	**–**	**–**	**1,185**	**1,883**
Previous year	*887*	*1,822*	*(829)*	*3*	*1,883*	*–*	*–*	*–*	*–*	*–*	*1,883*	*887*

1. *Amount of borrowing cost capitalised during the period Nil (31 March, 2021 - Rs. 230 lacs)*
2. *All the title deeds of Immovable properties are held in the name of the Group*

Capital work-in-progress ageing schedule:

Rs. in lacs

	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress - 31 March, 2022	**1,117**	**64**	**4**	**–**	**1,185**
Previous year	*1,822*	*55*	*6*	*–*	*1,883*

3B Intangible assets

Rs. in lacs

	Gross Block					Depreciation and amortisation					Net Book Value	
	As at 1 April 2021	Additions	Adjustments / disposals	Foreign currency translation reserve adjustment	As at 31 March 2022	As at 1 April 2021	For the year	Adjustments / disposals	Foreign currency translation reserve adjustment	As at 31 March 2022	As at 31 March 2022	As at 31 March 2021
(a) Brand	**382**	**–**	**–**	**–**	**382**	**187**	**76**	**–**	**–**	**263**	**119**	**195**
Previous year	*382*	*–*	*–*	*–*	*382*	*111*	*76*	*–*	*–*	*187*	*195*	*271*
(b) Computer software	**2,047**	**261**	**(3)**	**(2)**	**2,303**	**1,710**	**209**	**(3)**	**(1)**	**1,915**	**388**	**337**
Previous year	*1,891*	*157*	*(2)*	*1*	*2,047*	*1,533*	*178*	*(2)*	*1*	*1,710*	*337*	*358*
(c) Technical knowhow	**4,378**	**276**	**–**	**–**	**4,654**	**2,037**	**619**	**–**	**–**	**2,656**	**1,998**	**2,341**
Previous year	*4,378*	*–*	*–*	*–*	*4,378*	*1,420*	*617*	*–*	*–*	*2,037*	*2,341*	*2,958*
(d) Non-compete agreement	**617**	**–**	**–**	**–**	**617**	**152**	**62**	**–**	**–**	**214**	**403**	**465**
Previous year	*617*	*–*	*–*	*–*	*617*	*90*	*62*	*–*	*–*	*152*	*465*	*527*
Total	**7,424**	**537**	**(3)**	**(2)**	**7,956**	**4,086**	**966**	**(3)**	**(1)**	**5,048**	**2,908**	**3,338**
Previous year	*7,268*	*157*	*(2)*	*1*	*7,424*	*3,154*	*933*	*(2)*	*1*	*4,086*	*3,338*	*4,114*
Intangible assets under development	**232**	**280**	**(184)**	**–**	**328**	**–**	**–**	**–**	**–**	**–**	**328**	**232**
Previous year	*96*	*165*	*(29)*	*–*	*232*	*–*	*–*	*–*	*–*	*–*	*232*	*96*

1 *The amortisation of intangible assets is disclosed in the face of Statement of Profit and Loss under the heading "Depreciation and amortisation expenses"*
2 *None of the above stated intangible assets are intenally generated*
3 *The remaining useful life of significant intangible assets are as under:-*

Description	*Remaining useful life as at 31 March 2022*
(a) Brand	*The entire net block would be amortised in 2 years.*
(b) Design Cost for washing machines	*The entire net block would be amortised in 1 year.*
(c) Engineering design and process for Industrial Launderete Equipments	*The entire net block would be amortised in 4 years.*
(d) Design cost of Motors	*The entire net block would be amortised in 2 years.*
(e) Design cost for air conditioner	*The entire net block would be amortised in 3 years.*
(f) Design cost for washer dryer	*The entire net block would be amortised in 3 years.*
(g) Technical knowhow for air conditioner controller	*The entire net block would be amortised in 5 years.*
(h) Non-compete agreement	*The entire net block would be amortised in 7 years.*

Intangible assets under development ageing schedule:

Rs. in lacs

	Amount in intangible assets under development for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress - 31 March, 2022	**280**	**43**	**5**	**–**	**328**
Previous year	*165*	*49*	*4*	*14*	*232*

3C. Right of use assets

Rs. in Lacs

	Gross Block				Depreciation and amortisation				Net Book Value	
	As at 01 April 2021	**Additions**	**Adjustments / disposals**	**As at 31 March 2022**	As at 01 April 2021	**For the year**	**Adjustments / disposals**	**As at 31 March 2022**	**As at 31 March 2022**	As at 31 March 2021
Right of use assets	10,638	9,344	(561)	**19,421**	3,804	2,982	(434)	**6,352**	**13,069**	6,834
Previous year	*9,511*	*3,497*	*(2,370)*	*10,638*	*2,703*	*2,844*	*(1,743)*	*3,804*	*6,834*	*6,808*
Total	10,638	9,344	(561)	**19,421**	3,804	2,982	(434)	**6,352**	**13,069**	6,834
Previous year	*9,511*	*3,497*	*(2,370)*	*10,638*	*2,703*	*2,844*	*(1,743)*	*3,804*	*6,834*	*6,808*

3D Goodwill

Particulars	**As at 31 March 2022 Rs. in lacs**	As at 31 March 2021 Rs. in lacs
Balance as at the beginning of the year	**2,361**	2,381
Amount adjusted on recognition of deferred tax on business combination. (Refer note 19)	**(426)**	–
Translation differences	**21**	(20)
	1,956	2,361

The carrying amount of goodwill has been allocated as follows:

Home appliances division	**1,355**	1,355
Steel division	**–**	426
Engineering division	**601**	580
	1,956	2,361

Goodwill is annually tested for impairment in line with applicable Accounting Standards. Impairment testing for goodwill has been carried out considering their recoverable amounts which, inter-alia, includes estimation of their value-in-use based on management projections. These projections have been made for a period of five years and consider various factors, such as market scenario, growth trends, growth and margin projections and terminal growth rates specific to the business. For such projections, the following discount rate and long-term growth rate have been considered.

Home appliances division – 15% discount rate and 5% long-term growth rate.

Engineering division – 18% discount rate and 2% long-term growth rate.

Discount rate has been determined considering the Weighted Average Cost of Capital (WACC) of market benchmarks. Based on the above assessment, no impairment has been recognised during the year.

Notes to the consolidated financial statements for the year ended 31 March 2022

4. Investment property

Rs. in Lacs

Particulars	Gross Block / Net Book Value			
	As at 01 April, 2021	**Additions**	**Adjustments/ disposals**	**As at 31 March 2022**
Land	11	–	–	**11**
Total	11	–	–	**11**

1. Investment properties consist of lands in India and includes an amount of **Rs. 7 lacs** (31 March 2021: Rs. 7 lacs) being assets given on lease.
2. As at 31 March 2022 and 31 March 2021 the fair values of the properties are **Rs. 715 lacs** and Rs. 645 lacs respectively. These fair values are based on valuations performed by NagChowdhury Associates, an accredited independent registered valuer. NagChowdhury Associates is a specialist in valuing these types of investment properties. A valuation model (market approach) has been adopted and the valuation is in accordance with that recommended by the International Valuation Standards. The fair value measurement can be categorised into level 3 category. There has been no change in the valuation technique as compared to 31 March 2021.
3. There are no restrictions on the realisability of its investment properties and no contractual obligations to either purchase, construct or develop investment properties or for repairs, maintenance and enhancements. All the title deeds of the investment properties are held in the name of the Holding Company.
4. Information regarding income and expenditure of investment property:

Particulars	Year ended	
	31 March 2022 Rs. in Lacs	31 March 2021 Rs. in Lacs
Rental income derived from investment property	**6**	6
Total profit arising from investment property	**6**	6

5. Investments

Particulars	As at 31 March 2022			As at 31 March 2021		
	Nos	**Current Rs. in Lacs**	**Non Current Rs. in Lacs**	Nos	Current Rs. in Lacs	Non Current Rs. in Lacs
(A) INVESTMENT IN EQUITY INSTRUMENTS						
Unquoted investments (fully paid) (at fair value through profit and loss unless otherwise stated)						
- Astrea Greentech Private Ltd (equity shares of Rs. 10/- each)	**15,000**	–	**225**	15,000	–	225
		–	**225**		–	225

Notes to the consolidated financial statements for the year ended 31 March 2022

5. Investments *(Contd.)*

Particulars	As at 31 March 2022			As at 31 March 2021		
		Current	Non Current		Current	Non Current
	Nos	Rs. in Lacs	Rs. in Lacs	Nos	Rs. in Lacs	Rs. in Lacs
(B) INVESTMENT IN MUTUAL FUNDS						
Unquoted investments						
At fair value through statement of profit and loss						
a) Aditya Birla Sun Life Saving Fund - Direct plan- growth	–	–	–	2,93,986	1,255	–
b) Aditya Birla Sun Life Arbitrage Fund - Direct plan- growth	**57,52,352**	**1,309**	**–**	–	–	–
c) Axis Liquid Fund - Direct plan- growth (*)	**15**	–	–	4,377	100	–
d) Axis Treasury Advantage Fund - Direct plan- growth	**81,398**	**2,108**	**–**	–	–	–
e) Edelweiss Arbitrage Fund - Growth plan	**54,62,724**	**900**	–	54,62,724	860	–
f) HDFC low duration fund - Direct plan- growth	**38,25,724**	**1,905**	–	13,38,232	637	–
g) HDFC Money Market Fund - Direct plan- growth	–	–	–	20,036	896	–
h) HDFC Short term Debt Fund - Dividend reinvestment-fortnightly	**31,21,898**	**819**	–	99,11,019	2,472	–
i) ICICI Prudential Liquid - Direct plan - growth	**4,23,057**	**1,334**	–	5,62,495	1,714	–
j) ICICI Prudential Ultra Short term fund - Direct plan- growth	**1,57,74,994**	**3,772**	–	1,43,18,024	3,276	–
k) ICICI Prudential money market fund - Direct plan- growth	–	–	–	6,92,656	2,045	–
l) ICICI Prudential Short term fund - Direct plan- growth	**44,35,377**	**2,264**	–	45,80,803	2,227	–
m) ICICI Prudential Equity Arbitrage fund - Direct plan- growth	**45,68,138**	**1,338**	**–**	–	–	–
n) IDFC Arbitrage Fund - Direct plan- growth	**6,99,038**	**195**	–	32,13,512	860	–
o) Kotak Equity Arbitrage fund - Direct plan- growth	**73,15,919**	**2,317**	–	28,22,760	855	–
p) Kotak Bond Fund - Direct plan- growth	**15,83,113**	**723**	–	15,83,113	688	–
q) Kotak Money Market Fund - Direct plan- growth	–	–	–	20,778	724	–
r) Kotak Floating Rate Fund - Direct plan- growth	–	–	–	88,645	1,026	–
s) SBI Magnum Ultra Short Duration Fund - Growth plan	–	–	–	13,621	643	–

(*) represents amount less than Rs. 50,000

5. Investments *(Contd.)*

	Particulars	As at 31 March 2022			As at 31 March 2021		
			Current	Non Current		Current	Non Current
		Nos	Rs. in Lacs	Rs. in Lacs	Nos	Rs. in Lacs	Rs. in Lacs
t)	SBI Magnum Low Duration Fund - Direct plan- growth	**63,143**	**1,837**	**–**	1,33,824	3,741	–
u)	Trust MF Banking & PSU Debt Fund - Direct plan- growth	**1,79,991**	**1,901**	**–**	1,79,991	1,803	–
Total			**22,722**	**–**		25,822	–
Total investments			**22,722**	**225**		25,822	225
Other disclosures							
Aggregate amount of unquoted investments			**22,722**	**225**		25,822	225
Aggregate amount of impairment in value of investments			**–**	**–**		–	–

6. Loans

Particulars	As at 31 March 2022		As at 31 March 2021	
	Current	Non Current	Current	Non Current
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
Unsecured, considered good				
- Loans to related parties (refer note 36) (#)	**4**	**4**	2	2
- Other loans to employees	**56**	**57**	52	49
Total	**60**	**61**	54	51

(#) Includes **Rs. 3 lacs** (31 March 2021: Rs. 1 lacs) as outstanding product loan to a director. In terms of percentage to the total loans and advances in the nature of loans the same stand at **2%** (31 March 2021: 1%) This loan is given as per the Holding Company policy and is applicable for all employees of the Holding Company.

7. Other financial assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	Current	Non Current	Current	Non Current
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
(a) Security deposits				
- to related parties (unsecured, considered good) - refer note 37	–	58	–	58
- to others				
(i) Unsecured, considered good	56	1,111	31	1,321
(ii) Unsecured, considered doubtful	–	14	–	14
Less: Allowance for doubtful deposits	–	14	–	14
(b) Margin money with more than 12 months maturity	–	–	–	31
(c) Bank deposit with more than 12 months maturity	–	12	–	48
(d) Others				
- Derivative instruments at fair value through profit or loss and not designated as hedges	267	430	65	313
- Interest accrued on fixed deposits	37	1	70	1
- Other receivables	–	79	23	–
- Other receivables from related parties - refer note 37	177	–	147	–
Total	537	1,691	336	1,772
(a) Security deposit to related parties includes advances to private limited companies in which any director is a director or a member	–	50	–	50

(b) Other non-current receivables represents excess funding of leave liability with insurance companies as at 31 March, 2022

(c) The Group has not advanced or loaned or invested funds to any other persons or entities (intermediary) with the understanding that the intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group or shall provide guarantee, security or the like to or on behalf of the Group.

8. Income tax assets (net)

Particulars	As at 31 March 2022		As at 31 March 2021	
	Current	Non Current	Current	Non Current
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
Advance tax (net of provision)	–	1,243	645	9
Total	–	1,243	645	9

9. Other assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	Current	**Non Current**	Current	Non Current
	Rs. in Lacs	**Rs. in Lacs**	Rs. in Lacs	Rs. in Lacs
Capital advance	**–**	**1,338**	–	772
Advances other than capital advance				
– deposit with statutory authorities	**172**	**424**	140	430
– advances with statutory authorities	**2,609**	**117**	3,442	25
– advances with related parties (refer note 36)	**99**	**–**	89	–
Other advances				
– advances for goods and services	**1,397**	**14**	2,090	15
less: allowance for doubtful advances	**–**	**14**	–	14
– prepaid expenses	**826**	**44**	709	1
Total	**5,103**	**1,923**	6,470	1,229
Advances with related parties includes advances to private limited companies in which any director is a director or a member	**57**	**–**	47	–

10. Inventories (valued at lower of cost and net realisable value)

Particulars	**As at 31 March 2022 Rs. in Lacs**	As at 31 March 2021 Rs. in Lacs
Raw materials	**24,022**	18,350
Work-in-progress	**3,825**	3,231
Finished goods	**16,891**	13,050
Stock-in-trade	**8,585**	6,307
Stores and spares	**4,359**	5,290
Total	**57,682**	46,228
The above includes goods in transit as under:		
Raw materials	**3,738**	4,804
Stock-in-trade	**3,140**	2,614
Stores and spares	**88**	136
	6,966	7,554

1. *The cost of inventories recognised as an expense includes* ***Rs. 257 lacs*** *(31 March 2021 : Rs. 443 lacs) in respect of write-downs of inventory to its net realisable value. Further a sum of* ***Rs. 304 lacs*** *(31 March 2021: Rs. 395 lacs) is in respect of reversal of such write-downs. The write downs have been reversed primarily as a result of increased sales price or subsequent disposals.*
2. *Carrying amount of inventories carried at net realisable value* ***Rs. 444 Lacs*** *(31 March 2021: Rs. 558 lacs).*
3. *Carrying amount of inventories pledged as security for borrowings* ***Rs. 57,165 lacs*** *(31 March 2021: Rs. 45,787 lacs).*

11. Trade receivables

Particulars	As at 31 March 2022 Rs. in Lacs	As at 31 March 2021 Rs. in Lacs
Unsecured, considered good		
- receivable from related parties(*) (refer note 36)	**3,421**	3,395
- receivable from others	**27,610**	23,174
Unsecured - which have significant increase in credit risk		
- receivable from others	**187**	229
Less: allowances for doubtful debts	**(187)**	(229)
Total	**31,031**	26,569
(*) Includes trade receivable from private limited companies in which any director is a director or a member	**3,388**	3,369

Transfer of financial assets

The Group discounted certain trade receivables with an aggregate carrying amount of **Rs. 351 lacs** (31 March 2021: Nil) to a bank for cash proceeds of **Rs. 348 lacs** (31 March 2021: Nil). If the trade receivables are not paid at maturity, the bank has the right to request for payment of the unsettled balance. As the Group has not transferred the significant risks and rewards relating to these trade receivables, it continues to recognise the full carrying value of the receivables and has recognised the cash received on the transfer as secured borrowings.

At the end of the reporting period, there were no trade receivables that have been transferred but have not been derecognised and the corresponding associated liability.

11 Trade receivables ageing as 31st March 2022

	Particulars	Outstanding for the following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i)	**Undisputed trade receivables:**						
	Unsecured - considered good	30,765	195	1	51	19	**31,031**
	Unsecured - which have significant increase in credit risk	2	–	3	32	60	**97**
(ii)	**Disputed trade receivables:**						
	Unsecured - considered good	-	-	-	-	-	**-**
	Unsecured - which have significant increase in credit risk	-	-	-	30	60	**90**
		30,767	**195**	**4**	**113**	**139**	**31,218**
	Less: allowances for doubtful debts						**(187)**
	Total trade receivable						**31,031**

Notes to the consolidated financial statements for the year ended 31 March 2022

11 Trade receivables (cont..)

Trade receivables ageing as 31st March 2021

	Particulars	Outstanding for the following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i)	**Undisputed trade receivables:**						
	Unsecured - considered good	25,629	338	550	47	5	**26,569**
	Unsecured - which have significant increase in credit risk	2	3	44	25	63	**137**
(ii)	**Disputed trade receivables:**						
	Unsecured - considered good	–	–	–	–	–	**–**
	Unsecured - which have significant increase in credit risk	–	–	30	2	60	**92**
		25,631	**341**	**624**	**74**	**128**	**26,798**
	Less: allowances for doubtful debts						**(229)**
	Total trade receivable						**26,569**

12. Cash and cash equivalents

Particulars	**As at 31 March 2022 Rs. in Lacs**	As at 31 March 2021 Rs. in Lacs
Balances with banks		
- current account	**6,405**	7,029
- deposit account	**346**	2,245
Cheques on hand	**239**	499
Cash on hand	**45**	56
Total	**7,035**	9,829

13. Other bank balances

Particulars	**As at 31 March 2022 Rs. in Lacs**	As at 31 March 2021 Rs. in Lacs
In deposit account	**2,013**	2,026
Margin money deposits	**239**	393
Total	**2,252**	2,419

14. Equity share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	No. of shares	Rs. in Lacs	No. of shares	Rs. in Lacs
Authorised share capital				
Equity shares of Rs. 10 each	**8,90,00,000**	**8,900**	8,90,00,000	8,900
Total	**8,90,00,000**	**8,900**	8,90,00,000	8,900

Particulars	As at 31 March 2022		As at 31 March 2021	
	No. of shares	Rs. in Lacs	No. of shares	Rs. in Lacs
Issued, subscribed and fully paid up				
Equity shares of Rs. 10 each	**4,05,18,796**	**4,052**	4,05,18,796	4,052
Forfeited shares				
30,50,000 (31 March 2021: 30,50,000) equity shares of Rs. 10 each, Rs. 2.50 paid - up	–	76	–	76
Total	**4,05,18,796**	**4,128**	4,05,18,796	4,128

There has been no change in equity share capital during the year.

Rights, preferences and restrictions attached to equity shares

The Holding Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Holding Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Holding Company.

Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid.

In the event of liquidation of the Holding Company, the holders of equity shares will be entitled to receive the residual assets of the Holding Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

Scheme of Amalgamation

Pursuant to the Scheme of Amalgamation (Refer note 43) the Authorised Equity Share Capital of Trishan Metals Private Limited of Rs. 2,400 lacs has been added in the Authorised Equity Share Capital of IFB Industries Limited. The enhanced Authorised Equity Share Capital of the Holding Company stands at Rs. 8,900 lacs, divided into 8,90,00,000 equity shares of Rs. 10 each.

Details of shareholders holding more than 5% equity shares in the Holding Company

Particulars	As at 31 March 2022		As at 31 March 2021	
	%	No. of shares	%	No. of shares
1. IFB Automotive Private Limited	**46.54%**	**1,88,56,833**	46.54%	1,88,56,833
2. Nurpur Gases Private Limited	**14.83%**	**60,10,416**	14.83%	60,10,416
3. Asansol Bottling & Packaging Company Private Limited	**8.31%**	**33,66,428**	8.31%	33,66,428
4. Jwalamukhi Investment Holdings	**6.41%**	**25,98,556**	7.17%	29,06,115

Notes to the consolidated financial statements for the year ended 31 March 2022

14. Equity share capital (cont…)

Shareholding of promoters (equity shares)

Promoters name	As at 31 March 2022		As at 31 March 2021	
	%	No. of shares	%	No. of shares
1. Bijon Bhushan Nag	**0.39%**	**1,57,869**	0.39%	1,57,869
2. Preombada Nag	**0.33%**	**1,31,902**	0.33%	1,31,902
3. Bikramjit Nag	**0.01%**	**3,000**	0.01%	3,000
4. Zim Properties Private Limited	**0.08%**	**34,300**	0.08%	34,300
5. Special Drinks Private Limited	**0.04%**	**17,250**	0.04%	17,250
6. Asansol Bottling & Packaging Company Private Limited	**8.31%**	**33,66,428**	8.31%	33,66,428
7. CPL Industries Limited	**0.18%**	**74,813**	0.18%	74,813
8. Mac Consultants Private Limited	**1.74%**	**7,06,197**	1.74%	7,06,197
9. IFB Automotive Private Limited	**46.54%**	**1,88,56,833**	46.54%	1,88,56,833
10. CPL Projects Limited	**1.29%**	**5,23,535**	1.29%	5,23,535
11. Windsor Marketiers Pvt Ltd	**0.05%**	**19,600**	0.05%	19,600
12. IFB Agro Industies Limited	**0.43%**	**1,72,733**	0.43%	1,72,733
13. Lupin Agencies Pvt Ltd	**0.09%**	**37,600**	0.09%	37,600
14. Nurpur Gases Private Limited	**14.83%**	**60,10,416**	14.83%	60,10,416
15. Shubh Engineering Limited	**0.64%**	**2,60,723**	0.64%	2,60,723

There has been no change in the shareholding of promoters during the year.

15. Non-current borrowings

Particulars	As at 31 March 2022 Rs. in Lacs	As at 31 March 2021 Rs. in Lacs
Term loans from banks - secured	**11,467**	17,156
Total	**11,467**	17,156

(a) For sanction of term loan amounting to Rs. 650 lacs by Federal Bank Ltd. (Balance as at 31 March, 2022 is **Rs. 128 lacs), the following securites have been created:**

1. Primary Security:- First charge on the plant & machineries located at Village / Mouza – Bamunari, NH-2 Delhi Road, Hooghly - 712250, West Bengal.
2. Collateral Security :-Equitable mortgage of Factory land and building along with the properties & Fixed assets (present & future) located at Village / Mouza – Bamunari, NH-2 Delhi Road, Hooghly - 712250, West Bengal

The said loan was restructured in September 2020 and thereafter equal quarterly instalments of Rs. 43 lacs is payable for 10 quarters. The entire loan will be discharged by December, 2022.

15. Non-current borrowings (cont…)

(b) For sanction of credit facilities amounting to Rs. 2,000 lacs (including Capex Letter of Credit amounting to Rs. 1,500 lacs as its sublimit) and Rs. 3,000 lacs by ICICI Bank Ltd. (Balance as at 31 March, 2022 is **Rs. 3,500 lacs), following securities have been created:**

- Exclusive charge over the movable properties including movable plant and machinery, machinery spares, tools and accessories and other movables, both present and future, whether installed or not and whether now lying loose or in cases or which are now lying or stored in or about or shall hereafter from time to time during the continuance of the security of these presents be brought into or upon or be stored or be in or about all the Holding Company's stamping and motor business's factories, premises and godowns or wherever else the same may be or be held by any party to the order or disposition of the Holding Company or in the course of transit or in high seas or on order, or delivery, howsoever and wheresoever in the possession of the Holding Company and either by way of substitution or addition in such manner that the security cover of 1.25 times is maintained. For the limit utilised the Term Loan is repayable in 20 quarterly instalments starting from 19 May, 2022.

(c) For sanction of credit facilities amounting to Rs. 6,000 lacs and Rs. 1,000 lacs by DBS Bank India Ltd. (Balance as at 31 March, 2022 is **Rs. 3,139 lacs), following securities have been created:**

- Hypothecation by way of first and exclusive floating charge over all present and future moveable plant and machinery, equipment, appliances, furniture, vehicles, machinery, spares and stores, tools and accessories and other moveables whether or not installed and whether lying loose or in cases or which are now lying or stored in or about and may hereafter from time to time during the currency of this deed be brought into or upon or be stored in or about all the Holding Company's factories, premises, warehouses and godowns or wherever else the same may be or be held by any party to the order or disposition of the Holding Company or in the courses of transit or on high seas or on order, or delivery, howsoever and wheresoever in the possession of the Holding Company and either by way of substitution or addition (all pertaining to Holding Company's units located at Kolkata and Bangalore) stored or to be stored at the Holding Company's Godowns or premises or wherever else the same may be except asset charged specifically for debt availed, if any for purchase of conventional press line subject to NOC being sought from DBS. The Term Loan was prepaid partially in 2020-21 and the balance as at 31 March 2021 is repayable in 14 equal quarterly instalments starting from June 2021.

(d) For sanction of external commercial borrowings amounting to USD 200 lacs by Standard Chartered Bank, London, following securities have been created:

- Hypothecation by way of first and exclusive charge over all present and future moveable properties of the Holding Company's manufacturing unit of air conditioners in Goa and on the existing plant and machinery of washing machine division at Goa (Verna) plant (except exclusive charge to term lenders), including without limitations its moveable plant and machinery, furniture and fittings, equipments, computers, hardware, computer software, machinery spares, tools and accessories and other movables, both whether now lying loose or in cases or which are now lying or stored in or about or shall hereafter from time to time during the continuance of the security of these presents be brought into or upon or be stored or be in or about all the Holding Company's premises, warehouses, stockyards and godowns or those of the Holding Company's agents, affiliates, associates or representatives or at various worksites or at any upcountry place or places wherever else the same maybe or be held by any party including, without limitation, the following plot no. N-7, Phase IV, Survey No. 261/10, Verna Industrial Estate, Verna, Goa - 403722. The external commercial borrowings is standing at USD 135 lacs as at 31 March 2022. The loan is repayable in 13 equal quarterly instalments starting from 1 October 2021.

(e) For sanction of term loan amounting to USD 10 lacs by Standard Chartered Bank, (Thai) Public Company Limited, following securities have been created:

Charge on two specific plant and machinery of a subsidiary and Standby Letter of Credit which was issued under credit facility of the Holding Company has been provided as collateral. The loan is repayable in 2 years time from the balance sheet date.

15. Non-current borrowings (cont…)

The scheduled maturity of the Term loans from banks is as under:

Particulars	As at 31 March 2022 Rs. in Lacs	As at 31 March 2021 Rs. in Lacs
Repayable in first year	**6,069**	3,472
Current maturities of long-term debt (refer note 20)	**6,069**	3,472
In the second year	**5,941**	6,174
In the third to fifth year	**5,526**	10,282
Beyond fifth year	**–**	700
Non-current borrowings	**11,467**	17,156

The Group has used the borrowings from banks for the specific purpose for which they were taken at the balance sheet date.

All charges for the borrowings of the Holding Company have been registered with the Registrar of Companies as at the balance sheet date.

Details of Authorised Capital of cumulative redeemable preference shares

Particulars	As at 31 March 2022 Rs. in Lacs	As at 31 March 2021 Rs. in Lacs
30,000,000 (31 March 2021: 30,000,000) cumulative redeemable preference shares of Rs.10 each	**3,000**	3,000
	3,000	3,000

There were no outstanding cumulative redeemable preference shares as at both the year ends.

16. Other financial liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	Current	Non Current	Current	Non Current
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
Interest accrued but not due on borrowings	**236**	**–**	297	–
Derivative instruments at fair value through profit and loss and not designated as hedges	**185**	**–**	181	–
Others				
- Security deposit	**766**	**37**	759	45
- Payable for property, plant and equipment and intangibles	**502**	**–**	562	–
Total	**1,689**	**37**	1,799	45

Notes to the consolidated financial statements for the year ended 31 March 2022

17. Other liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	Current	Non Current	Current	Non Current
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
Income received in advance on annual maintenance contracts and extended warranty services	**5,038**	**1,939**	4,613	992
Deferred government grant	**149**	**1,409**	138	1,570
Advance from customers	**2,120**	**–**	3,165	–
Others				
- Statutory liabilities	**2,338**	**–**	3,138	–
Total	**9,645**	**3,348**	11,054	2,562

18. Provisions

Particulars	As at 31 March 2022		As at 31 March 2021	
	Current	Non Current	Current	Non Current
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
Provision for employee benefits				
Gratuity (Refer note 31)	**–**	**613**	–	726
Leave	**–**	**–**	3	893
Sick Leave	**81**	**388**	77	391
Others				
Warranty	**818**	**4,097**	527	3,902
Total	**899**	**5,098**	607	5,912

Details of movement in warranty provisions

	Rs. in Lacs
Balance as at 01 April 2020	3,905
Additional provisions recognised	1,544
Effect of unwinding of discount	221
Amounts used (i.e. incurred and charged against the provision) during the period	(1,241)
Balance as at 31 March 2021	4,429
Additional provisions recognised	1,586
Effect of unwinding of discount	227
Amounts used (i.e. incurred and charged against the provision) during the period	(1,327)
Balance as at 31 March 2022	**4,915**

a. Provision is estimated in respect of warranty cost in the year of sale of goods and it represents the present value of the management's best estimate of the future outflow of economic benefit that will be required under the Group's obligation for warranties.

b. Provision for warranty is expected to be utilised over a period of 1 to 5 years.

c. The estimates may vary as a result of product quality, availability of spare parts, price of raw materials, altered manufacturing processess and discount rates.

d. Warranty costs are estimated by the management on the basis of a technical evaluation and based on specific warranties, claims and claim history.

19. Deferred tax liabilities (net)

Particulars	As at 31 March 2022 Rs. in Lacs	As at 31 March 2021 Rs. in Lacs
Deferred tax liabilities	**5,861**	5,378
Less: Deferred tax assets	**6,066**	2,702
Total Deferred tax (assets) / liabilities - (net)	**(205)**	2,676

Breakup of deferred tax liabilities / asset balances is as under:

	As at 31 March 2022 Rs. in Lacs	As at 31 March 2021 Rs. in Lacs
Deferred tax liabilities		
On provision for warranty	**285**	247
On changes in fair value of investments	**294**	94
On property, plant and equipment and intangible assets	**5,282**	5,037
	5,861	5,378
Deferred tax assets		
On unused tax credits (Minimum Alternate Tax Credit) (*)	**245**	–
On tax losses and unabsorbed depreciation (note a)	**3,546**	326
On government grants	**545**	591
On allowance for doubtful debts and advances	**75**	90
On employee benefits	**1,581**	1,625
Other timing differences	**74**	70
	6,066	2,702
Total Deferred tax (assets) / liabilities - (net)	**(205)**	2,676

(*) Unused tax credits are due to expire in assessment year 2038-39

Notes to the consolidated financial statements for the year ended 31 March 2022

Movement of deferred tax (assets) / liabilities (net) is as under

Particulars	As at 31 March 2022 Rs. in Lacs	As at 31 March 2021 Rs. in Lacs
Deferred tax liabilities / (assets) as at the beginning of the year	2,676	1,129
Deferred tax for the year recognised in profit and loss (@)	**(2,210)**	(287)
Deferred tax recognised on business combination (note b)	**(426)**	–
Minimum alternate tax credit related to previous years - Net (@)	–	4
Minimum alternate tax credit availed	**(245)**	–
Minimum alternate tax credit utilised	–	1,830
Deferred tax liabilities as at the end of the year	**(205)**	2,676

(@) refer note 29

Note :

a) **Unrecognised deferred tax assets on tax losses and unabsorbed depreciation :** At the reporting date, tax losses amounting to **Rs. 1,276 lacs** and unabsorbed depreciation amounting to **Rs. 8,866 lacs** are available for offset against future profits. A deferred tax asset amounting to **Rs. 447 lacs** on tax losses and **Rs. 3,099 lacs** on unabsorbed depreciation has been recognised.

Tax losses are due to expire in assessment year 2031-32. Unabsorbed depreciation can be carried forward indefinitely.

b) Consequent to approval of the Scheme of Amalgamation (Refer note 43), deferred tax assets have been recognised on carry forward tax losses and unabsorbed depreciation pertaining to erstwhile Trishan Metals Private Limited amounting to **Rs. 426 lacs**. The same has been recognised by reducing the carrying amount of any goodwill related to that acquisition.

20. Current borrowings

	As at 31 March 2022 Rs. in Lacs	As at 31 March 2021 Rs. in Lacs
Secured		
Loans from banks		
- Working capital buyers credit (refer note A below)	**6,203**	2,342
- Cash credit facility from bank (refer note B below)	**76**	51
- Short term loan (refer note C below)	**46**	–
Loans from Others	–	271
Current maturities of long term borrowings (refer note 15)	**6,069**	3,472
Total	**12,394**	6,136

(a) The Group has used the borrowings from banks for the specific purpose for which they were taken at the balance sheet date.

(b) The Holding Company has borrowings from banks on the basis of security of current assets and the final quaterly statements of current assets filed by the Holding Company with the banks are materially in agreement with the books of accounts and there is no discrepancy that has been identified.

Notes to the consolidated financial statements for the year ended 31 March 2022

(c) All charges for the borrowings of the Holding Company have been registered with the Registrar of Companies as at the balance sheet date.

(d) The Group has not received any fund from any other persons or entities (Funding Party) with the understanding that the Group shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party or shall provide guarantee, security or the like to or on behalf of the Funding Party.

(e) **Charge and hypothecation details are as follows:**

(i) Credit facilities utilised as at 31 March, 2022

(A) For sanction of working capital facility amounting to Rs 10,000 lacs by Standard Chartered Bank (Utilised as at 31 March, 2022 Rs. 6,203 lacs), **following securities have been created**

(i) First pari passu charge on the entire current assets, both present and future of the Holding Company.

(ii) First and exclusive charge on the plant & machinery of washing machine division at Goa (Verna) plant (both present and future).

(iii) First and exclusive charge over the plant & machinery of air-conditioner division at Goa, (both present and future).

(B) Hypothecation details of cash credit facility by Federal Bank Limited (Utilised as at 31 March 2022 Rs. 68 lacs) **as at 31 March, 2022:**

Working capital facilities has been sanctioned by The Federal Bank Limited to the extent Rs. 2,500 lacs. These can be used inter-changeably between fund based and non-fund based. Following securities has been created:

1. Primary security:- Hypothecation of all current assets including entire stocks and book debts (both present and future) relating to plant situated at Village/Mouza – Bamunari, NH-2 Delhi Road, Hooghly - 712250, West Bengal.
2. Collateral security:- Equitable mortgage of factory land & building along with the Fixed assets (present & future) located at Village / Mouza – Bamunari, NH-2 Delhi Road, Hooghly - 712250, West Bengal.

(C) Hypothecation details of short term loan from Bangkok Bank (Utilised as at 31 March, 2022: THB 20 lacs) **as at 31 March, 2022:**

Collateral security:- Standby Letter of Credit which was issued under credit facility of the Holding Company.

(ii) Credit facilities unutilised as at 31 March 2022

(D) For sanction of capex facility amounting to Rs 2,000 lacs by Standard Chartered Bank (Unutilised as at 31 March 2022), **following securities have been created:**

(i) First and exclusive charge on the plant & machinery of washing machine division at Goa (Verna) plant (both present and future).

(ii) First and exclusive charge over the plant & machinery of air-conditioner division at Goa, (both present and future).

(E) For sanction of credit facilities amounting to Rs.5,000 lacs by ICICI Bank Ltd. (Unutilised as at 31 March 2022), **following securities have been created:**

– First and pari passu charge on all the current assets of theHolding Company - the whole of the Holding Company's stocks of raw materials, good-in-process, semi-finished and finished goods, consumable stores and spares and such other moveables, including book debts, bills whether documentary or clean, both present and future, whether in the possession or under the control of the Holding Company or not, whether now lying loose or in cases or which are now lying or stored in or about or shall hereafter from time to time during the continuance of these presents be brought into or upon or be stored or be in or about all the Holding Company's factories, premises and godowns situated at all places of business or wherever else the same may be or be held by any party to the order or disposition of the Holding Company or in course of transit or on high seas or on order or delivery.

- Hypothecation by way of second charge on the moveable properties of the Holding Company (save and except current assets) including its moveable plant and machinery, machinery spares, tools and accessories, non-trade receivables and other moveables both present and future whether in the possession or under the control of theHolding Company or not, whether installed or not and whether now lying loose or in cases or which are now lying or stored in or about or shall hereafter from time to time during the continuance of these presents be brought into or upon or be stored or be in or about all the Holding Company's factories, premises and godowns situated at all places of business or wherever else the same may be or be held by any party to the order or disposition of the Holding Company or in course of transit or on high seas or on order or delivery.
- Hypothecation by way of first and pari passu charge on the receivables of the Holding Company - all amounts owing to and received and/or receivable by, the Holding Company and/or any person on its behalf, all book debts, all cash flows and receivables and proceeds arising from/in connection with business and all rights, titles, interest, benefits, claims and demand whatsoever of the Holding Company into or in respect of all the aforesaid assets, including but not limited to the Holding Company's cash-in-hand, both present and future. This facility remains unutilised as at 31 March 2022.

(F) For sanction of credit facilities amounting to Rs. 5,000 lacs by HDFC Bank Ltd (Unutilised as at 31 March 2022), **following securities have been created on the assets of the Holding Company:**

- First pari passu charge by way of hypothecation on all the stock in trade both present and future consisting of raw material, finished goods, goods in process of manufacturing and other goods, movable assets or merchandise whatsoever now.
- First pari passu charge by way of hypothecation on all the book debts, amounts outstanding, monies receivables, claims and bills which are now due and owing or which may at any time hereafter during the continuance of this security become due.
- Exclusive charge on the sum of Rs. 2,000 lacs deposited by the Holding Company with the Bank at its branch.

21. Revenue from operations

	For the year ended 31 March 2022 Rs. in Lacs	For the year ended 31 March 2021 Rs. in Lacs
Gross revenue from sale of manufactured products	**3,22,131**	2,52,296
Revenue from sale of traded products	**93,124**	85,707
Total sale of products	**4,15,255**	3,38,003
Less: trade schemes and discounts	**90,020**	70,443
Sale of products (net of trade schemes and discounts)	**3,25,235**	2,67,560
Sale of services	**8,601**	7,758
Other operating revenues		
- Scrap sales	**7,333**	4,560
- Others	**369**	202
	3,41,538	2,80,080

Notes to the consolidated financial statements for the year ended 31 March 2022

22. Other income

	For the year ended 31 March 2022 Rs. in Lacs	For the year ended 31 March 2021 Rs. in Lacs
Interest income		
- Interest on financial assets measured at amortised cost(#)	**252**	450
- Other interest	**–**	161
Dividend from investments in mutual funds	**–**	23
Other non-operating income		
(i) Operating lease rental income		
- Investment property	**6**	6
- Others	**54**	161
(ii) Net gain on disposal of property, plant and equipment	**7**	14
(iii) Net foreign exchange (loss)/gain	**(980)**	736
(iv) Net gain/(loss) arising on financial instruments measured at fair value through profit and loss (FVTPL)		
- Mutual funds	**1,018**	783
- Derivative instruments	**315**	(974)
(v) Net gain on disposal of mutual funds measured at FVTPL	**41**	98
(vi) Insurance claim received	**393**	71
(vii) Write back of liabilities no longer required (@)	**85**	380
(viii) Write back of provision on debts/advances no longer required	**62**	6
(ix) Income in respect to deferred revenue from government grant	**150**	19
(x) Miscellaneous income	**406**	302
	1,809	2,236

(@) includes write back of lease liability amounting to **Rs. 7 lacs** (31 March 2021: Rs. 44 lacs) (Refer note 33)

(#) includes interest on discounting of security deposit - leased premises amounting to **Rs. 29 lacs** (31 March 2021: Nil)

23. Cost of materials consumed

	For the year ended 31 March 2022 Rs. in Lacs	For the year ended 31 March 2021 Rs. in Lacs
Raw material consumed		
Raw material inventory at the beginning of the year	**18,350**	13,734
Add: Purchases during the year	**1,77,688**	1,28,261
Translation difference	**4**	(6)
	1,96,042	1,41,989
Raw material inventory at the end of the year	**24,022**	18,350
Cost of materials consumed	**1,72,020**	1,23,639

Notes to the consolidated financial statements for the year ended 31 March 2022

24. Changes in inventories of finished goods, stock-in-trade and work-in-progress

		For the year ended 31 March 2022 Rs. in Lacs	For the year ended 31 March 2021 Rs. in Lacs
Inventories as at the end of the year			
Stock-in-trade		**8,585**	6,307
Work-in-progress		**3,825**	3,231
Finished goods		**16,891**	13,050
	(A)	**29,301**	22,588
Inventories as at the beginning of the year			
Stock-in-trade		**6,307**	6,532
Work-in-progress		**3,231**	2,526
Finished goods		**13,050**	11,233
	(B)	**22,588**	20,291
Translation Differences	**(C)**	**6**	(10)
	(B+C – A)	**(6,707)**	(2,307)

25. Employee benefits expense

	For the year ended 31 March 2022 Rs. in Lacs	For the year ended 31 March 2021 Rs. in Lacs
Salaries and wages	**30,524**	25,540
Contribution to provident and other funds	**2,925**	2,436
Staff welfare expenses	**3,787**	2,717
	37,236	30,693

26. Finance costs

	For the year ended 31 March 2022 Rs. in Lacs	For the year ended 31 March 2021 Rs. in Lacs
Interest on financial liabilities measured at amortised cost	**1,745**	2,247
Effect of unwinding of discount for warranty provision	**227**	221
Interest on discounting of lease liabilities	**1,155**	539
Others	**49**	84
	3,176	3,091

27. Depreciation and amortisation expense

	For the year ended 31 March 2022 Rs. in Lacs	For the year ended 31 March 2021 Rs. in Lacs
Depreciation of property, plant and equipment	**7,597**	6,465
Amortisation of intangible assets	**966**	933
Amortisation of right of use assets	**2,982**	2,844
	11,545	10,242

28. Other expenses

	For the year ended 31 March 2022 Rs. in Lacs	For the year ended 31 March 2021 Rs. in Lacs
Consumption of stores and spare parts	**20,358**	14,722
Rent	**533**	441
Insurance	**519**	392
Freight, octroi and carriage	**11,536**	9,326
Power and fuel	**3,848**	3,252
Ancillary cost	**8,212**	7,144
Rates and taxes	**556**	513
Expenditure on corporate social responsibility	**154**	157
Office expenses	**6,534**	5,112
Advertisement and sales promotion	**24,186**	17,028
Travelling	**2,226**	1,303
Repairs		
Buildings	**162**	87
Plant and machinery	**1,342**	1,268
Others	**903**	781
Write-off of property, plant and equipment	**101**	162
Write-off of capital work in progress	**1**	–
Write-off of debts/ advances	**85**	30
Allowances for doubtful debts	**21**	104
Bank charges	**299**	272
Directors' sitting fees	**69**	60
Service expenses	**5,710**	5,100
Warranty expenses	**1,586**	1,544
Miscellaneous expenses	**3,571**	3,140
	92,512	71,938

Notes to the consolidated financial statements for the year ended 31 March 2022

29. Tax expense

		For the year ended 31 March 2022 Rs. in Lacs	For the year ended 31 March 2021 Rs. in Lacs
A.	**Amount recognised in statement of profit and loss**		
	Current tax		
	Income tax for the year	**(33)**	3,691
	Adjustments related to previous years (net)	**(307)**	72
	Total current tax	**(340)**	3,763
	Deferred tax		
	Deferred tax for the year	**(2,210)**	(287)
	Minimum alternate tax credit related to previous years (net)	**–**	4
	Total deferred tax	**(2,210)**	(283)
		(2,550)	3,480
B.	**Amount recognised in other comprehensive income**		
	Current tax:		
	On items that will not be reclassified to profit or loss		
	- Remeasurements of the defined benefit liabilities / (asset)	**34**	(25)
		34	(25)
C.	**Reconciliation of effective tax rate**		
	The income tax expense for the year can be reconciled to the accounting profit as follows:		
	(Loss) / Profit before tax	**(7,366)**	9,891
	Income tax expense calculated @ 34.944% (31 March 2021 - 34.944%) (*)	**(2,574)**	3,456
	Effect of additional deductions under tax	**–**	(119)
	Effect of difference in tax rates of subsidiary companies	**(106)**	(49)
	Effect of carry forward of losses	**–**	(326)
	Effect of different tax rate on certain items	**3**	99
	Effect of non allowable expenses	**79**	112
	Effect of changes in deferred tax provision on property, plant and equipment and statutory returns filed	**209**	146
	Effect of tax differences on account of Ind AS 116	**180**	60
	Effect of amount recognised in other comprehensive income	**(34)**	25
	Effect of adjustments relating to earlier year	**(307)**	76
	Income tax recognised in Statement of Profit and Loss	**(2,550)**	3,480
	Tax rate used for current tax	**34.944%**	34.944%
	Tax rate used for deferred tax	**34.944%**	34.944%

(*) The applicable tax rate is as prescribed by the Income Tax Act 1961

Notes to the consolidated financial statements for the year ended 31 March 2022

30. Earnings per share

		For the year ended 31 March 2022	For the year ended 31 March 2021
(a)	(Loss)/Profit after taxes available to equity shareholders (Rs. in lacs)	**(4,816)**	6,411
(b)	Weighted average number of equity shares outstanding	**4,05,18,796**	4,05,18,796
(c)	Basic and diluted earnings per equity share of face value Rs. 10 each **(in Rs.)** [(a)/(b)]	**(11.89)**	15.82

31. Defined benefit plan - Gratuity

The Holding Company operates a defined benefit plan for gratuity for its employees. It is administered through approved trust in accordance with its trust deeds and rules. The concerned trust is managed by trustees who provide guidance with regard to the management of their assets and liabilities and review their performance periodically or directly through insurance company. Risk mitigation systems are in place to ensure that the health of the portfolio is regularly reviewed and the investments do not pose any significant risk of impairment. Periodic audits are conducted to ensure the adequacy of internal controls.

The liability arising in the defined benefit plan is determined by an independent professionally qualified actuary using the projected unit credit method.

Risk management

The risks commonly affecting the gratuity liability and the financial results are expected to be:

1. Interest rate risk - The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yield falls, the defined benefit obligations will tend to increase.
2. Salary inflation risk - Higher the expected increase in salary, higher the defined benefit obligation.
3. Demographic risk - This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

Rs. in Lacs

I.	Changes in defined benefit obligations		Gratuity (funded)	
			31 March 2022	31 March 2021
	1.	Defined benefit obligations at the beginning of the year	**7,018**	6,150
	2.	Current service cost	**635**	551
	3.	Interest costs	**406**	369
	4.	Acquisition cost/(credit)	**48**	56
	5.	Effect of experience adjustment	**39**	56
	6.	Effect of assumption change	**(172)**	76
	7.	Benefits paid	**(275)**	(240)
	8.	Defined benefit obligations at the end of the year	**7,699**	7,018

Notes to the consolidated financial statements for the year ended 31 March 2022

Rs. in Lacs

II.	Changes in fair value of plan assets		Gratuity (funded)	
			31 March 2022	31 March 2021
	1.	Fair value of assets at the beginning of the year	**6,292**	4,874
	2.	Interest income on plan assets	**384**	330
	3.	Employer contribution	**721**	1,264
	4.	Return on plan assets (less than discount rate)	**(36)**	64
	5.	Benefits paid	**(275)**	(240)
	6.	Fair value of assets at the end of the year	**7,086**	6,292
	7.	Actual returns	**348**	394

Rs. in Lacs

III.	Net assets / (liabilities) recognised in balance sheet		Gratuity (funded)	
			31 March 2022	31 March 2021
	1.	Defined benefit obligations	**7,699**	7,018
	2.	Fair value of plan assets	**7,086**	6,292
	3.	Funded status - deficit	**613**	726
	4.	Net liability recognised in balance sheet		
		– Current	**–**	–
		– Non current	**613**	726

Rs. in Lacs

IV.	Components of employer expenses		Gratuity (funded)	
			31 March 2022	31 March 2021
	Recognised in profit or loss			
	1.	Current service cost	**635**	551
	2.	Net interest costs	**22**	39
	3.	Total recognised in profit or loss (*)	**657**	590
	Recognised in other comprehensive income			
	1.	Effect of experience adjustment	**39**	56
	2.	Effect of assumption change	**(172)**	76
	3.	Return on plan assets (less than discount rate)	**36**	(64)
	4.	Total recognised in other comprehensive income	**(97)**	68
	Total expense recognised in total comprehensive income		**560**	658

(*) recognised in "Contribution to provident and other funds" in "Employee benefits expense" under note 25

V.	Actuarial assumptions	Gratuity (funded)	
		31 March 2022	31 March 2021
	Discount rate	**6.3%**	5.9% and 6.9%
	Rate of salary increase	**10.0%**	10.0%
	Mortality rate	**Indian Assured Lives Mortality (2006-08) Ult**	Indian Assured Lives Mortality (2006-08) Ult

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in employment market.

VI. Plan asset information

	Gratuity (funded)	
	31 March 2022	31 March 2021
Cash	**1%**	1%
Scheme of insurance - conventional products	**99%**	99%

In the absence of detailed information regarding plan assets which is funded with insurance companies, the composition of each major category of plan assets, the percentage or amount for each category to the fair value of plan assets has not been disclosed.

Rs. in Lacs

VII.	**Net asset / (liability) recognised in balance sheet (including experience adjustment impact)**		**Gratuity (funded)**	
			31 March 2022	31 March 2021
	1.	Present value of defined benefit obligations	**7,699**	7,018
	2.	Fair value of plan assets	**7,086**	6,292
	3.	Funded Status - deficit	**613**	726
	4.	Experience adjustment of plan assets - gain/(loss)	**(36)**	64
	5.	Experience adjustment of obligations - (loss)	**(39)**	(56)

VIII. Expected employer contribution for the next year (Rs. in lacs)	**613**	**726**

IX. Sensitivity analysis

The sensitivity results below determine their individual impact on the plan's year end defined benefit obligations. In reality, the plan is subject to multiple external experience items which may move the defined benefit obligations in similar or opposite directions, while the plans's sensitivity to such changes can vary over time.

Rs. in Lacs

		Gratuity (funded)	
		31 March 2022	31 March 2021
Defined benefit obligations on base assumptions (refer point no V)		**7,699**	7,018
a.	1% increase in discount rate	**7,302**	6,643
b.	1% decrease in discount rate	**8,143**	7,440
c.	1% increase in salary escalation rate	**8,079**	7,374
d.	1% decrease in salary escalation rate	**7,340**	6,682

Rs. in Lacs

X.	**Maturity analysis of benefit payments**	**Gratuity (funded)**	
		31 March 2022	31 March 2021
	Year 1	**987**	924
	Year 2	**978**	999
	Year 3	**1,196**	764
	Year 4	**1,256**	963
	Year 5	**1,279**	1,059
	Next 5 years	**5,134**	4,164

The Holding Company has contributed **Rs. 2,268 lacs** (31 March 2021: Rs. 1,855 lacs) to defined contribution schemes.

Notes to the consolidated financial statements for the year ended 31 March 2022

32. Segment reporting

Rs. in Lacs

		Engineering	Home Appliances	Motor	Steel	Un-allocated	Inter-segment	Total
Revenue from sale of products and services	**31 March 2022**	**55,958**	**2,71,320**	**4,906**	**11,337**	**–**	**(9,685)**	**3,33,836**
	31 March 2021	45,095	2,26,674	3,348	6,957	–	(6,756)	2,75,318
Other operating revenue	**31 March 2022**	**5,763**	**1,010**	**28**	**908**	**–**	**(7)**	**7,702**
	31 March 2021	3,520	660	25	564	–	(7)	4,762
Revenue from operations	**31 March 2022**	**61,721**	**2,72,330**	**4,934**	**12,245**	**–**	**(9,692)**	**3,41,538**
	31 March 2021	48,615	2,27,334	3,373	7,521	–	(6,763)	2,80,080
Other income	**31 March 2022**	**89**	**706**	**29**	**30**	**955**	**–**	**1,809**
	31 March 2021	438	386	27	294	1,091	–	2,236
Total income	**31 March 2022**	**61,810**	**2,73,036**	**4,963**	**12,275**	**955**	**(9,692)**	**3,43,347**
	31 March 2021	49,053	2,27,720	3,400	7,815	1,091	(6,763)	2,82,316
Segment results before finance costs	**31 March 2022**	**2,539**	**(3,859)**	**(221)**	**32**	**(2,712)**	**31**	**(4,190)**
	31 March 2021	3,220	12,028	(472)	(149)	(1,658)	13	12,982
Less: finance costs	**31 March 2022**							**3,176**
	31 March 2021							3,091
(Loss) / Profit before tax	**31 March 2022**							**(7,366)**
	31 March 2021							9,891
Tax expense	**31 March 2022**							**(2,550)**
	31 March 2021							3,480
(Loss) / Profit for the year	**31 March 2022**							**(4,816)**
	31 March 2021							6,411
Segment assets	**31 March 2022**	**45,622**	**1,36,582**	**3,113**	**4,146**	**13,583**	**–**	**2,03,046**
	31 March 2021	42,135	1,24,116	2,874	3,702	16,314	–	1,89,141
Segment liabilities	**31 March 2022**	**24,121**	**1,08,846**	**1,884**	**1,560**	**1,809**	**–**	**1,38,220**
	31 March 2021	20,728	90,221	1,319	1,598	5,687	–	1,19,553

Other information

Depreciation and amortisation expense	**31 March 2022**	**3,412**	**7,875**	**92**	**128**	**38**	**–**	**11,545**
	31 March 2021	2,610	7,313	131	130	58	–	10,242
Capital expenditure	**31 March 2022**	**7,940**	**7,761**	**31**	**314**	**54**	**–**	**16,100**
	31 March 2021	4,664	10,134	180	46	188	–	15,212
Non cash expenditure other than depreciation and amortisation	**31 March 2022**	**8**	**189**	**1**	**6**	**2**	**–**	**206**
	31 March 2021	4	263	4	21	4	–	296

Notes to the consolidated financial statements for the year ended 31 March 2022

32. Segment reporting *(Contd.)*

		Rs. in lacs
Geographical information		
Revenue from external customers		
- Within India	**31 March 2022**	**3,33,638**
	31 March 2021	2,74,076
- Outside India	**31 March 2022**	**9,709**
	31 March 2021	8,240
Total	**31 March 2022**	**3,43,347**
	31 March 2021	2,82,316
Non - Current assets excluding financial assets and deferred tax assets		
- Within India	**31 March 2022**	**71,720**
	31 March 2021	65,884
- Outside India	**31 March 2022**	**2,722**
	31 March 2021	2,837
Total	**31 March 2022**	**74,442**
	31 March 2021	68,721

NOTES :

– The Group is primarily engaged in business of fine blanked components, home appliances, motors and steel. Accordingly the Group considers the above business segment as the primary segment. Segment revenue, segment result, segment asset and segment liabilities include the respective amount identifiable to each of the segments as also amounts allocated on reasonable basis. The expenses, which are not directly relatable to the business segment, are shown as unallocable corporate cost and grouped as "Unallocated". Assets and liabilities that cannot be allocated between the segments are shown as unallocable corporate assets and liabilities and are grouped as "Unallocated". These segments have been reported in the manner consistent with the internal reporting to Chief Executive Officers, who are the chief operating decision makers.

– The geographical information considered for disclosure are revenue within India and revenue outside India.

– The Group is not reliant on revenues from transactions with any single external customer and does not receive 10% or more of its revenues from transactions with any single external customer.

Notes to the consolidated financial statements for the year ended 31 March 2022

33. Leases

The Group is obligated under cancellable leases for residential, office premises, warehouses, etc. Total rental expense under cancellable short term operating lease amounted to **Rs. 483 Lacs** (31 March 2021: Rs. 391 lacs).

In applying Ind AS 116 - "Leases", the Group has applied a single discount rate to a portfolio of leases with reasonably similar characteristics. The leases with remaining lease term of less than 12 'months are considered as "short term leases".

The movement of lease liabilities during the year is as under:-

	As at 31 March 2022 Rs. in Lacs	As at 31 March 2021 Rs. in Lacs
Opening Balance	**5,984**	5,921
Addition during the year	**9,065**	3,364
Adjustment for leases closed / expired / terminated	**(119)**	(627)
Write back of liabilities no longer required (Refer note 22)	**(7)**	(44)
Interest expenses	**1,155**	539
Payments	**(3,634)**	(3,169)
Closing Balance	**12,444**	5,984

The maturity analysis of lease liabilities is as under:

Within one year	**2,118**	2,090
One to five years	**3,665**	3,355
Five to ten years	**893**	280
Beyond ten year	**5,768**	259
	12,444	5,984

34. Commitments

	As at 31 March 2022 Rs. in Lacs	As at 31 March 2021 Rs. in Lacs
(i) Outstanding capital commitments for tangible assets	**1,500**	1,702
(ii) Outstanding capital commitments for intangible assets	**19**	239

35. Contingent Liabilities :

	As at 31 March 2022 Rs. in Lacs	As at 31 March 2021 Rs. in Lacs
Disputed sales tax matters, excise matters, income tax matters and other matters contested in appeals.	**5,823**	5,838

(These disputes mostly relate to arbitrary disallowances of claims of the Group under various state laws, which are under appeal. The management is of the view that these demands are not sustainable in law and is hopeful of succeeding in appeals.)

36. Related party disclosures

(A) The Group has the following related parties

Investor Company :	IFB Automotive Private Limited
Key Management Personnel (KMP) :	- **Mr. Bijon Bhushan Nag** - Executive Chairman
	- **Mr. Bikramjit Nag** - Joint Executive Chairman and Managing director
	- **Mr. Prabir Chatterjee** - Director and Chief Financial Officer
	- **Mr. G. Ray Chowdhury** - Company Secretary
	- **Mr. A. K. Nag** - Senior President
	- **Mr. Sujan Kumar Ghosh Dastidar** - President, Legal
	- **Mr. Siddhartha Chatterjee** - Vice-President - Real Estate and Leased Assets
	- **Ms. Souravi Sinha** - AVP - Human Resource - Corporate
	- **Mr. Uma Shankar Ghosh Dastidar** - Head, Taxation
	- **Mr. Rajat Paul** - AVP, IT
	- **Mr. Soumitra Goswami** - AVP, Financial Controller
	- **Ms. Smita Agarwal** - General Manager- Finance and Accounts
	- **Mr. Rajeev Mundhra** - Head - Internal Audit
	Home Appliance division :
	- **Mr. Rajshankar Ray** - Managing Director and Chief Executive Officer
	- **Mr. A. S. Negi** - Executive Director and Service Business Head
	- **Mr. B. M. Shetye** - Senior Vice President, Sustainability
	- **Mr. Pawan Koul** - Head of Goa factory - Washing Machine Plant
	- **Mr. Sukhdev Nag** - Senior VP- Sales Processes and Excellence.
	- **Mr. Ranjan Mohan Mathur** - Business Head - Cooking products
	- **Mr. Abhijit Gangopadhyay** - Business Head, North 2
	- **Mr. R. Anand** - Head, Motor Division
	- **Mr. C. S. Govindaraj** - CEO, Industrial Business & Projects
	- **Mr. B. Krishnamoorthy** - Business Head Commercial Appliances
	- **Mr. Vilas Sanjeev Kamath** - Head - Supply Chain
	- **Mr. Venkata Subba Rao Madala** - Head of Factory - A.C. plant
	- **Mr. Manoj Agnihotri** - Head, Human Resources, A.C. plant
	- **Mr. Narayana Panth** - Head of R&D, A.C. plant
	- **Mr. Kartik Ishwar Muchandi** - Head, Finance and Accounts, Goa Factory
	- **Mr. Ashish Singh** - Head, Finance and Accounts, Marketing
	- **Mr. Vinay Karan Mathur** - AGM- Industrial Service, Central and West

	Home Appliance division: (contd..)
	- **Mr. Anand Khedia** - Regional Accountant West
	- **Mr. Ashutosh Verma** - Regional Accounts Head- South
	- **Mr. Suresh Turkani** - Regional Service Manager – South
	- **Mr. Saurabh Uppal** - Regional Accountant- North 1
	- **Mr. Rohit Dhupar** - Regional Accountant- North 2
	- **Mr. Sankar Pal** - Regional Manager sales - East
	- **Mr. Navneet Chaudhary** - Regional Service Manager-East
	- **Mr. Damodar Narendra Kale** - Product Head for A.C.
	- **Mr. V Lakshman Kumar** - Product Head,WM
	- **Mr. Anthony Francis D'Souza** - Product Sourcing Development and Imports
	- **Mr. P Nandan** - Manufacturing Head for W.M.
	- **Ms. Tekke Cheruvat Manjima** - Head training & ICLD
	- **Mr. Seungki Bae** - Industrial Head Design
	- **Mr. Hwan Myung** - Head of R&D
	- **Mr. Jin Kim** - Head, R&D, Motor Division
	- **Mr. Rajan Rahi** - Sales Head- Home Appliances Division
	- **Mr. Manav Mehra** - Zonal Business Head - North 1
	- **Mr. Ashok Hazra** - GM, Finance
	Engineering division :
	- **Mr. Harsh Vardhan Sachdev** - MD & CEO
	- **Mr. Arup Das** - Head Marketing
	- **Mr. Aloke Kumar Sarkar** - Plant Head
	- **Mr. Shantanu Chakraborty** - Head of Production and Ancillary
	- **Mr. Amit Agarwal** - Head finance & Accounts Kolkata Factory
	- **Mr. Anjan Poddar** - Head of Design
	- **Mr. Sisir Kumar Mitra** - Head of Purchase and Tool Room
	- **Mr. Anit Kumar Ghosh** - AGM Business Development
	- **Mr. Arup Chatterjee**- Senior Manager Business Development
	- **Mr. K. R. K. Prasad** - CEO
	- **Mr. Jayanta Chanda** - AVP, Finance
	- **Mr. Nagaraju K R** - Head Operations
	- **Mr. Subramanian N** - AGM Marketing
	- **Mr. Dong Shin** - Head- Central Tool Room
	- **Mr. Srinivas U** - GM-Quality
	- **Mr. Buragadda Jaya Panduranga Kalyan** - Senior Manager Finance
	Steel division :
	- **Mr. Abesh Chattopadhyay** - CEO- Special Steel Unit

Other related parties	- IFB Agro Industries Limited - IFB Agro Marine FZE (100% subsidiary of IFB Agro Industries Limited) - Travel Systems Limited - IFB Global Limited - IFB Appliances Limited - Anjali foundation
Employee trusts where there is significant influence (Employee trusts) :	- Indian Fine Blank Limited Employees Gratuity Fund (IFBLEGF) - The IFBL Group Superannuation Scheme (IFBLSAF)

(B) Transactions with related parties

		For the year ended 31 March 20212 Rs. in Lacs	For the year ended 31 March 2021 Rs. in Lacs
1	**Sales, service and other income**		
	- Investor Company	**5,866**	4,400
	- KMP	**6**	4
	- Other related parties	**22**	19
	Total	**5,894**	4,423
2	**Purchase of inventories**		
	- Investor Company	**448**	90
	- Other related parties	**5**	42
	Total	**453**	132
3	**Expenditure on other services**		
	- Investor Company	**182**	389
	- Other related parties	**9,392**	7,744
	Total	**9,574**	8,133
4	**Expenditure on corporate social responsibility**		
	- Other related parties	**50**	40
	Total	**50**	40
5	**Purchase of investments**		
	- Investor Company	**–**	225
	Total	**–**	225
6	**Sale of property, plant and equipment**		
	- Investor Company	**–**	1
	Total	**–**	1
7	**Contribution to employees' benefit plans**		
	- Employee trusts	**618**	714
	Total	**618**	714

Notes to the consolidated financial statements for the year ended 31 March 2022

		For the year ended 31 March 20212 Rs. in Lacs	For the year ended 31 March 2021 Rs. in Lacs
8	**Remuneration**		
	(a) Short term benefits - KMP	**5,190**	2,293
	(b) Post employment benefits - KMP	**311**	80
	(c) Other long term benefits - KMP	**125**	69
	Total	**5,626**	2,442

(C) Outstanding balances with related parties

		As at 31 March 2022 Rs. in lacs	As at 31 March 2021 Rs. in lacs
1	**Trade Receivables**		
	- Investor Company	**3,388**	3,369
	- Other related parties	**33**	26
	Total	**3,421**	3,395
2	**Security deposits given**		
	- Investor Company	**50**	50
	- Other related parties	**8**	8
	Total	**58**	58
3	**Advances given**		
	- Investor Company	**57**	47
	- KMP	**1**	1
	- Other related parties	**41**	41
	Total	**99**	89
4	**Loans given**		
	- KMP	**8**	4
	Total	**8**	4
5	**Other receivables**		
	- Other related parties	**–**	6
	- Employee trusts	**145**	141
	Total	**145**	147
6	**Trade payables**		
	- Investor Company	**23**	43
	- Other related parties	**379**	163
	Total	**402**	206
7	**Other payables**		
	- Investor Company	**–**	4
	- Employee trusts	**613**	709
	Total	**613**	713

Notes to the consolidated financial statements for the year ended 31 March 2022

(D) Party-wise details of significant transactions with related parties

		For the year ended 31 March 2022 Rs. in Lacs	For the year ended 31 March 2021 Rs. in Lacs
1	**Sales, service and other income**		
	- IFB Agro Industries Limited	**22**	12
2	**Expenditure on other services**		
	- Travel Systems Limited	**908**	295
	- IFB Agro Marine FZE	**54**	54
	- IFB Appliances Limited	**7,883**	6,791
3	**Expenditure on corporate social responsibility**		
	- Anjali Foundation	**50**	40
4	**Contribution to employees' benefit plans**		
	- IFBLEGF	**613**	709
	- IFBLSAF	**5**	5

(E) Party-wise details of significant balances with related parties

		As at 31 March 2022 Rs. in lacs	As at 31 March 2021 Rs. in lacs
1	**Security deposits given**		
	- IFB Agro Industries Limited	**8**	8
2	**Advances given**		
	- IFB Agro Industries Limited	**41**	41
3	**Other receivables**		
	- IFBLEGF	**145**	141
4	**Trade payables**		
	- IFB Agro Marine FZE	**9**	27
	- IFB Appliances Limited	**219**	82
	- Travel Systems Limited	**122**	50
5	**Other payables**		
	- IFBLEGF	**613**	709

37. Other information

Subsidiaries consolidated in the consolidated financial statements are as under:

Name of the company	Country of incorporation	Effective voting power held by the Holding company (%) as at 31 March 2022	Effective voting power held by the Holding company (%) as at 31 March 2021
Global Automotive and Appliances Pte. Limited (GAAL)	Singapore	100.00%	100.00%
Thai Automotive and Appliances Limited (subsidiary of GAAL)	Thailand	100.00%	100.00%

Changes in Group structure during the year:

During the year, Trishan Metals Private Limited, a wholly owned subsidiary of IFB Industries Limited (IFBIL) has amalgamated with IFBIL (Refer note 43).

There are no significant restrictions to access or use the assets and to settle the liabilities of the Group.

Additional information as required by Schedule III to the Companies Act, 2013

Name of the entity		Net assets		Share in profit or loss		Share in other comprehensive income (OCI)		Share in total comprehensive income (TCI)	
		As a % of net assets	Amount (Rs. In lacs)	As a % of profit or loss	Amount (Rs. In lacs)	As a % of OCI	Amount (Rs. In lacs)	As a % of TCI	Amount (Rs. In lacs)
Parent :									
IFB Industries Ltd	**31 March 2022**	**98.29%**	**63,719**	**106.33%**	**(5,121)**	**116.67%**	**63**	**106.22%**	**(5,058)**
	31 March 2021	98.83%	68,777	97.05%	6,222	75.44%	(43)	97.25%	6,179
Subsidiaries :									
Global Automotive and Appliances Pte. Limited (including subsidiary)	**31 March 2022**	**9.16%**	**5,937**	**-6.15%**	**296**	**-16.67%**	**(9)**	**-6.03%**	**287**
	31 March 2021	7.98%	5,556	2.14%	137	24.56%	(14)	1.94%	123
Consolidation adjustments	**31 March 2022**	**-7.45%**	**(4,830)**	**-0.18%**	**9**	**0.00%**	**–**	**-0.19%**	**9**
	31 March 2021	-6.81%	(4,745)	0.81%	52	0.00%	–	0.82%	52
Total	**31 March 2022**	**100.00%**	**64,826**	**100.00%**	**(4,816)**	**100.00%**	**54**	**100.00%**	**(4,762)**
	31 March 2021	100.00%	69,588	100.00%	6,411	100.00%	(57)	100.00%	6,354

38. Dues to micro, small and medium enterprises

The Ministry of micro, small and medium enterprises has issued an office memorandum dated 26 August 2008 which recommends that the micro and small enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprise Development Act, 2006' ('the Act'). Accordingly, the disclosure in respect of the amounts payable to such enterprises has been made in the financial statements based on the information received and available with the Group. Payable to micro and small enterprises as at **31 March 2022: Rs. 14,374 lacs** (31 March 2021: Rs. 10,141 lacs).

Further, in view of the management, the impact of the interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Group has not received any claim for interest from any supplier as at the balance sheet date.

Notes to the consolidated financial statements for the year ended 31 March 2022

39. Financial instruments and related disclosures

i) Capital management

The Group's capital management policy is focused on business growth and creating value for shareholders. The Group determines the amount of capital required on the basis of annual business plans and the funding needs are met through internal accruals and bank borrowings.

ii) Categories of financial instruments

		Particulars	Note	As at 31 March 2022		As at 31 March 2021	
				Carrying value	Fair value	Carrying value	Fair value
				Rs. in lacs	Rs. in lacs	Rs. in lacs	Rs. in lacs
A.	**Financial assets**						
	a)	**Measured at amortised cost:**					
		i) Trade receivables	11	**31,031**	**31,031**	26,569	26,569
		ii) Cash and cash equivalents	12	**7,035**	**7,035**	9,829	9,829
		iii) Other bank balances	13	**2,252**	**2,252**	2,419	2,419
		iv) Loans	6	**121**	**121**	105	105
		v) Other financial assets		**1,531**	**1,531**	1,730	1,730
	b)	**Measured at fair value through Profit and Loss:**					
		i) Investments	5	**22,947**	**22,947**	26,047	26,047
	c)	**Derivatives measured at fair value through Profit and Loss:**					
		i) Derivatives not designated as hedges	7	**697**	**697**	378	378
B.	**Financial liabilities**						
	a)	**Measured at amortised cost:**					
		i) Term loans from banks	15	**11,467**	**11,467**	17,156	17,156
		ii) Working capital buyers credit from banks	20	**6,203**	**6,203**	2,342	2,342
		iii) Cash Credit facility from a bank	20	**76**	**76**	51	51
		iv) Short term loan	20	**46**	**46**	–	–
		v) Loan from others	20	**–**	**–**	271	271
		vi) Current maturities of long term borrowings	20	**6,069**	**6,069**	3,472	3,472
		vii) Lease Liabilities		**12,444**	**12,444**	5,984	5,984
		viii) Trade payables		**81,199**	**81,199**	65,547	65,547
		ix) Other financial liabilities		**1,541**	**1,541**	1,663	1,663
	b)	**Derivatives measured at fair value through Profit and Loss:**					
		i) Derivative instruments not designated as hedges	16	**185**	**185**	181	181

(iii) Financial risk management objectives

The Group has a system-based approach to risk management, anchored to policies and procedures and internal financial controls aimed at ensuring early identification, evaluation and management of key financial risks (such as market risk, credit risk and liquidity risk) that may arise as a consequence of its business operations as well as its investing and financing activities. Accordingly, the Group's risk management framework has the objective of ensuring that such risks are managed within acceptable and approved risk parameters in a disciplined and consistent manner and in compliance with applicable regulation. It also seeks to drive accountability in this regard.

a) Liquidity risks

Liquidity risk refers to the risk that the Group cannot meet its financial obligations. The objective of liquid risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The Group has obtained fund and non-fund based working capital lines from banks. Furthermore, the Group has sufficient quantities of finished goods and stock-in-trade which are liquid and readily saleable. Hence the risk that the Group may not be able to settle its financial liabilities as they become due does not exist.

The following tables shows a maturity analysis of the anticipated cash flows for the Group's derivative and non-derivative financial liabilities.

As at 31 March 2022

	Total	**Due within one year**	**Due after one year**
	Rs. in lacs	**Rs. in lacs**	**Rs. in lacs**
Borrowings	**23,861**	**12,394**	**11,467**
Lease liabilities	**12,444**	**2,118**	**10,326**
Trade payables	**81,199**	**81,199**	**–**
Other financial liabilities	**1,541**	**1,504**	**37**
Derivative financial liabilities	**185**	**185**	**–**
Total	**1,19,230**	**97,400**	**21,830**

As at 31 March 2021

	Total	Due within one year	Due after one year
	Rs. in lacs	Rs. in lacs	Rs. in lacs
Borrowings	23,292	6,136	17,156
Lease liabilities	5,984	2,090	3,894
Trade payables	65,547	65,547	–
Other financial liabilities	1,663	1,618	45
Derivative financial liabilities	181	181	–
Total	96,667	75,572	21,095

b) Market risks

The Group does not trade in equities. Treasury activities, focused on managing investments in debt instruments, are centralised and administered under a set of approved policies and procedures guided by the tenets of liquidity, safety and returns. This ensures that investments are only made within the acceptable risk parameters after due evaluation.

The Group's investments are predominantly held in debt mutual funds. Such investments are susceptible to market risks that arise mainly from changes in interest rate which may impact the return and value of such investments. Mark to market movements in respect of these investments are measured at fair value through profit and loss.

Fixed deposits are held with highly rated banks and generally have a short tenure and are not subject to interest rate volatility.

The Group has short-term borrowings which are generally not susceptible to interest rate volatility since they are for short tenure. Long term loans from banks are at highly competitive rates. Hence interest rate fluctuations on borrowings does not affect the Group significantly.

c) Foreign currency risk

The Group undertakes transactions denominated in foreign currency (mainly US Dollar, Euro, GBP, RMB, THB, JPY, SGD and AED) which are subject to the risk of exchange rate fluctuations.

The carrying amount of foreign currency denominated financial assets and liabilities, are as follows:

	As at 31 March 2022		As at 31 March 2021	
	Financial Assets	**Financial Liabilities**	Financial Assets	Financial Liabilities
	Rs. in lacs	**Rs. in lacs**	**Rs. in lacs**	**Rs. in lacs**
USD	**766**	**27,938**	467	25,351
Euro	**45**	**2,895**	65	4,457
RMB	**–**	**1,124**	–	1,221
SGD	**–**	**75**	–	82
Total	**811**	**32,032**	532	31,111

The Group uses forward exchange contracts and currency swaps to hedge its exposure in foreign currency.

i) **Forward exchange contracts / Currency swaps that were outstanding for financial liabilities as at the end of respective reporting dates:**

Particulars	**No. of contracts**	**USD (lacs)**	**No. of contracts**	**Euro (lacs)**	**No. of contracts**	**RMB (lacs)**
As at 31 March 2022	**135**	**349**	**41**	**65**	**21**	**69**
As at 31 March 2021	173	338	53	53	27	47

The aforesaid forwards / currency swaps have a maturity before 2 October, 2024.

ii) **Unhedged foreign currency exposure (excluding derivatives) as at the end of the respective reporting dates:**

	As at 31 March 2022		As at 31 March 2021	
	Financial Asset	**Financial Liability**	Financial Asset	Financial Liability
USD	**1**	**–**	1	3
Rs. in lacs	**70**	**–**	89	188
EURO	**1**	**–**	1	–
Rs. in lacs	**44**	**–**	65	–
RMB	**–**	**18**	–	62
Rs. in lacs	**–**	**212**	–	694
SGD	**–**	**1**	–	2
Rs. in lacs	**–**	**75**	–	82
Total Rs. in lacs	**114**	**212**	154	964

iii) Foreign currency sensitivity

For every percentage point change in the underlying exchange rate of the outstanding foreign currency denominated assets and liabilities, holding all other variables constant, the loss before tax would change by **Rs. 312 lacs** for the year ended 31 March 2022 (31 March 2021: Rs 306 lacs).

d) Credit risk

Credit risk arise from the possibility that the counter party may not be able to settle their obligations. Financial instruments that are subject to such risk primarily consists of investments, trade receivables, bank deposits, loans, derivative instruments and other financial assets.

Bank deposits are primarily held with highly rated and different banks.

The Group's customer base is large and diverse limiting the risk arising out of credit concentration. Further the credit is extended in business interest in accordance with guidelines issued centrally and business-specific credit policies that are consistent with such guidelines. Exceptions are managed and approved by appropriate authorities after due consideration of the counter parties credentials and financial capacity, trade practices and prevailing business and economic conditions.

The Group's historical experience of collecting receivables and the level of default indicates that the credit risk is low and generally uniform across markets. Loss allowances are recognised where considered appropriate by the management.

The movement of allowance for doubtful advances and receivables is as under:-

	As at 31 March 2022 Rs. in lacs	As at 31 March 2021 Rs. in lacs
Balance at beginning of the year	**243**	145
Provision recognised in the year	**20**	104
Amounts written off during the year as uncollectible	**(59)**	–
Amounts recovered during the year	**(2)**	(3)
Provisions written back	**(1)**	(3)
Balance at end of the year	**201**	243

Other than financial assets mentioned above, none of the Group's financial assets are either impaired or past due, and there were no indications that defaults in payment would occur.

e) Fair value hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value and have been grouped into Level 1, Level 2 and Level 3 below:

			Fair value hierarchy (Level)	Fair Value	
				As at 31 March 2022	As at 31 March 2021
				Rs. in lacs	Rs. in lacs
A.	**Financial Assets**				
	a)	**Measured at FVTPL:**			
		Investment in mutual funds	1	**22,722**	25,822
		Investment in equity instruments (other than subsidiary)	2	**225**	225
	b)	**Derivatives measured at FVTPL:**			
		Derivatives not designated as hedges	2	**697**	378
B.	**Financial Liabilities**				
	a)	**Derivatives measured at FVTPL:**			
		Derivatives not designated as hedges	2	**185**	181

40. The Group has disaggregated revenues from contract with customers for the year by the type of goods and services. The Group believe that this disaggregation best depicts how the nature, amount, timing and uncertainty of revenues and cash flows are affected by industry, market and other economic factors. Refer note 21 for revenue disaggregation.

The following table includes revenue expected to be recognised in the future related to annual maintenance contracts and extended warranty services and advance from customers.

	Year ended 31 March 2023	**Year ended 31 March 2024**	**Year ended 31 March 2025**	**Year ended 31 March 2026**	**Beyond 31 March 2026**
	Rs. in lacs	**Rs. in lacs**	**Rs. in lacs**	**Rs. in lacs**	**Rs. in lacs**
Income received in advance on annual maintenance contracts	4,703	974	–	–	–
Income received in advance on extended warranty services	335	352	259	202	152
Advance from customers	2,120	–	–	–	–
	7,158	**1,326**	**259**	**202**	**152**

The Group recognized revenue of **Rs. 7,778 lacs** (31 March 2021 : Rs. 5,525 lacs) arising from contract liability balances comprising of income received in advance on annual maintenance contracts and extended warranty services and advance from customers at the beginning of the year.

The below table shows the movement of income received in advance on annual maintenance contracts and extended warranty services and advance from customers:

	As at 31 March 2022 Rs. in lacs	As at 31 March 2021 Rs. in lacs
Opening Balance	**8,770**	7,176
Progress billing during the year	**3,34,163**	2,76,912
Less: Revenue recognised during the year	**3,33,836**	2,75,318
Closing Balance	**9,097**	8,770

Invoicing in excess of revenues from sale of services are classified as "Income received in advance on annual maintenance contracts and extended warranty services" and Invoicing in excess of revenues from sale of goods are classified as "Advance from customers" in note no 17.

41. **Ratios:**

		As at 31 March 2022	As at 31 March 2021
1	Current ratio (no of times)	**1.17**	1.36
2	Debt-equity ratio (no of times)	**0.37**	0.33
3	Debt service coverage ratio (no of times)[a]	**0.33**	1.31
4	Return on equity ratio (%)[b]	**(7.43)**	9.21
5	Inventory turnover ratio (no of days)	**51**	50
6	Trade receivables turnover ratio (no of days)	**35**	36
7	Trade payables turnover ratio (no of days)	**298**	295
8	Net capital turnover ratio (no of times)[c]	**18.07**	8.86
9	Net (loss)/profit ratio (%)[b]	**(1.40)**	2.27
10	Return on capital employed (%)[d]	**(4.41)**	12.75
11	Return on investment (%)	**4.36**	4.29

Reasons where the change in the ratios is more than 25% as compared to preceding years:

a) Earnings before depreciation, interest and tax (EBDITA) has reduced due to increase in material cost, promotion cost and offices expenses that have increased considerably. EBDITA being the numerator for the debt equity ratio, hence the fall in the ratio.

b) The ratios have been impacted due to fall in profits for the year for reasons stated in (a) above. Further depreciation and amortisation and finance cost have also increased.

c) Working capital for the period has reduced due to increase in trade payable whereas sales and service income has increased, hence the ratio has increased.

d) Capital employed has not changed significantly, however earnings before interest and tax has reduced for reasons stated above.

Items included in numerator and denominator:

		Numerator	Denominator
1	Current ratio	Current assets	Current liabilities
2	Debt-equity ratio	Total debt	Shareholders equity
3	Debt service coverage ratio	Earnings before interest, tax and depreciation	Interest expenses + Principal repayments of loans
4	Return on equity ratio	Net (loss)/profit after tax	Shareholders equity
5	Inventory turnover ratio (no of days)	Gross sales of product	Closing inventory
6	Trade receivables turnover ratio (no of days)	Net sales	Closing trade receivables
7	Trade payables turnover ratio (no of days)	Net purchases	Closing trade payable for goods
8	Net capital turnover ratio	Net sales and service income	Working capital

		Numerator	Denominator
9	Net (loss)/profit ratio	Net (loss)/profit after tax	Total Income
10	Return on Capital employed	Earnings before interest and tax	Capital employed
11	Return on investment	Net gain/(loss) arising on current investments measured at FVTPL + Net gain on disposal of current investment	Average current investments

42. Trade payables ageing **Rs. lacs**

Particulars	**As at 31 March, 2022**				**Total**
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	
Undisputed trade payables:					
Dues of micro enterprises and small enterprises	14,374	–	–	–	**14,374**
Dues of creditors other than micro enterprises and small enterprises	65,815	161	638	211	**66,825**
Disputed trade payables:					
Dues of micro enterprises and small enterprises	–	–	–	–	–
Dues of creditors other than micro enterprises and small enterprises	–	–	–	–	–
	80,189	**161**	**638**	**211**	**81,199**

Rs. lacs

Particulars	As at 31 March, 2021				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables:					
Dues of micro enterprises and small enterprises	10,141	–	–	–	10,141
Dues of creditors other than micro enterprises and small enterprises	54,462	820	124	–	55,406
Disputed trade payables:					
Dues of micro enterprises and small enterprises	–	–	–	–	–
Dues of creditors other than micro enterprises and small enterprises	–	–	–	–	–
	64,603	820	124	–	65,547

43. Business Combination Note:

During the year, the Hon'ble National Company Law Tribunal (NCLT), Kolkata Bench vide its order dated 27 January 2022 has approved the 'Scheme of Amalgamation' of wholly owned subsidiary of IFB Industries Limited (IFBIL) namely Trishan Metals Private Limited (TMPL) (Transferor Company) with IFBIL (Transferee Company) with appointed date 1 April 2021. IFBIL filed the certified copy of the said order along with the requisite form with the Registrar of Companies, Kolkata on 19 February, 2022 (effective date).

44. Impact of COVID-19 (pandemic)

The spread of COVID-19 has impacted businesses around the globe. The Group's operations and financial statements for the year ended 31 March 2022 have been impacted by COVID-19 pandemic. On the basis of the assessment done by the management the carrying amounts of assets are recoverable.

45. As per the E-Waste (Management) Rules, 2016, as amended, Companies dealing in certain categories of products as specified in Schedule-I therein are required to undertake Extended Producer Responsibility (EPR) for its end-of-life products. The obligation for a financial year is measured based on sales made in the preceding 9th/10th year and the Group has met its obligations for the current year. In accordance with Appendix B of Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets', the Group will have an e-waste obligation for future years, only if it participates in the market in those years.

46. No proceedings have been initiated or is pending against the Group for holding any benami property under the 'Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

47. The Group has not been declared a wilful defaulter by any banks.

48. The Group has not identified any transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

49. The Group has complied with the number of layers prescribed under (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.

50. All transactions have been recorded in the books of accounts and there are no unrecorded income that have been disclosed during the year in the tax assessments under the Income Tax Act, 1961. Moreover there are no unrecorded income and related assets pertaining to previous years.

51. The Group has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

52. Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification.

53. The consolidated financial statements were approved by the Board of Directors on 28 May 2022.

10 Year Highlights

Rs. in Lacs

	2012–13	2013–14	2014–15	2015–16	2016–17 @	2017–18 @	2018–19 @	2019–20 @	2020–21 @	**2021–22 @**
Financial Highlights										
Total revenue	92,760	1,02,896	1,27,658	1,51,425	1,91,189	2,20,710	2,55,020	2,56,418	2,75,341	**3,35,714**
Earnings before interest, tax, depreciation and amortisation (EBITDA)	6,193	5,335	10,165	8,275	11,612	17,502	15,649	13,318	22,769	**6,819**
Depreciation and amortisation	1,832	2,259	4,064	4,537	4,359	5,138	5,454	8,898	10,041	**11,345**
Exceptional expense / (income)	–	–	–	–	–	–	(1,935)	(148)	–	**–**
Profit after tax	3,145	2,160	4,973	3,136	5,513	8,325	7,395	2,799	6,222	**(5,121)**
Equity Share capital	4,128	4,128	4,128	4,128	4,128	4,128	4,128	4,128	4,128	**4,128**
Other Equity	27,436	29,596	34,569	37,705	43,020	50,901	57,937	60,602	64,649	**66,729**
Net worth	20,780	22,940	27,913	31,049	36,562	44,443	51,479	53,622	57,669	**52,611**
Property, plant and equipment, right of use assets, investment property, goodwill, other intangibles including CWIP (Gross)	38,775	44,743	51,979	57,787	36,231	39,509	48,374	81,491	96,991	**1,11,601**
Property, plant and equipment, right of use assets, investment property, goodwill, other intangibles including CWIP (Net)	19,503	24,038	27,873	29,767	31,876	30,052	33,543	57,829	64,648	**68,554**
Total assets	53,834	64,121	77,092	79,143	88,122	1,08,200	1,20,417	1,61,366	1,85,690	**1,99,872**
Market capitalisation	32,739	32,091	2,37,400	1,28,809	2,62,197	4,62,907	3,96,254	1,03,883	4,50,178	**4,21,679**
Number of employees	1,390	1,453	1,537	1,626	1,646	1,690	1,970	2,322	2,543	**2,640**
Key indicators										
Earnings per share (Rs.) (before exceptional items)	7.95	5.33	12.27	7.74	13.61	20.55	13.48	6.54	15.36	**(12.64)**
Earnings per share (Rs.) (after exceptional items)	7.95	5.33	12.27	7.74	13.61	20.55	18.25	6.91	15.36	**(12.64)**
Total revenue per share (Rs.)	228.93	253.95	315.06	373.72	471.85	544.71	629.39	632.84	679.54	**828.54**
Book value per share (Rs.)	78	83	96	103	116	136	153	160	170	**157**
Current ratio	1.76	1.54	1.43	1.40	1.42	1.53	1.51	1.58	1.36	**1.17**
EBITDA / Total revenue	6.7%	5.2%	8.0%	5.5%	6.1%	7.9%	6.1%	5.2%	8.3%	**2.0%**
Net profit margin	3.4%	2.1%	3.9%	2.1%	2.9%	3.8%	2.9%	1.1%	2.3%	**-1.5%**
Return on net worth on PAT	15.1%	9.4%	17.8%	10.1%	15.1%	18.7%	14.4%	5.2%	10.8%	**-9.7%**

@ Years beginning 2016-17 and onwards are as per Ind AS and for earlier years as per previous GAAP.

• Figures for 2020-21 have been revised after considering the amalgamation of Trishan Metals Pvt Ltd with IFB Industries Ltd.

NOTES

OVER 6 MILLION SATISFIED CUSTOMERS

If undelivered please return to

IFB

IFB Industries Limited
Plot No IND-5, Sector 1, East Kolkata Township, Kolkata 700107