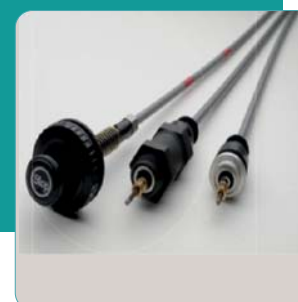
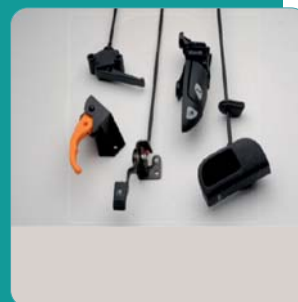


**REMSONS<sup>®</sup>**  
INDUSTRIES LIMITED

**49<sup>th</sup>**  
ANNUAL REPORT  
**2020-21**



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# **REMSONS**

## **INDUSTRIES LIMITED**

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### **BOARD OF DIRECTORS:**

Mr. Krishna Kejriwal	Chairman and Managing Director
Mrs. Chand Kejriwal	Whole Time Director
Mr. Rahul Kejriwal	Whole Time Director and Chief Financial Officer
Mr. Anil Kumar Agrawal	Non-Executive Director
Mr. Paresh Bhagat	Independent Director
Mr. Sudhir Khanna	Independent Director
Mrs. Visalakshi Sridhar	Independent Director

### **CHIEF EXECUTIVE OFFICER**

Mr. Amit Srivastava

### **COMPANY SECRETARY & COMPLIANCE OFFICER:**

Mr. Rohit Datji

### **STATUTORY AUDITORS:**

M/s. M L Bhuwania & Co. LLP  
Chartered Accountants, Mumbai.

### **SECRETARIAL AUDITORS:**

M/s. M Baldeva Associates  
Company Secretaries, Thane.

### **BANKERS:**

State Bank of India  
Standard Chartered Bank

### **REGISTERED OFFICE:**

401, 4<sup>th</sup> Floor, Gladdiola, Hanuman Road, Vile Parle (East), Mumbai-400057, Maharashtra, India.  
Tel.: (022) 26262100 / 26113883 / 26112368  
Email : [corporate@remsons.com](mailto:corporate@remsons.com), Website: [www.remsons.com](http://www.remsons.com)

### **PLANTS:**

- 1/3 Mile Stone, Khandsa Road, Gurgaon, Haryana - 122001.
- Unit No. 1, Gat No. 268, 269, 270, Chakan Talegaon Road, Kharabwadi, Khed, Pune, Maharashtra - 410 501.
- Western House A2/27, Somnath Industrial Estate, Daman - 396210.
- Diamond House A2/3&4, Somnath Industrial Estate, Daman - 396210.
- A3/4, Somnath Industrial Estate, Daman - 396210.
- Survey No. 146, Village Khadki, Pardi, Gujarat - 396121.

### **REGISTRAR AND SHARE TRANSFER AGENTS:**

M/s. Link Intime India Private Limited  
C-101, 247 Park, LBS Marg, Vikhroli (West),  
Mumbai - 400 083, Maharashtra, India.  
Tel: 022 - 49168270;  
Email: [rnt.helpdesk@linkintime.com](mailto:rnt.helpdesk@linkintime.com); Website: [www.linkintime.co.in](http://www.linkintime.co.in)

**REMSONS INDUSTRIES LIMITED**  
**(CIN: L51900MH1971PLC015141)**  
401, 4<sup>th</sup> Floor, Gladdiola, Hanuman Road,  
Vile Parle (East), Mumbai - 400057  
Maharashtra, India.  
Tel No: (022) 26262100, 26113883, 26112368  
Email id: corporate@remsons.com,  
website: www.remsons.com

**NOTICE**

NOTICE is hereby given that the Forty Ninth (49<sup>th</sup>) Annual General Meeting (“AGM”) of the members of Remsons Industries Limited will be held on Thursday, 30<sup>th</sup> September, 2021 at 11.30 a.m. (IST) through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”) without physical presence of the members at a common venue to transact the business mentioned below. The proceedings of the 49<sup>th</sup> AGM shall be deemed to be conducted at the Registered Office of the Company situated at 401, 4<sup>th</sup> Floor, Gladdiola, Hanuman Road, Vile Parle (East), Mumbai – 400057, Maharashtra, India, which shall be the deemed venue of the 49<sup>th</sup> AGM :

**ORDINARY BUSINESS:**

1. To receive, consider and adopt (a) the Standalone Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2021 together with the Reports of the Directors' and Auditors' thereon; and (b) the Consolidated Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2021 together with the Report of Auditors' thereon and in this regard, if thought fit, pass the following resolutions as **Ordinary Resolutions** :

- (a) **“RESOLVED THAT** the Standalone Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2021 together with the Reports of the Directors' and Auditors' thereon be and are hereby received, considered and adopted.”
- (b) **“RESOLVED THAT** the Consolidated Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2021 and the Report of the Auditors thereon be and are hereby received, considered and adopted.”

2. To declare dividend on Equity Shares for the financial year ended 31<sup>st</sup> March, 2021 and in this regard, if thought fit, pass the following resolution as an **Ordinary Resolution** :

**“RESOLVED THAT** pursuant to the recommendation of the Board of Directors of the Company, dividend @ 10% ( Re. 1.00/- per share) on 57,13,357 Equity Shares having face value of Rs. 10/- each of the Company for the financial year ended 31<sup>st</sup> March, 2021, be and is hereby declared out of the current profits of the Company and that the same be paid, to those shareholders whose names appear on the Company's Register of Members/ List of Beneficiaries as on Thursday, 23<sup>rd</sup> September, 2021 and that the dividend warrants/demand drafts be posted or direct credit through NECS be given within 30 days hereof only to those shareholders who are entitled to receive the payment of the dividend.”

3. To appoint a director in place of Mr. Anil Kumar Agrawal (DIN:00513805), who retires by rotation and being eligible, offers himself for re-appointment as Director and in this regard, if thought fit, pass the following resolution as an **Ordinary Resolution** :

**“RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Anil Kumar Agrawal (DIN: 00513805), Director of the Company, who retired by rotation and being eligible, had offered himself for re-appointment, be and is hereby re-appointed as Director of the Company, who shall be liable to retire by rotation.”

**SPECIAL BUSINESS:**

4. To approve remuneration payable to Mr. Krishna Kejriwal, Chairman and Managing Director of the Company and in this regard, if thought fit, pass the following resolution as a **Special Resolution** :

**“RESOLVED THAT** pursuant to the provisions of Section 197 read with Schedule V and other applicable provisions of the Companies Act, 2013, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and as recommended by the Nomination and Remuneration Committee and approved by the Audit Committee and the Board of Directors of the Company and subject to all other sanctions, approvals and permissions as may be required and subject to such conditions and modifications as may be imposed or prescribed by any of the authorities while granting such sanctions, approvals and permissions, the remuneration payable to Mr. Krishna Kejriwal, Chairman and Managing Director of the Company be and is hereby approved for the period from 1<sup>st</sup> April, 2021 to 31<sup>st</sup> March, 2022 as set out herein below:



Sr. No.	Particulars	01-04-2021 to 31-03-2022
1.	Salary (Basic)	Rs. 1,30,000/- per month
2.	HRA	Rs. 75,000/- per month
3.	Special Allowance	Rs. 67,000/- per month
4.	Perquisites and Allowances	In addition to the salary, the Managing Director shall also be entitled to perquisites and allowances like reimbursement of expenses or allowances for utilities such as gas, electricity, water, furnishings and repairs, medical reimbursement at actuals incurred for self and family, club fees and expenses, leave travel concession for self and family, Free Education allowance for the children, Leave / encashment of Leave in accordance with the Company's rules; medical insurance, reimbursement of expenses of Watchman, Sweeper and Gardner and other allowances / perquisites in accordance with the Company's Rules, provided however that the perquisites and allowances as aforesaid will be subject to a maximum of Rs. 6.00 Lakhs per annum.
5.	Conveyance / Motor Car	Free use of car with driver and telephone / other communication facilities at residence for Company's business.
6.	Provident and other funds including superannuation and gratuity	Company's contribution to Provident Fund and / or superannuation or Annuity Fund to the extent these either singly or together are not taxable under the Income Tax Act. Gratuity at the rate not exceeding half a month's salary for each completed year of service and encashment of leave at the end of the tenure.
7.	Reimbursement of expenses	The Managing Director shall also be entitled to reimbursement of expenses incurred by him for the purpose of Company's business.
8.	Sitting Fees	The Managing Director shall not be entitled to the sitting fees for attending meetings of the Board of Directors or Committees thereof.

**RESOLVED FURTHER THAT** in the event of loss or inadequacy of profits in any financial year during the currency of tenure of service of Mr. Krishna Kejriwal as Chairman and Managing Director of the Company, the remuneration as approved by this resolution shall be payable as minimum remuneration to him as per the provisions of Schedule V of the Companies Act, 2013.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary to give effect to this resolution."

5. To approve remuneration payable to Mrs. Chand Krishna Kejriwal, Whole Time Director of the Company and in this regard, if thought fit, pass the following resolution as a **Special Resolution** :

**"RESOLVED THAT** pursuant to the provisions of Section 197 read with Schedule V and other applicable provisions of the Companies Act, 2013, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and as recommended by the Nomination and Remuneration Committee and approved by the Audit Committee and Board of Directors of the Company and subject to all other sanctions, approvals and permissions as may be required and subject to such conditions and modifications as may be imposed or prescribed by any of the authorities while granting such sanctions, approvals and permissions, the remuneration payable to Mrs. Chand Krishna Kejriwal, Whole Time Director of the Company be and is hereby approved for the period from 1<sup>st</sup> April, 2021 to 31<sup>st</sup> March, 2022 as set out herein below:

Sr. No.	Particulars	01-04-2021 to 31-03-2022
1.	Salary (Basic)	Rs. 75,000/- per month
2.	HRA	Rs. 40,000/- per month
3.	Special Allowance	Rs. 35,000/- per month
4.	Perquisites and Allowances	In addition to the salary, the Whole Time Director shall also be entitled to perquisites and allowances like reimbursement of expenses or allowances for utilities such as gas, electricity, water, furnishings and repairs, medical reimbursement at actuals incurred for self and family, club fees and expenses, leave travel concession for self and family, Free Education allowance for the children, Leave / encashment of Leave in accordance with the Company's rules; medical insurance, reimbursement of expenses of Watchman, Sweeper and Gardner and other allowances / perquisites in accordance with the Company's Rules, provided, however that the perquisites and allowances as aforesaid will be subject to a maximum of Rs. 6.00 Lakhs per annum.
5.	Conveyance / Motor Car	Free use of car with driver and telephone / other communication facilities at residence for Company's business.
6.	Provident and other funds including superannuation and gratuity	Company's contribution to Provident Fund and / or superannuation or Annuity Fund to the extent these either singly or together are not taxable under the Income Tax Act. Gratuity at the rate not exceeding half a month's salary for each completed year of service and encashment of leave at the end of the tenure.
7.	Reimbursement of expenses	The Whole Time Director shall also be entitled to reimbursement of expenses incurred by her for the purpose of Company's business.
8.	Sitting Fees	The Whole Time Director shall not be entitled to the sitting fees for attending meetings of the Board of Directors or Committees thereof.

**RESOLVED FURTHER THAT** in the event of loss or inadequacy of profits in any financial year during the currency of tenure of service of Mrs. Chand Krishna Kejriwal as Whole Time Director of the Company, the remuneration as approved by this resolution shall be payable as minimum remuneration to her as per the provisions of Schedule V of the Companies Act, 2013.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary to give effect to this resolution."

6. To approve remuneration payable to Mr. Rahul Krishna Kejriwal, Whole Time Director and Chief Financial Officer of the Company and in this regard, if thought fit, pass the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 197 read with Schedule V and other applicable provisions of the Companies Act, 2013, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and as recommended by the Nomination and Remuneration Committee and approved by the Audit Committee and the Board of Directors of the Company and subject to all other sanctions, approvals and permissions as may be required and subject to such conditions and modifications as may be imposed or prescribed by any of the authorities while granting such sanctions, approvals and permissions, the remuneration payable to Mr. Rahul Krishna Kejriwal, Whole Time Director and Chief Financial Officer of the Company be and is hereby approved for the period from 1<sup>st</sup> June, 2021 to 31<sup>st</sup> May, 2023 as set out herein below :



# **REMSONS**

## **INDUSTRIES LIMITED**

1.	Salary (Basic)	Rs. 2,40,000/- per month
2.	HRA	Rs. 55,000/- per month
3.	Conveyance Allowance	Rs. 35,000/- per month
4.	Education Allowance	Rs. 25,000/- per month
5.	City Compensation Allowance	Rs. 40,000/- per month
6.	Medical	Reimbursement of Medical Expenses and Insurance premium not exceeding Rs.10,000/- per month
7.	Leave Travel Concession	As per rule of the Company not exceeding Rs.48,000/- per annum.
8.	Provision of Motor Car	Motor Car with driver or Rs. 20,000/- per month
9.	Provident and other funds including superannuation and gratuity	As per rules of the Company.
10.	Personal Accident Insurance	As per rules of the Company
11.	Leave encashment	Encashment of accumulated leaves as per the rules of the Company

**RESOLVED FURTHER THAT** in the event of loss or inadequacy of profits in any financial year during the currency of tenure of service of Mr. Rahul Kejriwal as Whole Time Director of the Company, the remuneration as approved by this resolution shall be payable as minimum remuneration to him as per the provisions of Schedule V of the Companies Act, 2013.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary to give effect to this resolution."

**By Order of the Board of Directors  
of Remsons Industries Limited**

**Rohit Darji**  
**Company Secretary & Compliance Officer**  
**Membership No. : A37077**

**Place: Mumbai**  
**Date: 13<sup>th</sup> August, 2021**

**Regd. Office :**  
401, 4<sup>th</sup> Floor, Gladdiola,  
Hanuman Road, Vile Parle (East),  
Mumbai - 400057, Maharashtra, India.



**NOTES:**

1. In view of the massive outbreak of the COVID-19 pandemic, Social Distancing is a norm to be followed. Accordingly, the Ministry of Corporate Affairs vide its General Circular No. 02/2021 dated 13<sup>th</sup> January, 2021 read with Circular No. 14/2020 dated 8<sup>th</sup> April, 2020, Circular No. 17/2020 dated 13<sup>th</sup> April, 2020 and Circular No. 20/2020 dated 5<sup>th</sup> May, 2020 (collectively referred to as "MCA Circulars") and the Securities and Exchange Board of India vide its Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15<sup>th</sup> January, 2021 read with SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12<sup>th</sup> May, 2020 (collectively referred to as "SEBI Circulars") have permitted the holding of Annual General Meetings through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), without physical presence of the members at a common venue.
2. Thus, in compliance with applicable provisions of the Companies Act, 2013 ("the Act") read with the MCA and SEBI Circulars and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the 49<sup>th</sup> Annual General Meeting ("49<sup>th</sup> AGM") of the members of the Company will be held through VC / OAVM and the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company, which shall be the deemed venue of this AGM. Members can attend and participate in the AGM through VC / OAVM only.
3. The Company has entered into an agreement with Central Depository Services (India) Limited ("CDSL") for facilitating voting through electronic means, as the authorized e-voting agency. The shareholders will be provided with the facility to attend the 49<sup>th</sup> AGM through VC / OAVM and facility of casting votes by members using remote e-voting as well as e-voting during the 49<sup>th</sup> AGM. The members can join the 49<sup>th</sup> AGM through VC / OAVM 15 (fifteen) minutes before and after the scheduled time of commencement of the Meeting by following the detailed procedure mentioned in this Notice and also available at Company's website i.e. [www.remsons.com](http://www.remsons.com). The facility of participation during the 49<sup>th</sup> AGM through VC / OAVM is restricted upto 1000 members on first come first served basis. This limit does not include large Shareholders (Shareholders holding 2% or more shares), 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.
4. Pursuant to the provisions of the Act, a member entitled to attend and vote during the AGM is entitled to appoint one or more proxies to attend and vote, in case of poll only, on his / her behalf and the proxy need not be a Member of the Company. Since this 49<sup>th</sup> AGM is being held through VC / OAVM pursuant to the MCA and SEBI Circulars, the facility to appoint proxy to attend and cast vote for the members is not available for this 49<sup>th</sup> AGM and hence the Proxy Form, Attendance Slip and route map for this 49<sup>th</sup> AGM are not annexed to this Notice.  
  
However, the Body Corporates are entitled to appoint authorized representatives to attend the 49<sup>th</sup> AGM through VC / OAVM on their behalf and participate thereat and cast their votes through remote-voting / e-voting during the 49<sup>th</sup> AGM.
5. The attendance of the Members attending the 49<sup>th</sup> AGM through VC / OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
6. The Statement pursuant to Section 102 of the Act with respect to Special Business is annexed hereto and forms part of the Notice.
7. The helpline number regarding any query / assistance for participation during the 49<sup>th</sup> AGM through VC / OAVM is 022-26262100.
8. Members having multiple folios in identical names or in joint names in the same order are requested to send the share certificate(s) to the Company's Registrar and Share Transfer Agents ("RTA"), Link Intime (India) Private Limited for consolidation of all such shareholding into one folio to facilitate better services.
9. Members are requested to forward all Share Transfers and other communications to the RTA of the Company and are further requested to always quote their Folio Number / DPID / Client ID in all correspondences with the Company.
10. Pursuant to the provisions of Regulation 36(3) of the SEBI Listing Regulations, 2015 and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI), brief resume and the relevant details of the directors proposed to be appointed / re-appointed / whose remuneration is proposed to be approved at the ensuing 49<sup>th</sup> AGM are stated here-in-below.
11. In line with the aforesaid MCA and SEBI Circulars, the Notice of the 49<sup>th</sup> AGM along with the Annual Report for the financial year 2020-21 is being sent only through electronic mode to those members whose email addresses are registered with the Company / RTA / Depositories. Member may note that Notice and Annual Report for the financial year 2020-21 will also be





available on the website of the Company at [www.remsons.com](http://www.remsons.com), websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com), NSE at [www.nseindia.com](http://www.nseindia.com) and website of CDSL (agency for providing the e-voting facility) i.e. [www.evotingindia.com](http://www.evotingindia.com).

12. Pursuant to the provisions of Section 91 of the Act and Regulation 42 of the Listing Regulations, the Register of Members and the Share Transfer Books of the Company will remain closed from Thursday, 23<sup>rd</sup> September, 2021 to Thursday, 30<sup>th</sup> September, 2021 (both days inclusive) for the ensuing 49<sup>th</sup> AGM and determining the name of members eligible for dividend on Equity Shares, if approved by the members at the ensuing 49<sup>th</sup> AGM.
13. The dividend on Equity shares as recommended by the Board of Directors for the financial year ended 31<sup>st</sup> March, 2021, if approved by the members at the ensuing 49<sup>th</sup> AGM, will be paid to those members whose names shall appear in the Register of Members as on Thursday, 23<sup>rd</sup> September, 2021; and in respect of shares held by them in dematerialized form, the dividend will be paid to members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as on that date. In case the Company is unable to pay the dividend to any member by electronic means due to non-availability of their bank accounts details, the Company will dispatch the dividend warrant/demand draft by post. However, in case of any disruption in the postal services due to pandemic or any other reasons, the same will be sent upon restoration of normalcy of postal services.
14. Members may note that the Income Tax Act, 1961, the ("IT Act") as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a company after 1<sup>st</sup> April, 2020 shall be taxable in the hands of members. The Company shall therefore be required to deduct tax at source ("TDS") at the time of making the payment of final dividend. In order to enable us to determine the appropriate TDS rate as applicable, members are requested to submit Form 15G/Form 15H or any other documents as applicable, if any, in accordance with the provisions of the IT Act.
15. For resident shareholders, taxes shall be deducted at source under Section 194 of the IT Act as follows-

Members having valid PAN	10% or as may be notified by the Government of India
Members not having PAN / Invalid PAN	20% or as may be notified by the Government of India

However, no tax will be deducted on the dividend payable to a resident individual if the total dividend to be received by him during the Financial Year 2021-22 does not exceed Rs. 5,000/- and also in cases where members have provided Form 15G / Form 15H (applicable to individuals aged 60 years or more), subject to conditions specified in the IT Act. Resident shareholders may also submit any other document as prescribed under the IT Act to claim a lower / Nil withholding tax. Registered members may also submit any other document as may be prescribed under the IT Act to claim a lower / Nil withholding tax. PAN is mandatory for members providing Form 15G / 15H or any other document as applicable, if any, in accordance with the provisions of the IT Act.

For non-resident shareholders, taxes are required to be withheld in accordance with the provisions of Section 195 and other applicable provisions of the IT Act, at the rates in force. The withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) or as may be notified by the Government of India on the amount of dividend payable. However, as per Section 90 of the IT Act, non-resident shareholders have the option to be governed by the provisions of the Double Tax Avoidance Agreement ("DTAA") between India and the country of tax residence of the member, if they are more beneficial to them. For this purpose, i.e. to avail the benefits under the DTAA, non-resident shareholders will have to provide the following:

- Copy of the PAN card allotted by the Indian Income Tax authorities duly attested by the member or details as prescribed under Rule 37BC of Income-Tax Rules, 1962;
- Copy of Tax Residency Certificate ("TRC") for the F.Y. 2021-22 obtained from the revenue authorities of the country of tax residence, duly attested by member;
- Self-declaration in Form 10F;
- Self-declaration by the shareholder of having no permanent establishment in India in accordance with the applicable tax treaty;
- Self-declaration of beneficial ownership by the non-resident shareholder and
- Any other documents as prescribed under the IT Act for lower withholding of taxes if applicable, duly attested by member.

In case of Foreign Institutional Investors / Foreign Portfolio Investors, tax will be deducted under Section 196D of the IT Act @ 20% (plus applicable surcharge and cess) or the rate provided in relevant DTAA, read with MLI, whichever is more beneficial, subject to the submission of the above documents.

The aforementioned documents are required to be submitted by sending email at [cs@remsons.com](mailto:cs@remsons.com) before 23.59 hrs. (IST) on 23<sup>rd</sup> September, 2021.

16. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are therefore requested to submit their respective PAN details to their respective Depository Participants with whom they have their DEMAT account(s). Members holding shares in physical form can submit their PAN details to the RTA of the Company.
17. Members seeking any information with regard to accounts are requested to write to the Company at least 10 days before the meeting so as to enable the management to keep the information ready.
18. In terms of Schedule I of the Listing Regulations, all listed companies are required to use the Reserve Bank of India's approved electronic mode of payment such as National Automated Clearing House ("NACH"), National Electronic Fund Transfer ("NEFT"), Real Time Gross Settlement ("RTGS") for making payments like dividend to the shareholders. The members who have not updated their bank account details and wish to avail such facility in future are requested to update their bank account details by submitting the NECS mandate form, available on Company's website viz. [www.remsons.com](http://www.remsons.com).
19. The cut-off date for the payment of final dividend for the financial year ended 31<sup>st</sup> March, 2021 and for the purpose of determining eligibility of members for e-voting in connection with the 49<sup>th</sup> AGM has been fixed as Thursday, 23<sup>rd</sup> September, 2021. ("cut-off date").
20. Members holding shares in physical form are requested to notify immediately any change in their address or bank mandates to the Company / RTA quoting their Folio Number and Bank Account details along with self-attested documentary proofs. Members holding shares in the electronic form may update such details with their respective Depository Participants.
21. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Members are requested to submit details to their respective Depository Participants in case the shares are held by them in electronic form and to RTA of the Company in case the shares are held shares in single name and physical form.
22. Non Resident Indian members are requested to inform the Company's RTA immediately of any change in their residential status on return to India for permanent settlement, their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code, if the details are not furnished earlier.
23. To comply with the provisions of Section 88 of the Act read with Rule 3 of the Companies (Management and Administration) Rule 2014, the Company is required to update its database by incorporating some additional details of its members in its records.

Accordingly, Members are requested to submit their e-mail id and other details vide the e-mail updation form attached in this Annual Report. The same could be done by filling up and signing at the appropriate place in the said form and by returning the same by post.

The e-mail ID provided shall be updated, subject to the successful verification of their signatures as per records available with the RTA of the Company.

24. The Register of Directors' and Key Managerial Personnel and their Shareholding maintained under Section 170 and the Register of Contracts or Arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection in electronic mode and shall remain open and be accessible to any member during the continuance of the meeting.
25. 98.69% of the total equity shares of the Company were held in dematerialize form as on 31<sup>st</sup> March, 2021. Members desiring to dematerialize/ rematerialize their shares may forward their request directly to the Depository Participant with whom they have opened the account.
26. In terms of SEBI Circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20<sup>th</sup> April, 2018 read with SEBI press release PR No.: 51/2018 dated 3<sup>rd</sup> December, 2018, effective from 1<sup>st</sup> April, 2019, Company's shares can be transferred in dematerialized form only, except in cases of transmission or transposition and re-lodged transfer of securities. Further, SEBI vide its circular



no. SEBI/HO/MIRSD/RTAMB/CIR/P/2020/236 dated 2<sup>nd</sup> December, 2020 had fixed 31<sup>st</sup> March, 2021 as the cut-off date for re-lodgment of transfer deeds and the shares that are re-lodged for transfer shall be issued only in demat mode. Therefore, the members, who hold shares in physical form, are requested to dematerialize their shares, so they can transfer their shares in future, if so desire. However, members can continue to hold shares in physical form.

27. In case of joint holders attending the meeting, the joint holder with highest in order of names will be entitled to vote.

**28. VOTING THROUGH ELECTRONIC MEANS:**

- a. In compliance with provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of Listing Regulations and Secretarial Standards on General Meetings (SS-2) issued by the ICSI, the Company is pleased to provide e-voting facility to its members to cast their votes electronically on the resolutions mentioned in the Notice convening 49<sup>th</sup> AGM of the Company dated 13<sup>th</sup> August, 2021. The members may cast their votes using an electronic voting system from a place other than the venue of the meeting ('remote e-voting').
- b. The Company has engaged services of Central Depository Services (India) Limited (CDSL) to provide the e-voting facility.
- c. The e-voting / voting rights of the shareholders / beneficial owners shall be reckoned on the equity shares held by them as on the Cut-off date i.e. 23<sup>rd</sup> September, 2021.
- d. The remote e-voting period shall commence on Monday, 27<sup>th</sup> September, 2021 (09:00 am) and end on Wednesday, 29<sup>th</sup> September, 2021 (5:00 pm). During this period, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Thursday, 23<sup>rd</sup> September, 2021 may cast their votes electronically. The remote e-voting module shall be disabled by CDSL for voting after 05.00 pm on 29<sup>th</sup> September, 2021. Once the vote on a resolution is cast by the shareholder, he shall not be allowed to change it subsequently. Those members, who are present in the 49<sup>th</sup> AGM through VC / OAVM facility and have not cast 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 during the 49<sup>th</sup> AGM.
- e. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date, i.e. Thursday, 23<sup>rd</sup> September, 2021 only shall be entitled to avail the facility of remote e-voting and voting through e-voting system during the 49<sup>th</sup> AGM.
- f. The Board of Directors of the Company has appointed CS Manish Baldeva, Proprietor of M/s. M Baldeva Associates, Company Secretaries, Thane (FCS No.: 6180 / CP No.: 11062) as Scrutinizer to scrutinize the voting through remote e-voting process and e-voting during the 49<sup>th</sup> AGM in a fair and transparent manner. The Scrutinizer shall, within a period of two (2) working days from the conclusion of the e-voting period make his Scrutinizer's report on the votes cast in favour or against, if any, and forthwith to the Chairman or a person authorized by him who shall countersign the same and declare the results of the voting.
- g. The results declared along with the consolidated Scrutinizer's report shall be placed on the website of the Company viz. [www.remsons.com](http://www.remsons.com) and on the website of CDSL viz. [www.evotingindia.com](http://www.evotingindia.com) immediately. The Company shall simultaneously forward the results to BSE Limited and NSE, where the shares of the Company are listed.

**PROCEDURE AND INSTRUCTION FOR CDSL E-VOTING SYSTEM - FOR REMOTE E-VOTING AND E-VOTING DURING AGM:**

- (i) The voting period begins on Monday, 27<sup>th</sup> September, 2021 (09:00 am) and ends on Wednesday, 29<sup>th</sup> September, 2021 (05:00 pm). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on cut-off date i.e. Thursday, 23<sup>rd</sup> September, 2021 may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote during the meeting.

Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of the Listing Regulations listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- (iv) In terms of SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020 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.

Pursuant to above said SEBI Circular, Login method for e-voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL / NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing 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 are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-voting page of the e-voting service provider for casting your vote during the remote e-voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-voting Service Providers i.e. CDSL / NSDL / KARVY / LINKINTIME, so that the user can visit the e-voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4) Alternatively, the user can directly access e-voting page by providing Demat Account Number and PAN No. from a e-voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a>. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-voting option where the e-voting is in progress and also able to directly access the system of all e-voting Service Providers.</li> </ol>



<p>Individual Shareholders holding securities in demat mode with NSDL</p>	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. 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. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select "Register Online for IDeAS" Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password / OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>
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Type of shareholders	Login Method
<p>Individual Shareholders (holding securities in demat mode) login through their Depository Participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL / CDSL for e-Voting facility. After Successful login, 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. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

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. CDSL and NSDL

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



- (v) Login method for e-voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.
- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - 2) Click on "Shareholders" module.
  - 3) Now enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
  - 4) Next enter the Image Verification as displayed and Click on Login.
  - 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
  - 6) If you are a first-time user follow the steps given below:

	<b>For Physical shareholders and other than individual shareholders holding shares in Demat.</b>
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Shareholders who have not updated their PAN with the Company / Depository Participant are requested to use the sequence number sent by Company / RTA or contact Company / RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant Remsons Industries Limited on which you choose to vote.
- (x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.



- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) Additional Facility for Non - Individual Shareholders and Custodians -For Remote Voting only.
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [manish@csmanishb.in](mailto:manish@csmanishb.in) or [cs@remsons.com](mailto:cs@remsons.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the Scrutinizer to verify the same.

### **INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC / OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC / OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through remote e-voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / iPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. 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.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 2 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [cs@remsons.com](mailto:cs@remsons.com). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 2 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [cs@remsons.com](mailto:cs@remsons.com). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.



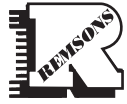
9. Only those shareholders, who are present in the AGM through VC / OAVM facility and have not casted their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available during the AGM.
10. If any votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC / OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL / MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**

1. For Physical shareholders- please provide necessary details like 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 Company / RTA email id.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP).
3. For Individual Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-voting from the CDSL e-voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022-23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, Central Depository Services (India) Limited, A Wing, 25<sup>th</sup> Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.



# REMSONS

## INDUSTRIES LIMITED

INFORMATION OF DIRECTORS BEING PROPOSED TO BE RE-APPOINTED / REMUNERATION OF WHOM TO BE APPROVED PURSUANT TO REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARD ON GENERAL MEETING (SS-2) ISSUED BY THE ICSI, ARE AS FOLLOWS:

Name of Directors	Mr. Anil Kumar Agarwal	Mr. Krishna Kejriwal	Mrs. Chand Kejriwal	Mr. Rahul Kejriwal
Designation	Director (Non-Executive)	Chairman and Managing Director	Whole Time Director	Whole Time Director and Chief Financial Officer
DIN	00513805	00513788	00513737	00513777
Date of Birth	5 <sup>th</sup> August, 1976	12 <sup>th</sup> June, 1952	5 <sup>th</sup> October, 1956	29 <sup>th</sup> August, 1979
Age	45 years	69 years	64 years	42 years
Nationality	Indian	Indian	Indian	Indian
Date of first appointment on the Board	11 <sup>th</sup> August, 2012	12 <sup>th</sup> July, 1976	12 <sup>th</sup> July, 1976	1 <sup>st</sup> June, 2016
Experience (including expertise in specific functional areas/ Brief resume	Rich experience in the accounts, finance, banking, taxation and overall administration of the Company	Expertise in production, marketing, finance and all spheres of Business Development. Past President of 1) Bombay Industries Association. 2) Automotive Component Manufacturers Association of India (ACMA).	General Administration, Marketing, Human Resource Management	Expertise in production, marketing and design.
Qualifications	Post Graduate in Commerce, from University of Rajasthan and Chartered Accountant	B. Sc. from University of Bangalore	Inter (Arts), from University of Mumbai	B. Com from Narsee Monjee College, Mumbai
Directorship held in other Companies	None	None	None	1. Goodluck Electronics Private Limited 2. Remsons Cable Industries Private Limited
Chairmanship / Membership of the Committees of the Board of Directors of other Listed entities	None	None	None	None
Disclosure of relationships between directors inter-se	He is not related inter-se to any Director(s) / Key Managerial Personnel(s) of the Company	He is husband of Mrs. Chand Kejriwal, Whole Time Director and father of Mr. Rahul Kejriwal, Whole Time Director and CFO of the Company	She is wife of Mr. Krishna Kejriwal, Chairman and Managing Director and mother of Mr. Rahul Kejriwal, Whole Time Director and CFO of the Company	He is son of Mr. Krishna Kejriwal, Chairman and Managing Director and Mrs. Chand Kejriwal, Whole Time Director of the Company
Shareholding	10 Equity shares of Rs.10/- each	15,79,494 Equity shares of Rs.10/- each	17,08,444 Equity shares of Rs.10/- each	3,06,851 Company of Rs.10/- each
No. of Board Meetings attended during the financial year 2020-21	07	10	10	10
Terms and conditions of appointment	He is liable to retire by rotation	He is liable to retire by rotation	She is liable to retire by rotation	He is liable to retire by rotation
Remuneration last drawn, if applicable	Only sitting fees is paid for meetings of Board and Committees attended	Rs. 32.64 lakhs (during F.Y 2020-21)	Rs. 18.00 lakhs (during F.Y 2020-21)	Rs. 38.59 lakhs (during F.Y 2020-21)
Remuneration proposed to be paid	Only sitting fees is paid for meetings of Board and Committees attended	Rs. 32.64 lakhs per annum	Rs. 18.00 lakhs per annum	Rs. 55.85 lakhs per annum

**STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013**

**ITEM NO. 4:**

Mr. Krishna Kejriwal was re-appointed as Chairman and Managing Director of the Company for a further period of Five (5) years w.e.f. 1<sup>st</sup> April, 2019 and holds office as such upto 31<sup>st</sup> March, 2024.

Mr. Krishna Kejriwal, aged 69 years is a Graduate in Science. He had held the position of President of Bombay Industries Association and Automotive Component Manufacturers Association of India (ACMA). The Company has progressed under his guidance as Managing Director of the Company since 1976. During his long tenure of 45 years in the office of Managing Director, he has gained a rich experience in the field of production, marketing, exports, foreign collaboration, accounts, finance, banking and overall administration of the Company. Considering his prolonged association with the Company and vast experience, the Board of Directors, on recommendation of Nomination and Remuneration Committee and approval of the Audit Committee of the Company, at its meeting held on 10<sup>th</sup> February, 2021, approved the remuneration payable to Mr. Krishna Kejriwal, Managing Director of the Company, for a period of one (1) year w.e.f. 1<sup>st</sup> April, 2021 on the terms and conditions as set out in the resolution at item no. 4 of the Notice of 49<sup>th</sup> AGM of the Company, subject to the approval of the members of the Company.

The Board of Directors recommends passing of the Special Resolution as set out at item no. 4 of the Notice of 49<sup>th</sup> AGM of the Company for the approval of the members of the Company.

The additional details as required to be given pursuant to clause (iv) to second proviso of Section II B of Part II of Schedule V of the Companies Act, 2013, are provided as an annexure to the Notice of 49<sup>th</sup> AGM of the Company.

Except Mr. Krishna Kejriwal, Chairman and Managing Director, Mr. Rahul Kejriwal, Whole Time Director and Chief Financial Officer and Mrs. Chand Kejriwal, Whole Time Director of the Company, none of the other Directors and Key Managerial Personnel of your Company or their relatives are concerned or interested, financially or otherwise in the aforesaid resolution.

**ITEM NO. 5:**

Mrs. Chand Krishna Kejriwal was re-appointed as Whole Time Director of the Company for a further period of Five (5) years w.e.f. 1<sup>st</sup> April, 2019 and holds office as such upto 31<sup>st</sup> March, 2024.

Mrs. Chand Kejriwal, aged 65 years did her Inter (Arts) from University of Mumbai. Since 1976, she is acting as Whole Time Director of the Company. During her long tenure of 45 years in the office of Whole Time Director, she has gained rich experience in the field of marketing, Human Resource Management and General Administration of the Company. Considering her prolonged association with the Company and vast experience, the Board of Directors, on recommendation of Nomination and Remuneration Committee and approval of the Audit Committee of the Company, at its meeting held on 10<sup>th</sup> February, 2021, approved the remuneration payable to Mrs. Chand Kejriwal, Whole Time Director of the Company for a period of one (1) year w.e.f. 1<sup>st</sup> April, 2021 on the terms and conditions as set out in the resolution at item no. 5 of the Notice of 49<sup>th</sup> AGM of the Company, subject to the approval of the members.

The Board of Directors recommends the Special Resolution as set out at item no. 5 of the Notice of 49<sup>th</sup> AGM of the Company for the approval of the members of the Company.

The additional details required to be given pursuant to clause (iv) to second proviso of Section II B of Part II of Schedule V of the Companies Act, 2013, are provided as an annexure to the Notice of 49<sup>th</sup> AGM of the Company.

Except Mrs. Chand Kejriwal, Whole Time Director, Mr. Krishna Kejriwal, Chairman and Managing Director and Mr. Rahul Kejriwal, Whole Time Director and Chief Financial Officer of the Company, none of the other Directors and Key Managerial Personnel of your Company or their relatives are concerned or interested, financially or otherwise in the aforesaid resolution.

**ITEM NO. 6:**

Mr. Rahul Krishna Kejriwal was re-appointed as Whole Time Director of the Company for a further period of Five (5) years w.e.f. 1<sup>st</sup> June, 2020 and holds office as such upto 31<sup>st</sup> May, 2025. Further, he was also appointed as Chief Financial Officer of the Company with effect from 14<sup>th</sup> December, 2020 and was re-designated as Whole Time Director and Chief Financial Officer with effect from the said date.

Mr. Rahul Kejriwal, aged 42 years completed his Bachelor of Commerce from Narsee Monjee College, Mumbai. Considering his performance and valuable contribution as Whole Time Director and Chief Financial Officer of the Company, the Board of Directors, on recommendation of Nomination and Remuneration Committee and approval of the Audit Committee of the Company, at its meeting held on 31<sup>st</sup> May, 2021, approved the remuneration payable to Mr. Rahul Kejriwal, Whole Time Director and Chief Financial Officer of



# **REMSONS**

## **INDUSTRIES LIMITED**

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the Company for a period of two (2) years w.e.f. 1<sup>st</sup> June, 2021 on the terms and conditions as mentioned in the resolution as set out at item no. 6 of Notice of 49<sup>th</sup> AGM of the Company, subject to the approval of the members.

The Board recommends the Special Resolution as set out at item no. 6 of the Notice of 49<sup>th</sup> AGM of the Company for the approval of the members of the Company.

The additional details required to be given pursuant to clause (iv) to second proviso of Section II B of Part II of Schedule V of the Companies Act, 2013, are provided as an annexure to the Notice of 49<sup>th</sup> AGM of the Company.

Except Mr. Rahul Kejriwal, Whole Time Director and Chief Financial Officer, Mr. Krishna Kejriwal, Chairman and Managing Director and Mrs. Chand Kejriwal, Whole Time Director of the Company, none of the other Directors and Key Managerial Personnel of your Company or their relatives are concerned or interested, financially or otherwise in the aforesaid resolution.

**By Order of the Board of Directors  
of Remsons Industries Limited**

**Rohit Darji**  
**Company Secretary & Compliance Officer**  
**Membership No. : A37077**

**Place: Mumbai**  
**Date: 13<sup>th</sup> August, 2021**

**Regd. Office :**  
401, 4<sup>th</sup> Floor, Gladdiola, Hanuman Road,  
Vile Parle (East), Mumbai - 400057,  
Maharashtra, India.

## ANNEXURE TO STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

The details as required under Clause (iv) to second proviso of Section II B of Part II of Schedule V of the Companies Act, 2013 are given below :

I		General Information	
	(1)	Nature of industry	Remsons Industries Ltd., an Original Equipment Manufacturer (OME) supplying to two, three, four wheelers manufacturers all over India and exports globally. Control cables also known as Bowden cables globally are supplied by Remsons to International OEM's. Remsons also manufacturers Gear Shifters that are Dash Mounted & Floor Mounted for four wheelers and Light, medium and heavy duty truck applications.
	(2)	Date or expected date of commencement of commercial production.	The Company is in existence and operation since 1971.
	(3)	In case of new companies, expected date of commencement of activities as per project approved by the financial institutions appearing in the prospectus.	Not Applicable
	(4)	Financial performance based on given indicators (during the financial year ended 31 <sup>st</sup> March, 2021)	EPS: Rs. 11.65 Return on Net worth: 21.20%
	(5)	Foreign investments or collaborators, if any	The Company has incorporated one Wholly Owned Subsidiary namely "Remsons Holdings Ltd." on 21 <sup>st</sup> August, 2020 and subscribed 5,00,000 Ordinary Shares of GBP 1.00 each and one step down wholly owned subsidiary namely, "Magal Automotive Ltd. earlier known as ("Remsons Automotive Ltd") on 26 <sup>th</sup> August, 2020 and subscribed 5,00,000 Ordinary Shares of GBP 1.00 each with The Registrar of Companies, England and Wales. Remsons Holdings Ltd. has acquired a Step Down Subsidiary namely, "Woolford Properties Ltd." and "Magal Automotive Ltd. earlier known as ("Remsons Automotive Ltd") has acquired the assets and business of "Magal Cables Ltd." in the UK. These acquisitions were completed on the 21 <sup>st</sup> October 2020.
II		Information about the appointees	
	A	Mr. Krishna Kejriwal	
	(1)	Background details	Mr. Krishna Kejriwal, aged 69 years, is a Graduate in Science from University of Bangalore and has 45 years of experience in the field of production, marketing, exports, accounts, finance, banking and over all administration of the Company. Mr. Krishna Kejriwal has made significant contribution in the area of production, designs, innovation, export activities, business restructure and has extensive experience in costing of automotive products, analysis of products mix, financial collaboration and planning / execution of Greenfield Projects.
	(2)	Past Remuneration	Rs. 32.64 Lakhs (during F.Y. 2020-21)
	(3)	Recognition or awards	Mr. Krishna Kejriwal had held the position of President of Bombay Industries Association and Automotive Component Manufacturers Association of India (ACMA). He has received various awards on behalf of the Company from President of India and Minister of Industries. He participated in the meetings of the ACMA and delivered lectures in various meetings and conferences.



	(4)	Job profile and his suitability	Mr. Krishna Kejriwal is Managing Director of the Company with substantial powers and overall control of the Company. Entire management team works under his supervision and all Manager report to him. Considering the qualification, experience, proven track record and performance of Mr. Krishna Kejriwal and contribution made by him for the growth of the Company as well as his capacity to handle emerging challenges in the times to come, the proposed remuneration payable to him is appropriate.
	(5)	Remuneration proposed	Rs. 32.64 Lakhs per annum (approx.)
	(6)	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person.	Considering his experience and contribution for the growth of the Company as well as his capacity to handle emerging challenges in the times to come, the remuneration payable to Mr. Krishna Kejriwal is considered fair, just and reasonable and are at par with the standards of the industry in which the Company operates
	(7)	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	Except the amount of interest @10% p.a. on the unsecured loan provided by him to the Company, receiving remuneration as Chairman and Managing Director and holding shares in the Company, Mr. Krishna Kejriwal does not have any pecuniary relationship directly or indirectly with the Company. Mr. Krishna Kejriwal is husband of Mrs. Chand Kejriwal and father of Mr. Rahul Kejriwal. He is also the Promoter of the Company.
	<b>B</b>	<b>Mrs. Chand Krishna Kejriwal</b>	
	(1)	Background details	Mrs. Chand Kejriwal, aged 64 years has gained a rich experience in the field of marketing, human resource management and general administration of the Company. She is involved in various social and human welfare activities.
	(2)	Past Remuneration	Rs. 18.00 Lakhs (during F.Y. 2020-21)
	(3)	Recognition or awards	Mrs. Chand Kejriwal got recognition in various social and human welfare activities. She actively participated in social gatherings and got awards in a different field of floriculture.
	(4)	Job profile and her suitability	Mrs. Chand Kejriwal is Whole Time Director of the Company with substantial powers. She looks after marketing, human resource management and general administration of the Company. Considering the qualification, experience, proven track record and performance of Mrs. Chand Kejriwal and contribution made by her for the growth of the Company as well as her capacity to handle emerging challenges in the times to come, the proposed remuneration payable to her is appropriate.
	(5)	Remuneration proposed	Rs. 18.00 Lakhs per annum (approx.)
	(6)	Comparative remuneration profile with respect to industry, size of the Company, profile of the position	Considering her rich experience as detailed in the proposed resolution, the terms of the remuneration payable to Mrs. Chand Kejriwal are considered fair, just and reasonable, and are at par with the standards of the industry in which the Company operates.
	(7)	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	Except the amount of interest @ 10% p.a. on the unsecured loan provided by her to the Company, rent for a premises given on leave and license to the Company, receiving remuneration as Whole Time Director and holding shares in the Company, Mrs. Chand Kejriwal does not have any pecuniary relationship directly or indirectly with the Company. Mrs. Chand Kejriwal is wife of Mr. Krishna Kejriwal and mother of Mr. Rahul Kejriwal. She is also the Promoter of the Company.



	C	Mr. Rahul Kejriwal	
	(1)	Background details	Mr. Rahul Kejriwal, aged 42 years, is a Commerce Graduate from Narsee Monjee College, Mumbai and having 15 years of experience in the fields of production, marketing and design. Mr. Rahul Kejriwal has made significant contribution in the area of production, designs, innovation, exports, business restructure and has extensive experience in costing of automotive products, analysis of products mix, financial collaboration and planning / execution of Greenfield Projects.
	(2)	Past Remuneration	Rs.38.59 Lakhs (during F.Y. 2020-21)
	(3)	Recognition or awards	Mr. Rahul Kejriwal is Commerce Graduate from Narsee Monjee College, Mumbai
	(4)	Job profile and his suitability	Mr. Rahul Kejriwal is responsible for the day to day affairs of the Company under supervision of Mr. Krishna Kejriwal, Chairman and Managing Director and overall control of the Board of Directors of the Company. Considering the qualification, experience, proven track record and performance of Mr. Rahul Kejriwal and contribution made by him for the growth of the Company as well as capacity to manage the emerging challenges in the times to come, the proposed remuneration payable to him is appropriate.
	(5)	Remuneration proposed	Rs. 55.85 Lakhs per annum (approx.)
	(6)	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person.	Considering his rich experience, the terms of the remuneration payable to Mr. Rahul Kejriwal are considered fair, just and reasonable and are at par with the standards of the industry in which the Company operates.
	(7)	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	Except receiving remuneration as Whole Time Director and CFO and holding shares in the Company, Mr. Rahul Kejriwal has no other pecuniary relationship with the Company, directly or indirectly, or with managerial personnel, except that he is one of the Promoter, and is son of Mr. Krishna Kejriwal, Chairman and Managing Director and Mrs. Chand Kejriwal Whole Time Director of the Company.
<b>III.</b>	<b>Other Information</b>		
	(1)	Reasons of loss or inadequate profits	The Company has maintained healthy growth in operating income over the past three years with the consistent profit margins and profitability. The Company has long standing experience in the autoancillary industry and has established client base in automobile industry. The Company intends to increase its share of revenue from the after-market which may not only support operating margin but will also insulate the company from the volatility in demand from the automobile sector. The Company's business prospects remain dependent upon the growth and prospects of the automobile industry as whole. The automotive component industry over the past few years has become extremely competitive following the entry of several players in the industry. Performance of the automobile manufacturing companies affects the profitability of the Company.
	(2)	Steps taken or proposed to be taken for improvement	The Company has initiated several measures to improve its profitability. It has strengthened and consolidated operations of various manufacturing units at different locations to ensure uniformity and better administration. Further, to survive in the competitive era, more and more orders from the global as well as domestic OEM Market are planned to be procured in addition to achieve higher production by deploying all its resources and capacities available and by choosing right





# **REMSONS**

## **INDUSTRIES LIMITED**

			product mix with application of various cost cutting measures without of course, compromising on the quality of its products.
	(3)	Expected increase in productivity and profits.	The Company expects price of steel, the main raw material, to remain stable. Upsurge in demand for automobile industry will certainly have a positive bearing on the auto component industry.
<b>IV</b>	<b>Disclosures</b>		
	(1)	All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc.	As stated in item nos. 4, 5 and 6 of the Notice of AGM
	(2)	Details of fixed component and performance linked incentives along with the performance criteria	
	(3)	Service contracts, notice period, severance fees service contracts, notice period, severance fees	Three (3) months' notice period, no severance fees payable
	(4)	Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable	Not Applicable

**By Order of the Board of Directors  
of Remsons Industries Limited**

**Rohit Darji**  
**Company Secretary & Compliance Officer**  
**Membership No. : A37077**

**Place: Mumbai**  
**Date: 13<sup>th</sup> August, 2021**

**Regd. Office :**  
401, 4<sup>th</sup> Floor, Gladdiola, Hanuman Road,  
Vile Parle (East), Mumbai - 400057,  
Maharashtra, India.

## BOARD OF DIRECTOR'S REPORT

To,  
The Members,  
Remsons Industries Limited

Your Directors take pleasure in presenting the 49<sup>th</sup> Annual Report of the Company together with the Audited Financial Statements for the financial year ended 31<sup>st</sup> March, 2021.

## 1. FINANCIAL HIGHLIGHTS:

(₹In Lakhs)

Particulars	Standalone		Consolidated
	Financial Year ended 31 <sup>st</sup> March, 2021	Financial Year ended 31 <sup>st</sup> March, 2020	Financial Year ended 31 <sup>st</sup> March, 2021*
Revenue from operations and Other Income (Net)	19742.48	16088.13	22856.19
Profit before interest, Depreciation, tax and extra ordinary items	1191.89	1312.26	1257.21
Less: (i) Financial expenses	311.17	252.09	354.22
(ii) Depreciation / Amortization	328.21	318.93	440.69
Profit / (Loss) before exceptional items & tax	552.51	741.24	462.30
Add: Exceptional Items	329.69	-	329.69
<b>Profit / (Loss) before tax</b>	<b>882.19</b>	<b>741.24</b>	<b>791.99</b>
Less: Tax-Provision:			
-Current Tax	146.78	212.74	146.78
-Deferred tax liabilities/(Assets)	69.86	-5.16	196.70
<b>Profit / (Loss) after tax</b>	<b>665.55</b>	<b>533.66</b>	<b>448.51</b>
Other Comprehensive Income	(0.59)	(27.00)	33.09
<b>Total Comprehensive Income for the year</b>	<b>664.97</b>	<b>506.66</b>	<b>481.60</b>

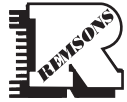
\*Consolidation became applicable for the first time during this financial year, hence previous financial year figures are not applicable.

## 2. AUTOMOBILE INDUSTRY SCENARIO-2020-21:

The Indian economy is estimated to have contracted by about 11 per cent in 2020-21 as compared to growth of 4.2 per cent in the previous fiscal, mainly on account of the impact of the COVID-19 pandemic and the lockdowns imposed. India's automotive industry was battered by the headwinds of COVID-19 and the lockdowns. The vehicle manufacturers showed sales volume decline of 13.5% from 2019-20 to 2020-21. The Indian automotive sector has been, and continues to be, severely tested by the pandemic but remains the third-largest automobile market. Already impacted by an unprecedented slowdown before the coronavirus pandemic, the resilience of the Indian auto industry was tested severely by the March 2020 nationwide lockdown. The industry has adopted increased digitization, updated SOPs to include COVID protocols, strengthened supply chain robustness, and improved financial metrics to sustain itself through this crisis.

## 3. OPERATIONS:

During the financial year 2020-21, the Company has achieved total revenue of Rs.19742.48 Lakhs (previous year Rs. 16088.13 Lakhs) and profit before exceptional items & tax was Rs. 552.51 Lakhs (previous year profit Rs. 741.24 Lakhs) and the Net profit after exceptional item, tax and considering OCI was Rs. 664.97 Lakhs (previous year profit Rs. 506.66 Lakhs).



During the financial year under review, consolidated total revenue from operations and other income of the Company was Rs. 22856.19 Lakhs and profit before exceptional items & tax was Rs. 462.30 Lakhs and the Net profit after exceptional item, tax and considering OCI was Rs. 481.60 Lakhs.

**4. EXPORTS:**

During the financial year under review, exports were better at Rs. 2697.38 Lakhs as compared to Rs. 2477.10 Lakhs in the previous year.

**5. CREDIT RATING:**

ICRA Limited has reaffirmed the following credit ratings for Company's long term and short term instruments:

Details of Bank Limits Rated by ICRA (on Long - Term Scale)	Amount (Rs. in Crore)	Rating	Assigned / Outstanding on
<b>Cash Credit</b>			
State Bank of India	26.00	[ICRA] BBB-(Stable)	February 11, 2021
<b>Term Loans</b>			
State Bank of India	13.30	[ICRA] BBB-(Stable)	February 11, 2021
<b>Total</b>	<b>39.30</b>		

Details of Bank Limits Rated by ICRA (on Long - Term Scale)	Amount (Rs. Crore)	Rating	Assigned / Outstanding on
<b>LC Limit</b>			
State Bank of India	0.50	[ICRA] A3	February 11, 2021
<b>Bank Guarantee</b>			
State Bank of India	0.20	[ICRA] A3	February 11, 2021
<b>Total</b>	<b>0.70</b>		
<b>Grand Total</b>	<b>40.00</b>		

**6. DIVIDEND AND TRANSFER TO RESERVES:**

Your Directors have pleasure in recommending payment of dividend of Re. 1.00 per share (10%) (previous year Rs. 1.50 per share (15%) (interim dividend) on face value of Equity Shares of Rs. 10/- each for the financial year ended 31<sup>st</sup> March, 2021. This will absorb total cash outflow of Rs. 57,13,357/- (previous year Rs. 85,70,036/-). The dividend, if approved, will be paid to those members whose names shall appear on the Register of Members / List of Beneficiaries as on 23<sup>rd</sup> September, 2021.

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

**7. SHARE CAPITAL OF THE COMPANY:**

There was no change in share capital of the Company during the financial year 2020-21. The paid-up equity share capital of your Company as on 31<sup>st</sup> March, 2021 was Rs. 5,71,33,570/- (Rupees Five Crore Seventy One Lakhs Thirty Three Thousand Five Hundred Seventy only) divided into 57,13,357 (Fifty Seven Lakhs Thirteen Thousand Three Hundred Fifty Seven) Equity shares of Rs.10/- (Rupees Ten) each.

**8. CHANGE IN THE NATURE OF BUSINESS OF THE COMPANY:**

There was no change in nature of business activities of the Company during the financial year under review.

**9. PUBLIC DEPOSITS :**

During the financial year under review, the Company has not accepted or renewed any deposits from public within the meaning of Sections 73 and 76 of the Companies Act, 2013 ("Act") read with Companies (Acceptance of Deposits) Rules, 2014.

**10. SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANIES :**

The Company has incorporated one wholly owned subsidiary namely Remsons Holdings Ltd. on 21<sup>st</sup> August, 2020. Remsons Holdings Ltd. incorporated one wholly owned subsidiary namely, Remsons Automotive Ltd. on 26<sup>th</sup> August, 2020 with The Registrar of Companies, England and Wales, by which Remsons Automotive Ltd. become step-down subsidiary of the Company. The name of Remsons Automotive Ltd. was changed to Magal Automotive Ltd. w.e.f. 3<sup>rd</sup> November, 2020. Remsons Holdings Ltd. has acquired Woolford Properties Ltd. on 21<sup>st</sup> October, 2020, by which Woolford Properties Ltd. become step-down subsidiary of the Company. Magal Automotive Ltd. earlier know as ("Remsons Automotive Ltd") has acquired the assets and business of "Magal Cables Ltd." in the UK. These acquisitions were completed on the 21<sup>st</sup> October 2020.

The Company has incorporated one more Wholly Owned Subsidiary namely "Remsons UK Ltd." on 10<sup>th</sup> November, 2020 however, the Company has transferred and disposed of its entire holding in Remsons UK Ltd., UK on 9<sup>th</sup> March, 2021; consequently, the said Remsons UK Ltd. ceased to be the wholly owned subsidiary prior to remittance of the initial capital. The Company disposed of the shares for no consideration on 9<sup>th</sup> March, 2021.

Pursuant to the provisions of Section 129(3) of the Act a statement containing salient features of the financial statements of Remsons Holdings Ltd., Woolford Properties Ltd. and Magal Automotive Ltd. in Form AOC 1, is annexed as **Annexure I** and forms part of this Report.

**11. ACQUISITION OF MAGAL CABLES LTD IN UK:**

The Company has completed acquisition of the assets of Magal Cables Ltd., and shares of Woolford Properties Ltd. ("MCL"), UK, part of Arlington Group-Engineering Systems. The cost of acquisition including working capital is GBP 3.5 million pounds. The entire transaction has been funded by a mix of internal accruals and debt without any equity dilution in Remsons. This acquisition is a step towards forward integration to create value for all the stakeholders. Remsons and the administrators of Arlington Group have completed the acquisition on 21<sup>st</sup> October 2020.

Magal Cables Ltd. UK is part of Arlington Group - Engineering Systems has its manufacturing facility at Stourport near Birmingham with state of art Technical Center, Testing and Validation Laboratory. The Company is into manufacturing of Control Cable Assemblies, Pedal Box Systems, Spare Wheel Winches and Jacks which are supplied to prestigious customers like Ford, JLR, Daimler, Renault Volvo and many more across the globe including UK, Europe, USA.

**12. CONSOLIDATED FINANCIAL STATEMENTS:**

Pursuant to the provisions of Sections 129 and 133 of the Act read with the Companies (Accounts) Rules, 2014 and as required under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Company has prepared Consolidated Financial Statements consolidating financial statements of Remsons Holding Ltd., UK, a wholly owned subsidiary and of Woolford Properties Ltd., UK and Magal Automotive Ltd., UK, step down subsidiaries of the Company with its financial statements in accordance with the applicable provisions of Indian Accounting Standards ("IndAS"). The Consolidated Financial Statements along with the Independent Auditors' Report thereon are annexed and form part of this Report.

The summarized consolidated financial position is provided above in point no. 1 of this Report

**13. LISTING:**

The Equity shares of the Company are listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). The Company has paid the requisite listing fees to the said Stock Exchanges for the financial year 2020-21.

**14. ANNUAL RETURN:**

As required under Section 92(3) read with 134(3)(a) of the Act, a copy of Annual Return as on 31<sup>st</sup> March, 2021 will be placed on the Company's website and can be accessed at [www.remsons.com](http://www.remsons.com).

**15. DIRECTORS AND KEY MANAGERIAL PERSONNEL ("KMP"):****a) Retirement by rotation**

In accordance with the provisions of Section 152 of the Act read with Companies (Management and Administration) Rules, 2014 and Articles of Association of the Company, Mr. Anil Kumar Agrawal (DIN: 00513805), Director of the Company retires by rotation at the ensuing 49<sup>th</sup> Annual General Meeting and being eligible, has offered himself for re-appointment and your Board recommends his re-appointment.



## b) Appointment / Re-appointment

The Board of Directors of the Company, in its meeting held on 30<sup>th</sup> May, 2020 re-appointed Mr. Rahul Kejriwal (DIN: 00513777), as Whole Time Director of the Company for further period of five (5) years with effect from 1<sup>st</sup> June, 2020, subject to the approval of the shareholders the Company. The shareholder in their 48<sup>th</sup> Annual General Meeting held on 30<sup>th</sup> September, 2020 approved the said reappointment. Further, he was also appointed as Chief Financial Officer of the Company w.e.f. 14<sup>th</sup> December, 2020 and re-designated as Whole Time Director and Chief Financial Officer of the Company w.e.f. said date.

## c) Cessation

Mr. Subhash Vishwakarma resigned as Chief Financial Officer of the Company w.e.f. 30<sup>th</sup> June, 2020. The Board places its sincere appreciation for valuable guidance and support extended by him during his tenure as Chief Financial Officer of the Company.

## d) Declaration from Independent Directors:

The Company has received declaration from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations. The Independent Directors have also confirmed that they have complied with Schedule IV of the Act and the Company's Code of Conduct.

Further, the Independent Directors have also submitted their declaration in compliance with the provisions of Rule 6(3) of Companies (Appointment and Qualification of Directors) Rules, 2014, which mandated the inclusion of an Independent Director's name in the data bank of Indian Institute of Corporate Affairs ("IICA").

None of the directors of your Company are disqualified under the provisions of Section 164(2) of the Act. Your directors have made necessary disclosures, as required under various provisions of the Act, Listing Regulations and in the opinion of the Board, all the Independent Directors are persons of integrity and possesses relevant expertise and experience and are independent of the management.

## e) Annual evaluation of performance by the Board:

In terms of applicable provisions read with Schedule IV of the Act and Rules framed there-under and Regulation 17 read with Part D of Schedule II of the Listing Regulations, the Board of Directors has put in place a process to formally evaluate the effectiveness of the Board along with performance evaluation of each director to be carried out on an annual basis.

Pursuant to the provisions of the Act and Listing Regulations, the evaluation of the Board and its performance, the directors individually and the working of its Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee was carried out by the Board. The Board has evaluated the performance of each of executive, non-executive and Independent Directors considering the business of the Company and the expectations that the Board has from each of them. The evaluation framework for assessing the performance of Directors comprises of the following key areas:

- i. Attendance of Board Meetings and Committee Meetings;
- ii. Quality of contribution to Board deliberations;
- iii. Strategic perspectives or inputs regarding future growth of Company and it's performance; and
- iv. Providing perspectives and feedback going beyond information provided by the management.

## f) Key managerial Personnel (KMP)

The details of Key Managerial Personnel of the Company as on 31<sup>st</sup> March, 2021 are as follows:

Sr. No.	Name	Designation
1.	Mr. Krishna Kejriwal	Chairman and Managing Director
2.	Mrs. Chand Kejriwal	Whole Time Director
3.	Mr. Rahul Kejriwal	Whole Time Director and CFO*
4.	Mr. Amit Srivasatava	Chief Executive Officer
5.	Mr. Rohit Darji	Company Secretary and Compliance officer

\* CFO, w.e.f. 14<sup>th</sup> December, 2020

Apart from the above, no other directors or the KMP were appointed or retired or resigned during the financial year under review.

**16. DIRECTORS' RESPONSIBILITY STATEMENT:**

Your Directors, to the best of their knowledge and belief and according to the information and explanations obtained by them and as required under Section 134(3)(c) read with Section 134(5) of the Act state that:

- a. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- 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 on 31<sup>st</sup> March, 2021 and of the profit of the Company for that period;
- c. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act 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 to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- f. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**17. MEETINGS OF THE BOARD OF DIRECTORS:**

The Board meets at regular intervals to discuss and decide on Company / business policies and strategy apart from other business of the Board. The notice of Board meetings are given well in advance to all the directors of the Company. Meetings of the Board are held in Mumbai, Maharashtra. The agenda of the Board / Committee meetings are circulated 7 days prior to the date of the meetings. In case of any business exigencies, meetings are called and convened at shorter notice or the resolutions are passed by circulation and later placed in the next Board Meeting. The agenda for the Board and Committee meetings include detailed notes on the items to be discussed at the meetings to enable the directors to take informed decision.

During the financial year under review, the Board met Ten (10) times viz. on 24<sup>th</sup> April, 2020, 30<sup>th</sup> May, 2020, 24<sup>th</sup> June, 2020, 6<sup>th</sup> August, 2020, 31<sup>st</sup> August, 2020, 15<sup>th</sup> September, 2020, 13<sup>th</sup> October, 2020, 12<sup>th</sup> November, 2020, 14<sup>th</sup> December, 2020 and 10<sup>th</sup> February, 2021. The gap between two board meetings did not exceed as provided under the Act and Listing Regulations.

The attendance of the directors at the meetings of the Board of Directors are as under:

Name of Directors	Designation	No. of Meetings	
		Held	Attended
Mr. Krishna Kejriwal	Chairman and Managing Director	10	10
Mrs. Chand Kejriwal	Whole Time Director	10	10
Mr. Rahul Kejriwal	Whole Time Director	10	10
Mr. Anil K. Agrawal	Non-Executive Director	10	7
Mr. Paresh Bhagat	Independent Director	10	5
Mr. Sudhir Khanna	Independent Director	10	7
Mrs. Visalakshi Sridhar	Independent Director	10	9

**A. SEPARATE MEETING OF INDEPENDENT DIRECTORS :**

As stipulated by the Code of Independent Directors under Schedule IV of the Act a separate meeting of the Independent Directors of the Company was held on 10<sup>th</sup> February, 2021 without the presence of non-Independent Directors and members of the management to consider the following :

- i. performance of Non-Independent Directors and the Board as a whole;
- ii. performance of the Chairman of the Company, taking into account the views of executive directors and non-executive directors;
- iii. assessing the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.



The Independent Directors expressed satisfaction on the performance of non-Independent Directors and the Board as a whole. The Independent Directors were also satisfied with the quality, quantity and timeliness of flow of information between the Company management and the Board.

## B. COMMITTEES OF THE BOARD OF DIRECTORS:

In accordance with the provisions of the Act and the Listing Regulations, the Company has constituted four committees of the Board, namely:

- I. Audit Committee;
- II. Nomination and Remuneration Committee;
- III. Stakeholders' Relationship Committee; and
- IV. Corporate Social Responsibility Committee.

### I. Audit Committee:

The Audit Committee is duly constituted as per the provisions of Section 177 of the Act. The members of the Committee possess sound knowledge on accounts, audit, finance, taxation, internal controls etc.

During the financial year 2020-21, the Audit Committee met Seven (7) times viz. on 30<sup>th</sup> May, 2020, 24<sup>th</sup> June, 2020, 31<sup>st</sup> August, 2020, 15<sup>th</sup> September, 2020, 12<sup>th</sup> November, 2020, 14<sup>th</sup> December, 2020 and 10<sup>th</sup> February, 2021. The composition of the Audit Committee and details of attendance of members at such meeting are as follows:

Name of the Members	Designation	No. of Meetings	
		Held	Attended
Mrs. Visalakshi Sridhar	Chairperson	7	7
Mr. Paresh Bhagat	Member	7	5
Mr. Sudhir Khanna	Member	7	6
Mr. Krishna Kejriwal	Member	7	7

The Company Secretary and Compliance Officer acts as the Secretary to the Committee.

The Broad terms of reference of Audit Committee are as follows:

- Recommendation for appointment and removal of the Statutory and Branch Auditors, fixations of audit fees and also approval for payment for any other services;
- Reviewing and monitoring the Auditor's independence and performance and effectiveness of the audit process;
- Discussions with Statutory Auditors before the audit commences; the nature and the scope of Audit as well as have post audit discussion;
- To review the un-audited financial statements before submission to the Board and to oversee the Company's financial information disclosure;
- Discussion with Internal Auditors on any significant findings and follow up thereon;
- Review the adequacy of internal control system;
- Finding of any internal investigations by the internal auditors in to matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of Inter-corporate loans and investments;
- To review the Annual Budget and to consider and recommend to the Board capital expenditure for enhancement of production capacity (excluding capital expenditure for normal maintenance / repairs/ replacements);
- Valuation of undertaking or assets of the Company, wherever it is necessary;
- Reviewing the Company's financial and risk management policies; and
- Reviewing the annual financial statements and the Auditors' Report thereon before submission to the Board, and to make recommendations to the Board on matters relating to the financial management, focusing primarily on:
  - » Any changes in accounting policies and practices;
  - » Major accounting entries based on exercise of judgment by management;
  - » Qualifications in draft audit report;
  - » Significant adjustments arising out of audit;
  - » The going concern assumption;



- » Compliance with accounting standards; and
- » Any related party transactions i.e. transactions of the company of material nature, with promoters or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of company at large.

## II. Nomination and Remuneration Committee:

The Nomination and Remuneration Committee is duly constituted as per the provisions of Section 178 of the Act. During the financial year 2020-21, the Nomination and Remuneration Committee met Four (4) times on 30<sup>th</sup> May, 2020, 31<sup>st</sup> August, 2020, 14<sup>th</sup> December, 2020 and 10<sup>th</sup> February, 2021. The composition of the Nomination and Remuneration Committee and details of attendance of members at such meeting are as follows :

Name of Members	Designation	No. of Meetings	
		Held	Attended
Mr. Paresh Bhagat	Chairman	4	2
Mr. Krishna Kejriwal	Member	4	4
Mr. Sudhir Khanna	Member	4	3
Mrs. Visalakshi Sridhar	Member	4	4

The Company Secretary and Compliance officer acts as the Secretary to the Committee.

The Broad terms of reference of Nomination and Remuneration Committee are as follows:

- Formulate criteria for determining qualifications, positive attributes and independence of directors and evaluating the performance of the Board of Directors;
- Identification and assessing potential individuals with respect to their expertise, skills, attributes, personal and professional standing for appointment and re-appointment as Directors / Independent Directors on the Board and as Key Managerial Personnel;
- Formulate a policy relating to remuneration for the Directors, Committee and also the Senior Management Employees. The Remuneration Policy is available on the website of the Company at [www.remsons.com](http://www.remsons.com); and
- Terms and conditions for appointment of Independent Directors. The same is also available on the website of the Company at [www.remsons.com](http://www.remsons.com).

## III. Stakeholders' Relationship Committee:

The Stakeholders' Relationship Committee is duly constituted as per the provisions of Section 178 of the Act. During the financial year 2020-21, the Stakeholders' Relationship Committee met Four (4) times viz. on 24<sup>th</sup> June, 2020, 15<sup>th</sup> September, 2020, 12<sup>th</sup> November, 2020 and 10<sup>th</sup> February, 2021. The composition of the Stakeholders' Relationship Committee and details of attendance of members at such meeting are as follows:

Name of Members	Designation	No. of Meetings	
		Held	Attended
Mr. Sudhir Khanna	Chairman	4	4
Mr. Anil K. Agrawal	Member	4	3
Mr. Krishna Kejriwal	Member	4	4
Mr. Rahul Kejriwal	Member	4	4

The Company Secretary and Compliance Officer acts as the Secretary to the Committee.

The Broad terms of reference of Stakeholders' Relationship Committee are as follows:

- To ensure that the application for registration of transfer, transmission, transposition of Equity Shares lodged by the Shareholders / Investors are disposed of in the stipulated time; and
- To look into the redressing of shareholders and investors' complaints regarding non-receipt of Annual Report or dividend declared, change of address, etc.



#### IV. Corporate Social Responsibility (CSR) Committee:

Pursuant of the provisions of Section 135 read with Companies (Corporate Social Responsibility) Rules, 2014, the Company has formed Corporate Social Responsibility Committee and Corporate Social Responsibility (CSR) Policy. During the financial year 2020-21, the Corporate Social Responsibility Committee met three (3) times on 6<sup>th</sup> August, 2020, 14<sup>th</sup> December, 2020 and 10<sup>th</sup> February, 2021. The composition of the Corporate Social Responsibility Committee and details of attendance of members at such meeting are as follows:

Name of the Members	Designation	No. of Meetings	
		Held	Attended
Mr. Krishna Kejriwal	Chairman	3	3
Mr. Rahul Kejriwal	Member	3	3
Mr. Sudhir Khanna	Member	3	3
Mrs. Visalakhi Sridhar	Member	3	3

The policy on Corporate Social Responsibility has been placed on the website of Company viz. [www.remsons.com](http://www.remsons.com). The details as required under Rule 8 of Companies (Corporate Social Responsibility) Rules, 2014 are annexed to this report as **Annexure II** and forms part of this report.

#### 18. REMUNERATION POLICY:

Pursuant to provisions of Section 178 of the Act and on the recommendation of the Nomination and Remuneration Committee, the Board has adopted a policy for selection, appointment and remuneration of Directors, Key Managerial Personnel ('KMPs') and Senior Management Personnel ('SMPs') including criteria for determining qualifications, positive attributes, independence of a director and other related matters. The Remuneration Policy has been placed on the website of the Company and is available on [www.remsons.com](http://www.remsons.com).

The salient features of Remuneration Policy are mentioned below :

##### Selection:

- Any person to be appointed as a Director on the Board of Director of the Company or as KMP or Senior Management Personnel, including Independent Directors, shall possess appropriate skills, experience and knowledge in one or more fields of sciences, actuarial sciences, banking, finance, economics, law, management, sales, marketing, administration, research, corporate governance or technical operations;
- Any person to be appointed as a director on the Board of the Company shall possess the relevant experience and shall be able to provide policy directions to the Company, including directions on good corporate governance; and
- While appointing any person as Chief Executive Officer, Managing Director or a Whole-Time Director of the Company, his / her educational qualification, work experience, industry experience, etc. shall be considered.

##### Remuneration of Managing Director:

- At the time of appointment or re-appointment, the Managing Director shall be paid such remuneration as may be mutually agreed between the Company (which includes the Nomination and Remuneration Committee and the Board of Directors) and the Managing Director within the overall limits prescribed under the Act;
- The remuneration shall be subject to the approval of the Members of the Company in their general meeting; and
- While determining the remuneration, the Nomination and Remuneration Committee shall consider the following:
  - I. The relationship of remuneration and performance benchmarks is clear;
  - II. Balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;
  - III. Responsibility of the Managing Director and the industry benchmarks and the current trends; and
  - IV. The Company's performance vis-à-vis the annual budget achievement and individual performance.

**Remuneration of Non-Executive Directors:**

A non-executive Director is entitled to receive sitting fees for each meeting of the Board or Committees of the Board attended by him of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and is eligible for reimbursement of expenses incurred for participation in the Board / Committees meetings.

The Independent Directors of the Company shall not be entitled to participate in Stock Option Scheme of the Company, if any, introduced by the Company.

**Remuneration of Senior Management Employees:**

In determining the remuneration of the Senior Management employees (i.e. KMPs and Executive Committee Members), the Nomination and Remuneration Committee shall consider the following:

1. The relationship of remuneration and performance benchmark is clear;
2. The fixed pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals;
3. The components of remuneration include salaries, perquisites and retirement benefits; and
4. The remuneration including annual increment and performance incentive is decided based on the criticality of the roles and responsibilities, the Company's performance vis-à-vis the annual budget achievement, industry benchmark and current compensation trends in the market.

The Managing Director will carry out the individual performance review based on the standard appraisal matrix and after taking into account the appraisal score card and other factors mentioned hereinabove, recommends the annual increment to the Nomination and Remuneration Committee for its review and approval.

The Company has not given any stock option to the executive and non-executive Directors.

**19. DIRECTORS' FAMILIARISATION PROGRAMME:**

The Company undertakes and makes necessary provision for appropriate induction programme for new directors and ongoing training for existing directors. The new directors are introduced to the Company's culture through appropriate training programmes. Such kind of training programmes help in developing relationship of the directors with the Company and familiarise them with Company processes. The management provides such information and training either at the meeting of Board of Directors or otherwise.

**The induction process is designed to:**

- build an understanding of the Company's processes and
- fully equip directors to perform their role on the Board effectively.

Upon appointment, directors receive a letter of appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments. The details of familiarization programme imparted to Independent Directors are available on the Company's website at [www.remsons.com](http://www.remsons.com).

**20. VIGIL MECHANISM/ WHISTLE BLOWER POLICY:**

Pursuance to provisions of Section 177 of the Act, the Company has adopted Vigil Mechanism / Whistle Blower Policy to deal with instance of fraud and mismanagement, if any.

The Company promotes ethical behaviour in all its business activities and has adopted a mechanism of reporting illegal or unethical behaviour. The Company has a whistle blower policy wherein the employees are free to report violations of laws, rules, regulations or unethical conduct to their immediate supervisor or such other person as may be notified by the management to employees / workers. The mechanism also provides for adequate safeguards against victimization of directors and employees who avail of the mechanism and also provide for direct access to the Chairperson of the Audit Committee in the exceptional cases. The confidentiality of those reporting violation is maintained, and they are not subjected to any discriminatory practice. However, no violation of laws or unethical conduct etc. was brought to the notice of the Management or Audit Committee during the financial year 2020-21. We affirm that during the financial year 2020-21, no employee or director was denied access to the Audit Committee. The details of the Vigil mechanism / Whistle Blower Policy is available on the website of the Company at [https://www.remsons.com/wp-content/uploads/2017/03/1442906096\\_vigil-mechanism-policy.pdf](https://www.remsons.com/wp-content/uploads/2017/03/1442906096_vigil-mechanism-policy.pdf).

## 21. STATUTORY AUDITORS:

As per provisions of Section 139 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the members of the Company in their 45<sup>th</sup> Annual General Meeting held on 25<sup>th</sup> September, 2017 appointed M/s. M. L. Bhuwania & Co. LLP, Chartered Accountants, Mumbai (FRN: 101484W/W-100197), as the Statutory Auditors of the Company for a term of consecutive Five (5) years i.e. to hold office from the conclusion of 45<sup>th</sup> Annual General Meeting till the conclusion of 50<sup>th</sup> Annual General Meeting of the Company to be held for the financial year ending 31<sup>st</sup> March, 2022, subject to the ratification by members of the Company every year. However, after the amendment in Section 139 of the Act, effective 7<sup>th</sup> May, 2018, ratification by shareholders every year for the appointment of the Statutory Auditors is no longer required.

M/s. M. L. Bhuwania & Co. LLP, Chartered Accountants have furnished a certificate of their eligibility under Section 141 of the Act and the Companies (Audit and Auditors) Rules 2014, confirming that they are eligible for continuance as Statutory Auditors of the Company.

The Auditors' Reports on the Standalone and Consolidated Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2021 form part of this Annual Report.

## 22. EXPLANATIONS OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS BY STATUTORY AUDITORS:

The Auditors' Report on the Standalone and Consolidated Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2021 does not contain any qualification, reservation or adverse remarks.

Further, the Auditors of the Company have not reported any fraud as specified under the second proviso of Section 143 (12) of the Act.

## 23. SECRETARIAL AUDIT REPORT:

Pursuant to the provisions of Section 204(1) of the Act read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s M Baldeva Associates, Company Secretaries, Thane were appointed as Secretarial Auditors of the Company for the financial year 2020-21. The Secretarial Audit Report for the financial year under review is appended to this report as **Annexure III** and forms part of this report.

With respect to observations made by the Secretarial Auditors in their report, your directors would like to state as follows:

Sr.No	Observations	Explanation of Board of Directors
1.	Delay in filing of some e-forms and the Company has also filed some e-forms with Registrar of Companies (RoC), Mumbai, Maharashtra under Companies Fresh Start Scheme, 2020 introduced vide General Circular No. 30/2020 dated 28 <sup>th</sup> September, 2020 read with General Circular No. 12/2020 dated 30 <sup>th</sup> March, 2020 and General Circular No. 11/2020 dated 24 <sup>th</sup> March, 2020	Delay in filing of some e-forms and some e-forms with Registrar of Companies (RoC), Mumbai, Maharashtra, under Companies Fresh Start Scheme, 2020 with Registrar of Companies (RoC), Mumbai, Maharashtra was due to the nationwide lockdown imposed, to prevent the spread of Covid-19 pandemic in the country, which lead to destruction in normal workings.
2.	Copy of Limited Review Report on Financial Results for the quarter and half year ended 30 <sup>th</sup> September, 2020 not submitted with the BSE Ltd. as required under Regulation 33 of the Securities and Exchange Board of India.	Copy of Limited Review Report on the Unaudited Financial Results for the quarter and half year ended 30 <sup>th</sup> September, 2020 was not submitted with the BSE Ltd. inadvertently.
3.	Intimation under Regulation 30(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding incorporation of wholly owned subsidiary namely 'Remsons Holdings Limited', being material event, was given beyond prescribed timeline.	Delay in giving intimation regarding incorporation of wholly owned subsidiary to the Stock Exchanges was unintentional.

Your Company always endeavor to comply with the law of land in true letter & Spirit.

**24. INTERNAL AUDITORS:**

Pursuant to provisions of Section 138 of the Act read with Companies (Accounts) Rules, 2014, the Board, on recommendation of the Audit Committee, re-appointed M/s. Kanu Doshi & Associates LLP, Chartered Accountants, as Internal Auditors of the Company. The Internal Auditors submit their reports on periodical basis to the Audit Committee.

Based on the internal audit report, the management undertakes corrective actions in respective areas and thereby strengthens the controls.

**25. INTERNAL FINANCIAL CONTROL WITH REFERENCE TO THE FINANCIAL STATEMENTS:**

The Company has in place proper and adequate internal control systems commensurate with the nature of its business, size and complexity of its business operations. Internal control systems comprising of policies and procedures are designed to ensure reliability of financial reporting, compliance with policies, procedures, applicable laws and regulations and that all assets and resources are acquired economically used efficiently and adequately protected.

The Audit Committee evaluates the efficiency and adequacy of financial control system in the Company, its compliance with operating systems, accounting procedures at all locations of the Company and strives to maintain the standard in Internal Financial Control.

**26. COST RECORDS:**

The Central Government has not prescribed the maintenance of cost records for any of the products of the Company under Section 148 (1) of the Act

**27. RISKS AND AREAS OF CONCERN:**

The Company has laid down a well-defined Risk Management Policy covering the risk mapping, trend analysis, risk exposure, potential impact and risk mitigation process. A detailed exercise is being carried out to identify, evaluate, manage and monitoring of both business and non-business risks. The Board periodically reviews the risks and suggests steps to be taken to control and mitigate the same through a properly defined framework.

**28. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188(1) OF THE ACT.**

All Related Party Transactions entered during the financial year under review were in ordinary course of the business and on arm's length basis and are reported in the Notes to Accounts on the Financial Statements.

No Material Related Party Transactions were entered during the financial year under review by your Company. Accordingly, the disclosure of material related party transactions as required under Section 134(3) of the Act in Form AOC-2 is not applicable.

**29. PARTICULARS OF EMPLOYEES AND REMUNERATION:**

Disclosures pertaining to remuneration and other details as required under Section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in this Report as **Annexure -IV** and forms part of this report.

The statement containing particulars of employees as required under Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014 is provided in a separate annexure. Further in terms of Section 136 of the Act, this Report and financial statements are being sent to the members excluding the aforesaid annexure. The said annexure is available for inspection at the Registered Office of the Company during the working hours and any member interested in obtaining a copy of the same may write to the Company Secretary and Compliance Officer of the Company and the same will be furnished on request.

**30. PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

Information in terms of requirement of clause (m) of sub-section (3) of Section 134 of the Act, read with Rule 8 of the Companies (Accounts) Rules, 2014 regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo, are given in **Annexure - V** and forms part of this report.





**31. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE ACT:**

The details of loans or guarantees given or investments made by the Company under the provisions of Section 186 of the Act are given under Notes to Accounts on the Financial Statements forming part of this Annual Report.

**32. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:**

There was no significant or material order passed by any regulator or court or tribunal, which impacts the going concern status of the Company or will have bearing on Company's operations in future.

**33. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THESE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:**

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year 2020-21 to which these financial statements relate and the date of this report.

**34. COMPLIANCE WITH SECRETARIAL STANDARDS:**

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and your directors confirm compliance of the same during the financial year under review.

**35. REPORT ON CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION AND ANALYSIS:**

As per the provisions of Regulation 15(2) of the Listing Regulations the provisions related to Corporate Governance as specified in Regulations 17 to 27 and clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and para C, D and E of Schedule V do not apply to a listed entity having paid up share capital not exceeding Rupees Ten Crores and Networth not exceeding Rupees Twenty Five Crores, as on the last day of the previous financial year.

As on the last day of the previous financial year, the paid-up share capital and Networth of the Company was below the threshold limits as stated above, thereby presently, the Company is not required to comply with the above provisions of Corporate Governance. Accordingly, the Report on Corporate Governance and Certificate regarding compliance of conditions of Corporate Governance are not provided in this Annual Report.

Pursuant to the Regulation 34(2)(e) of the Listing Regulations, the Management Discussion and Analysis Report forms part of the Annual Report.

**36. DISCLOSURE WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT:**

The Company does not have any of its securities lying in demat/unclaimed suspense account arising out of public/bonus/right issues as on 31<sup>st</sup> March, 2021. Hence, the particulars relating to aggregate number of shareholders and the outstanding securities in suspense account and other related matters does not arise.

**37. INFORMATION UNDER THE SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

The Company has zero tolerance for sexual harassment at workplace and adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company has constituted an Internal Complaint Committee as required under Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the financial year under review, no complaint was filed before the said Committee. No complaint was pending at the beginning or end of the financial year under review.

**38. PROCEEDINGS UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016:**

During the financial year under review, no application was made or proceeding initiated against the Company under the Insolvency and Bankruptcy Code, 2016 nor any such proceeding was pending at the end of the financial year under review.

**39. VALUATION OF ASSETS:**

During the financial year under review, there was no instance of one-time settlement of loans / financial assistance taken from Banks or Financial Institutions, hence the Company was not required to carry out valuation of its assets for the said purpose.

**40. ACKNOWLEDGEMENT:**

Your directors would like to place on record their gratitude for all the guidance and co-operation received from the shareholders, banks and other government and regulatory agencies. Your directors would also like to take this opportunity to express their appreciation for the hard work and dedicated efforts put in by the employees and look forward to their continued contribution and support.

**For and on behalf of the Board of Directors  
of Remsons Industries Limited**

**Krishna Kejriwal  
Chairman & Managing Director  
DIN: 00513788**

**Place: Mumbai  
Date: 13<sup>th</sup> August, 2021**





Annexure I

Form AOC-1

(Pursuant to first proviso to sub-section (3) of Section 129 of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of Subsidiaries/Associate companies/Joint Ventures

Part "A": Subsidiaries

Sr. No.	1	2	3
Name of the Subsidiary	Remsons Holdings Ltd.	Magal Automotive Ltd.	Woolford Properties Ltd.
The date since when subsidiary was acquired	21.08.2020	26.08.2020	21.10.2020
Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	31.03.2021	31.03.2021	31.03.2021
Reporting Currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	GBP 1 GBP = 100.950 INR	GBP 1 GBP = 100.950 INR	GBP 1 GBP = 100.950 INR
Share Capital	504.75	504.75	324.01
Reserves & Surplus	-14.22	122.44	1054.26
Total Assets	3898.17	4403.66	151.25
Total Liabilities	3898.17	4403.66	151.25
Investments (excluding Investments made in subsidiaries)	-	-	1514.25
Turnover	-	4048.17	-
Profit/(Loss) before tax	-13.70	213.25	-
Provision for tax	-	95.29	31.55
Profit/(Loss) after tax	-13.70	117.96	-31.55
Proposed Dividend	-	-	-
% of shareholding	100%	Step down subsidiary of the Company (100% shares held by Remsons Holding Ltd., subsidiary of the Company)	Step down subsidiary of the Company (100% shares held by Remsons Holding Ltd., subsidiary of the Company)

1.Names of subsidiaries which are yet to commence operations: NIL

2.Names of subsidiaries which have been liquidated or sold during the year: Remsons UK Ltd.

Part "B": Associates and Joint Ventures

Not Applicable as the Company does not have any Associate and Joint Venture.

For and on behalf of the Board of Directors  
of Remsons Industries Limited

Krishna Kejriwal  
Chairman & Managing Director  
DIN: 00513788

Place: Mumbai  
Date: 13<sup>th</sup> August, 2021

## Annexure II

## The Annual Report on Corporate Social Responsibility (“CSR”) Activities for the Financial Year 2020-21

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

The Company aims at spending a defined portion of its net profit for the betterment of society through:

- i. Contribution to the society at large by way of social and cultural development, imparting education, training and social awareness, especially with regards to the economically backward classes.
- ii. Protection and safeguarding of the environment and maintaining an ecological balance.

## 2. Composition of CSR Committee:

Sr. No.	Name of the 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. Krishna Kejriwal	Chairman / Chairman & Managing Director	3	3
2.	Mr. Rahul Kejriwal	Member / Whole Time Director and CFO	3	3
3.	Mrs. Visalakshi Sridhar	Member / Independent Director	3	3
4.	Mr. Sudhir Khanna	Member / Independent Director	3	3

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

The Company is not required to carry out the Impact Assessment of CSR projects in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, as the said rule is not applicable to Company.

## 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.)
Nil			

## 6. Average net profit of the company as per section 135(5): Rs. 5,56,59,450/-

## 7. (a) Two percent of average net profit of the company as per section 135(5): Rs. 11,13,189/-

(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. 11,13,189/-

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



# REMSONS INDUSTRIES LIMITED

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (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. 11,20,250/-	NA	NA	NA	NA	NA

(b) Details of CSR amount spent against 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		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
NA												

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

Sr. No	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project		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.	PM Cares Fund	Contribution to the Prime Minister's National Relief Fund or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the central govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women	No	PAN India		2,95,000	No	PM CARES Fund	
2.	Drinking Water Supply and other Rural	Development Programmes Eradicating hunger, poverty and malnutrition, "promoting health care including preventive health care" and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.	No	Palghar, Maharashtra		1,25,000	No	Indian Development Foundation	NA

Sr. No	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project		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
3.	Menstrual Hygiene Management and Awareness	Eradicating hunger, poverty and malnutrition, "promoting health care including preventive health care" and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.	Yes	Haryana-Gurugram, Dadra and Nagar Haveli and Daman and Diu- Daman, Maharashtra-Mumbai		3,95,000	No	Indian Development Foundation	NA
4.	COVID-19 Relief - Programme : Happiness Box	Disaster management, including relief, rehabilitation and reconstruction activities.	Maharashtra-Pune and Dadra and Nagar Haveli and Daman and Diu-Silvassa	No		3,05,250	No	The Akshaya Patra Foundation	NA
		<b>Total</b>				<b>11,20,250</b>			

(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent on Impact Assessment, if applicable: NA

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs. 11,20,250/-

(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	11,13,189
(ii)	Total amount spent for the Financial Year	11,20,250
(iii)	Excess amount spent for the financial year [(ii)-(I)]	7,061
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	7,061

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

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	
NA							



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

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
NA								

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:

- a) Date of creation or acquisition of the capital asset(s): None
- 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.: NA
- d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): NA

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): NA

**For and on behalf of the Board of Directors  
of Remsons Industries Limited**

**Krishna Kejriwal**  
Chairman of the Committee  
DIN: 00513788

**Rahul Kejriwal**  
Member of the Committee  
DIN: 00513777

Place: Mumbai

Date: 13<sup>th</sup> August, 2021

**Annexure III**  
**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2021**

**[Pursuant to Section 204(1) of the Act and Rule 9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

To,  
The Members,  
**Remsons Industries Limited**

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Remsons Industries Limited** (hereinafter called 'the Company'). The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluation of the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's 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 authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on **31<sup>st</sup> March, 2021** ('Audit Period') generally 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.

I have examined the books, papers, minute books, forms and returns filed, and other records maintained by the Company for the financial year ended on **31<sup>st</sup> March, 2021** 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, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - (i) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (ii) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (iii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (not applicable to the Company during the Audit Period);
  - (iv) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (not applicable to the Company during the Audit Period);
  - (v) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (not applicable to the Company during the Audit Period);
  - (vi) 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;
  - (vii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (not applicable to the Company during the Audit Period);
  - (viii) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (not applicable to the Company during the Audit Period); and
  - (ix) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (vi) As informed and certified by the management, there are no laws that are specifically applicable to the business activities carried on by the Company based on its section / industry.

I have also examined compliance with the applicable clauses of the Secretarial Standards (SS - 1 and SS - 2) issued by The Institute of Company Secretaries of India.

During the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above, except:

1. *Delay in filing of some e-forms and the Company has also filed some e-forms with Registrar of Companies (RoC), Mumbai, Maharashtra under Companies Fresh Start Scheme, 2020 introduced vide General Circular No. 30/2020 dated 28<sup>th</sup> September, 2020 read with General Circular No. 12/2020 dated 30<sup>th</sup> March, 2020 and General Circular No. 11/2020 dated 24<sup>th</sup> March, 2020;*





2. *Copy of Limited Review Report on Financial Results for the quarter and half year ended 30<sup>th</sup> September, 2020 not submitted with the BSE Ltd. as required under Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; and*
3. *Intimation under Regulation 30(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding incorporation of wholly owned subsidiary namely 'Remsons Holdings Limited', being material event, was given beyond prescribed timeline.*

**I further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive, Non-Executive 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 were 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.

All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

I 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.

I further report that during the audit period there was no specific event or action having a major bearing on the company's affairs.

For **M Baldeva Associates**  
Company Secretaries

**CS Manish Baldeva**  
Proprietor

**M. No. FCS 6180 C. P. No. 11062**  
**UDIN: F006180C000781328**

**Place: Thane**

**Date: 13<sup>th</sup> August, 2021**

**Notes:**

1. This report is to be read with my letter of even date which is annexed as Annexure-I and forms an integral part of this report.
2. In the wake of COVID-19 pandemic outbreak, the Company provided books, papers, minute books, registers, forms and returns and other records maintained by it by electronic means for my audit and I could not verify the original documents physically. However, the management of the Company has confirmed that all documents provided by electronic means are true and correct copies of original documents.

**Annexure - I**

To,  
The Members,  
**Remsons Industries Limited**

My report of even date is to read along with this letter.

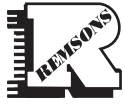
1. Maintenance of secretarial records is responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed, provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Book of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulation, standards is the responsibility of management. My examination was limited to the verification of procedures on the test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **M Baldeva Associates**  
Company Secretaries

**CS Manish Baldeva**  
Proprietor

**M. No. FCS 6180 C. P. No. 11062**  
**UDIN: F006180C000781328**

**Place: Thane**  
**Date: 13<sup>th</sup> August, 2021**



**Annexure IV**

**Disclosure as per Section 197 (12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:**

(i)	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year :-	
<b>Sr. No</b>	<b>Name of the Directors</b>	<b>Ratio of remuneration to the median remuneration of the employees</b>
	Mr. Krishna Kejriwal - Chairman and Managing Director	10.79 : 1
	Mrs. Chand Kejriwal - Whole Time Director	6.33 : 1
	Mr. Rahul Kejriwal - Whole Time Director and CFO	12.54 : 1
(ii)	The percentage increase in remuneration of each director, CFO , CEO, Company Secretary or Manager, if any, in the financial year	
<b>Sr. No</b>	<b>Name of the Director / CFO / Company Secretary</b>	<b>% Increase over last F.Y.</b>
1	Mr. Krishna Kejriwal - Chairman and Managing Director	-
2	Mrs. Chand Kejriwal - Whole Time Director	-
3	Mr. Rahul Kejriwal - Whole Time Director and CFO	-
4	Mr. Amit Srivastava- Chief Executive Officer	45.16%
5	Mr. Rohit Darji - Company Secretary	6.00%
(iii)	The percentage increase in the median remuneration of employees in the financial year	14.72%
(iv)	The number of permanent employees on the rolls of the company	273
(v)	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Average increase in Managerial Remuneration is 10.20% as compared to the other employees which is 13.78%.
(vi)	I hereby confirm that the remuneration is as per the remuneration policy recommended by Nomination and Remuneration Committee of the Company and adopted by the company.	
		<b>For and on behalf of the Board of Directors of Remsons Industries Limited</b>
		<b>Krishna Kejriwal Chairman &amp; Managing Director DIN: 00513788</b>
	<b>Place: Mumbai Date: 13<sup>th</sup> August, 2021</b>	

## Annexure V

**STATEMENT OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO PURSUANT TO THE PROVISIONS OF SECTION 134 OF THE COMPANIES ACT, 2013 READ WITH THE COMPANIES (ACCOUNTS) RULES, 2014**

As required under Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, the information relating to the foregoing matters is given as under:

**a) Conservation of Energy**

Conservation of energy continues to receive increased emphasis and steps are being taken to reduce the consumption of energy at all levels. The Company has taken steps to conserve energy in its office use consequent to which energy consumption had been minimized.

**(i) During the financial year, the following measures were taken for energy and resource conservation:**

The company continues its efforts to utilise alternate sources of energy at plants and office locations. The company has expanded solar rooftop capacity by 20 KWP at in Daman plant, this year. This total installed capacity generated 21,600 units in a year.

**(ii) Impact of the above measures :**

The measures taken above have helped in reducing electrical energy and fuel cost and would continue to help in reducing the energy cost in the months to come.

**(iii) The capital investment on energy conservation equipment: Rs. 8,50,000/-.****b) Technology Absorption****(1) Efforts in brief made towards Technology Absorption, Adaptation and Innovation**

Technologies require aggregation, validation and commercialization with engagement of the company and its various channel partners who can validate and adapt them to local economic structures, regulatory framework and markets.

The Company has identified new technologies which it intends to bring into the Indian markets by way of Joint Ventures and Technical Tie-ups. Currently the Assessment Reports are being prepared for the products identified.

The Company realized that the major drawbacks for Technology Absorption is

- The Lack of strategy and structure to aggregate technologies ;
- Largely isolated effort in technology generation; and
- Disconnect to commercialization.

In order to counter the above the Company addressed key questions such as

- How do we sustain interest among OEM's to engage in every stage of development, validation and commercialization?
- How do we engage OEM'S from convergent disciplines to engage in collaborative development and translational validation?
- How do we make "go" / "no go" decisions for validated technologies?

The Company has already adapted best technologies in the manufacturing processes and the same shall continue to be upgraded with time.

Along with this the Company has formed a core team of Engineers to concentrate on Future Technologies.

**(2) The benefits derived like product improvement, cost reduction, product development or import substitution:**

1. Saving on Labour Cost;
2. Saving on Raw Material, Energy and other expenses.
3. Quality Improvement of finished goods.

**(3) In case of imported technology : Nil****(4) The expenditure incurred on Research and Development: NA**



c) Foreign Exchange Earnings and Outgo

(₹In Lakhs)

Particulars	For the financial year ended 31 <sup>st</sup> March, 2021	For the financial year ended 31 <sup>st</sup> March, 2020
Foreign Exchange Earnings (on actual basis)	1423.47	766.65
Foreign Exchange Outgo (on actual basis)	96.56	610.77

For and on behalf of the Board of Directors  
of Remsons Industries Limited

Krishna Kejriwal  
Chairman and Managing Director  
DIN: 00513788

Place: Mumbai  
Date: 13<sup>th</sup> August, 2021

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**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**
**1. BUSINESS OVERVIEW:**

Industry and Company Trend Automobile industry's annual production volume was 226.52 lakh units and sales volume was 227.45 lakh units for the financial year 2020-21 as compared to 263.53 lakh units and 263.94 lakh units in the previous financial year indicating a decline of 14.00% in production volume and 13.50% in sales volume. The decrease was caused by the COVID 19 pandemic which hit the Indian Economy hard in Q1 of 2020-21, resulting in an estimated 11% GDP contraction for the year.

**Performance of Auto Industry during 2020-21****Production**

The industry produced a total 22,652,108 vehicles including Passenger Vehicles, Commercial Vehicles, Three Wheelers, Two Wheelers and Quadricycles in April-March 2021 as against 26,353,293 in April-March 2020, registering a de-growth of (-) 14.04 percent over the same period last year..

**Domestic Sales**

The sale of Passenger Vehicles declined by 2.24 percent in April-March 2021 over the same period last year. Within the Passenger Vehicles, the sales of Passenger Cars and Vans declined by 9.06 percent and 17.62 percent respectively while sales of Utility Vehicles increased by 12.13 percent in April-March 2021 over the same period last year.

The overall Commercial Vehicles segment registered a de-growth of 20.77 percent in April- March 2021 as compared to the same period last year. Within the Commercial Vehicles, Medium & Heavy Commercial Vehicles (M&HCVs) and Light Commercial Vehicles (LCVs) declined by 28.40 percent and 17.30 percent respectively in April-March 2021 over the same period last year.

Sale of Three Wheelers declined by 66.06 percent in April-March 2021 over the same period last year. Within the Three Wheelers, Passenger Carrier and Goods Carrier declined by 74.49 percent and 26.38 percent respectively in April-March 2021 over April-March 2020.

Two Wheelers sales registered a de-growth of 13.19 percent in April-March 2021 over April-March 2020. Within the Two Wheelers segment, Scooters, Motorcycles and Mopeds declined by 19.51 percent, 10.65 percent and 3.07 percent respectively in April-March 2021 over April-March 2020.

**Exports**

In April-March 2021, overall automobile exports declined by 13.05 percent. Passenger Vehicles, Commercial Vehicles, Three Wheelers and Two Wheelers exports also declined by 38.92 percent, 16.64 percent, 21.67 percent, and 6.87 percent respectively.

**2. INDUSTRY STRUCTURE & DEVELOPMENTS**

Auto industry is said to be the engine of growth in most developed countries, including in China and India today. Indian automobile industry which was at its nascent stage at the beginning of the 21<sup>st</sup> century has now become a huge industry that contributes majorly to growth and development of Indian Economy. Due to high development prospects in all segments of the vehicle industry, the auto component sector is expected to rise by double digits in Financial Year 2021-22.

Auto-components industry account for 2.3% of India's Gross Domestic Product (GDP) and employs as many as 1.5 million people directly and indirectly. A stable government framework, increased purchasing power, large domestic market, and an ever-increasing development in infrastructure have made India a favourable destination for investment.

**3. OPPORTUNITIES AND THREATS****Opportunities**

In spite of the pandemic, Indian Government rolled out BS VI emission norms compliant vehicles, as planned, which is expected to make India a major auto exporter and drive strong export growth in the medium term.

The Company is also exploring exciting new opportunities to use its existing capabilities in composite materials without an active friction surface as well.

Given the increase in electronic content, OEMs need to collaborate with suppliers and experts outside the traditional auto industry. Accomplishing this will require changes in the way OEMs function. OEMs will be looking to their top suppliers to co-invest in new global platforms & this will be the driving force in the future.

**Threats**

International friction manufacturers recognize the restrictions of manufacturing in China and have decided to enter the large Indian market. Competition from these new friction material manufacturers in the organized sector is expected to increase over the coming months and years.



Key input raw material prices are volatile and some continue to escalate with some global economies pumping liquidity into their economies with no increase in output. Some raw materials neither offer long-term purchase contracts, nor can be hedged for-leaving your company exposed to significant price volatility. While your company has de-risked exports with a combination of off-setting imports and automatic forex and RM escalation clauses, we have approached all the domestic OEMs with similar requests to share the risk and rewards of volatility.

#### 4. OUTLOOK

Indian economy is expected to grow better this financial year. With lower inflation, lower bank interest rates and expected normal monsoon, outlook for automotive industry appears to be satisfactory. Although, global economy continues to struggle, opportunities for business are significant considering current low market penetration. With focused customer service, the outlook for the Company appears satisfactory.

With the objective of delivering profitable growth, the company expect to leverage on the favourable demand environment and pursue market share improvements. Further, the Company continues to expand the international business with its existing customer base.

#### 5. RISK AND CONCERNS

The second wave of COVID-19 pandemic, the increased infectiousness, the even higher number of people infected and the disunity in fighting the current and potential future strains of COVID-19 is a worrying factor and remains a significant risk. The speed of vaccination of the vulnerable sections of society, followed by the reduction in the size of the potentially infectable pool getting subverted by calls to indiscriminately vaccinate everyone can slow down the pace at which we are able to eliminate the pandemic. Rich nations that have hoarded far more doses of the vaccine and its pre-cursor materials than their population wants or needs may further slow the ability for our nation to appropriately vaccinate and avoid a destructive cycle of lock-downs. On the non-pandemic front, significant liquidity injected into multiple global economies may cause volatility in forex movements and RM price increases. The sudden popping of a US asset bubble may cause significant slowdowns and protectionism from a formerly open nation that was our largest export market. While increased customer orders will necessitate increased capacity investment, your company's management will work to ensure that all outlays are covered by internal accruals rather than relying on highly volatile and uncertain environment.

#### 6. QUALITY AND QUALITY MANAGEMENT SYSTEMS

Your Company is continuing its focus on improvements to sustain quality management systems through total employee involvement at all levels with a view to achieve enhanced level of customer satisfaction in domestic as well as Overseas markets. Your company continues to closely monitor and focus on various cost reduction activities and cost control initiatives to achieve planned targets during the year.

#### 7. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company continues to maintain a system of internal control including adequate monitoring procedures. The internal auditors ensure operational control at various locations of the Company on a regular basis. Any irregularity or significant issues are brought to the attention of the Audit Committee of the Board and Managing Director of the Company and countermeasures are taken for complying with the system.

#### 8. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:

##### Accounting Treatment

The Company has followed all the applicable Indian Accounting Standards (Ind AS) issued by the Ministry of Corporate Affairs (MCA) in the preparation of financial statements.

Financial highlights with respect to operational performance.

(₹ In Lakhs except EPS)

Particulars	Standalone		Consolidated*
	2020-21	2019-20	2020-21
Total Revenue	19742.48	16088.13	22856.19
EBITDA	1191.79	1312.26	1257.21
Profit Before Tax	882.19	741.24	791.99
Profit After Tax	665.55	533.66	448.51
EPS	11.65	9.34	7.85

\*Consolidation became applicable for the first time during this financial year, hence previous financial year figures are not applicable.

**9. HUMAN RESOURCES MANAGEMENT**

Human Resource base is the greatest asset of the Company. Shortages and challenges of retaining skilled manpower have to be addressed to on a continual basis.

The Company has spent significant resources to ensure the health, safety, and well being of our employees- at home, at work, and in between the two. We have attempted to overcome barriers to vaccine adoption, announcing reimbursement of any charges for vaccination, provided for safe, capacity controlled company specific transportation, and redesigned workplaces, processes, and common areas to minimize numbers.

As on 31<sup>st</sup> March, 2021, the Company had total 273 (previous year 274) permanent employees.

**10. DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS, ALONG WITH DETAILED EXPLANATIONS THEREFOR:**

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the Company is required to give details of significant changes (change of 25% or more as compared to the immediately previous financial year) in key sector specific financial ratios. The Company has identified following ratio's as key financial ratio's.

Ratios	2020-21	2019-20	% change
Debtors Turnover	7.20	6.57	9.58%
Inventory Turnover	3.98	3.21	23.90%
Interest Coverage Ratio	3.01	5.26	-42.70%
Current Ratio	1.02	1.18	-13.19%
Debt Equity Ratio	1.55	1.19	30.16%
Operating Profit Margin %	6.04%	8.16%	-26.02%
Net Profit Margin %	3.37%	3.32%	1.59%

The changes in the ratios are due to negative financial performance of the Company during the financial year 2020-21 due to adverse impact of the COVID-19 pandemic on the performance of businesses of the Company.

**11. DETAILS OF ANY CHANGE IN RETURN ON NET WORTH AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR ALONG WITH A DETAILED EXPLANATION THEREOF:**

Return on Net Worth in the financial year 2020-21 is 21.20% as compared to 21.59% in the financial year 2019-20. During the financial year under review, return on Net Worth decreased by 1.71% as compared to immediately previous financial year due to decrease in profits before exceptional items.

**12. CAUTIONARY STATEMENT**

Certain statements in the "Management Discussion and Analysis Report" may be forward looking and are as required by applicable laws and regulations. Many factors may affect the actual results, which could be different from what the Directors envisage in terms of the future performance and outlook.

**For and on behalf of the Board of Directors  
of Remsons Industries Limited**

Place: Mumbai  
Date: 13<sup>th</sup> August, 2021

**Krishna Kejriwal  
Chairman and Managing Director  
DIN: 00513788**



**INDEPENDENT AUDITOR'S REPORT**

To,  
The Members  
of **REMSONS INDUSTRIES LIMITED**

Report on the Audit of the Standalone Financial Statements

**Opinion**

We have audited the accompanying Standalone Financial Statements of **REMSONS INDUSTRIES LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity, the Statement of Cash Flows for the year then ended and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information ("the standalone financial statements").

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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, the profit, other comprehensive income, changes in equity and its cash flows 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 ("Sas") specified under section 143(10) of the Act. 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 thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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 matters described below to be the key audit matters to be communicated in our report.

Key Audit matter	How our audit addressed the key audit matter
Provision for slow moving and non-moving inventories	
The company carries a sizeable portion of inventory which is a material portion of the total assets of the company. The management has the process of identifying the slow moving and non-moving inventories. This estimate has inherent uncertainty as it involves estimation/ judgment on the part of the management.	<p>Our procedures included discussion with the management on the control on the data and its effectiveness. Our audit approach was a combination of test of internal controls and substantive procedures which included the following:</p> <ul style="list-style-type: none"> <li>• Evaluated the design of internal controls relating to identifying the slow moving and non-moving items and tested the controls pertaining to the same.</li> <li>• Reviewed the age-wise inventory reports and movement of inventory and production of items in which such inventories are being used.</li> <li>• Discussed with the operating personnel about the alternate use of such items.</li> <li>• Reviewed the net realizable value of such non-moving and slow moving items.</li> <li>• Performed analytical procedures and test of details for reasonableness of the provisions.</li> </ul>

## Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Annual Report, but does not include the standalone financial statements and our Auditors' 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 Management and Board of Directors are responsible for the matters stated in Section 134(5) of Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Accounting Standards specified under Section 133 of the Act ("Ind AS"). 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 statements 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 and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

## The management and Board of Directors are 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 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.

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 the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. 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 relating to preparation of the aforesaid standalone financial statements have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
  - (g) 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 its financial statements- Refer Note No. 35;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, March, 2021.
  - (h) 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 according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) which are required to be commented upon by us.

For **M L BHUWANIA AND CO LLP**  
Chartered Accountants  
FRN: 101484W/W100197

**Vijay Kumar Jain**  
Partner  
Membership No. 108374  
UDIN: 21108734AAAAHQ9358

Place: Mumbai  
Date: June 28, 2021

#### ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 1 of 'Report on other Legal and Regulatory Requirements' in our Report of even date on the accounts of **REMSONS INDUSTRIES LIMITED** for the year ended March 31, 2021

- i. (a) The Company is generally maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets are physically verified by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. Pursuant to the program, certain fixed assets were physically verified during the year and no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties included in property, plant and equipment, are held in the name of the Company. In respect of immovable properties, taken on lease and disclosed as right-of-use-assets in the standalone financial statements, the lease agreements are in the name of the Company.
- ii. During the year, the inventories have been physically verified by the management. In our opinion, the frequency of verification is reasonable. The discrepancies noticed on physical verification of inventories as compared to the book records have been properly dealt with in the books of accounts.
- iii. According to the information and explanations given to us, the Company has not granted any secured loans to companies, firms, or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013. In respect of unsecured loans to companies covered in the Register maintained under Section 189 of the Companies Act, 2013:
  - (a) The terms and conditions of the grant of such loans are, in our opinion, prima facie, not prejudicial to the Company's interest.
  - (b) There are no stipulations with respect to the repayment of the loan and the interest thereon.
  - (c) There is no overdue amount remaining outstanding as at the balance sheet date.
- iv. In our opinion and according to information and explanations provided to us the Company has complied with provisions of sections 186 of the Companies Act, 2013 in respect of investments made/loans given. Section 185 of the Companies Act, 2013 is not applicable as there were no loans, securities and guarantees given during the year.
- v. According to the information and explanations provided to us, the Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under to the extent notified and therefore clause 3(v) is not applicable.
- vi. The Central Government has not prescribed maintenance of cost records under sub section (1) of section 148 of the Companies Act, 2013, for any of the products of the company. Accordingly, clause 3 (vi) of the Order is not applicable to the Company.





- vii. (a) According to the information and explanations provided to us and on the basis of our examination of the records, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of custom, duty of excise duty, value added tax, cess, Goods & Service Tax and any other material statutory dues applicable to it. According to the information and explanations given to us, no undisputed arrears of statutory dues were outstanding as at March 31, 2021 for a period of more than six months from the date they became payable.
- (b) According to the records of the Company, there are no dues of Service Tax, Custom Duty, Excise Duty, Cess, Sales Tax and Goods and Services Tax which have not been deposited on account of any dispute.

The disputed amounts that have not been deposited in respect of Income Tax and Value Added Tax are as under:

Name of the Statute	Nature of the Dues	Amount (Rs. In lacs)	Financial Year to which the amount relates	Forum where dispute is pending
The Haryana Value Added Tax Act, 2003	Value Added Tax Dues	4.35	2015-16	Excise & Taxation officer, Gurugram
The Haryana Value Added Tax Act, 2003	Value Added Tax Dues	3.80	2016-17	Excise & Taxation officer, Gurugram
The Haryana Value Added Tax Act, 2003	Value Added Tax Dues	0.98	2017-18	Excise & Taxation officer, Gurugram
The Daman & Diu Value Added Tax Regulation, 2005	Value Added Tax Dues	0.73	2015-16	Deputy Commissioner of VAT, Daman
The Daman & Diu Value Added Tax Regulation, 2005	Value Added Tax Dues	2.52	2016-17	Deputy Commissioner of VAT, Daman
Income Tax Act, 1961	Income Tax Demand	0.23	2017-18	Asstt. Commissioner of Income Tax, Mumbai
Income Tax Act, 1961	Income Tax Demand	0.09	2018-19	Asstt. Commissioner of Income Tax, Mumbai

- viii. In our opinion and according to information and explanations provided to us, the Company has not defaulted in repayment of dues to banks during the year. The company has not taken any loan or borrowing from government, financial institution, and has not issued debentures during the year.
- ix. In our opinion and according to information and explanations provided to us, term loans have been applied for the purposes for which they were obtained. The company has not raised money by way of Initial Public Offer or further public offer (including debt instruments) during the year
- x. To the best of our knowledge and according to the information and explanation given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. In our opinion and according to the information and explanations given to us, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with schedule V to the Companies Act, 2013.
- xii. In our opinion and according to the information and explanations given to us, the nature of the activities of the company does not attract any special statute applicable to Nidhi Company. Accordingly, clause 3(xii) of the order is not applicable to the company.
- xiii. According to the information and explanation given to us, and based on our examination of the records of the Company, transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

- xiv. According to the information and explanations provided to us, and based on our examination of the records of the Company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3 (xiv) of the Order is not applicable to the Company.
- xv. According to the information and explanations given to us, and based on our examination of the records of the Company, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, clause 3 (xv) of the Order is not applicable to the Company.
- xvi. According to information and explanations provided to us, the Company is not required to be registered under Sec 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi) of the Order is not applicable to the Company.

For **M L BHUWANIA AND CO LLP**  
Chartered Accountants  
FRN: 101484W/W100197

**Vijay Kumar Jain**  
Partner  
Membership No. 108374  
UDIN: 21108734AAAAHQ9358

**Place: Mumbai**  
**Date: June 28, 2021**

#### **ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT**

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

Referred to in paragraph 2(f) of 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report on the standalone financial statements of the company for the year ended March 31, 2021.

#### **Opinion**

We have audited the internal financial controls over financial reporting of REMSONS INDUSTRIES LIMITED ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

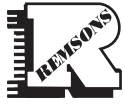
In our opinion, to the best of our knowledge and according to the information and explanations provided to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, 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.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management and Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, and both issued by the ICAI. 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 judgment, including the assessment of the risks of material misstatement of the standalone 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 standalone 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the standalone 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.

For **M L BHUWANIA AND CO LLP**  
Chartered Accountants  
**FRN: 101484W/W100197**

**Vijay Kumar Jain**  
Partner  
Membership No. 108374  
UDIN: 21108734AAAAHQ9358

Place: **Mumbai**  
Date: **June 28, 2021**



# REMSONS INDUSTRIES LIMITED

## STANDALONE BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2021

Particulars		Note	31 <sup>st</sup> March, 2021	(₹ In Lakhs) 31 <sup>st</sup> March, 2020
<b>ASSETS</b>				
(i)	<b>Non - Current Assets</b>			
(a)	Property, Plant and Equipment	3	2,404.99	2,171.32
(b)	Right of Use Assets	4	881.12	54.28
(c)	Capital work - in - progress	5	34.58	8.48
(d)	Investment Property	6	6.42	6.61
(e)	Other Intangible Assets	7	108.15	128.38
(f)	Intangible assets under development	8	14.25	-
(g)	Financial assets			
(i)	Investments	9	508.62	2.95
(ii)	Loans	10	1,615.20	-
(iii)	Other financial assets	11	96.55	49.15
(h)	Other non - current assets	12	256.33	59.92
	<b>Total Non- Current Assets</b>		<b>5,926.21</b>	<b>2,481.09</b>
(ii)	<b>Current Assets</b>			
(a)	Inventories	13	3,577.84	3,279.07
(b)	Financial assets			
(i)	Investment	14	48.73	-
(ii)	Trade receivables	15	3,251.66	2,232.31
(iii)	Cash and cash equivalents	16	29.03	141.97
(iv)	Bank balances other than (iii) above	17	9.79	32.02
(v)	Loans	18	151.43	-
(vi)	Other financial assets	19	93.67	37.84
(c)	Current Tax Assets (Net)	20	3.12	3.12
(d)	Other current assets	21	749.11	255.13
	<b>Total Current Assets</b>		<b>7,914.38</b>	<b>5,981.46</b>
(iii)	<b>Assets classified as held for Sale</b>		<b>26.26</b>	<b>-</b>
	<b>TOTAL ASSETS</b>		<b>13,866.85</b>	<b>8,462.54</b>
<b>EQUITY AND LIABILITIES</b>				
(a)	Equity share capital	22	571.34	571.34
(b)	Other Equity	23	2,567.66	1,902.69
	<b>Total Equity</b>		<b>3,139.00</b>	<b>2,474.03</b>
<b>LIABILITIES</b>				
(1)	<b>Non Current Liabilities</b>			
(a)	Financial Liabilities			
(i)	Borrowings	24	2,056.32	753.37
(ii)	Lease Liability	25	710.81	-
(b)	Provisions	26	38.38	43.54
(c)	Deferred tax liabilities (Net)	27	182.49	113.14
	<b>Total Non- Current Liabilities</b>		<b>2,988.00</b>	<b>910.05</b>
(2)	<b>Current Liabilities</b>			
(a)	Financial Liabilities			
(i)	Borrowings	28	2,292.08	2,160.19
(ii)	Trade payables			
(a)	total outstanding dues of micro enterprises and small enterprises	29	531.91	679.79
(b)	total outstanding dues of creditors other than micro enterprises and small enterprises			
(iii)	Lease liabilities	30	3,604.32	1,783.42
(iv)	Other financial liabilities	31	147.88	55.98
(b)	Other current liabilities	32	626.07	133.09
(c)	Provisions	33	381.21	92.36
(d)	Current tax liabilities (Net)	34	100.04	131.41
	<b>Total Current Liabilities</b>		<b>56.35</b>	<b>42.22</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>13,866.85</b>	<b>8,462.54</b>
<b>Summary of significant accounting policies</b>		2		

The accompanying notes are an integral parts of the Standalone Financial Statements

As per our report of even date attached  
**For M LBHUWANIA AND CO LLP**  
Chartered Accountants  
**FRN : 101484W/W100197**  
**VIJAY KUMAR JAIN**  
Partner  
Membership No. 108374  
Place : Mumbai, Dated : 28<sup>th</sup> June, 2021

**Krishna Kejriwal**  
Chairman & Managing Director  
DIN : 00513788  
**Rohit Darji**  
Company Secretary

**For and on behalf of the Board of Directors**

**For Remsons Industries Limited**

**Rahul Kejriwal**  
Whole Time Director & CFO  
DIN : 00513777

**Amit Srivastava**  
Chief Executive Officer  
Place : Mumbai | Dated : 28<sup>th</sup> June, 2021

STATEMENT OF STANDALONE PROFIT & LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2021

(₹ In Lakhs)

Particulars	Note	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
<b>INCOME</b>			
Revenue from operations	35	19,547.86	15,917.92
Other income	36	194.62	170.21
<b>Total Income</b>		<b>19,742.48</b>	<b>16,088.13</b>
<b>EXPENSES</b>			
Cost of material consumed	37	13,412.66	9,945.99
Purchase of Stock in Trade	38	74.90	-
Changes in inventories of Finished goods and Work-in-progress	39	141.55	(374.74)
Employee benefit expense	40	3,002.66	3,099.24
Finance Costs	41	311.17	252.09
Depreciation & amortization expense	42	328.21	318.93
Other Expenses	43	1,918.82	2,105.38
<b>Total Expenses</b>		<b>19,189.98</b>	<b>15,346.89</b>
<b>Profit before exceptional items &amp; tax</b>		<b>552.51</b>	<b>741.24</b>
Add: Exceptional Items	44	329.69	-
<b>Profit/(Loss) before tax</b>		<b>882.19</b>	<b>741.24</b>
<b>Less: Tax expenses</b>			
(1) Current tax			
of Current year		159.00	213.90
of Earlier years		(12.22)	(1.16)
(2) Deferred tax			
of Current year		69.86	(5.16)
<b>Total Tax Expenses</b>		<b>216.64</b>	<b>207.58</b>
<b>Profit after tax</b>	<b>A</b>	<b>665.55</b>	<b>533.66</b>
<b>Other Comprehensive Income</b>			
A. (i) Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans		(0.86)	(35.03)
Fair value gain on investment		(0.23)	(1.72)
(ii) Income tax relating to items that will not be reclassified to profit or loss		0.51	9.75
B. (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
<b>Total Other Comprehensive Income for the year</b>	<b>B</b>	<b>(0.59)</b>	<b>(27.00)</b>
<b>Total Comprehensive Income for the year</b>	<b>(A+B)</b>	<b>664.97</b>	<b>506.66</b>
Earning per equity share (Face Value of Rs. 10/- each)	45		
(1) Basic		11.65	9.34
(2) Diluted		11.65	9.34
<b>Summary of significant accounting policies</b>	<b>2</b>		

The accompanying notes are an integral parts of the Standalone Financial Statements

As per our report of even date attached  
**For M LBHUWANIA AND CO LLP**  
Chartered Accountants  
**FRN : 101484W/W100197**  
**VIJAY KUMAR JAIN**  
Partner  
Membership No. 108374  
Place : Mumbai, Dated : 28<sup>th</sup> June, 2021

**Krishna Kejriwal**  
Chairman & Managing Director  
DIN : 00513788  
**Rohit Darji**  
Company Secretary

**For and on behalf of the Board of Directors**

**For Remsons Industries Limited**

**Rahul Kejriwal**  
Whole Time Director & CFO  
DIN : 00513777

Place : Mumbai | Dated : 28<sup>th</sup> June, 2021

**Amit Srivastava**  
Chief Executive Officer



# REMSONS INDUSTRIES LIMITED

## STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2021

(₹ In Lakhs)

Particulars	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net Profit before tax & Extraordinary Items	888.08	741.54
Adjustment for:		
Depreciation and amortisation expenses	271.40	259.71
Interest Expenses	295.33	212.01
Reclassification of remeasurement of employee benefits	(0.86)	(35.03)
Loss/(Profit) on sale of Fixed Assets	-	(9.12)
Exceptional Items	(329.69)	-
Unrealised gain on fair value of financial assets	(0.73)	-
Interest Income	(22.79)	-
Dividend Income	(0.31)	(0.31)
Sundry Debit Balances written off	-	0.86
Lease Rent Ind AS 116 Impact	6.90	6.28
Provision for Doubtful debts	6.76	4.60
Provision no longer required, written back	(11.43)	(51.63)
Sundry Balance Written Back (Net)	(4.04)	(12.12)
Unrealised Foreign Exchange Fluctuation loss	(77.10)	(63.08)
Exchange difference regarded as an adjustment to borrowing costs	-	30.67
Unwinding of interest on security deposits	(3.41)	(2.74)
	<b>130.04</b>	<b>340.11</b>
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>1,018.12</b>	<b>1,081.64</b>
ADJUSTMENTS FOR WORKING CAPITAL CHANGES :		
Other non - current financial assets	(75.04)	14.62
Other non - current assets	0.53	(39.65)
Inventories	(298.78)	(591.97)
Trade Receivable	(1,040.43)	517.74
Other financial assets	(33.04)	(20.07)
Other current assets	(500.98)	(61.81)
Long - Term Provisions	(4.69)	17.98
Trade payables	1,687.31	(312.73)
Other current financial liabilities	9.04	8.41
Other current liabilities	288.85	(37.07)
Short - Term Provisions	(30.67)	49.28
	<b>2.10</b>	<b>(455.27)</b>
<b>Cash generated from operations</b>	<b>1,020.23</b>	<b>626.37</b>
Direct Taxes paid	(138.54)	(107.01)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>881.68</b>	<b>519.37</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of Property, Plant and Equipment including Capital Work in Progress	(815.45)	(270.16)
Purchase of Other Investments	(48.00)	-
Investment in Subsidiary	(505.91)	-
Loans to Subsidiary	(1,675.18)	-
Sale of Property, Plant and Equipment	420.78	25.05
Dividend Received	0.31	0.31
	<b>(2,623.44)</b>	<b>(244.80)</b>
<b>NET CASH USED IN INVESTING ACTIVITY</b>	<b>(2,623.44)</b>	<b>(244.80)</b>



**C. CASH FLOW FROM FINANCING ACTIVITIES:**

Net (Decrease)/ Increase in Long Term Borrowings	1,789.38	(64.47)
Net (Decrease)/ Increase in Short Term Borrowings	131.89	307.04
Dividend (Including Dividend Distribution Tax) Paid	-	(206.63)
Interest Expenses	(292.45)	(212.01)
	<b>1,628.81</b>	<b>(176.08)</b>
<b>NET CASH USED IN FINANCING ACTIVITY</b>	<b>1,628.81</b>	<b>(176.08)</b>
<b>NET CHANGES IN CASH &amp; CASH EQUIVALENTS(A+B+C)</b>	<b>(112.96)</b>	<b>98.49</b>
<b>OPENING BALANCES OF CASH &amp; CASH EQUIVALENTS</b>	141.97	43.48
<b>CLOSING BALANCES OF CASH &amp; CASH EQUIVALENTS</b>	29.03	141.97
	<b>(112.95)</b>	<b>98.49</b>

**Notes****1 Closing Balance of Cash & Cash Equivalents**

Cash and Cash Equivalents Includes:

CASH IN HAND	12.28	11.24
<b>BALANCE WITH SCHEDULED BANKS</b>		
- In Current Account	16.75	130.73
	<b>29.03</b>	<b>141.97</b>

2 Standalone Cash Flow Statement has been prepared under the indirect method as set out in Indian Accounting Standard ( Ind AS 7) statement of cash flows.

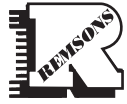
3 Previous year figures have been regrouped and rearranged wherever considered necessary to make them comparable with those of the current year.

As per our report of even date attached  
**For M LBHUWANIA AND CO LLP**  
Chartered Accountants  
**FRN : 101484W /W100197**  
VIJAY KUMAR JAIN  
Partner  
Membership No. 108374  
Place : Mumbai, Dated : 28<sup>th</sup> June, 2021

**For and on behalf of the Board of Directors**

**Krishna Kejriwal**  
Chairman & Managing Director  
DIN : 00513788  
**Rohit Darji**  
Company Secretary

**For Remsons Industries Limited**  
**Rahul Kejriwal**  
Whole Time Director & CFO  
DIN : 00513777  
**Amit Srivastava**  
Chief Executive Officer  
Place : Mumbai | Dated : 28<sup>th</sup> June, 2021



**STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2021**

**A. Equity Share Capital**

(₹ In Lakhs)

Particulars	No of Shares	Amount
Balance at at 1st April, 2019	57,13,357	571.34
Changes in equity share capital during the year	-	-
Balance at at 31st March, 2020	57,13,357	571.34
Changes in equity share capital during the year	-	-
Balance at at 31st March, 2021	57,13,357	571.34

**B. Other Equity**

Particulars	Capital Reserve	Surplus	Other items of Other Comprehensive Income		Total
		Retained Earnings	Remeasurement of net defined benefit plans	Fair Value through Other Comprehensive Income of Equity Investments	
<b>Balance at at 31<sup>st</sup> March, 2019</b>		<b>1,645.79</b>	<b>(47.69)</b>	<b>4.56</b>	<b>1,602.66</b>
Profit for the year		533.66	-	-	533.65
Remeasurements of Defined Benefit Plan		-	(25.28)	-	(25.28)
Fair Value effect of Investments of shares		-	-	(1.72)	(1.72)
Dividend (Refer Note No. 57)		171.40	-	-	171.40
Tax on Dividend		35.23	-	-	35.23
<b>Balance at at 31<sup>st</sup> March, 2020</b>		<b>1,972.81</b>	<b>(72.97)</b>	<b>2.85</b>	<b>1,902.69</b>
Profit for the period		665.55	-	-	665.55
Remeasurements of Defined Benefit Plan		-	(0.65)	-	(0.65)
Fair Value effect of Investments of shares		-	-	0.06	0.06
<b>Balance at at 31<sup>st</sup> March, 2021</b>		<b>2,638.36</b>	<b>(73.62)</b>	<b>2.91</b>	<b>2,567.66</b>

The accompanying notes are an integral parts of the Standalone Financial Statements

As per our report of even date attached  
For **M LBHUWANIA AND CO LLP**  
Chartered Accountants  
FRN : 101484W /W100197  
VIJAY KUMAR JAIN  
Partner  
Membership No. 108374  
Place : Mumbai, Dated : 28<sup>th</sup> June, 2021

**For and on behalf of the Board of Directors**  
**For Remsons Industries Limited**

<p><b>Krishna Kejriwal</b> Chairman &amp; Managing Director DIN : 00513788</p> <p><b>Rohit Darji</b> Company Secretary</p>	<p><b>Rahul Kejriwal</b> Whole Time Director &amp; CFO DIN : 00513777</p> <p><b>Amit Srivastava</b> Chief Executive Officer</p>	<p>Place : Mumbai   Dated : 28<sup>th</sup> June, 2021</p>
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**REMSONS INDUSTRIES LIMITED**  
**CIN No- L51900MH1971PLC015141**

**Notes to the Standalone financial statements for the year ended March 31, 2021**

**1 Corporate Information**

Remsons Industries Limited ('the company') is a listed public limited company incorporated in India. The registered office is located at 401, 4th Floor, Gladdiola, Hanuman Road, Vile Parle (East), Mumbai – 400 057, Maharashtra, India. The Company is manufacturing automotive control cables, flexible shafts, push pull cables and gear shifter assembly. The Company has eight manufacturing plants located in India.

**2 Summary of significant accounting policies**

**2.1. Basis of preparation**

"These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act. These financial statements have been prepared on historical cost basis, except for certain financial instruments which are measured at fair value or amortised cost at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. 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. All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle. The financial statements were authorized for issue by the Company's Board of Directors on 28th June, 2021. These financial statements are presented in Indian Rupees (INR), which is also the functional currency. All the amounts have been rounded off to the nearest lacs, unless otherwise indicated."

**2.2. Use of estimates and judgments**

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised prospectively.

**2.3. Current versus non-current classification**

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

**2.4. Foreign Exchange Transactions**

**i. Functional and presentation currency**

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency

**ii. Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. All the foreign exchange gains and losses are presented in the statement of Profit and Loss on a net basis within other expenses or other income as applicable.

**2.5. Property Plant and Equipment**

"An item of PPE is recognized as an asset, if and only if, it is probable that the future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. PPE are initially recognized at cost. The initial cost of PPE comprises its purchase price (including non-refundable duties and taxes but excluding any trade discounts and rebates), and any



directly attributable cost of bringing the asset to its working condition and location for its intended use. Subsequent to initial recognition, PPE are stated at cost less accumulated depreciation and any impairment losses. When significant parts of property, plant and equipment are required to be replaced in regular intervals, the Company recognizes such parts as separate component of assets. When an item of PPE is replaced, then its carrying amount is de-recognized from the balance sheet and cost of the new item of PPE is recognized. Further, in case the replaced part was not being depreciated separately, the cost of the replacement is used as an indication to determine the cost of the replaced part at the time it was acquired. The expenditures that are incurred after the item of PPE has been put to use, such as repairs and maintenance, are normally charged to the statement of profit and loss in the period in which such costs are incurred. Depreciation has been charged to statement of profit & loss on Straight Line Method on Buildings, Plants and Machineries, Electric Installations and Dies & Mould, where as other assets on Written Down Value method determined based on the economic useful lives of assets estimated by the management; or at the rates prescribed under Schedule II of the Companies Act, 2013. Accordingly, the Company has used the following rates:-"

Name of Assets	"Useful Life (in Years)"
<b>Building</b>	
- Factory Building	30
- Other Building	60
- Fences, Wells, Tube wells	5
Plant & Machinery	15
Spares of Plant & Machinery	5
Moulds and Dies	15
Electrical Installations and Equipment's	10
Office equipment's	5
Furniture & Fittings	10
Servers and networks	6
Data processing machine and computer, laptops	3
Vehicle	8

## 2.6 Investment Property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as Investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised. Investment properties (except freehold land) are depreciated using the straight-line method over their estimated useful lives at the rates prescribed under Schedule II of the Companies Act, 2013.

## 2.7. Intangible assets

- i. An intangible asset shall be recognised if, and only if:
  - (a) it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and
  - (b) the cost of the asset can be measured reliably.
- ii. Cost of technical know-how is amortised over a period of life of contract.
- iii. Computer software is capitalised where it is expected to provide future enduring economic benefits. Capitalisation costs include license fees and costs of implementation / system integration services. The costs are capitalised in the year in which the relevant software is implemented for use. The softwares are amortised over a period of 3 to 8 years based on the life it is expected to provide future enduring benefits on straight-line method. "

## 2.8 Borrowing Cost

"Borrowing costs specifically relating to the acquisition or construction of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the asset. All other borrowing costs are

charged to statement of profit & loss in the period in which it is incurred except loan processing fees which is recognized as per Effective Interest Rate method. Borrowing costs consist of interest and other costs that company incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs."

## 2.9 Tax Expenses

Income Tax expense comprises of current tax and deferred tax charge or credit. Provision for current tax is made with reference to taxable income computed for the financial year for which the financial statements are prepared by applying the tax rates as applicable.

### i. Current Tax

"Current tax charge is based on taxable profit for the year. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities. Current tax assets and tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously."

### ii. Deferred Tax

"Deferred tax is provided using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements at the reporting date. Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilised."

"Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss)."

"Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date."

"The carrying amount of deferred tax assets is reviewed at each reporting date and adjusted to reflect changes in probability that sufficient taxable profits will be available to allow all or part of the asset to be recovered."

"Deferred income tax assets and liabilities are off-set against each other and the resultant net amount is presented in the Balance Sheet, if and only when, (a) the Company has a legally enforceable right to set-off the current income tax assets and liabilities, and (b) the deferred income tax assets and liabilities relate to income tax levied by the same taxation authority."

"Minimum Alternate Tax credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period."

### iii. Dividend distribution tax

Dividend distribution tax paid on the dividends is recognised consistently with the presentation of the transaction that creates the income tax consequence. Dividend distribution tax is charged to statement of profit and loss if the dividend itself is charged to statement of profit and loss. If the dividend is recognised in equity, the presentation of dividend distribution tax is recognised in equity.

## 2.10. Revenue

### a) Revenue from operation

The Company derives revenues primarily from sale of manufactured goods, traded goods and related services.

"Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services."

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:



1. The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Group performs; or
2. The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
3. The Company's performance does not create an asset with an alternative use to the Company and an entity has an enforceable right to payment for performance completed to date. For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied."

**(b) Other Income:**

- i. Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the group, and the amount of the dividend can be measured reliably.
- ii. Export incentives are accounted for on export of goods if the entitlements can be estimated with reasonable accuracy. Premium of sale of import licenses is recognised on an accrual basis.
- iii. Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

### **2.11 Inventory**

"Raw materials, Packing materials, Stores and Spare parts are valued at Lower of cost (cost includes direct cost & attributable overheads) or net realizable value. The Company follows Weighted Average Cost method for valuation of Raw materials, Packing materials, Stores and Spare parts. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Semi-finished & Finished goods are valued at lower of estimated cost or net realizable value. Scrap is valued at net realizable value. The company was valuing its Raw materials, Packing materials, Stores and Spare parts on first-in-first-out basis, during the year the company implemented SAP Accounting software and started valuing such inventories on Weighted Average Cost basis. The impact of such change is not material."

### **2.12 Segment Reporting**

Primary Segment is identified based on the nature of products and services, the different risks and returns and the internal business reporting system. Secondary segment is identified based on geographical area in which major operating divisions of the Company operate.

### **2.13 Impairment Of Assets**

Intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

### **2.14 Fair Value Measurement**

The Company measures certain financial instruments at fair value at each balance sheet date. 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to



measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1: Quoted (unadjusted) prices for identical assets or liabilities in active markets

Level 2: Significant inputs to the fair value measurement are directly or indirectly observable

Level 3: Significant inputs to the fair value measurement are unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets & liabilities on the basis of the nature, characteristics and the risks of the asset or liability and the level of the fair value hierarchy as explained above

## 2.15 Financial Instrument

### 2.15.1 Recognition, classification and presentation

"The financial instruments are recognised in the balance sheet when the company becomes a party to the contractual provisions of the instrument. The Company determines the classification of its financial instruments at initial recognition. The Company classifies its financial assets in the following categories: a) those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and b) those to be measured at amortized cost. The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. Financial assets and liabilities arising from different transactions are off-set against each other and the resultant net amount is presented in the balance sheet, if and only when, the Company currently has a legally enforceable right to set-off the related recognised amounts and intends either to settle on a net basis or to realize the assets and settle the liabilities simultaneously."

### 2.15.2. Measurement

#### I. Initial measurement

At initial recognition, the Company measures financial instruments at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Otherwise transaction costs are expensed in the statement of profit and loss.

#### II. Subsequent measurement - financial assets

"The subsequent measurement of the financial assets depends on their classification as follows:"

##### i. Financial assets measured at amortized cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost using the effective interest rate ('EIR') method (if the impact of discounting / any transaction costs is significant). Interest income from these financial assets is included in finance income.

##### ii. Financial assets at fair value through other comprehensive income ('FVTOCI')

"Equity investments which are not held for trading and for which the Company has elected to present the change in the fair value in other comprehensive income and debt instruments that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flow represent solely payment of principal and interest, are measured at FVTOCI. The changes in fair value are taken through OCI, except for the impairment, interest (basis EIR method), dividend and foreign exchange differences which are recognised in the statement of profit and loss. When the financial asset is derecognized, the related accumulated fair value adjustments in OCI as at the date of derecognition are reclassified from equity and recognised in the statement of profit and loss. However, there is no subsequent reclassification of fair value gains and losses to statement of profit and loss in case of equity instruments. "

##### iii. Financial assets at fair value through profit or loss ('FVTPL')

"All equity instruments and financial assets that do not meet the criteria for amortized cost or FVTOCI are measured at fair value through profit or loss. Interest (basis EIR method) and dividend income from FVTPL is recognised in the statement of profit and loss within finance income / finance costs separately from the other gains/losses arising from changes in the fair value."

"Impairment The company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost and debt instrument carried at FVTOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk since initial recognition. If credit risk has not increased significantly, twelve month ECL is used to provide for impairment loss, otherwise lifetime ECL is used. However, only in case of trade receivables, the company applies the simplified approach which requires expected lifetime losses to be recognized from initial recognition of the receivables."



### III. Subsequent measurement - financial liabilities

Other financial liabilities are initially recognised at fair value less any directly attributable transaction costs. They are subsequently measured at amortized cost using the EIR method (if the impact of discounting / any transaction costs is significant).

#### 2.15.3 De-recognition

The financial liabilities are de-recognised from the balance sheet when the under-lying obligations are extinguished, discharged, lapsed, cancelled, expires or legally released. The financial assets are de-recognised from the balance sheet when the rights to receive cash flows from the financial assets have expired, or have been transferred and the Company has transferred substantially all risks and rewards of ownership. 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.

#### 2.16 Cash and cash Equivalents

"Cash and cash equivalents includes cash in hand, deposits with banks, other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes outstanding bank overdraft shown within current liabilities in statement of financial balance sheet and which are considered as integral part of company's cash management policy."

#### 2.17 Cash Flow Statement

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

#### 2.18 Investment

Investment which are of equity in nature is carried at Fair Value and gain/loss on fair valuation are recognised through Other Comprehensive Income.

#### 2.19 Trade Receivable

Trade receivables are recognized initially at their fair value and subsequently measured at amortised cost using the effective interest method, less provision for expected credit loss.

#### 2.20. Trade and Other payable

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are recognised, initially at fair value, and subsequently measured at amortised cost using effective interest rate method.

#### 2.21 Provision, Contingent Liability and Contingent Assets

##### i. Provision

"A provision is recognized, when company has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made for the amount of obligation. The expense relating to the provision is presented in the profit and loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost."

##### ii. Contingent Liability

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent liabilities, if material, are disclosed by way of notes and contingent assets, if any, are disclosed in the notes to financial statements.

##### iii. Contingent Assets

Contingent Assets are disclosed, where an inflow of economic benefits is probable.

**2.22 Earnings Per Share****I. Basic earnings per share**

Basic earnings per share is calculated by dividing

- i. the profit attributable to owners of the Company; and
- ii. by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

**ii. Diluted earnings per share**

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares; and- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

**2.23 Leases****i. As a lessee**

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

**ii. As a lessor**

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

**2.24 Employee benefits****i. Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

**ii. Other long-term employee benefit obligations**

"The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur."

**iii. Post-employment obligations****a. Defined benefit gratuity plan:**

The Company provides for the liability towards the said benefit on the basis of actuarial valuation carried out as at the reporting date, by an independent qualified actuary using the projected-unit-credit method. The Company has opted for a Group Gratuity-cum-Life Assurance Scheme of the Life Insurance Corporation of India (LIC), and the contribution is charged to the Statement of Profit & Loss each year. The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan. The defined benefit



obligation is calculated annually as provided by LIC. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss. Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet."

**b. Defined Contribution plan:**

Contribution payable to recognised provident fund which is defined contribution scheme is charged to Statement of Profit & Loss. The company has no further obligation to the plan beyond its contribution.

**iv. Other long-term employee benefits**

"The employees of the Company are entitled to compensated absences as well as other long-term benefits. Compensated absences benefit comprises of encashment and availment of leave balances that were earned by the employees over the period of past employment. The Company provides for the liability towards the said benefit on the basis of actuarial valuation carried out quarterly as at the reporting date, by an independent qualified actuary using the projected-unit-credit method. The related re-measurements are recognized in the statement of profit and loss in the period in which they arise."

**2.25 Operating Cycle**

Based on the nature of products/activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

**2.26 Recent Indian Accounting Standards (Ind AS)**

"On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are: Balance Sheet: - Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current. -Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period. -Specified format for disclosure of shareholding of promoters. -Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development. -If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used. -Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc. Statement of profit and loss: -Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of consolidated financial statements. The amendments are extensive and the Company will evaluate the same to give effect to them as required by law."

**2.27 Rounding of amounts**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Rupees in Lacs (upto two decimals), unless otherwise stated as per the requirement of Schedule III (Division II).

## NOTE NO 3

## PROPERTY, PLANT AND EQUIPMENT

Particulars	Freehold Land*	Leasehold Land	Fences, Wells & Tubes	Building Office	Building Factory*	Plant & Machinery*	Dies & Moulds	Electrical Installation*	Office Equipment	Furniture & Fixture	Motor Vehicle	Server/ Networks	Computers	Total
<b>Gross Carrying Value As at April 1, 2019</b>	75.16	43.44	9.65	79.60	818.03	1,244.56	232.79	68.10	34.56	58.06	102.78	5.06	16.68	2,788.47
Additions	-	-	0.58	-	105.54	143.63	5.34	2.14	7.11	7.33	-	-	3.81	275.49
Disposals / derecognised	-	-	-	-	-	-	(13.64)	-	-	-	(11.56)	-	-	(25.20)
<b>Gross Carrying Value As at March 31, 2020</b>	75.16	43.44	10.23	79.60	923.57	1,388.19	224.49	70.24	41.66	65.39	91.22	5.06	20.49	3,038.77
Additions	-	-	6.54	-	52.17	194.96	31.52	143.15	22.83	5.23	92.74	10.99	8.57	568.72
Disposals / derecognised	33.50	-	-	(118.08)	-	(52.51)	-	(8.08)	-	-	(9.75)	-	-	(154.92)
<b>Gross Carrying Value As at March 31, 2021</b>	108.66	43.44	16.78	(38.48)	975.75	1,530.65	256.01	205.31	64.49	70.62	174.21	16.05	29.07	3,452.56

Particulars	Freehold Land	Leasehold Land	Fences, Wells & Tubes	Building Office	Building Factory	Plant & Machinery	Dies & Moulds	Electrical Installation	Office Equipment	Furniture & Fixture	Motor Vehicle	Server/ Networks	Computers	Total
<b>Accumulated depreciation As at April 1, 2019</b>	-	-	5.01	7.98	93.43	334.55	48.84	20.93	24.77	29.98	57.55	3.51	10.86	637.41
Depreciation charge during the year	-	-	1.56	2.55	36.22	133.07	18.29	9.40	7.94	10.41	13.66	0.73	5.47	239.29
Disposals / derecognised	-	-	-	-	-	-	(3.14)	-	-	-	(6.12)	-	-	(9.27)
<b>Accumulated depreciation at March 31, 2020</b>	-	-	6.57	10.53	129.65	467.62	63.98	30.33	32.71	40.39	65.09	4.24	16.33	867.43
Depreciation charge during the year	-	-	1.26	1.64	39.21	137.38	18.86	8.50	6.79	8.33	22.09	2.19	4.71	250.97
Disposals / derecognised	-	-	-	(50.65)	-	(31.76)	-	(6.00)	-	-	(8.69)	-	-	(97.10)
<b>Accumulated depreciation As at March 31, 2021</b>	-	-	7.84	-38.48	168.87	573.24	82.85	32.82	39.49	48.73	78.49	6.43	21.04	1,021.30
<b>Net carrying amount as at March 31, 2021</b>	108.66	43.44	8.94	(0.00)	806.88	957.41	173.16	172.49	25.00	21.89	95.72	9.62	8.03	2,431.25
<b>Net carrying amount as at March 31, 2020</b>	75.16	43.44	3.66	69.07	793.92	920.57	160.51	39.92	8.95	24.99	26.14	0.82	4.17	2,171.32

\*Includes Freehold Land of Rs. 0.92 lacs, Building Factory of Rs. 21.67 lacs, Plant & Machinery of Rs. 2.79 lacs and Electrical Installation of Rs. 0.88 lacs which are classed as held for sale.

## NOTE NO 4

## RIGHT OF USE ASSETS

Particulars	Building	Total
<b>Gross Carrying Value As at April 1, 2019</b>	-	-
Addition	113.49	113.49
<b>Gross Carrying Value As at March 31, 2020</b>	113.49	113.49
Addition	883.65	883.65
<b>Gross Carrying Value As at March 31, 2021</b>	997.14	997.14



Particulars	Building	Total	(₹In Lakhs)
<b>Accumulated depreciation</b>			
As at April 1, 2019	-	-	
Depreciation charge during the year	59.21	59.21	
<b>Accumulated depreciation As at March 31, 2020</b>	<b>59.21</b>	<b>59.21</b>	
Depreciation charge during the year	56.81	56.81	
<b>Accumulated depreciation As at March 31, 2021</b>	<b>116.02</b>	<b>116.02</b>	
<b>Net carrying amount as at March 31, 2021</b>	<b>881.12</b>	<b>881.12</b>	
<b>Net carrying amount as at March 31, 2020</b>	<b>54.28</b>	<b>54.28</b>	

**NOTE NO 5  
CAPITAL WORK IN PROGRESS**

Particulars	Building	Plant & Machinery	Others	Total
<b>Gross Carrying Value</b>				
As at April 1, 2019	0.62	13.19	-	13.81
Additions	-	8.48	-	8.48
Disposals / derecognised	(0.62)	(13.19)	-	(13.81)
<b>Gross Carrying Value As at March 31, 2020</b>	<b>-</b>	<b>8.48</b>	<b>-</b>	<b>8.48</b>
Additions	10.90	6.58	17.10	34.58
Disposals / derecognised	-	(8.48)	-	(8.48)
<b>Gross Carrying Value As at March 31, 2021</b>	<b>10.90</b>	<b>6.58</b>	<b>17.10</b>	<b>34.58</b>

**NOTE NO 6  
INVESTMENT PROPERTY**

Particulars	Building	Total
<b>Gross Carrying Value</b>		
As at April 1, 2019	7.38	7.38
Addition	-	-
<b>Gross Carrying Value As at March 31, 2020</b>	<b>7.38</b>	<b>7.38</b>
Addition	-	-
<b>Gross Carrying Value As at March 31, 2021</b>	<b>7.38</b>	<b>7.38</b>

Particulars	Building	Total
<b>Accumulated depreciation</b>		
As at April 1, 2019	0.57	0.57
Depreciation charge during the year	0.19	0.19
<b>Accumulated depreciation As at March 31, 2020</b>	<b>0.76</b>	<b>0.76</b>
Depreciation charge during the year	0.19	0.19
<b>Accumulated depreciation As at March 31, 2021</b>	<b>0.95</b>	<b>0.95</b>
<b>Net carrying amount as at March 31, 2021</b>	<b>6.42</b>	<b>6.42</b>
<b>Net carrying amount as at March 31, 2020</b>	<b>6.61</b>	<b>6.61</b>



Amount recognised in profit or loss for Investment Properties

(₹In Lakhs)

Particulars	March 31 <sup>st</sup> , 2021	March 31 <sup>st</sup> , 2020
Rental Income	3.56	1.96
Direct operating expenses (Net of recovery)	0.61	0.55
There are no restrictions on the realisability of investment property.		
The company is using same life for the same class of asset as applicable for property plant and equipment.		
The company has let out the property.		
Fair Value		
Investment property - Market Value is Rs. 114.96 Lacs (Previous Year - Rs. 114.96 Lacs)		

## NOTE NO 7

## OTHER INTANGIBLE ASSETS

Particulars	Computer Software	Technical Know How	Total
<b>Gross Carrying Value</b>			
As at April 1, 2019	189.33	12.91	202.24
Additions	-	-	-
<b>Gross Carrying Value As at March 31, 2020</b>	189.33	12.91	202.24
Additions	-	-	-
<b>Gross Carrying Value As at March 31, 2021</b>	189.33	12.91	202.24

Particulars	Computer Software	Technical Know How	Total
<b>Accumulated depreciation</b>			
As at April 1, 2019	40.71	12.91	53.62
Depreciation charge during the year	20.23	-	20.23
<b>Accumulated depreciation As at March 31, 2020</b>	60.94	12.91	73.85
Depreciation charge during the year	20.23	-	20.23
<b>Accumulated depreciation As at March 31, 2021</b>	81.17	12.91	94.08
Net carrying amount as at March 31, 2021	108.15	-	108.15
Net carrying amount as at March 31, 2020	128.38	-	128.38

## NOTE NO 8

## INTANGIBLE ASSETS UNDER DEVELOPMENT

Particulars	Computer Software	Total
<b>Gross Carrying Value</b>		
As at April 1, 2019	-	-
Additions	-	-
Disposals / derecognised	-	-
<b>Gross Carrying Value As at March 31, 2020</b>	-	-
Additions	14.25	14.25
Disposals / derecognised	-	-
<b>Gross Carrying Value As at March 31, 2021</b>	14.25	14.25



# REMSONS INDUSTRIES LIMITED

						(₹ In Lakhs)	
<b>9 INVESTMENTS (NON CURRENT)</b>							
<b>Particulars</b>							
				As at		As at	
				31 <sup>st</sup> March, 2021		31 <sup>st</sup> March, 2020	
				Value		Value	
				No. of Shares		No. of Shares	
<b>Non Trade Investments</b>							
<b>Investment in equity instruments (fully paid-up)</b>							
Unquoted (at fair value through OCI) (FVOCI)							
Remsons Cables Industries Pvt Ltd	100	500	0.00	500	0.02		
Goodluck Electronics Pvt Ltd	100	1,250	2.72	1,250	2.93		
Investment in equity instruments (fully paid-up)							
In Subsidiary-wholly owned - unquoted (at cost)							
Remsons Holding Ltd.	94.92	5,00,000	505.91	-	-		
<b>Total Value of Unquoted Investments</b>				<b>508.62</b>		<b>2.95</b>	
<b>10 LOAN (NON CURRENT)</b>							
<b>Particulars</b>							
				As at		As at	
				31 <sup>st</sup> March, 2021		31 <sup>st</sup> March, 2020	
(Unsecured, consider Good, unless specified otherwise)							
<b>To Related Party-</b>							
Loan to Subsidiary Company (Refer Note No 10.1)				1,615.20		-	
				<b>1,615.20</b>			
Note No 10.1: The loan is given to foreign wholly owned subsidiary for meeting working capital needs. The loan repayable in 36 months. Rate of interest of 3% p.a.							
<b>11 OTHER FINANCIAL ASSETS (NON CURRENT)</b>							
<b>Particulars</b>							
				As at		As at	
				31 <sup>st</sup> March, 2021		31 <sup>st</sup> March, 2020	
(Unsecured, consider Good, unless specified otherwise)							
Security Deposits				96.55		48.59	
Loan to employee				-		0.56	
				<b>96.55</b>		<b>49.15</b>	
<b>12 OTHER NON CURRENT ASSETS</b>							
<b>Particulars</b>							
				As at		As at	
				31 <sup>st</sup> March, 2021		31 <sup>st</sup> March, 2020	
(Unsecured, consider Good, unless specified otherwise)							
Capital Advances				251.05		54.11	
Advance recoverable in cash or kind or for value to be received				5.28		5.81	
				<b>256.33</b>		<b>59.92</b>	
<b>13 INVENTORIES</b>							
<b>Particulars</b>							
				As at		As at	
				31 <sup>st</sup> March, 2021		31 <sup>st</sup> March, 2020	
Raw Material				1,911.46		1,504.05	
Work-in-progress				184.01		209.36	
Finished Goods (Refer Note No 13.1)				1,378.65		1,491.33	
Stores & Spares				99.71		66.80	
Scrap				4.01		7.53	
				<b>3,577.84</b>		<b>3,279.07</b>	
Note No 13.1: Finished Goods inventory includes Goods-in transit Rs 317.41 lacs (Previous Year Rs 273.73 Lacs)							
<b>14 CURRENT INVESTMENTS</b>							
<b>Particulars</b>							
				As at		As at	
				31 <sup>st</sup> March, 2021		31 <sup>st</sup> March, 2020	
<b>Investment in mutual Funds</b>							
Quoted (at FVTPL)				48.73		-	
11,417.023 (P.Y. Nil) units of ABSL saving fund, face value of Rs.100/- each)				-		-	
				<b>48.73</b>		<b>0.00</b>	
Aggregate amount of quoted investments				48.73		-	
Aggregate market value of quoted investments				48.73		-	

		(₹ In Lakhs)	
15	<b>TRADE RECEIVABLES</b>	As at	As at
Particulars	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020	31 <sup>st</sup> March, 2020
(Unsecured)			
Considered Good (Refer Note No 15.1)	3,251.66	2,232.31	
Less: Allowance for Expected Credit Loss	-	-	2,232.31
Credit Impaired	28.53	21.77	
Less: Allowance for Expected Credit Loss	(28.53)	(21.77)	-
	<u>3,251.66</u>		<u>2,232.31</u>
<b>Note No. 15.1</b>			
Receivable from - Company in which directors are interested	756.92		16.29
	<u>756.92</u>		<u>16.29</u>
<b>Movement in the Allowance of Expected Credit Loss</b>			
<b>Particulars</b>	As at	As at	As at
	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020	31 <sup>st</sup> March, 2020
Balance at the beginning of the year	21.77		17.17
Changes in allowance for doubtful receivables	6.76		4.60
<b>Balance at end of the year</b>	<u>28.53</u>		<u>21.77</u>
<b>16</b>	<b>CASH AND CASH EQUIVALENTS</b>		
<b>Particulars</b>	As at	As at	As at
	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020	31 <sup>st</sup> March, 2020
Balance With Banks			
In Current account	16.75		130.73
Cash on Hand	12.28		11.24
	<u>29.03</u>		<u>141.97</u>
<b>17</b>	<b>OTHER BANK BALANCES</b>		
<b>Particulars</b>	As at	As at	As at
	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020	31 <sup>st</sup> March, 2020
Margin Money Deposit (Refer Note No 17.1)	7.00		-
Unpaid Dividend Account (Refer Note No 17.2)	2.79		32.02
	<u>9.79</u>		<u>32.02</u>
Note No. 17.1: Margin money includes deposit against Bank Gurantee of Rs.5 Lacs and Letter of Credit of Rs.2 Lacs.			
Note No. 17.2: The company can utilise balances only towards settlement of of the unpaid dividend.			
<b>18</b>	<b>LOANS (CURRENT)</b>		
<b>Particulars</b>	As at	As at	As at
	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020	31 <sup>st</sup> March, 2020
(Unsecured, consider Good,unless specified otherwise)			
To Related Party			
Loan to Subsidiary Company (Refer Note No 10.1)	151.43		-
	<u>151.43</u>		<u>-</u>
<b>19</b>	<b>OTHER FINANCIAL ASSETS (CURRENT)</b>		
<b>Particulars</b>	As at	As at	As at
	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020	31 <sup>st</sup> March, 2020
(Unsecured, consider Good,unless specified otherwise)			
Security Deposits	63.63		27.66
Others			
Loan to employee	7.26		10.18
Interest accrued	22.79		-
	<u>93.67</u>		<u>37.84</u>



# REMSONS INDUSTRIES LIMITED

		(₹ In Lakhs)	
20	CURRENT TAX ASSETS (NET)	As at	As at
Particulars	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020	31 <sup>st</sup> March, 2020
	Income Tax refund receivable	3.12	3.12
		<u>3.12</u>	<u>3.12</u>
21	OTHER CURRENT ASSETS	As at	As at
Particulars	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020	31 <sup>st</sup> March, 2020
	Balance with Statutory/ Government Authorities	128.14	88.87
	Advance to Supplier	53.76	40.88
	Advance recoverable in cash or kind or for value to be received	35.46	21.38
	Export Incentive Receivable	116.96	98.04
	Other Advances	201.90	-
	Other Receivables	208.01	-
	Other Current Assets	4.89	5.96
		<u>749.11</u>	<u>255.13</u>
22	EQUITY SHARE CAPITAL	As at	As at
Particulars	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020	31 <sup>st</sup> March, 2020
	Authorized Share Capital		
	120,00,000 Equity shares, Rs. 10 par value	1,200.00	1,200.00
	( Previous Year: 120,00,000 equity shares Rs. 10 each)	<u>1,200.00</u>	<u>1,200.00</u>
	Issued, Subscribed and Fully Paid Up Shares		
	57,13,357 Equity shares, Rs. 10 par value fully paid up	571.34	571.34
	( Previous Year: 57,13,357 equity shares Rs. 10 each)	<u>571.34</u>	<u>571.34</u>

**Note No 22.1: The reconciliation of the number of shares outstanding at the beginning and at the end of reporting period 31-03-2021:**

	31 <sup>st</sup> March, 2021		31 <sup>st</sup> March, 2020	
	No. of Shares	Amount	No. of Shares	Amount
Number of shares at the beginning	57,13,357	571.34	57,13,357	571.34
Add: Shares issued during the year	-	-	-	-
Less : Shares bought back (if any)	-	-	-	-
Number of shares at the end	57,13,357	571.34	57,13,357	571.34

**Note No 22.2: Terms/rights attached to equity shares**

- (A) The company has only one class of equity shares having a par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholder in the ensuing Annual General Meeting.
- (B) In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholder.

**Note No 22.3: The details of shareholders holding more than 5% shares in the company :**

Name of the shareholder	31 <sup>st</sup> March, 2021		31 <sup>st</sup> March, 2020	
	No. of shares held	% held	No. of shares held	% held
Krishna Kejriwal	15,79,494	27.65%	15,79,494	27.65%
Chand Kejriwal	17,08,444	29.90%	17,08,444	29.90%
Rahul Kejriwal	3,06,851	5.37%	3,06,851	5.37%
Shivani Kejriwal	3,03,197	5.31%	3,03,197	5.31%
Krish Automotive Sales & Services Pvt Ltd	4,51,549	7.90%	4,51,549	7.90%

23 OTHER EQUITY		(₹ In Lakhs)	
Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	
<b>Surplus*</b>			
Retained Earnings	2,638.36	1,972.81	
Other Comprehensive Income (OCI)			
-Remeasurement of net defined benefit plans	(73.62)	(72.97)	
-Fair Value of Equity Investments through OCI**	2.91	2.85	
	<u>2,567.66</u>	<u>1,902.69</u>	

\* For movement, refer Statement of Changes in Equity.

**Nature of reserves**

**Fair Value of Equity Investments through OCI**

\*\* The company recognises unrealised and realised gain on equity shares in FVOCI - Equity investments.

24 BORROWINGS (NON CURRENT)			
Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	
<b>Secured</b>			
From Banks			
Vehicle loans (Refer Note No 24.1)	40.29	3.37	
Corporate loan (Refer Note No 24.2)	446.99	-	
From Others (Refer Note No 24.3 & 24.4)	819.04	-	
	<u>1,306.32</u>	<u>3.37</u>	
<b>Unsecured</b>			
Loan from Directors	750.00	750.00	
	750.00	750.00	
	<u>2,056.32</u>	<u>753.37</u>	

**Note No 24.1:** Vehicle Loans from banks secured by Hypothecation of respective vehicles and repayable in 36 months to 60 months.

**Note No 24.2** (i) From State Bank of India, Mumbai secured by first charge on the fixed assets to the Company and personal guarantee by Chairman & Managing Director and a whole time director and repayable in 36 monthly instalments after a moratorium of 6 months from the date of disbursement. Rate of Interest of New Demand Loan Working Capital GECL 7.40%

**Note No 24.2** (ii) From State Bank of India, Mumbai secured by first charge on the fixed assets to the Company and personal guarantee by Chairman & Managing Director and a whole time director and repayable in 18 monthly instalments after a moratorium of 6 months from the date of disbursement. Rate of Interest of New Demand Loan Working Capital CCECL 7.40%.

**Note No 24.2** (iii) From State Bank of India, Mumbai secured by first charge on the fixed assets to the Company and personal guarantee by Chairman & Managing Director and a whole time director and repayable in 72 monthly instalments after a moratorium of 12 months from the date of disbursement. Rate of Interest of Open Term Loan 7.65%

**Note No 24.2** (iv) From State Bank of India, Mumbai is secured by first charge on the fixed assets to the Company and personal guarantee by Chairman & Managing Director and a whole time director. Corporate Loan repayable in 60 monthly instalments.

**Note No 24.3:** From Tata Capital Service Ltd, Mumbai is secured by first charge on the fixed assets to the Company and Irrevocable and unconditional personal guarantee by Chairman & Managing Director and a whole time directors. Term Loan repayable in 60 monthly installments at 12% rate of interest.

**Note No 24.4:** From Aditya Birla Finance Ltd, Mumbai is secured by Exclusive charge on property at., Ghorpadi, Pune - 411001 owned by Chairman & Managing Director and a whole time director and personal guarantee by Chairman & Managing Director and a whole time directors. Term Loan repayable in 72 monthly installments at 12% rate of interest.

25 LEASE LIABILITIES (NON CURRENT)			
Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	
Lease Liabilities	710.81	-	
	<u>710.81</u>	<u>-</u>	



		(₹In Lakhs)	
26 PROVISIONS (NON CURRENT)	Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
	Provisions for Employee Benefits		
	-For Leave encashment (Refer Note No 47]	36.32	41.00
	Others		
	-Provision for warranty (Refer Note No 49)	2.06	2.54
		<b>38.38</b>	<b>43.54</b>
27 DEFERRED TAX LIABILITIES (NET)	Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
	Deferred tax liabilities (Net) (Refer Note 27.1)	182.49	113.14
		<b>182.49</b>	<b>113.14</b>

**Note No.: 27.1**

Particulars	Net balance as at 1 April 2020	MAT Credit Adjustment	Recognised in statement of profit and loss	Recognised in OCI	Net balance as at 31 March 2021
Deferred Tax Liabilities/(Assets)					
Property, plant and equipment/Investment Property/Other Intangible Assets	178.80	-	49.18	-	227.98
Fair Value through P&L	(1.17)	-	5.36	-	4.19
Fair Value through OCI	(26.91)	-	-	(0.51)	(27.42)
Others	(31.53)	-	16.45	-	(15.09)
Allowance for Bad & Doubtful Debts	(6.06)	-	(1.12)	-	(7.18)
	<b>113.14</b>	<b>-</b>	<b>69.86</b>	<b>(0.51)</b>	<b>182.49</b>

Particulars	Net balance as at 1 April 2019	MAT Credit Adjustment	Recognised in statement of profit and loss	Recognised in OCI	Net balance as at 31 March 2020
Deferred Tax Assets/(Liabilities)					
Property, plant and equipment/Investment Property/Other Intangible Assets	172.83	-	5.97	-	178.80
Fair Value through P&L	(0.06)	-	(1.11)	-	(1.17)
Fair Value through OCI	(17.16)	-	-	(9.75)	(26.91)
Others	(22.79)	-	(8.74)	-	(31.53)
Mat Credit Entitlement	(66.59)	(66.59)		-	-
Allowance for Bad & Doubtful Debts	(4.78)	-	(1.28)	-	(6.06)
	<b>61.45</b>	<b>(66.59)</b>	<b>(5.16)</b>	<b>(9.75)</b>	<b>113.14</b>



(₹In Lakhs)

**Income tax**

The major components of Income Tax Expense for the year ended 31 March, 2021

Particulars	For the year ended 31 <sup>st</sup> March, 2021	For the year ended 31 <sup>st</sup> March, 2020
<b>Profit and Loss:</b>		
Current tax – net of reversal of earlier year : Rs -12.22 Lacs (Previous Year Rs -1.16 Lacs )	146.78	212.74
Deferred Tax	69.86	(5.16)
	<b>216.64</b>	<b>207.58</b>

Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate

Particulars	For the year ended 31 <sup>st</sup> March, 2021	For the year ended 31 <sup>st</sup> March, 2020
Profit before income tax expense	882.19	741.24
Tax at the Indian tax rate 25.168 % (Previous Year - 27.82%)	222.03	206.21
Add: Items giving rise to difference in tax		
Effect of non-deductible expenses	5.06	0.97
Permanent difference	(83.05)	(2.62)
Income Tax for earlier years	(12.22)	(1.16)
Others	84.83	4.18
Income Tax Expenses	216.64	207.58

**28 BORROWINGS (CURRENT)**

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Secured From Bank		
Working Capital Loan - repayable on demand (Refer Note 28.1)		
Indian Rupees Cash Credit	2,240.16	1,564.75
Foreign Currency Cash Credit	51.92	595.44
	<b>2,292.08</b>	<b>2,160.19</b>

**Note 28.1** From State Bank of India, Mumbai secured by first charge on present & future current assets of the Company and extension by way of second charge on other fixed assets of the Company (excluding vehicles) and personal guarantee by Chairman & Managing Director and a whole time director.

**29 TRADE PAYABLES**

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Dues of micro enterprises and small enterprises (Refer Note No 29.1)	531.91	679.79
Dues other than micro enterprises and small enterprises	3,604.32	1,783.42
	<b>4,136.23</b>	<b>2,463.21</b>

**Note No 29.1:** Micro enterprises and Small enterprises have been identified by the Company on the basis of the information available. Total outstanding dues of Micro and Small enterprises, which are outstanding for more than the stipulated period and other disclosures as per Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) are given below :



# REMSONS INDUSTRIES LIMITED

Particulars	(₹ In Lakhs)	
	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
(a) Dues remaining unpaid		
- Principal	-	188.23
- Interest on above	-	-
(b) Interest paid in terms of Section 16 of MSMED Act		
- Principal paid beyond the appointed date	-	-
- Interest paid in terms of Section 16 of MSMED Act	-	-
(c) Amount of interest due and payable for the period of delay on payments made beyond the appointed day during the year	-	-
(d) Amount of interest accrued and unpaid*	-	-
<b>30 LEASE LIABILITIES (CURRENT)</b>		
<b>Particulars</b>	<b>As at</b>	<b>As at</b>
	<b>31<sup>st</sup> March, 2021</b>	<b>31<sup>st</sup> March, 2020</b>
Lease Liabilities	147.88	55.98
	<b>147.88</b>	<b>55.98</b>
<b>31 OTHER FINANCIAL LIABILITIES (CURRENT)</b>		
<b>Particulars</b>	<b>As at</b>	<b>As at</b>
	<b>31<sup>st</sup> March, 2021</b>	<b>31<sup>st</sup> March, 2020</b>
Current maturities of long-term debt (Refer Note No 24.1, 24.2, 24.3 & 24.4)	522.33	35.90
Interest Accrued but not due	2.88	-
Trade Deposits from Dealers	74.22	65.17
Unpaid Dividends (Refer Note No 31.1)	2.79	32.02
Creditor for Capital Goods	23.86	-
	<b>626.07</b>	<b>133.09</b>
<b>Note No 31.1:</b> There are no amounts due and outstanding to be credited to Investor's Education and Protection Fund as at March 31, 2021.		
<b>32 OTHER CURRENT LIABILITIES</b>		
<b>Particulars</b>	<b>As at</b>	<b>As at</b>
	<b>31<sup>st</sup> March, 2021</b>	<b>31<sup>st</sup> March, 2020</b>
Statutory Dues Payable	107.80	43.49
Advances From Customers	173.41	48.87
Other Advances	100.00	-
	<b>381.21</b>	<b>92.36</b>
<b>33 PROVISIONS (CURRENT)</b>		
<b>Particulars</b>	<b>As at</b>	<b>As at</b>
	<b>31<sup>st</sup> March, 2021</b>	<b>31<sup>st</sup> March, 2020</b>
<b>Provision for Employee Benefits</b>		
-Gratuity (Refer Note No 47)	88.50	116.93
-Leave encashment (Refer Note No 47)	8.45	10.68
<b>Others</b>		
-Provision for warranty (Refer Note No 49)	3.10	3.80
	<b>100.04</b>	<b>131.41</b>
<b>34 CURRENT TAX LIABILITIES (NET)</b>		
<b>Particulars</b>	<b>As at</b>	<b>As at</b>
	<b>31<sup>st</sup> March, 2021</b>	<b>31<sup>st</sup> March, 2020</b>
Provision for taxation (Net of advance tax)	56.35	42.22
	<b>56.35</b>	<b>42.22</b>

		(₹ In Lakhs)	
<b>A) CONTINGENT LIABILITIES: #</b>			
<b>Particulars</b>	<b>As at</b>	<b>As at</b>	
	<b>31<sup>st</sup> March, 2021</b>	<b>31<sup>st</sup> March, 2020</b>	
(a) Disputed Income Tax Liability	0.32	-	
(b) Disputed Sales Tax Liability	12.38	-	
	<u>12.70</u>	<u>-</u>	
<b>B) COMMITMENTS:</b>			
<b>Particulars</b>	<b>As at</b>	<b>As at</b>	
	<b>31<sup>st</sup> March, 2021</b>	<b>31<sup>st</sup> March, 2020</b>	
Estimated Amounts of Contract remaining to be executed on Capital account and not provided for (Net of Advances)	173.78	136.66	
	<u>173.78</u>	<u>136.66</u>	
<b>Note:</b>			
# The management does not expect these demands/claims to succeed. Claims, where the possibility of outflow of resources embodying economic benefits is remote, have not been considered in contingent liability.			
<b>35 REVENUE FROM OPERATIONS</b>			
<b>Particulars</b>	<b>31<sup>st</sup> March, 2021</b>	<b>31<sup>st</sup> March, 2020</b>	
Sale of Products			
- Own Manufactured	19,318.20	15,774.44	
- Traded	84.94	-	
Sale of Services	12.28	4.22	
<b>Other Operating Revenue</b>			
Process waste sale	26.53	24.65	
Export Incentive/Others	105.91	114.61	
	<u>19,547.86</u>	<u>15,917.92</u>	
<b>36 OTHER INCOME</b>			
<b>Particulars</b>	<b>31<sup>st</sup> March, 2021</b>	<b>31<sup>st</sup> March, 2020</b>	
Interest Income (Refer Note No 36.1)	24.60	3.80	
Net gain on sale of Fixed Assets	-	9.12	
Dividend income from equity instruments designated at FVOCI	0.31	0.31	
Rent Income	3.56	1.96	
Provision no longer required, written back	11.43	51.63	
Fair Value gain on financial assets measured at FVTPL	0.73	-	
Sundry Balance Written Back (Net)	4.04	12.12	
Exchange Fluctuation Gain (Net)	146.55	88.39	
Unwinding of interest on security deposits	3.41	2.74	
Miscellaneous Income	-	0.14	
	<u>194.62</u>	<u>170.21</u>	
<b>Note No. 36.1 : Break-up of Interest Income</b>			
Interest Income on deposits with Bank	0.24	-	
Interest Income on Security deposits	1.06	2.59	
Interest Income on loan to Subsidiary Company	22.55	-	
Interest Income on Others	0.75	1.21	
	<u>24.60</u>	<u>3.80</u>	
<b>37 COST OF MATERIALS CONSUMED</b>			
<b>Particulars</b>	<b>31<sup>st</sup> March, 2021</b>	<b>31<sup>st</sup> March, 2020</b>	
Inventory at the beginning of the year	1,504.05	1,330.40	
Add: Purchases during the year	13,820.07	10,119.64	
	<u>15,324.12</u>	<u>11,450.04</u>	
Less: Inventory at the end of the year	1,911.46	1,504.05	
	<u>13,412.66</u>	<u>9,945.99</u>	



			(₹In Lakhs)
<b>38</b>	<b>PURCHASE OF STOCK IN TRADE</b>		
	<b>Particulars</b>	<b>31<sup>st</sup> March, 2021</b>	<b>31<sup>st</sup> March, 2020</b>
	Traded Goods	74.90	-
		<u>74.90</u>	<u>-</u>
<b>39</b>	<b>CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS</b>		
	<b>Particulars</b>	<b>31<sup>st</sup> March, 2021</b>	<b>31<sup>st</sup> March, 2020</b>
	<b>Inventories at the beginning of the year</b>		
	Finished Goods	1,491.33	1,165.46
	Work In Progress	209.36	163.91
	Scrap	7.53	4.11
		1,708.22	1,333.47
	<b>Inventories at the end of the year</b>		
	Finished Goods	1,378.65	1,491.33
	Work In Progress	184.01	209.36
	Scrap	4.01	7.53
		1,566.67	1,708.22
		<u>141.55</u>	<u>(374.74)</u>
<b>40</b>	<b>EMPLOYEE BENEFIT EXPENSES</b>		
	<b>Particulars</b>	<b>31<sup>st</sup> March, 2021</b>	<b>31<sup>st</sup> March, 2020</b>
	Salaries, Wages and Bonus	2,825.22	2,946.74
	Contribution to Provident and other fund	109.06	108.37
	Staff Welfare Expenses	68.38	44.13
		<u>3,002.66</u>	<u>3,099.24</u>
<b>41</b>	<b>FINANCE COSTS</b>		
	<b>Particulars</b>	<b>31<sup>st</sup> March, 2021</b>	<b>31<sup>st</sup> March, 2020</b>
	Interest Expenses (Refer Note No. 41.1)	301.22	212.30
	Interest on lease liabilities	6.25	8.52
	<b>Other Borrowing Cost</b>		
	Other Financial Charges	3.70	0.60
	Exchange difference regarded as an adjustment to borrowing costs	-	30.67
		<u>311.17</u>	<u>252.09</u>
	<b>Note No. 41.1</b>		
	Break-up of Interest Expenses		
	Interest on Bank Borrowings	220.33	137.01
	Interest on Income Tax	5.89	0.29
	Interest on Unsecured Loans	75.00	75.00
		<u>301.22</u>	<u>212.30</u>
<b>42</b>	<b>DEPRECIATION &amp; AMORTIZATION EXPENSE</b>		
	<b>Particulars</b>	<b>31<sup>st</sup> March, 2021</b>	<b>31<sup>st</sup> March, 2020</b>
	Depreciation on Property, Plant and Equipment	250.97	239.29
	Depreciation on Leased Assets	56.81	59.21
	Depreciation on Investment Property	0.19	0.19
	Amortisation on Intangible Assets	20.23	20.23
		<u>328.21</u>	<u>318.93</u>

		(₹ In Lakhs)	
43 OTHER EXPENSES		31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
<b>Particulars</b>			
Consumption of Stores & Spares		147.74	187.73
Conversion Charges Paid		108.98	140.13
Power & Fuel		262.10	294.59
Carriage Inward		61.28	60.66
Repair & Maintenance			
Plant & Machinery		36.71	49.22
Building		8.19	21.99
Others		35.59	56.78
Research and Development Expenses		0.15	1.44
Carriage Outward		573.24	511.40
Advertisement and Sales & Promotion Expenses		14.08	16.83
Warranty Charges		3.95	-
Commission on sales		37.26	125.08
Allowance for doubtful debts		6.76	4.60
Rent		40.46	53.20
Rates & Taxes		6.93	16.46
Security Services Charges		63.24	61.99
Insurance		50.86	35.82
Traveling & Conveyance Expenses		59.59	139.02
Communication Expenses		41.04	41.77
Legal & Professional Charges		183.95	154.94
Payments to Auditors (Refer Note 43.1)		8.45	5.73
Donations Paid		2.71	2.00
CSR Expenditure		11.20	-
Miscellaneous Expenses		154.36	124.00
		<b>1,918.82</b>	<b>2,105.38</b>
<b>Note No. 43.1 : Payment to Statutory Auditors</b>			
As Auditors :			
Audit Fees (including Limited Review)		6.40	4.13
In Other Capacity :			
Certification & Others		2.05	1.25
Out of pocket expenses		-	0.35
		<b>8.45</b>	<b>5.73</b>
<b>44 EXCEPTIONAL ITEMS</b>			
<b>Particulars</b>		<b>31<sup>st</sup> March, 2021</b>	<b>31<sup>st</sup> March, 2020</b>
On account of Sale of Undertaking (Refer Note No 44.1)		329.69	-
		<b>329.69</b>	<b>-</b>
<b>Note No 44.1:</b> During the year, the Company has sold fixed assets including land and building and the gains realised from the sale have been classified as exceptional item.			
<b>45 EARNING PER SHARE</b>			
<b>Particulars</b>		<b>31<sup>st</sup> March, 2021</b>	<b>31<sup>st</sup> March, 2020</b>
(A) Profit attributable to Equity Shareholders (Rs.)		665.55	533.66
(B) No. of Equity Share outstanding during the year		57,13,357	57,13,357
(C) Face Value of each Equity Share (Rs.)		10	10
(D) Basic & Diluted earning per Share (Rs.)		11.65	9.34



NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021.

**46 SEGMENT :**

The company publishes standalone financial statements of the company along with the consolidated financial statements. In accordance with Ind AS 108 - Operating segments, the company has disclosed the segment information in the consolidated financial statements.

**47 Employee Benefits**

As per IND AS 19 "Employee Benefits", the disclosures of Employee benefits as defined in the said Accounting Standards are given below :

**i) Defined Contribution Plan**

Contribution to Defined Contribution Plan includes Provident Fund. The expenses recognised for the year are as under :

(₹In Lakhs)

Particulars	2020-21	2019-20
Employer's Contribution to Provident Fund	77.24	75.43

**ii) Defined Benefit Plan**

**a) Gratuity:**

The Company operates gratuity plan wherein every employee is entitled to the benefit equivalent to 15 days/one month salary last drawn for each completed year of service depending on the date of joining. The same is payable on termination of service, retirement or death, whichever is earlier. The benefit vests after 5 years of continuous service.

(₹In Lakhs)

I	Changes in present value of obligations	2020-21	2019-20
i)	Present value of Defined Benefit Obligation at beginning of the year.	209.42	202.93
ii)	Current Service Cost	18.58	14.92
iii)	Interest Cost	14.30	15.75
iv)	Past Service Cost	-	8.38
v)	Actuarial (Gain) / Losses	1.99	29.51
vi)	Benefits Payments	(10.63)	(62.07)
vii)	<b>Present value of Defined Benefit Obligation at the end of the year.</b>	<b>233.66</b>	<b>209.42</b>
II	Changes in the fair value of plan assets	2020-21	2019-20
i)	Fair value of plan assets at the beginning of year	92.49	147.04
ii)	Interest Income	6.32	11.41
iii)	Contributions	55.86	1.63
iv)	Benefits paid	(10.63)	(62.07)
v)	Actuarial gain on Plan assets, Excluding Interest Income	1.12	(5.52)
vi)	<b>Fair value of plan assets at the end of year</b>	<b>145.17</b>	<b>92.49</b>
III	Change in the present value of the defined benefit obligation and fair value of plan assets	2020-21	2019-20
i)	Present value of Defined Benefit Obligations as at end of year.	(233.66)	(209.42)
ii)	Fair value of plan assets as at 31 <sup>st</sup> March, 2021.	145.17	92.49
iii)	Funded status [Surplus/(Deficit)]	(88.50)	(116.93)
iv)	Net assets/ (liabilities)as at 31 <sup>st</sup> March, 2021.	(88.50)	(116.93)
IV	Change in Assets during the year ended 31 <sup>st</sup> March,2021	2020-21	2019-20
i)	Plan assets at the beginning of the year.	92.49	147.04
ii)	Expected return on plan assets	6.32	11.41
iii)	Contributions by Employer	55.86	1.63
iv)	Actual benefits Paid	(10.63)	(62.07)
v)	Plan assets at the end of the year.	144.04	98.01
vi)	Actual return on plan assets	6.32	11.41



(₹In Lakhs)

V	Expenses Recognised in statement of Profit & Loss	2020-21	2019-20
i)	Current Service Cost	18.58	14.92
ii)	Interest Cost	14.30	15.75
iii)	Expected return on plan assets	(6.32)	(11.41)
iv)	Net Actuarial (Gain) / Losses	0.86	35.03
v)	<b>Total Expenses</b>	<b>27.43</b>	<b>54.29</b>
VI	Actuarial Gain/Loss recognized	2020-21	2019-20
i)	Actuarial gain for the year -Obligation	0.86	35.03
ii)	Total gain for the year	0.86	35.03
iii)	<b>Total actuarial (gain)/ loss included in other comprehensive income</b>	<b>0.86</b>	<b>35.03</b>
VII	Actuarial Assumptions:	2020-21	2019-20
i)	Discount Rate	6.85%	6.83%
ii)	Salary Escalation	6.00%	6.00%
iii)	Attrition Rate	4.00%	4.00%

The Company is unable to obtain the details of plan assets from LIC and hence the related disclosures are not given.

**b) Leave encashment:**

The Company has a policy on compensated absences which is applicable to its executives jointed upto a specified period and all employees. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each Balance Sheet date using projected unit credit method on the additional amount expected to be paid as a result of the unused entitlement that has accumulated at the Balance Sheet date.

The plans of the Company exposes to actuarial risks such as Investment Risk, Interest rate risk, salary risk and longevity risk. These risks may impact the obligation of the Company

Actuarial Assumptions:	2020-21	2019-20
Discount Rate	6.85%	6.83%
Salary Escalation	6.00%	6.00%
Attrition Rate	4.00%	4.00%
Funding Status	Unfunded	Unfunded
Current Liability	8.45	10.69
Non Current Liability	36.32	41.00
<b>Projected Benefit Obligation</b>	<b>44.76</b>	<b>51.69</b>

**48 RELATED PARTIES DISCLOSURE:**

(a) Related parties, as per Ind AS 24 - Related Party Disclosures, during the year as deemed in the Accounting Standard are given below the related parties with whom the company had transactions and related parties where control exist.

S.No.	Related Parties	Nature of Relationship
<b>KEY MANAGEMENT PERSONNEL</b>		
(i)	Mr. Krishna Kejriwal	Chairman & Managing Director
(ii)	Mrs. Chand Kejriwal	Whole Time Director
(iii)	Mr. Rahul Kejriwal	Whole Time Director & Chief Financial Officer ( w.e.f. 14 <sup>th</sup> December, 2020)
(iv)	Mr. Rohit Darji	Company Secretary
(v)	Mr. Amit Srivastava	Chief Executive Officer
(vi)	Mr. Subhash Vishwakarma	Chief Financial Officer ( till 30 <sup>th</sup> June, 2020)

**RELATIVE OF KEY MANAGEMENT PERSONNEL**

(i)	Mr. Basant Kejriwal	Brother of Chairman & Managing Director
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**ENTITIES WHERE KEY MANAGEMENT PERSONNEL/RELATIVES OF DIRECTORS HAS SIGNIFICANT INFLUENCE**

(i)	Remsons Cables Industries Private Ltd.	Mr. Rahul Kejriwal is Director
(ii)	Goodluck Electronics Private Ltd.	Mr. Rahul Kejriwal is Director
(iii)	Remsons Holding Ltd.	Wholly Owned Subsidiary (w.e.f. 21st August, 2020)
(iv)	Magal Automotive Ltd.	Stepdown Subsidiary (w.e.f. 26th August, 2020)
(v)	Woolford Properties Ltd.	Stepdown Subsidiary (w.e.f. 21st October, 2020)

**(b) DISCLOSURE OF TRANSACTIONS DURING THE YEAR WITH RELATED PARTIES :**

(₹In Lakhs)

PARTICULARS	OTHER RELATED PARTIES		KEY MANAGEMENT PERSONNEL & RELATIVES	
	2020-21	2019-20	2020-21	2019-20
<b>Sale of Goods/services (Excluding Taxes)</b>	<b>1,030.24</b>	<b>13.28</b>	-	-
Remsons Cables Industries Pvt Ltd	-	-	-	-
Goodluck Electronics Pvt Ltd	49.27	13.28	-	-
Magal Automotive Ltd	980.97	-	-	-
<b>Purchase of goods/services (Excluding Taxes)</b>	<b>401.80</b>	<b>325.16</b>	-	-
Goodluck Electronics Pvt Ltd	401.80	325.16	-	-
<b>Purchase of Capital goods (Excluding Taxes)</b>	<b>26.49</b>	-	-	-
Remsons Cables Industries Pvt Ltd	26.49	-	-	-
<b>Rent paid (Excluding Taxes)</b>	<b>30.00</b>	<b>36.00</b>	<b>1.60</b>	<b>1.92</b>
Goodluck Electronics Pvt Ltd	30.00	36.00	-	-
Mr. Rahul Kejriwal	-	-	1.60	1.92
<b>Commission Paid</b>	-	-	<b>6.50</b>	<b>8.20</b>
Mr. Basant Kejriwal	-	-	6.50	8.20
<b>*Remuneration</b>	-	-	<b>188.41</b>	<b>196.77</b>
Mr. Krishna Kejriwal	-	-	35.86	35.38
Mrs Chand Kejriwal	-	-	19.55	19.75
Mr. Rahul Kejriwal	-	-	38.59	38.65
Mr. Anil Kumar Agrawal	-	-	-	13.91
Mr. Subhash Vishwakarma	-	-	5.90	17.53
Mr. Amit Srivastava	-	-	77.46	60.61
Mr. Rohit Darji	-	-	11.04	10.94
<b>Interest Paid</b>	-	-	<b>75.00</b>	<b>75.00</b>
Mr. Krishna Kejriwal	-	-	34.70	34.70
Mrs Chand Kejriwal	-	-	40.30	40.30
<b>Interest Received</b>	<b>22.55</b>	-	-	-
Remsons Holding Ltd.	22.55	-	-	-
<b>Loan Given</b>	<b>1,766.63</b>	-	-	-
Remsons Holding Ltd.	1,766.63	-	-	-
<b>Investments</b>	<b>505.91</b>	-	-	-
Remsons Holding Ltd.	505.91	-	-	-

**(c) BALANCES AT THE END OF THE YEAR WITH RELATED PARTIES :** (₹In Lakhs)

S.No.	Related parties	Nature of Transactions during the year	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
(i)	Remsons Cables Industries Pvt Ltd (at fair value)	Investment in Equity Share	0.00	0.02
		Trade Payables	31.26	-
(ii)	Goodluck Electronics Pvt Ltd (at fair value)	Investment in Equity Share	2.72	2.93
		Trade Receivable	48.72	16.29
		Trade Payables	35.66	72.46
(iii)	Magal Automotive Ltd.	Trade Receivable	708.20	-
(iv)	Remsons Holding Ltd.	Investment	505.91	-
		Loan Receivable	1,766.63	-
		Interest Receivable	22.55	-
(iv)	Mr. Krishna Kejriwal	Loan Payable	347.00	347.00
(v)	Mrs Chand Kejriwal	Loan Payable	403.00	403.00
(vi)	Mr. Basant Kejriwal	Commission Payable	6.67	2.60

\*The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

\*The above figures do not include provisions for encashable leave, gratuity and premium paid for group health insurance, as separate actuarial valuation / premium paid are not available.

The sitting fees paid to non-executive directors is Rs. 2.80 Lakhs and 1.10 Lakhs as at March 31, 2021 and 2020, respectively.

**49 DISCLOSURE OF RELATING TO PROVISION OF WARRANTY**

Provision is made for estimated warranty claims only in respect of the product sold which are still under warranty at the end of the reporting period. These claims are expected to be settled as and when warranty claims arise. Management estimates the provision based on historical warranty claim information and any recent trends that may suggest future claim could differ from historical amounts.

Particulars	2020-21	2019-20
Balance at the beginning	6.34	11.62
Net Amount utilised/reversed during the year	(1.18)	(5.28)
Balance at the end of year	5.16	6.34

**50 FOREIGN CURRENCY EXPOSURE :**

The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are as under.

(a) Amount Receivable in Foreign Currency on account of the following :

Particulars	Foreign Currency	As on 31 <sup>st</sup> March, 2021		As on 31 <sup>st</sup> March, 2020	
		Amount in Foreign Currency in Lacs	Rs in Lakhs	Amount in Foreign Currency in Lacs	Rs in Lakhs
Receivables/ Bank	GBP	7.17	724.01	2.57	239.35
	EURO	6.54	563.33	5.35	444.42
	USD	1.85	136.14	1.10	82.88

(b) Amount Payable in Foreign Currency on account of the following :

Particulars	Foreign Currency	As on 31 <sup>st</sup> March, 2021		As on 31 <sup>st</sup> March, 2020	
		Amount in Foreign Currency in Lacs	Rs in Lakhs	Amount in Foreign Currency in Lacs	Rs in Lakhs
Loan/Trade Payables	GBP	-	-	0.09	8.24
	EURO	1.04	89.95	7.26	602.53
	USD	0.09	6.62	-	-



### 51 Lease

The Company's leasing arrangements are in respect of office premises / warehouse. These leasing arrangements, which is mostly cancelable, range between 11 months to 3 years and are usually renewable by mutual consent at mutually agreed terms & conditions. The aggregate lease rentals of Rs. 40.46 Lacs (Previous Year Rs.. 53.20 lacs) are charged as rent and shown under the note no. 43 "Other Expenses".

52 Balances of Trade Receivables, Trade Payables and Loans and Advances are subject to confirmation and consequential adjustment, if any.

53 In the opinion of the Board, Current Assets, Loans and Advances have value in the ordinary course of business at least equal to the amount at which they are stated.

### 54 Capital Management

#### i) Risk Management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders. The primary objective of the Company capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitor capital using a gearing ratio and is measured by debt divided by total Equity. The Company's Debt is defined as long-term and short-term borrowings including current maturities of long term borrowings and total equity (as shown in balance sheet) includes issued capital and all other reserves.

#### ii) Gearing Ratio

The gearing ratio at end of the reporting period was as follows.

Particulars	31 <sup>st</sup> March, 2021 ₹ in Lakhs	31 <sup>st</sup> March, 2020 ₹ in Lakhs
Borrowing	4,870.73	2,949.46
<b>*Net Debt</b>	<b>4,870.73</b>	<b>2,949.46</b>
Total Equity	3,139.00	2,474.03
Capital Gearing Ratio	0.64	0.84

\*Debt is defined as long-term and short-term borrowings including current maturities and books overdraft Total equity (as shown in balance sheet) includes issued capital and all other equity reserves.

### 55 Fair Value Measurement

Financial instruments by category

(₹In Lakhs)

Particulars	31 <sup>st</sup> March, 2021			31 <sup>st</sup> March, 2020		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets						
Investments						
- Mutual Funds	48.73	-	-			
- Equity instruments (Excluding investment in subsidiary)	-	2.72	-	-	2.95	-
Trade receivables	-	-	3,251.66	-	-	2,232.31
Cash and cash equivalents	-	-	29.03	-	-	141.97
Bank balances other than Cash and cash equivalents	-	-	9.79	-	-	32.02
Security deposit	-	-	160.18	-	-	76.25
Loan to Employees	-	-	7.26	-	-	10.74
Loan to Subsidiary Company	-	-	1,766.63	-	-	-
Interest accrued	-	-	22.79	-	-	-
<b>Total financial assets</b>	<b>48.73</b>	<b>2.72</b>	<b>5,247.32</b>	<b>-</b>	<b>2.95</b>	<b>2,493.29</b>

<b>Financial liabilities</b>						
Borrowings	-	-	4,870.73	-	-	2,949.46
Trade payables	-	-	4,136.23	-	-	2,463.21
Lease liabilities	-	-	858.69	-	-	55.98
Security deposit	-	-	74.22	-	-	65.17
Others	-	-	29.53	-	-	32.02
<b>Total financial liabilities</b>	-	-	<b>9,969.40</b>	-	-	<b>5,565.84</b>

**(i) Fair value hierarchy**

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

(₹ In Lakhs)

<b>Financial assets and liabilities measured at fair value At March 31, 2021</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Financial assets</b>				
<b>Financial Investments at FVPL</b>				
Mutual Funds	48.73	-	-	48.73
<b>Financial Investments at FVOCI</b>				
Equity Instruments	-	-	2.72	2.72
<b>Total financial assets</b>	<b>48.73</b>	<b>-</b>	<b>2.72</b>	<b>51.45</b>
<b>Financial assets and liabilities measured at fair value At March 31, 2020</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Financial assets</b>				
<b>Financial Investments at FVOCI</b>				
Equity Instruments	-	-	2.95	2.95
<b>Total financial assets</b>	<b>-</b>	<b>-</b>	<b>2.95</b>	<b>2.95</b>

There are no transfers between levels 1 and 2 during the year.

Reconciliation of Level 3 fair value measurement is as follows:

(₹ In Lakhs)

<b>Particulars</b>	<b>Amount</b>
Balance as on 31st March, 2019	4.67
Change In Value	(1.72)
Balance as on 31st March, 2020	2.95
Change In Value	(0.23)
Balance as on 31st March, 2021	2.72

The fair values of current debtors, cash & bank balances, loan to related party, security deposit to government department, current creditors and current borrowings and other financial liability are assumed to approximate their carrying amounts due to the short-term maturities of these assets and liabilities.

**(ii) Valuation technique used to determine fair value**

Specific valuation techniques used to value financial instruments include:

\*the use of quoted market prices or dealer quotes for similar instruments. All of the resulting fair value estimates are included in level 3 except for unlisted equity securities, contingent consideration and indemnification asset, where the fair values have been determined based on present values and the discount rates used were adjusted for counter party or own credit risk.

**(iii) Valuation processes**

The carrying amounts of trade receivables, trade payables, capital creditors and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.



56 FINANCIAL RISK MANAGEMENT

The Company's activities expose it to market risk, credit risk, liquidity risk and price risk.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact thereof in the financial statements.

Risk	Exposure arising from	Measurement	Management
Market Risk – Foreign Exchange	Financial assets and liabilities not denominated in INR.	Foreign currency exposure review and sensitivity analysis.	The company partly hedged due to natural hedge and is exploring to hedge its unhedged positions.
Credit Risk	Cash and cash equivalents, trade receivables and financial assets.	Credit ratings, Review of aging analysis, on quarterly basis.	Strict credit control and monitoring system, diversification of counterparties, on quarterly basis.
Liquidity Risk	Trade payables and other financial liabilities.	Maturity analysis, cash flow projections.	Maintaining sufficient cash / cash equivalents and marketable security and focus on realisation of receivables.
Price Risk	Basic ingredients of company raw materials are various grade of steel and plastic granuels where prices are volatile	The company sourcing components from vendors directly, hence it does not hedge its exposure to commodity price risk.	The company is able to pass on substantial price hike to the customers.

The Board provides guiding principles for overall risk management, as well as policies covering specific areas such as credit risk, liquidity risk, price risk and Foreign Exchange Risk effecting business operations. The company's risk management is carried out by the management as per guidelines and policies approved by the Board of Directors.

**I Market risk**

**a) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regard to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of the fixed rate and floating rate financial instruments in its total portfolio.

The exposure of Company borrowings to interest rate changes at the end of reporting period are as follows: (₹In Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Variable rate borrowings	4,117.36	2,191.93
Fixed rate borrowings	753.37	757.53
Total borrowings	4,870.73	2,949.46

**Sensitivity Analysis**

Profit/loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

Particulars	Basis Points	Impact on Profit before Tax	
		31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
Increase in Basis points	+50	(20.59)	(10.96)
Decrease in Basis points	- 50	20.59	10.96



**b) Foreign Currency risk**

The Company has exposure to foreign currency risk on account of its payable and receivables in foreign currency. The company is following natural hedging to mitigate the foreign currency risk.

The Company's exposure to foreign currency risk which are unhedged at the end of the reporting period is as follows:

Particulars	EURO in Lakhs	USD in Lakhs	GBP in Lakhs
<b>31<sup>st</sup> March, 2021</b>			
Trade receivables/Bank - Foreign Currency	6.54	1.85	7.17
Trade receivables/Bank - INR	563.33	136.14	724.01
Trade payables/Loan - Foreign Currency	1.04	0.09	-
Trade payables/Loan - INR	89.95	6.62	-
<b>31<sup>st</sup> March, 2020</b>			
Trade receivables/Bank- Foreign Currency	5.35	1.10	2.57
Trade receivables/Bank - INR	444.42	82.88	239.35
Trade payables/Loan - Foreign Currency	7.26	-	0.09
Trade payables/Loan - INR	602.53	-	8.24

**Sensitivity Analysis-**

The Company is mainly exposed to changes in Euro, GBP and USD. The sensitivity analysis demonstrate a reasonably possible change in Euro, GBP and USD exchange rates, with all other variables held constant. 5% appreciation/depreciation of Euro, GBP and USD with respect to functional currency of the company will have impact of following (decrease)/increase in Profit & vice versa.

(₹In Lakhs)

Particulars	31 <sup>st</sup> March, 2021		31 <sup>st</sup> March, 2020	
	Strengthens	Weakening	Strengthens	Weakening
<b>Impact on profit or loss for the year</b>				
Euro Impact	23.67	(23.67)	(7.91)	7.91
USD Impact	6.48	(6.48)	4.14	(4.14)
GBP Impact	36.20	(36.20)	11.56	(11.56)
<b>Total</b>	<b>66.35</b>	<b>(66.35)</b>	<b>7.79</b>	<b>(7.79)</b>

\* Holding all other variables constant

**c) Price Risk**

The company is exposed to price risk in basic ingredients of Company's raw material and is procuring finished components and bought out materials from vendors directly. The Company monitors its price risk and factors the price increase in pricing of the products.

**II Credit Risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses the direct risk of default, risk of deterioration of creditworthiness as well as concentration risks. The Company is exposed to credit risk from its operating activities (primarily trade receivables).

**Credit Risk Management**

The company's credit risk mainly from trade receivables as these are typically unsecured. This credit risk has always been managed through credit approvals, establishing credit limits and continuous monitoring the creditworthiness of customers to whom credit is extended in the normal course of business. The Company estimates the expected credit loss based on past data, available information on public domain and experience. Expected credit losses of financial assets receivable are estimated based on historical data of the Company. The company has provisioning policy for expected credit losses.

The maximum exposure to credit risk as at 31st March 2021 and 31st March 2020 is the carrying value of such trade receivables as shown in note 15 of the financial statements.



**III Liquidity Risk**

Liquidity risk represents the inability of the Company to meet its financial obligations within stipulated time. To mitigate this risk, the Company maintains sufficient liquidity by way of working capital limits from banks

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments:

(₹In Lakhs)

Particulars	Less than 1 year	More than 1 year	Total
<b>As at 31<sup>st</sup> March, 2021</b>			
Borrowings	2,814.41	2,056.32	4,870.73
Trade payables	4,136.23	-	4,136.23
Lease liabilities	147.88	710.81	858.69
Other financial liabilities	103.75	-	103.75
<b>Total</b>	<b>7,202.27</b>	<b>2,767.14</b>	<b>9,969.40</b>
Particulars	Less than 1 year	More than 1 year	Total
<b>As at 31<sup>st</sup> March, 2020</b>			
Borrowings	2,196.09	753.37	2,949.46
Trade payables	2,463.21	-	2,463.21
Lease liabilities	55.98	-	55.98
Other financial liabilities	97.19	-	97.19
<b>Total</b>	<b>4,812.48</b>	<b>753.37</b>	<b>5,565.84</b>

- 57 The Board of Directors at their meeting held on 28th June, 2021 proposed final dividend of Re. 1 per share i.e 10% on Equity Share of Rs. 10/- each, subject to the approval of the members at the ensuing Annual General meeting.. Dividends paid during the year ended March 31, 2020 include an amount of Rs. 1.50 per equity share towards final dividend for the year ended March 31, 2019 and an amount of Rs. 1.50 per equity share towards interim dividends for the year ended March 31, 2020.
- 58 A new section 115BAA was inserted in the IT Act 1961 by the Govt of India on Sept 20, 2019 wide the Taxation Laws (Amendment) Ordinance 2019, which provides the option to pay income-tax at reduce rate in accordance with the provision/conditions defined in the said section. The company has decided to exercise the option.
- 59 The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the group towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The group will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.
- 60 The company has assessed the possible effects that may result from the COVID-19 pandemic on the carrying amounts of receivables, intangibles, investments and other assets / liabilities. Based on the current indicators of economic conditions, the company expects to recover the carrying amount of all its assets. The Management has also assessed and concluded that no material uncertainty exists, which raises a doubt on the company's ability to continue as a going concern in the near future. The actual impact of the COVID-19 pandemic may be different from that estimated as at the date of approval of these financial statements and the company will continue to closely monitor any material changes to the economic conditions in the future.
- 61 The Previous year figures have been regrouped/reclassified, wherever necessary to confirm to the current presentation as per the schedule III of Companies Act, 2013.

As per our report of even date attached  
For **M LBHUWANIA AND CO LLP**  
Chartered Accountants  
FRN : 101484W /W100197  
VIJAY KUMAR JAIN  
Partner  
Membership No. 108374  
Place : Mumbai, Dated : 28<sup>th</sup> June, 2021

**For and on behalf of the Board of Directors**  
**For Remsons Industries Limited**

<p><b>Krishna Kejriwal</b> Chairman &amp; Managing Director DIN : 00513788</p> <p><b>Rohit Darji</b> Company Secretary</p>	<p><b>Rahul Kejriwal</b> Whole Time Director &amp; CFO DIN : 00513777</p> <p><b>Amit Srivastava</b> Chief Executive Officer</p>
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Place : Mumbai | Dated : 28<sup>th</sup> June, 2021

## INDEPENDENT AUDITOR'S REPORT

To,  
The Members of  
**REMSONS INDUSTRIES LIMITED**

Report on the Audit of the Consolidated Financial Statements

### Opinion

We have audited the accompanying consolidated financial statements of REMSONS INDUSTRIES LIMITED ("Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2021, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information ("the consolidated financial statements").

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 accounting principles generally accepted in India, of their consolidated state of affairs of the Company as at March 31, 2021, their consolidated profit, the consolidated other comprehensive income, their consolidated changes in equity and their consolidated cash flows 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 ("Sas") specified under section 143(10) of the Act. 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), and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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 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 matters described below to be the key audit matters to be communicated in our report.

Key Audit matter	How our audit addressed the key audit matter
<p><b>Provision for slow moving and non -moving inventories</b></p> <p>The group carries a sizeable portion of inventory which is a material portion of the total assets of the group. The management has the process of identifying the slow moving and non-moving inventories. This estimate has inherent uncertainty as it involves estimation/ judgment on the part of the management</p>	<p>Our procedures included discussion with the management on the control on the data and its effectiveness. Our audit approach was a combination of test of internal controls and substantive procedures which included the following:</p> <p>Evaluated the design of internal controls relating to identifying the slow moving and non-moving items and tested the controls pertaining to the same.</p> <ul style="list-style-type: none"> <li>● Reviewed the age-wise inventory reports and movement of inventory and production of items in which such inventories are being used.</li> <li>● Discussed with the operating personnel about the alternate use of such items.</li> <li>● Reviewed the net realizable value of such non -moving and slow moving items.</li> <li>● Performed analytical procedures and test of details for reasonableness of the provisions.</li> </ul>

### **Other Information**

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Annual Report, but does not include the consolidated financial statements and our Auditors' 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, compare with the financial statements if the subsidiaries audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors 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. Other information so far as it relates to the subsidiaries is traced from their financial statements audited by the other auditors. 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 Holding Company's management and Board of Directors are responsible for the matters stated in Section 134(5) of Act with respect to the preparation and presentation 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 changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ("Ind AS") specified under section 133 of the Act. The respective company's management and 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 each entity 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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 management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective management and Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 management either intends to liquidate or cease operations, or has no realistic alternative but to do so.

The respective management and Board of Directors of the companies included in the Group are 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 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 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 and 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 included in the consolidated financial statements of which we are the independent auditors. For the business activities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
- We communicate with those charged with governance of the Holding 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.

#### **Other Matters**

- (a) We did not audit the financial statements / financial information of three subsidiaries (including two step down subsidiaries), whose financial statements / financial information reflect unconsolidated total assets of Rs. 9,816.08 lakhs as at March 31, 2021, unconsolidated total revenues of Rs. 4,165.98 lakhs, unconsolidated net profit after tax of Rs. 72.71 lakhs, unconsolidated total comprehensive income of Rs. 75.47 lakhs and unconsolidated net cash inflows amounting to Rs. 184 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries are based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

#### **Report on Other Legal and Regulatory Requirements**

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements / information of subsidiaries, unaudited financial statements / financial information referred to in the paragraph on 'Other Matters' section above, we report, to the extent applicable, 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 Statement of Changes in Equity and the Consolidated Statement of Cash Flows 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 Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2021 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, none of the directors of the Group companies is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on the financial statements / information of the subsidiaries:
- The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group- Refer Note No. 48 to the consolidated financial statements;
  - The Group did not have any material foreseeable losses on long term contracts including derivatives contracts.
  - There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies.
- h) With respect to the matter to be included in the Auditor's Report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the Holding Company, subsidiary companies, wherever applicable, to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director by the Holding Company, subsidiary companies is not in excess of the limit laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) which are required to be commented upon by us.

For **M L BHUWANIA AND CO LLP**  
Chartered Accountants  
**FRN: 101484W/W100197**

**Vijay Kumar Jain**  
Partner  
Membership No. 108374  
UDIN: 21108734AAAAHQ9358

Place: Mumbai  
Date: June 28, 2021

**Annexure A to our report dated June 28, 2021**

Sr. No.	Name	Subsidiary / Step down Subsidiary
1	Remsons Holdings Ltd.	Subsidiary
2	Woolford Properties Ltd.	Step Down Subsidiary
3	Magal Automotive Ltd.	Step Down Subsidiary



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**ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT**

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

Referred to in paragraph (f) of 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report on the consolidated financial statements of the company for the year ended March 31, 2021.

**Opinion**

In conjunction with our audit of the consolidated financial statements of REMSONS INDUSTRIES LIMITED ("the Holding Company") as of and for the year ended March 31, 2021, we have audited the internal financial control over financial reporting of the Holding Company and its subsidiary companies, incorporated in India, wherever applicable, as of that date.

In our opinion to the best of our knowledge and according to the opinion expressed in the report of other auditors, the Holding Company, incorporated in India, wherever applicable, in all material respects, have an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the criteria for internal controls over financial reporting established by the respective companies, wherever applicable, 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.

**Management's Responsibility for Internal Financial Controls**

The respective company's management and Board of Directors of Holding Company, its subsidiary companies, incorporated in India, wherever applicable, are responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the respective companies, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, and both issued by the ICAI. 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 judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the paragraph on 'Other Matters', is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Holding Company, its subsidiary companies, incorporated in India, wherever applicable

**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 consolidated financial statements.



**REMSONS**  
**INDUSTRIES LIMITED**

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**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.

For **M L BHUWANIA AND CO LLP**  
Chartered Accountants  
**FRN: 101484W/W100197**

**Vijay Kumar Jain**  
Partner  
Membership No. 108374  
UDIN: 21108734AAAAHQ9358

Place: Mumbai  
Date: June 28, 2021

CONSOLIDATED BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2021

(₹In Lakhs)

ASSETS	Particulars	Note	31 <sup>st</sup> March, 2021
(i)	<b>Non - Current Assets</b>		
(a)	Property, Plant and Equipment	3	3,170.82
(b)	Right of Use Assets	4	881.12
(c)	Capital work - in - progress	5	34.58
(d)	Investment Property	6	1,520.67
(e)	Other Intangible Assets	7	339.77
(f)	Intangible assets under development	8	14.25
(g)	Financial assets		
	(i) Investments	9	2.72
	(ii) Other financial assets	10	192.38
(h)	Other non - current assets	11	256.33
	<b>Total Non- Current Assets</b>		<b>6,412.63</b>
(ii)	<b>Current Assets</b>		
(a)	Inventories	12	4,716.12
(b)	Financial assets		
	(i) Investment	13	48.73
	(ii) Trade receivables	14	4,272.80
	(iii) Cash and cash equivalents	15	213.03
	(iv) Bank balances other than (iii) above	16	9.79
	(v) Other financial assets	17	93.67
(c)	Current Tax Assets (Net)	18	3.12
(d)	Other current assets	19	733.88
	<b>Total Current Assets</b>		<b>10,091.15</b>
(iii)	<b>Assets classified as held for Sale</b>	3	<b>26.26</b>
	<b>TOTAL ASSETS</b>		<b>16,530.04</b>
	<b>EQUITY AND LIABILITIES</b>		
(a)	Equity share capital	20	571.34
(b)	Other Equity	21	2,400.58
	<b>Total Equity</b>		<b>2,971.92</b>
	<b>LIABILITIES</b>		
	<b>Non Current Liabilities</b>		
(a)	Financial Liabilities		
	(i) Borrowings	22	3,436.96
	(ii) Lease Liability	23	836.51
(b)	Provisions	24	38.38
(c)	Deferred tax liabilities (Net)	25	417.37
	<b>Total Non- Current Liabilities</b>		<b>4,729.22</b>
	<b>Current Liabilities</b>		
(a)	Financial Liabilities		
	(i) Borrowings	26	2,503.79
	(ii) Trade payables	27	
(a)	total outstanding dues of micro enterprises and small enterprises		531.91
(b)	total outstanding dues of creditors other than micro enterprises and small enterprises		4,365.85
	(iii) Lease liabilities	28	243.80
	(iv) Other financial liabilities	29	628.68
(b)	Other current liabilities	30	398.49
(c)	Provisions	31	100.04
(d)	Current tax liabilities (Net)	32	56.35
	<b>Total Current Liabilities</b>		<b>8,828.90</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>16,530.04</b>
	<b>Summary of significant accounting policies</b>	2	

The accompanying notes are an integral parts of the Consolidated Financial Statements

As per our report of even date attached  
**For M LBHUWANIA AND CO LLP**  
Chartered Accountants  
**FRN : 101484W /W100197**  
**VIJAY KUMAR JAIN**  
Partner  
Membership No. 108374  
Place : Mumbai, Dated : 28<sup>th</sup> June, 2021

**For and on behalf of the Board of Directors**  
**For Remsons Industries Limited**  
**Krishna Kejriwal**  
Chairman & Managing Director  
DIN : 00513788  
**Rohit Darji**  
Company Secretary  
Place : Mumbai | Dated : 28<sup>th</sup> June, 2021  
**Rahul Kejriwal**  
Whole Time Director & CFO  
DIN : 00513777  
**Amit Srivastava**  
Chief Executive Officer



# REMSONS INDUSTRIES LIMITED

## STATEMENT OF CONSOLIDATED PROFIT & LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2021

		(₹ In Lakhs)
<b>INCOME</b>		
Revenue from operations	33	22,615.07
Other income	34	241.12
<b>Total Income</b>		<b>22,856.19</b>
<b>EXPENSES</b>		
Cost of material consumed	35	15,236.34
Purchase of Stock in Trade	36	74.90
Changes in inventories of Finished goods and Work-in-progress	37	(143.74)
Employee benefit expense	38	3,958.02
Finance Costs	39	354.22
Depreciation & amortization expense	40	440.69
Other Expenses	41	2,473.46
<b>Total Expenses</b>		<b>22,393.89</b>
<b>Profit before exceptional items &amp; tax</b>		<b>462.30</b>
Add: Exceptional Items	42	329.69
<b>Profit/(Loss) before tax</b>		<b>791.99</b>
<b>Less: Tax expenses</b>		
(1) Current tax of Current year		159.00
of Earlier years		(12.22)
(2) Deferred tax of Current year		196.70
<b>Total Tax Expenses</b>		<b>343.48</b>
<b>Profit after Tax</b>	A	<b>448.51</b>
<b>Other Comprehensive Income</b>		
A. (i) Items that will not be reclassified to profit or loss		
Remeasurements of the defined benefit plans		(0.86)
Fair value gain on investment		(0.23)
(ii) Income tax relating to items that will not be reclassified to profit or loss		0.51
B. (i) Items that will be reclassified to profit or loss		33.68
(ii) Income tax relating to items that will be reclassified to profit or loss		-
<b>Total Other Comprehensive Income for the year</b>	B	<b>33.09</b>
<b>Total Comprehensive Income for the year</b>	(A+B)	<b>481.60</b>
Earning per equity share (Face Value of Rs. 10/- each)	43	
(1) Basic		7.85
(2) Diluted		7.85
<b>Summary of significant accounting policies</b>	2	

The accompanying notes are an integral parts of the Consolidated Financial Statements

As per our report of even date attached  
For M LBHUWANIA AND CO LLP  
Chartered Accountants  
FRN : 101484W /W100197  
VIJAY KUMAR JAIN  
Partner  
Membership No. 108374  
Place : Mumbai, Dated : 28<sup>th</sup> June, 2021

**For and on behalf of the Board of Directors**

<b>Krishna Kejriwal</b> Chairman & Managing Director DIN : 00513788	<b>For Remsons Industries Limited</b>	<b>Rahul Kejriwal</b> Whole Time Director & CFO DIN : 00513777
<b>Rohit Darji</b> Company Secretary	Place : Mumbai   Dated : 28 <sup>th</sup> June, 2021	<b>Amit Srivastava</b> Chief Executive Officer

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2021**  
(₹ In Lakhs)

Particulars	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net Profit before tax & Extraordinary Items		797.87
Adjustment for:		
Depreciation and amortisation expenses		383.87
Interest Expenses		338.38
Reclassification of remeasurement of employee benefits		(0.86)
Exceptional Items		(329.69)
Unrealised gain on fair value of financial assets		(0.73)
Interest Income		(0.24)
Dividend Income		(0.31)
Lease Rent Ind AS 116 Impact		6.90
Provision for Doubtful debts		6.76
Provision no longer required, written back		(11.43)
Sundry Balance Written Back (Net)		(4.04)
Unrealised Foreign Exchange Fluctuation loss		48.03
Unwinding of interest on security deposits		(3.41)
		<b>433.24</b>
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>		<b>1,231.11</b>
ADJUSTMENTS FOR WORKING CAPITAL CHANGES :		
Other non - current financial assets		(170.87)
Other non - current assets		0.53
Inventories		(831.35)
Trade Receivable		(2,063.63)
Other Current financial assets		(33.04)
Other current assets		(508.31)
Long - Term Provisions		(4.69)
Trade payables		2,132.39
Other current financial liabilities		9.04
Other current liabilities		306.13
Short - Term Provisions		(30.67)
		<b>(1,194.45)</b>
<b>Cash generated from operations</b>		<b>36.66</b>
Direct Taxes paid		(138.54)
<b>NET CASH FROM OPERATING ACTIVITIES</b>		<b>(101.88)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of Property, Plant and Equipment including Capital Work in Progress		(815.45)
Purchase of Other Investments		(48.00)
Business Purchase		(2,569.00)
Sale of Property, Plant and Equipment		420.78
Dividend Received		0.31
		<b>(3,011.36)</b>
<b>NET CASH USED IN INVESTING ACTIVITY</b>		<b>(3,011.36)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Net (Decrease)/ Increase in Long Term Borrowings		3,164.82
Net (Decrease)/ Increase in Short Term Borrowings		347.18
Interest Expense		(327.70)
		<b>3,184.30</b>
<b>NET CASH USED IN FINANCING ACTIVITY</b>		<b>3,184.30</b>
<b>NET CHANGES IN CASH &amp; CASH EQUIVALENTS(A+B+C)</b>		<b>71.05</b>
<b>OPENING BALANCES OF CASH &amp; CASH EQUIVALENTS</b>		141.97
<b>CLOSING BALANCES OF CASH &amp; CASH EQUIVALENTS</b>		213.03
		<b>71.05</b>



# **REMSONS**

## **INDUSTRIES LIMITED**

(₹In Lakhs)

**Notes**

<b>1</b>	<b>Closing Balance of Cash &amp; Cash Equivalents</b>	
	Cash and Cash Equivalents Includes:	
	CASH IN HAND	12.28
	<b>BALANCE WITH SCHEDULED BANKS</b>	
	- In Current Account	200.75
		<b>213.03</b>
<b>2</b>	Consolidated Cash Flow Statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.	

As per our report of even date attached  
**For M LBHUWANIA AND CO LLP**  
Chartered Accountants  
**FRN : 101484W /W100197**  
VIJAY KUMAR JAIN  
Partner  
Membership No. 108374  
Place : Mumbai, Dated : 28<sup>th</sup> June, 2021

**Krishna Kejriwal**  
Chairman & Managing Director  
DIN : 00513788  
**Rohit Darji**  
Company Secretary

**For and on behalf of the Board of Directors**

**For Remsons Industries Limited**

Place : Mumbai | Dated : 28<sup>th</sup> June, 2021

**Rahul Kejriwal**  
Whole Time Director & CFO  
DIN : 00513777  
**Amit Srivastava**  
Chief Executive Officer



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2021

## A. Equity Share Capital

(₹ In Lakhs)

Particulars	No of Shares	Amount
Balance at at 1st April, 2020#	57,13,357	571.34
Changes in equity share capital during the year	-	-
Balance at at 31st March, 2021	57,13,357	571.34

## B. Other Equity

Particulars	Surplus		Other items of Other Comprehensive Income			Total
	Capital Reserve	Retained Earnings	Remeasurement of net defined benefit plans	Fair Value through Other Comprehensive Income of Equity Investments	Foreign currency translation reserve	
Balance at at 1 <sup>st</sup> April, 2020#	-	1,972.82	(72.97)	2.85	-	1,902.70
Profit for the period	-	448.51	-	-	-	448.51
Remeasurements of Defined Benefit Plan	-	-	(0.65)	-	-	(0.65)
Fair Value effect of Investments of shares	-	-	-	0.06	-	0.06
Foreign currency translation reserve	-	-	-	-	33.68	33.68
Capital Reserve	16.30	-	-	-	-	16.30
Revaluation Reserve	-	-	-	-	-	-
Balance at at 31 <sup>st</sup> March, 2021	16.30	2,421.33	(73.62)	2.91	33.68	2,400.58

As per our report of even date attached  
**For M LBHUWANIA AND CO LLP**  
Chartered Accountants  
**FRN : 101484W /W100197**  
**VIJAY KUMAR JAIN**  
Partner  
Membership No. 108374  
Place : Mumbai, Dated : 28<sup>th</sup> June, 2021

For and on behalf of the Board of Directors

**Krishna Kejriwal**  
Chairman & Managing Director  
DIN : 00513788

**Rohit Darji**  
Company Secretary

For Remsons Industries Limited

**Rahul Kejriwal**  
Whole Time Director & CFO  
DIN : 00513777  
**Amit Srivastava**  
Chief Executive Officer

Place : Mumbai | Dated : 28<sup>th</sup> June, 2021

## 1 Corporate Information

Remsons Industries Limited ('the group') is a listed public limited company incorporated in India. The registered office is located at 401, 4th floor, Hanuman Road, Vile Parle (East), Mumbai – 400 057, Maharashtra, India. The Group is manufacturing automotive control cables, flexible shafts, push pull cables and gear shifter assembly. The Group has eight manufacturing plants located in India and one plant located outside India.

## 2 Summary of significant accounting policies

### 2.1. Basis of preparation

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act. These financial statements have been prepared on historical cost basis, except for certain financial instruments which are measured at fair value or amortised cost at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. 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. All assets and liabilities have been classified as current and non-current as per the Group's normal operating cycle. The financial statements were authorized for issue by the Group's Board of Directors on 28th June, 2021. These financial statements are presented in Indian Rupees (INR), which is also the functional currency. All the amounts have been rounded off to the nearest lacs, unless otherwise indicated.

### 2.2. Basis of Consolidation

#### i) Subsidiaries

These consolidated financial statements include the financial statements of Remsons Industries Limited and its subsidiaries. The subsidiaries considered in the consolidated financial statements as at March 31, 2021 are summarized below:

Name of the Subsidiaries	"Country of Incorporation"	2020-21
Remsons Holdings Ltd.	United Kingdom	100%
Magal Automotive Ltd.	United Kingdom	100%
Woolford Properties Ltd.	United Kingdom	100%

### Incorporated during the previous year

The financial statements of the Parent Group and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating intra-Group balances / transactions and resulting unrealized profits in full. The amounts shown in respect of accumulated reserves comprises the amount of the relevant reserves as per the balance sheet of the Parent Group and its share in the post acquisition increase / decrease in the relevant reserves / accumulated deficit of its subsidiaries.

The Parent Group maintain their records and prepare their financial statements under the Historical Cost Convention except certain financial assets and liabilities (including derivative instruments) which is measured at fair value or amortised cost, in accordance with generally accepted accounting principals in India while the foreign subsidiaries maintain their records and prepare their financial statements in conformity with GAAP prevalent in their respective countries of domicile.

Consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances except in case of charge of depreciation on fixed assets and other insignificant items for which the accounting treatment is given on the basis of local laws applicable in the respective country, for which using uniform accounting policies for the purpose of consolidation is impracticable.

### 2.3. Use of estimates and judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised prospectively.

### 2.4. Current versus non-current classification

All assets and liabilities have been classified as current or non-current as per the Group's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

**2.5. Foreign Exchange Transactions****i. Functional and presentation currency**

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the Group operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is Group's functional and presentation currency

**ii. Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. All the foreign exchange gains and losses are presented in the statement of Profit and Loss on a net basis within other expenses or other income as applicable.

The consolidated financial statements are reported in Indian rupees. The translation of the local currency of each foreign subsidiary within the Group into Indian rupees is performed in respect of assets and liabilities including fixed assets using the exchange rate in effect at the balance sheet date and for revenue and expense items, using a monthly simple average exchange rate for the period. Net exchange difference resulting from the above translation of financial statements of foreign subsidiaries is recognised in Foreign Exchange Fluctuation Reserve. Exchange Difference arising on investment in subsidiaries is recognised in Foreign Exchange Fluctuation Reserve.

**2.6. Property Plant and Equipment**

An item of PPE is recognized as an asset, if and only if, it is probable that the future economic benefits associated with the item will flow to the Group and its cost can be measured reliably. PPE are initially recognized at cost. The initial cost of PPE comprises its purchase price (including non-refundable duties and taxes but excluding any trade discounts and rebates), and any directly attributable cost of bringing the asset to its working condition and location for its intended use. Subsequent to initial recognition, PPE are stated at cost less accumulated depreciation and any impairment losses. When significant parts of property, plant and equipment are required to be replaced in regular intervals, the Group recognizes such parts as separate component of assets. When an item of PPE is replaced, then its carrying amount is de-recognized from the balance sheet and cost of the new item of PPE is recognized. Further, in case the replaced part was not being depreciated separately, the cost of the replacement is used as an indication to determine the cost of the replaced part at the time it was acquired. The expenditures that are incurred after the item of PPE has been put to use, such as repairs and maintenance, are normally charged to the statement of profit and loss in the period in which such costs are incurred. Depreciation has been charged to statement of profit & loss on Straight Line Method on Buildings, Plants and Machineries, Electric Installations and Dies & Mould, where as other assets on Written Down Value method determined based on the economic useful lives of assets estimated by the management; or at the rates prescribed under Schedule II of the Companies Act, 2013. Accordingly, the Group has used the following rates:-

Name of Assets	Useful Life(in Years)
<b>Building</b>	
- Factory Building	30
- Other Building	60
- Fences, Wells, Tube wells	5
Plant & Machinery	15
Spares of Plant & Machinery	5
Moulds and Dies	15
Electrical Installations and Equipment's	10
Office equipment's	5
Furniture & Fittings	10
Servers and networks	6
Data processing machine and computer, laptops	3
Vehicle	8

**2.7 Investment Property**

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as Investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured



reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised. Investment properties (except freehold land) are depreciated using the straight-line method over their estimated useful lives at the rates prescribed under Schedule II of the Companies Act, 2013.

### **2.8. Intangible assets**

- i. An intangible asset shall be recognised if, and only if:
  - (a) it is probable that the expected future economic benefits that are attributable to the asset will flow to the Group and
  - (b) the cost of the asset can be measured reliably.
- ii. Cost of technical know-how is amortised over a period of life of contract.
- iii. Computer software is capitalised where it is expected to provide future enduring economic benefits. Capitalisation costs include license fees and costs of implementation / system integration services. The costs are capitalised in the year in which the relevant software is implemented for use. The softwares are amortised over a period of 3 to 8 years based on the life it is expected to provide future enduring benefits on straight-line method. "

### **2.9 Borrowing Cost**

Borrowing costs specifically relating to the acquisition or construction of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the asset. All other borrowing costs are charged to statement of profit & loss in the period in which it is incurred except loan processing fees which is recognized as per Effective Interest Rate method.

Borrowing costs consist of interest and other costs that group incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

### **2.10. Tax Expenses**

Income Tax expense comprises of current tax and deferred tax charge or credit. Provision for current tax is made with reference to taxable income computed for the financial year for which the financial statements are prepared by applying the tax rates as applicable.

#### **i. Current Tax**

Current tax charge is based on taxable profit for the year. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date where the Group operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities. Current tax assets and tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. Current income taxes payable by overseas subsidiaries is computed in accordance with tax laws applicable in the jurisdiction in which the respective subsidiaries operates.

#### **ii. Deferred Tax**

Deferred tax is provided using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements at the reporting date. Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilised.

Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss).

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

The carrying amount of deferred tax assets is reviewed at each reporting date and adjusted to reflect changes in probability that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred income tax assets and liabilities are off-set against each other and the resultant net amount is presented in the Balance Sheet, if and only when, (a) the Group has a legally enforceable right to set-off the current income tax assets and liabilities, and (b) the deferred income tax assets and liabilities relate to income tax levied by the same taxation authority.

Minimum Alternate Tax credit is recognised as an asset only when and to the extent there is convincing evidence that the group will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Group will pay normal income tax during the specified period.

**iii. Dividend distribution tax**

Dividend distribution tax paid on the dividends is recognised consistently with the presentation of the transaction that creates the income tax consequence. Dividend distribution tax is charged to statement of profit and loss if the dividend itself is charged to statement of profit and loss. If the dividend is recognised in equity, the presentation of dividend distribution tax is recognised in equity.

**2.11 Revenue****a) Revenue from operation**

The Group derives revenues primarily from sale of manufactured goods, traded goods and related services.

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Group expects to receive in exchange for those products or services.

The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

The Group satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

1. The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs; or
2. The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
3. The Group's performance does not create an asset with an alternative use to the Group and an entity has an enforceable right to payment for performance completed to date. For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

**(b) Other Income:**

- i. Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the group, and the amount of the dividend can be measured reliably.
- ii. Export incentives are accounted for on export of goods if the entitlements can be estimated with reasonable accuracy. Premium of sale of import licenses is recognised on an accrual basis.
- iii. Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

**2.12 Inventory**

Raw materials, Packing materials, Stores and Spare parts are valued at Lower of cost (cost includes direct cost & attributable overheads) or net realizable value. The Group follows Weighted Average Cost method for valuation of Raw materials, Packing materials, Stores and Spare parts. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Semi-finished & Finished goods are valued at lower of estimated cost or net realizable value. Scrap is valued at net realizable value.

The group values its Raw materials, Packing materials, Stores and Spare parts on Weighted Average Cost basis.

**2.13 Segment Reporting**

Primary Segment is identified based on the nature of products and services, the different risks and returns and the internal business reporting system. Secondary segment is identified based on geographical area in which major operating divisions of the Group operate.

**2.14 Impairment Of Assets**

Intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.





### **2.15 Fair Value Measurement**

The Group measures certain financial instruments at fair value at each balance sheet date. 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1: Quoted (unadjusted) prices for identical assets or liabilities in active markets

Level 2: Significant inputs to the fair value measurement are directly or indirectly observable

Level 3: Significant inputs to the fair value measurement are unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets & liabilities on the basis of the nature, characteristics and the risks of the asset or liability and the level of the fair value hierarchy as explained above

### **2.16 Financial Instrument**

#### **2.16.1 Recognition, classification and presentation**

The financial instruments are recognised in the balance sheet when the group becomes a party to the contractual provisions of the instrument.

The Group determines the classification of its financial instruments at initial recognition.

The Group classifies its financial assets in the following categories: a) those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and b) those to be measured at amortized cost. The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Financial assets and liabilities arising from different transactions are off-set against each other and the resultant net amount is presented in the balance sheet, if and only when, the Group currently has a legally enforceable right to set-off the related recognised amounts and intends either to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

#### **2.16.2. Measurement**

##### **I. Initial measurement**

At initial recognition, the Group measures financial instruments at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Otherwise transaction costs are expensed in the statement of profit and loss.

##### **II. Subsequent measurement - financial assets**

The subsequent measurement of the financial assets depends on their classification as follows:

###### **i. Financial assets measured at amortized cost**

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost using the effective interest rate ('EIR') method (if the impact of discounting / any transaction costs is significant). Interest income from these financial assets is included in finance income.

**ii. Financial assets at fair value through other comprehensive income ('FVTOCI')**

Equity investments which are not held for trading and for which the Group has elected to present the change in the fair value in other comprehensive income and debt instruments that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flow represent solely payment of principal and interest, are measured at FVTOCI.

The changes in fair value are taken through OCI, except for the impairment, interest (basis EIR method), dividend and foreign exchange differences which are recognised in the statement of profit and loss.

When the financial asset is derecognized, the related accumulated fair value adjustments in OCI as at the date of derecognition are reclassified from equity and recognised in the statement of profit and loss. However, there is no subsequent reclassification of fair value gains and losses to statement of profit and loss in case of equity instruments."

**iii. Financial assets at fair value through profit or loss ('FVTPL')**

All equity instruments and financial assets that do not meet the criteria for amortized cost or FVTOCI are measured at fair value through profit or loss. Interest (basis EIR method) and dividend income from FVTPL is recognised in the statement of profit and loss within finance income / finance costs separately from the other gains/losses arising from changes in the fair value.

**Impairment**

The group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost and debt instrument carried at FVTOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk since initial recognition. If credit risk has not increased significantly, twelve month ECL is used to provide for impairment loss, otherwise lifetime ECL is used.

However, only in case of trade receivables, the group applies the simplified approach which requires expected lifetime losses to be recognized from initial recognition of the receivables."

**III. Subsequent measurement - financial liabilities**

Other financial liabilities are initially recognised at fair value less any directly attributable transaction costs. They are subsequently measured at amortized cost using the EIR method (if the impact of discounting / any transaction costs is significant).

**2.16.3 De-recognition**

The financial liabilities are de-recognised from the balance sheet when the under-lying obligations are extinguished, discharged, lapsed, cancelled, expires or legally released. The financial assets are de-recognised from the balance sheet when the rights to receive cash flows from the financial assets have expired, or have been transferred and the Group has transferred substantially all risks and rewards of ownership. 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.

**2.17 Cash and cash Equivalents**

Cash and cash equivalents includes cash in hand, deposits with banks, other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes outstanding bank overdraft shown within current liabilities in statement of financial balance sheet and which are considered as integral part of group's cash management policy.

**2.18 Cash Flow Statement**

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

**2.19 Investment**

Investment which are of equity in nature is carried at Fair Value and gain/loss on fair valuation are recognised through Other Comprehensive Income.

**2.20. Trade Receivable**

Trade receivables are recognized initially at their fair value and subsequently measured at amortised cost using the effective interest method, less provision for expected credit loss.





### **2.21 Trade and Other payable**

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. Trade and other payables are recognised, initially at fair value, and subsequently measured at amortised cost using effective interest rate method.

### **2.22 Provision, Contingent Liability and Contingent Assets**

#### **i. Provision**

A provision is recognized, when group has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made for the amount of obligation. The expense relating to the provision is presented in the profit and loss net of any reimbursement.

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

#### **ii. Contingent Liability**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent liabilities, if material, are disclosed by way of notes and contingent assets, if any, are disclosed in the notes to financial statements.

#### **iii. Contingent Assets**

Contingent Assets are disclosed, where an inflow of economic benefits is probable.

### **2.23 Earnings Per Share**

#### **i. Basic earnings per share**

Basic earnings per share is calculated by dividing

- i. the profit attributable to owners of the Group; and
- ii. by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

#### **ii. Diluted earnings per share**

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares; and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

### **2.24 Business Combination**

"The Group accounts for its business combinations under acquisition method of accounting. Acquisition related costs are recognised in the consolidated statement of profit and loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognised at their fair values at the acquisition date. Purchase consideration paid in excess of fair value of net assets acquired is recognised as goodwill. Where the fair value of identifiable assets and liabilities exceed the cost of acquisition, after reassessing the fair value of identifiable assets and liabilities, the excess is recognised as capital reserve. The interest of non-controlling shareholders is initially measured either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interest is the amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity of subsidiaries. Business combinations arising from transfers of interests in entities that are under common control are accounted at historical cost. The difference between any consideration given and the aggregate historical carrying amounts of assets and liabilities of the acquired entity is recorded in shareholder's equity."

### **2.25 Leases**

#### **i. As a lessee**

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Group uses significant judgement in assessing the lease term (including anticipated

renewals) and the applicable discount rate. The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

**ii. As a lessor**

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

**2.26 Employee benefits**

**i. Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

**ii. Other long-term employee benefit obligations**

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur."

**iii. Post-employment obligations**

**a. Defined benefit gratuity plan:**

The Group provides for the liability towards the said benefit on the basis of actuarial valuation carried out as at the reporting date, by an independent qualified actuary using the projected-unit-credit method. The Group has opted for a Group Gratuity-cum-Life Assurance Scheme of the Life Insurance Corporation of India (LIC), and the contribution is charged to the Statement of Profit & Loss each year. The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan. The defined benefit obligation is calculated annually as provided by LIC. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss. Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

**b. Defined Contribution plan:**

Contribution payable to recognised provident fund which is defined contribution scheme is charged to Statement of Profit & Loss. The group has no further obligation to the plan beyond its contribution.

**iv. Other long-term employee benefits**

The employees of the Group are entitled to compensated absences as well as other long-term benefits. Compensated absences benefit comprises of encashment and availment of leave balances that were earned by the employees over the period of past employment. The Group provides for the liability towards the said benefit on the basis of actuarial valuation carried out quarterly as at the reporting date, by an independent qualified actuary using the projected-unit-credit method. The related re-measurements are recognized in the statement of profit and loss in the period in which they arise.

Foreign subsidiaries maintain a defined contribution retirement plan, which covers substantially all the employees of the foreign subsidiaries and qualifies as a deferred salary arrangement under laws of respective countries. The Group matches employees' contributions at the discretion of the Group.



### **2.27 Operating Cycle**

Based on the nature of products/activities of the Group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

### **2.28 Recent Indian Accounting Standards (Ind AS)**

On March 24, 2021, the Ministry of Corporate Affairs (“MCA”) through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are: Balance Sheet:

- Lease liabilities should be separately disclosed under the head ‘financial liabilities’, duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under ‘additional regulatory requirement’ such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

#### **Statement of profit and loss:**

-Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head ‘additional information’ in the notes forming part of consolidated financial statements. The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

### **2.29 Rounding of amounts**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Rupees in Lacs (upto two decimals), unless otherwise stated as per the requirement of Schedule III (Division II).

(₹In Lakhs)

## NOTE NO 3

## PROPERTY, PLANT AND EQUIPMENT

Particulars	Freehold Land*	Leasehold Land	Fences, Wells & Tubes	Building Office	Building Factory*	Plant & Machinery*	Dies & Moulds	Electrical Installation*	Office Equipment	Furniture & Fixture	Motor Vehicle	Server/ Networks	Computers	Total
Gross Carrying Value As at April 01, 2020#	75.16	43.44	10.23	79.60	923.57	1,388.19	224.49	70.24	41.66	65.39	91.22	5.06	20.49	3,038.77
Additions	33.50	-	6.54	-	52.17	1,061.76	31.52	143.15	22.83	5.23	92.74	10.99	8.57	1,469.02
Disposals / derecognised	-	-	-	(118.08)	-	(52.51)	-	(8.08)	-	-	(9.75)	-	-	(188.42)
Gross Carrying Value As at March 31, 2021	108.66	43.44	16.78	(38.48)	975.75	2,397.45	256.01	205.31	64.49	70.62	174.21	16.05	29.07	4,319.36

Particulars	Freehold Land	Leasehold Land	Fences, Wells & Tubes	Building Office	Building Factory	Plant & Machinery	Dies & Moulds	Electrical Installation	Office Equipment	Furniture & Fixture	Motor Vehicle	Server/ Networks	Computers	Total
Accumulated depreciation As at April 01, 2020#	-	-	6.57	10.53	129.65	467.62	63.98	30.33	32.71	40.39	65.09	4.24	16.33	867.43
Depreciation charge during the year	-	-	1.26	1.64	39.21	238.35	18.86	8.50	6.79	8.33	22.09	2.19	4.71	351.95
Disposals / derecognised	-	-	-	(50.65)	-	(31.76)	-	(6.00)	-	-	(8.69)	-	-	(97.10)
Accumulated depreciation As at March 31, 2021	-	-	7.84	(38.48)	168.87	674.21	82.85	32.82	39.50	48.72	78.49	6.43	21.04	1,122.28
Net carrying amount As at March 31, 2021	108.66	43.44	8.94	-	806.88	1,723.24	173.16	172.49	25.00	21.89	95.72	9.62	8.03	3,197.08

\*Includes Assets classified as held for sale of Rs. 26.26 lacs. (Freehold Land of Rs. 0.92 lacs, Building Factory of Rs. 21.67 lacs, Plant & Machinery of Rs. 2.79 lacs and Electrical Installation of Rs. 0.88 lacs).

## NOTE NO 4

## RIGHT OF USE ASSETS

Particulars	Building	Total
Gross Carrying Value As at April 1, 2020#	113.49	113.49
Addition	883.65	883.65
Gross Carrying Value As at March 31, 2021	997.14	997.14
Particulars	Building	Total
Accumulated depreciation		
Accumulated depreciation As at April 1, 2020#	59.21	59.21
Depreciation charge during the year	56.81	56.84
Accumulated depreciation As at March 31, 2021	116.02	116.02
Net carrying amount as at March 31, 2021	881.12	881.12

## NOTE NO 5

## CAPITAL WORK IN PROGRESS

Particulars	Building	Plant & Machinery	Others	Total
Gross Carrying Value As at March 31, 2020 #	-	8.48	-	8.48
Additions	10.90	6.58	17.10	34.58
Disposals / derecognised	-	(8.48)	-	(8.48)
Gross Carrying Value As at March 31, 2021	10.90	6.58	17.10	34.58



**NOTE NO 6  
INVESTMENT PROPERTY**

(₹In Lakhs)

Particulars	Building	Total
Gross Carrying Value As at March 31, 2020 #	7.38	7.38
Addition	1514.25	1514.25
Gross Carrying Value As at March 31, 2021	1521.63	1521.63
Particulars	Building	Total
Accumulated depreciation		
Accumulated depreciation As at March 31, 2020#	0.76	0.76
Depreciation charge during the year	0.19	0.19
Accumulated depreciation As at March 31, 2021	0.95	0.95
Net carrying amount as at March 31, 2021	6.42	6.42
Net carrying amount as at March 31, 2021	1520.67	1520.67

Amount recognised in profit or loss for Investment Properties

Particulars	March 31 <sup>st</sup> , 2021
Rental Income	3.56
Direct operating expenses (Net of recovery)	0.61
There are no restrictions on the realisability of investment property.	
The company is using same life for the same class of asset as applicable for property plant and equipment.	
The company has let out the property.	
<b>Fair Value</b>	
Investment property - Market Value is Rs.1636.59 Lakhs	

**NOTE NO 7  
OTHER INTANGIBLE ASSETS**

Particulars	Computer Software	Technical Know How	Customers Contracts	Total
Gross Carrying Value				
Gross Carrying Value As at March 31, 2020#	189.33	12.91	-	202.24
Additions	-	-	243.81	243.81
Gross Carrying Value As at March 31, 2021	189.33	12.91	243.81	446.05

Particulars	Computer Software	Technical Know How	Customers Contracts	Total
Accumulated depreciation As at April 1, 2020#	60.94	12.91	-	73.85
Depreciation charge during the year	20.23	-	12.19	32.42
Accumulated depreciation As at March 31, 2021	81.17	12.91	12.19	106.27
Net carrying amount as at March 31, 2021	108.15	-	231.62	339.77

**NOTE NO 8  
INTANGIBLE ASSETS UNDER DEVELOPMENT**

Particulars	Computer Software	Total
Gross Carrying Value As at March 31, 2020#	-	-
Additions	14.25	14.25
Disposals / derecognised	-	-
Gross Carrying Value As at March 31, 2021	14.25	14.25

#Represents the figures of standalone financial statements due to applicability of consolidation for the first time during the year.

9	<b>INVESTMENTS (NON CURRENT)</b>			(₹In Lakhs)
<b>Particulars</b>	<b>Face Value</b>	<b>No. of Shares</b>	<b>As at 31<sup>st</sup> March, 2021 Value</b>	
<b>Non Trade Investments</b>				
Investment in equity instruments (fully paid-up) Unquoted (at fair value through OCI) (FVOCI)				
Remsons Cables Industries Pvt Ltd	100	500	0.00	
Goodluck Electronics Pvt Ltd	100	1,250	2.72	
<b>Total Value of Unquoted Investments</b>			<b>2.72</b>	
<b>10 OTHER FINANCIAL ASSETS (NON CURRENT)</b>				
<b>Particulars</b>				
(Unsecured, consider Good, unless specified otherwise)				
Security Deposit			96.55	
Other receivables			95.83	
			<b>192.38</b>	
<b>11 OTHER NON CURRENT ASSETS</b>				
<b>Particulars</b>				
(Unsecured, consider Good, unless specified otherwise)				
Capital Advances			251.05	
Advance recoverable in cash or kind or for value to be received			5.28	
			<b>256.33</b>	
<b>12 INVENTORIES</b>				
<b>Particulars</b>				
(Unsecured, consider Good, unless specified otherwise)				
Raw Material			2,665.49	
Work-in-progress			291.41	
Finished Goods (Refer Note No 12.1)			1,655.49	
Stores & Spares			99.71	
Scrap			4.01	
			<b>4,716.12</b>	
Note No 12.1: Finished Goods inventory includes Goods-in transit ?Rs. 317.41 lacs.				
<b>13 CURRENT INVESTMENTS</b>				
<b>Particulars</b>				
<b>Investment in Mutual Funds</b>				
(Unsecured, consider Good, unless specified otherwise)				
Quoted (at FVTPL)			48.73	
11,417.023 units of ABSL saving fund, face value of Rs.100/- each)			<b>48.73</b>	
Aggregate amount of quoted investments			48.73	
Aggregate market value of quoted investments			48.73	
<b>14 TRADE RECEIVABLES</b>				
<b>Particulars</b>				
(Unsecured)				
Considered Good (Refer Note No 14.1)		4,272.80		
Less: Allowance for Expected Credit Loss Credit Impaired		-	4,272.80	
Less: Allowance for Expected Credit Loss		(28.53)	-	
			<b>4,272.80</b>	



# REMSONS INDUSTRIES LIMITED

		(₹In Lakhs)
<b>Note No. 14.1</b>		
Receivable from - Company in which directors are interested		48.72
		<u>48.72</u>
<b>Movement in the Allowance of Expected Credit Loss</b>		
<b>Particulars</b>		<b>As at</b>
		<b>31<sup>st</sup> March, 2021</b>
Balance at the beginning of the year#		21.77
Changes in allowance for doubtful receivables		6.76
		<u>28.53</u>
Balance at end of the year		<u>28.53</u>
#Represents the figures of standalone financial statements due to applicability of consolidation for the first time during the year.		
<b>15 CASH AND CASH EQUIVALENTS</b>		
<b>Particulars</b>		<b>As at</b>
		<b>31<sup>st</sup> March, 2021</b>
<b>Balance With Banks</b>		
In Current account		200.75
Cash on Hand		12.28
		<u>213.03</u>
<b>16 OTHER BANK BALANCES</b>		
<b>Particulars</b>		<b>As at</b>
		<b>31<sup>st</sup> March, 2021</b>
Margin Money Deposit (Refer Note No 16.1)		7.00
Unpaid Dividend Account (Refer Note No 16.2)		2.79
		<u>9.79</u>
Note No. 16.1: Margin money includes deposit against Bank Gurantee of Rs.5 Lacs and Letter of Credit of Rs.2 Lacs.		
Note No. 16.2: The company can utilise balances only towards settlement of of the unpaid dividend.		
<b>17 OTHER FINANCIAL ASSETS (CURRENT)</b>		
<b>Particulars</b>		<b>As at</b>
		<b>31<sup>st</sup> March, 2021</b>
(Unsecured, consider Good,unless specified otherwise)		
Security Deposits		63.63
<b>Others</b>		
Loan to employee		7.26
Interest accrued		22.79
		<u>93.67</u>
<b>18 CURRENT TAX ASSETS (NET)</b>		
<b>Particulars</b>		<b>As at</b>
		<b>31<sup>st</sup> March, 2021</b>
Income Tax refund receivable		3.12
		<u>3.12</u>
<b>19 OTHER CURRENT ASSETS</b>		
<b>Particulars</b>		<b>As at</b>
		<b>31<sup>st</sup> March, 2021</b>
Balance with Statutory/ Government Authorities		128.14
Advance to Supplier		53.76
Advance recoverable in cash or kind or for value to be received		42.78
Export Incentive Receivable		116.96
Other Advances		201.90
Other Receivable		185.46
Other Current Assets		4.89
		<u>733.88</u>



20 EQUITY SHARE CAPITAL	(₹ In Lakhs)	
Particulars	As at 31 <sup>st</sup> March, 2021	
<b>Authorized Share Capital</b>		
120,00,000 Equity shares, Rs. 10 par value		1,200.00
		<b>1,200.00</b>
<b>Issued, Subscribed and Fully Paid Up Shares</b>		
57,13,357 Equity shares, Rs. 10 par value fully paid up		571.34
		<b>571.34</b>

Note No 20.1: The reconciliation of the number of shares outstanding at the beginning and at the end of reporting period 31-03-2021:

Particulars	31 <sup>st</sup> March, 2021	
	No. of Shares	Amount
Number of shares at the beginning	57,13,357	571.34
Add: Shares issued during the year	-	-
Less : Shares bought back (if any)	-	-
<b>Number of shares at the end</b>	<b>57,13,357</b>	<b>571.34</b>

**Note No 20.2: Terms/rights attached to equity shares**

- (A) The company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.
- (B) In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholder.

Note No 20.3: The details of shareholders holding more than 5% shares in the company :

Name of the shareholder	31 <sup>st</sup> March, 2021	
	No. of shares held	% held
Krishna Kejriwal	15,79,494	27.65%
Chand Kejriwal	17,08,444	29.90%
Rahul Kejriwal	3,06,851	5.37%
Shivani Kejriwal	3,03,197	5.31%
Krish Automotive Sales & Services Pvt Ltd	4,51,549	7.90%

21 OTHER EQUITY	As at 31 <sup>st</sup> March, 2021	
Particulars		
Surplus*		
Retained Earnings		2,421.33
Capital Reserve (Refer Note (i) below)		16.30
<b>Other Comprehensive Income (OCI)</b>		
-Remeasurement of net defined benefit plans		(73.62)
-Fair Value of Equity Investments through OCI (Refer Note (ii) below)		2.91
-Foreign Currency Translation Reserve (Refer Note (iii) below)		33.68
		<b>2,400.58</b>

\* For movement, refer Statement of Changes in Equity.

**Nature of reserves**

- Note No (i) Capital reserve created on Business Combination of acquisition of business by one of the step down subsidiaries with the company.
- Note No (ii) The company recognises unrealised and realised gain on equity shares in FVOCI - Equity investments.
- Note No (iii) The exchange differences arising from the translation of financial statements of foreign operations with functional currency other than Indian rupees is recognised in other comprehensive income, net of taxes and is presented within equity in the foreign currency translation reserve.



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22	<b>BORROWINGS (NON CURRENT)</b>	(₹ In Lakhs)
	<b>Particulars</b>	<b>As at 31<sup>st</sup> March, 2021</b>
	<b>Secured</b>	
	From Banks	
	Vehicle loans (Refer Note No 22.1)	40.29
	Corporate loan (Refer Note No 22.2)	1,827.63
	From Others (Refer Note No 22.3 & 22.4)	819.04
		<b>2,686.96</b>
	<b>Unsecured</b>	
	Loan from Directors	750.00
		<b>750.00</b>
		<b>3,436.96</b>
	Note No 22.1: Vehicle Loans from banks secured by Hypothecation of respective vehicles and repayable in 36 months to 60 months.	
	Note No 22.2 (i): From State Bank of India, Mumbai secured by first charge on the fixed assets to the Company and personal guarantee by Chairman & Managing Director and a whole time director and repayable in 36 monthly instalments after a moratorium of 6 months from the date of disbursement. Rate of Interest of New Demand Loan Working Capital GECL 7.40%	
	Note No 22.2 (ii): From State Bank of India, Mumbai secured by first charge on the fixed assets to the Company and personal guarantee by Chairman & Managing Director and a whole time director and repayable in 18 monthly instalments after a moratorium of 6 months from the date of disbursement. Rate of Interest of New Demand Loan Working Capital CCECL 7.40%.	
	Note No 22.2 (iii): From State Bank of India, Mumbai secured by first charge on the fixed assets to the Company and personal guarantee by Chairman & Managing Director and a whole time director and repayable in 72 monthly instalments after a moratorium of 12 months from the date of disbursement. Rate of Interest of Open Term Loan 7.65%	
	Note No 22.2 (iv): From State Bank of India, Mumbai is secured by first charge on the fixed assets to the Company and personal guarantee by Chairman & Managing Director and a whole time director. Corporate Loan repayable in 60 monthly instalments.	
	Note No 22.2 (v): From OakNorth Bank PLC, UK secured by first charge on the 100% Shares held by the Company in Remsons Holding Ltd wholly owned subsidiary. Open Term Loan of Rs. GBP 6,00,000/- repayable in 36 monthly instalments. Rate of Interest of Term Loan 6.17%.	
	Note No 22.2 (vi): From OakNorth Bank PLC, UK secured by first charge on the 100% Shares held by the Company in Remsons Holding Ltd wholly owned subsidiary. Uncommitted Revolving Credit Facility of Rs. GBP 10,00,000/- . Rate of Interest of Term Loan 5.72%.	
	Note No 22.3: From Tata Capital Service Ltd, Mumbai is secured by first charge on the fixed assets to the Company and Irrevocable and unconditional personal guarantee by Chairman & Managing Director and a whole time directors. Term Loan repayable in 60 monthly installments at 12% rate of interest.	
	Note No 22.4: From Aditya Birla Finance Ltd, Mumbai is secured by Exclusive charge on property at., Ghorpadi, Pune - 411001 owned by Chairman & Managing Director and a whole time director and personal guarantee by Chairman & Managing Director and a whole time directors. Term Loan repayable in 72 monthly installments at 12% rate of interest.	
23	<b>LEASE LIABILITIES (NON CURRENT)</b>	
	<b>Particulars</b>	<b>As at 31<sup>st</sup> March, 2021</b>
	Lease Liabilities	836.51
		<b>836.51</b>
24	<b>PROVISIONS (NON CURRENT)</b>	
	<b>Particulars</b>	<b>As at 31<sup>st</sup> March, 2021</b>
	Provisions for Employee Benefits	
	-For Leave encashment (Refer Note No 46]	36.32
	Others	
	-Provision for warranty (Refer Note No 48)	2.06
		<b>38.38</b>

<b>25</b>	<b>DEFERRED TAX LIABILITIES (NET)</b>	<b>(₹In Lakhs)</b>
	<b>Particulars</b>	<b>As at</b>
		<b>31<sup>st</sup> March, 2021</b>
	Deferred tax liabilities (Net)	417.37
		<b>417.37</b>

Particulars	Net balance as at 1 April 2020	Acquired pursuant to business combination	Recognised in statement of profit and loss	Recognised in OCI	Net balance as at 31 March 2021
Deferred Tax Liabilities/(Assets)					
Property, plant and equipment/Investment Property/Other Intangible Assets	178.80	108.05	176.02	-	462.87
Fair Value through P&L	(1.17)	-	5.36	-	4.19
Fair Value through OCI	(26.91)	-	-	(0.51)	(27.42)
Others	(31.53)	-	16.45	-	(15.09)
Allowance for Bad & Doubtful Debts	(6.06)	-	(1.12)	-	(7.18)
	<b>113.14</b>	<b>108.05</b>	<b>196.70</b>	<b>(0.51)</b>	<b>417.37</b>

#Represents the figures of standalone financial statements due to applicability of consolidation for the first time during the year.

#### Income Tax

The major components of Income Tax Expense for the year ended 31 March, 2021

<b>Particulars</b>	<b>For the year ended 31<sup>st</sup> March, 2021</b>
Profit and Loss:	
Current tax – net of reversal of earlier year : Rs. -12.22 Lacs	146.78
Deferred Tax	196.70
	<b>343.48</b>

Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate

<b>Particular</b>	<b>For the year ended 31<sup>st</sup> March, 2021</b>
Profit before income tax expense	791.99
Tax at the Indian tax rate 25.168 %	199.33
Add: Items giving rise to difference in tax	
Effect of non-deductible expenses	5.06
Permanent difference	(83.05)
Income Tax for earlier years	(12.22)
Others	234.37
<b>Income Tax Expenses</b>	<b>343.48</b>

<b>26</b>	<b>BORROWINGS (CURRENT)</b>	<b>As at</b>
	<b>Particulars</b>	<b>31<sup>st</sup> March, 2021</b>
	Secured From Bank	
	Working Capital Loan - repayable on demand (Refer Note 26.1 & 26.2)	
	Indian Rupees Cash Credit	2,240.16
	Foreign Currency Cash Credit	263.63
		<b>2,503.79</b>

Note 26.1 From State Bank of India, Mumbai secured by first charge on present & future current assets of the Company and extension by way of second charge on other fixed assets of the Company (excluding vehicles) and personal guarantee by Chairman & Managing Director and a whole time director.

Note 26.2 From OakNorth Bank PLC, UK secured by first charge on the 100% Shares held by the Company in Remsons Holding Ltd wholly owned subsidiary. Open Term Loan of Rs. GBP 6,00,000/- repayable in 36 monthly instalments. Rate of Interest of Term Loan 6.17%.



# REMSONS INDUSTRIES LIMITED

		(₹ In Lakhs)
<b>27</b>	<b>TRADE PAYABLES</b>	<b>As at</b>
	<b>Particulars</b>	<b>31<sup>st</sup> March, 2021</b>
	Dues of micro enterprises and small enterprises (Refer Note No 27.1)	531.91
	Dues other than micro enterprises and small enterprises	4,365.85
		<b>4,897.76</b>
	<p>Note No 27.1: Micro enterprises and Small enterprises have been identified by the Company on the basis of the information available. Total outstanding dues of Micro and Small enterprises, which are outstanding for more than the stipulated period and other disclosures as per Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) are given below :</p>	
	<b>Particulars</b>	<b>As at</b>
		<b>31<sup>st</sup> March, 2021</b>
	(a) Dues remaining unpaid	
	- Principal	-
	- Interest on above*	-
	(b) Interest paid in terms of Section 16 of MSMED Act	
	- Principal paid beyond the appointed date	-
	- Interest paid in terms of Section 16 of MSMED Act	-
	(c) Amount of interest due and payable for the period of delay on payments made beyond the appointed day during the year	-
	(d) Amount of interest accrued and unpaid*	-
	* The Group has not provided any interest on the amount outstanding beyond stipulated period in the previous year.	
<b>28</b>	<b>LEASE LIABILITIES (CURRENT)</b>	
	<b>Particulars</b>	<b>As at</b>
		<b>31<sup>st</sup> March, 2021</b>
	Lease Liabilities	243.80
		<b>243.80</b>
<b>29</b>	<b>OTHER FINANCIAL LIABILITIES (CURRENT)</b>	
	<b>Particulars</b>	<b>As at</b>
		<b>31<sup>st</sup> March, 2021</b>
	Current maturities of long-term debt (Refer Note No 22.1, 22.2, 22.3 & 22.4)	522.33
	Interest Accrued but not due	5.48
	Trade Deposits from Dealers	74.22
	Unpaid Dividends (Refer Note No 29.1)	2.79
	Creditor for Capital Goods	23.86
		<b>628.68</b>
	<b>Note No 29.1</b>	
	There are no amounts due and outstanding to be credited to Investor's Education and Protection Fund as at March 31, 2021.	
<b>30</b>	<b>OTHER CURRENT LIABILITIES</b>	
	<b>Particulars</b>	<b>As at</b>
		<b>31<sup>st</sup> March, 2021</b>
	Statutory Dues Payable	125.08
	Advances From Customers	173.41
	Other Advances	100.00
		<b>398.49</b>
<b>31</b>	<b>PROVISIONS (CURRENT)</b>	
	<b>Particulars</b>	<b>As at</b>
		<b>31<sup>st</sup> March, 2021</b>
	<b>Provision for Employee Benefits</b>	
	-Gratuity (Refer Note No 46)	88.50
	-Leave encashment (Refer Note No 46)	8.45
	<b>Others</b>	
	-Provision for warranty (Refer Note No 48)	3.10
		<b>100.04</b>

32	<b>CURRENT TAX LIABILITIES (NET)</b>	(₹In Lakhs)
<b>Particulars</b>		<b>As at</b>
		<b>31<sup>st</sup> March, 2021</b>
	Provision for taxation (Net of advance tax)	56.35
		<b>56.35</b>
<b>33</b>	<b>A) CONTINGENT LIABILITIES: #</b>	
	<b>Particulars</b>	<b>As at</b>
		<b>31<sup>st</sup> March, 2021</b>
(a)	Disputed Income Tax Liability	0.32
(b)	Disputed Sales Tax Liability	12.38
		<b>12.70</b>
	<b>B) COMMITMENTS:</b>	
	<b>Particulars</b>	<b>As at</b>
		<b>31<sup>st</sup> March, 2021</b>
	Estimated Amounts of Contract remaining to be executed on Capital account and not provided for (Net of Advances)	173.78
		<b>173.78</b>
	<b>Note:</b>	
	# The management does not expect these demands/claims to succeed. Claims, where the possibility of outflow of resources embodying economic benefits is remote, have not been considered in contingent liability.	
<b>34</b>	<b>REVENUE FROM OPERATIONS</b>	
	<b>Particulars</b>	<b>31<sup>st</sup> March, 2021</b>
	Sale of Products	
	- Own Manufactured	22,381.68
	- Traded	84.94
	Sale of Services	12.28
	<b>Other Operating Revenue</b>	
	Process waste sale	30.25
	Export Incentive/Others	105.91
		<b>22,615.07</b>
<b>35</b>	<b>OTHER INCOME</b>	
	<b>Particulars</b>	<b>31<sup>st</sup> March, 2021</b>
	Interest Income (Refer Note No 35.1)	2.05
	Dividend income from equity instruments designated at FVOCI	0.31
	Rent Income	3.56
	Provision no longer required, written back	11.43
	Fair Value gain on financial assets measured at FVTPL	0.73
	Sundry Balance Written Back (Net)	4.04
	Exchange Fluctuation Gain (Net)	146.55
	Unwinding of interest on security deposits	3.41
	Royalty Income	69.05
		<b>241.12</b>
	<b>Note No. 35.1 : Break-up of Interest Income</b>	
	Interest Income on deposits with Bank	0.24
	Interest Income on Security deposits	1.06
	Interest Income on Others	0.75
		<b>2.05</b>



# REMSONS INDUSTRIES LIMITED

(₹In Lakhs)

<b>36</b>	<b>COST OF MATERIALS CONSUMED</b>	
	<b>Particulars</b>	<b>31<sup>st</sup> March, 2021</b>
	Inventory at the beginning of the year#	1,504.05
	Add: Purchases during the year	16,739.95
		<b>18,244.00</b>
	Less: Inventory at the end of the year	3,007.66
		<b>15,236.34</b>
	# Represents the figures of standalone financial statements due to applicability of consolidation for the first time during the year.	
<b>37</b>	<b>PURCHASE OF STOCK IN TRADE</b>	
	<b>Particulars</b>	<b>31<sup>st</sup> March, 2021</b>
	Traded Goods	74.90
		<b>74.90</b>
<b>38</b>	<b>CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS</b>	
	<b>Particulars</b>	<b>31<sup>st</sup> March, 2021</b>
	<b>Inventories at the beginning of the year</b>	
	Finished Goods#	1,491.33
	Work In Progress#	209.36
	Scrap#	7.53
		<b>1,708.22</b>
	<b>Inventories at the end of the year</b>	
	Finished Goods	1,663.94
	Work In Progress	184.01
	Scrap	4.01
		<b>1,851.96</b>
		<b>(143.74)</b>
	# Represents the figures of standalone financial statements due to applicability of consolidation for the first time during the year.	
<b>39</b>	<b>EMPLOYEE BENEFIT EXPENSES</b>	
	<b>Particulars</b>	<b>31<sup>st</sup> March, 2021</b>
	Salaries, Wages and Bonus	3,773.33
	Contribution to Provident and other fund	109.06
	Staff Welfare Expenses	75.64
	Head office Expenses Salary	-
		<b>3,958.02</b>
<b>40</b>	<b>FINANCE COSTS</b>	
	<b>Particulars</b>	<b>31<sup>st</sup> March, 2021</b>
	Interest Expenses (Refer Note No. 40.1)	339.78
	Interest on lease liabilities	6.39
	<b>Other Borrowing Cost</b>	
	Other Financial Charges	8.05
		<b>354.22</b>
	<b>Note No. 40.1</b>	
	<b>Break-up of Interest Expenses</b>	
	Interest on Bank Borrowings	214.20
	Interest on Income Tax	5.89
	Interest on Unsecured Loans	119.68
		<b>339.78</b>

41	<b>DEPRECIATION &amp; AMORTIZATION EXPENSE</b>	(₹In Lakhs)
	<b>Particulars</b>	<b>31<sup>st</sup> March, 2021</b>
	Depreciation on Property, Plant and Equipment	351.94
	Depreciation on Leased Assets	56.81
	Depreciation on Investment Property	0.19
	Amortisation on Intangible Assets	31.74
		<b>440.69</b>
42	<b>OTHER EXPENSES</b>	
	<b>Particulars</b>	<b>31<sup>st</sup> March, 2021</b>
	Consumption of Stores & Spares	157.92
	Conversion Charges Paid	108.98
	Power & Fuel	336.29
	Carriage Inward	79.62
	<b>Repair &amp; Maintenance</b>	
	Plant & Machinery	102.18
	Building	8.19
	Others	55.71
	Research and Development Expenses	0.15
	Carriage Outward	619.65
	Advertisement and Sales & Promotion Expenses	26.97
	Warranty Charges	54.67
	Commission on sales	37.26
	Allowance for doubtful debts	6.76
	Rent	40.46
	Rates & Taxes	35.47
	Security Services Charges	65.11
	Insurance	99.73
	Traveling & Conveyance Expenses	63.64
	Communication Expenses	47.01
	Legal & Professional Charges	259.69
	Payments to Auditors (Refer Note 42.1)	8.45
	Donations Paid	2.71
	CSR Expenditure	11.20
	Exchange Fluctuation Loss (Net)	25.32
	Miscellaneous Expenses	220.32
		<b>2,473.46</b>
	Note No. 42.1 : Payment to Statutory Auditors	
	<b>As Auditors :</b>	
	Audit Fees (including Limited Review)	6.40
	<b>In Other Capacity :</b>	
	Certification & Others	2.05
		<b>8.45</b>
43	<b>EXCEPTIONAL ITEMS</b>	
	<b>Particulars</b>	<b>31<sup>st</sup> March, 2021</b>
	On account of Sale of Undertaking (Refer Note No 43.1)	329.69
		<b>329.69</b>
	Note No 43.1: During the year, the Group has sold fixed assets including land and building and the gains realised from the sale have been classified as exceptional item.	
44	<b>EARNING PER SHARE</b>	
	<b>Particulars</b>	<b>31<sup>st</sup> March, 2021</b>
	(A) Profit attributable to Equity Shareholders ( Rs. )	448.51
	(B) No. of Equity Share outstanding during the year	57,13,357
	(C) Face Value of each Equity Share ( Rs. )	10
	(D) Basic & Diluted earning per Share ( Rs.)	7.85





NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021.

45 SEGMENT :

**I) Primary Segment :**

The group is in the business of manufacturing Automotive Components parts & all its products fall in the same segment as nature of the products, production process, methods used for distribution, the regulatory environment and the resulting risks & rewards associated business lines are not materially different hence, it operates in only one primary segment (Business). Secondary segmental reporting is based on the geographical location of customer. The following is the distribution of the group's sale by geographical markets and segment assets which can be attributed to customers in such markets.

(₹In Lakhs)

ii) Secondary : Geographic Segment :

a) **Segment Revenue**

2020-21

India	17,045.11
Rest of world	5,811.08
	<b>22,856.19</b>

b) **Segment Assets**

2020-21

India	9,269.58
Rest of world	7,260.46
	<b>16,530.04</b>

c) **Segment Capital Expenditure**

2020-21

India	568.72
Rest of world	900.30
	<b>1,469.02</b>

46 **Employee Benefits**

As per IND AS 19 "Employee Benefits", the disclosures of Employee benefits as defined in the said Accounting Standards are given below :

i) **Defined Contribution Plan**

Contribution to Defined Contribution Plan includes Provident Fund. The expenses recognised for the year are as under :

<b>Particulars</b>	<b>2020-21</b>
Employer's Contribution to Provident Fund	77.24

ii) **Defined Benefit Plan**

a) **Gratuity:**

The Group operates gratuity plan wherein every employee is entitled to the benefit equivalent to 15 days/one month salary last drawn for each completed year of service depending on the date of joining. The same is payable on termination of service, retirement or death, whichever is earlier. The benefit vests after 5 years of continuous service.

<b>I</b>	<b>Changes in present value of obligations</b>	<b>2020-21</b>
i)	Present value of Defined Benefit Obligation at beginning of the year#	209.42
ii)	Current Service Cost	18.58
iii)	Interest Cost	14.30
iv)	Actuarial (Gain)/Losses	1.99
v)	Benefits Payments	(10.63)
vi)	<b>Present value of Defined Benefit Obligation at the end of the year.</b>	<b>233.66</b>

<b>II</b>	<b>Changes in the fair value of plan assets</b>	<b>2020-21</b>
i)	<b>Fair value of plan assets at the beginning of year#</b>	<b>92.49</b>
ii)	Interest Income	6.32
iii)	Contributions	55.86
iv)	Benefits paid	(10.63)
v)	Actuarial gain on Plan assets, Excluding Interest Income	1.12
vi)	<b>Fair value of plan assets at the end of year</b>	<b>145.17</b>
<b>III</b>	<b>Change in the present value of the defined benefit obligation and fair value of plan assets</b>	<b>2020-21</b>
i)	Present value of Defined Benefit Obligations as at end of year.	(233.66)
ii)	Fair value of plan assets as at 31st March, 2021.	145.17
iii)	Funded status [Surplus/(Deficit)]	(88.50)
iv)	Net assets/ (liabilities) as at 31st March, 2021.	<b>(88.50)</b>
<b>IV</b>	<b>Change in Assets during the year ended 31st March, 2021</b>	<b>2020-21</b>
i)	Plan assets at the beginning of the year#	92.49
ii)	Expected return on plan assets	6.32
iii)	Contributions by Employer	55.86
iv)	Actual benefits Paid	(10.63)
v)	Plan assets at the end of the year.	<b>144.04</b>
vi)	Actual return on plan assets	6.32
<b>V</b>	<b>Expenses Recognised in statement of Profit &amp; Loss</b>	<b>2020-21</b>
i)	Current Service Cost	18.58
ii)	Interest Cost	14.30
iii)	Expected return on plan assets	(6.32)
iv)	Net Actuarial (Gain) / Losses	0.86
v)	Total Expenses	<b>27.43</b>
<b>VI</b>	<b>Actuarial Gain/Loss recognized</b>	<b>2020-21</b>
i)	Actuarial gain for the year -Obligation	0.86
ii)	Total gain for the year	0.86
iii)	Total actuarial (gain)/ loss included in other comprehensive income	<b>0.86</b>
<b>VII</b>	<b>Actuarial Assumptions:</b>	<b>2020-21</b>
i)	Discount Rate	6.85%
ii)	Salary Escalation	6.00%
iii)	Attrition Rate	4.00%

# Represents the figures of standalone financial statements due to applicability of consolidation for the first time during the year. The Group is unable to obtain the details of plan assets from LIC and hence the related disclosures are not given.

**b) Leave encashment:**

The Group has a policy on compensated absences which is applicable to its executives jointed upto a specified period and all employees. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each Balance Sheet date using projected unit credit method on the additional amount expected to be paid as a result of the unused entitlement that has accumulated at the Balance Sheet date.

The plans of the Group exposes to actuarial risks such as Investment Risk, Interest rate risk, salary risk and longitivity risk. These risks may impact the obligation of the Group

(₹In Lakhs)

<b>Actuarial Assumptions</b>	<b>2020-21</b>
Discount Rate	6.85%
Salary Escalation	6.00%
Attrition Rate	4.00%
Funding Status	Unfunded
Current Liability	8.45
Non Current Liability	36.32
<b>Projected Benefit Obligation</b>	<b>44.76</b>



(₹In Lakhs)

**47 RELATED PARTIES DISCLOSURE:**

- (a) Related parties, as per Ind AS 24 - Related Party Disclosures, during the year as deemed in the Accounting Standard are given below the related parties with whom the company had transactions and related parties where control exist.

S.No.	Related Parties	Nature of Relationship
<b>KEY MANAGEMENT PERSONNEL</b>		
(i)	Mr. Krishna Kejriwal	Chairman & Managing Director
(ii)	Mrs. Chand Kejriwal	Whole Time Director
(iii)	Mr. Rahul Kejriwal	Whole Time Director & Chief Financial Officer ( w.e.f. 14 <sup>th</sup> December, 2020)
(iv)	Mr. Rohit Darji	Company Secretary
(v)	Mr. Amit Srivastava	Chief Executive Officer
(vi)	Mr. Subhash Vishwakarma	Chief Financial Officer ( till 30 <sup>th</sup> June, 2020)

**RELATIVE OF KEY MANAGEMENT PERSONNEL**

(i)	Mr. Basant Kejriwal	Brother of Chairman & Managing Director
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**(b) DISCLOSURE OF TRANSACTIONS DURING THE YEAR WITH RELATED PARTIES :**

PARTICULARS	OTHER RELATED PARTIES	KEY MANAGEMENT PERSONNEL & RELATIVES
	2020-21	2020-21
<b>Sale of Goods/services (Excluding Taxes)</b>	<b>49.27</b>	-
Goodluck Electronics Pvt Ltd	49.27	-
<b>Purchase of goods/services (Excluding Taxes)</b>	<b>401.80</b>	-
Goodluck Electronics Pvt Ltd	401.80	-
<b>Purchase of Capital goods (Excluding Taxes)</b>	<b>26.49</b>	-
Remsons Cables Industries Pvt Ltd	26.49	-
<b>Rent paid (Excluding Taxes)</b>	<b>30.00</b>	<b>1.60</b>
Goodluck Electronics Pvt Ltd	30.00	-
Mr. Rahul Kejriwal	-	1.60
<b>Commission Paid</b>	-	<b>6.50</b>
Mr. Basant Kejriwal	-	6.50
<b>*Remuneration</b>	-	<b>188.41</b>
Mr. Krishna Kejriwal	-	35.86
Mrs. Chand Kejriwal	-	19.55
Mr. Rahul Kejriwal	-	38.59
Mr. Subhash Vishwakarma	-	- 5.90
Mr. Amit Srivastava	-	77.46
Mr. Rohit Darji	-	11.04
<b>Interest Paid</b>	-	<b>75.00</b>
Mr. Krishna Kejriwal	-	34.70
Mrs. Chand Kejriwal	-	40.30

(₹In Lakhs)

**(c) BALANCES AT THE END OF THE YEAR WITH RELATED PARTIES :**

S.No.	Related parties	Nature of Transactions during the year	As at 31 <sup>st</sup> March, 2021
(i)	Remsons Cables Industries Pvt Ltd (at fair value)	Investment in Equity Share Trade Payables	0.00 31.26
(ii)	Goodluck Electronics Pvt Ltd (at fair value)	Investment in Equity Share Trade Receivable Trade Payables	2.72 48.72 35.66
(iii)	Mr. Krishna Kejriwal	Loan Payable	347.00
(iv)	Mrs Chand Kejriwal	Loan Payable	403.00
(v)	Mr. Basant Kejriwal	Commission Payable	6.67

\* The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

\* The above figures do not include provisions for encashable leave, gratuity and premium paid for group health insurance, as separate actuarial valuation / premium paid are not available.

The sitting fees paid to non-executive directors is Rs. 2.80 Lakhs as at March 31, 2021.

**48 DISCLOSURE OF RELATING TO PROVISION OF WARRANTY**

Provision is made for estimated warranty claims only in respect of the product sold which are still under warranty at the end of the reporting period. These claims are expected to be settled as and when warranty claims arise. Management estimates the provision based on historical warranty claim information and any recent trends that may suggest future claim could differ from historical amounts.

Particulars	2020-21
Balance at the beginning	6.34
Net Amount utilised/reversed during the year	(1.18)
Balance at the end of year	5.16

**49 FOREIGN CURRENCY EXPOSURE :**

The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are as under.

(a) Amount Receivable in Foreign Currency on account of the following :

Particulars	Foreign Currency	As on 31 <sup>st</sup> March, 2021	
		Amount in Foreign Currency in Rs. in Lakhs	(₹In Lakhs)
Receivables/ Bank	GBP	7.17	724.01
	EURO	6.54	563.33
	USD	1.85	136.14



(b) Amount Payable in Foreign Currency on account of the following :

(₹In Lakhs)

Particulars	Foreign Currency	As on 31 <sup>st</sup> March, 2021	
		Amount in Foreign Currency in Rs. in Lakhs	(₹In Lakhs)
Loan/Trade Payables	GBP	-	-
	EURO	1.04	89.95
	USD	0.09	6.62

**50 Lease**

The Group's leasing arrangements are in respect of office premises / warehouse. These leasing arrangements, which is mostly cancelable, range between 11 months to 3 years and are usually renewable by mutual consent at mutually agreed terms & conditions. The aggregate lease rentals of ₹ 40.46 Lacs are charged as rent and shown under the note no. 42 " Other Expenses".

**51** Balances of Trade Receivables, Trade Payables and Loans and Advances are subject to confirmation and consequential adjustment, if any.

**52** In the opinion of the Board, Current Assets, Loans and Advances have value in the ordinary course of business at least equal to the amount at which they are stated.

**53 Capital Management**

**i) Risk Management**

For the purpose of the Group's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders. The primary objective of the Group capital management is to maximise the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Group monitor capital using a gearing ratio and is measured by debt divided by total Equity. The Group's Debt is defined as long-term and short-term borrowings including current maturities of long term borrowings and total equity (as shown in balance sheet) includes issued capital and all other reserves.

**ii) Gearing Ratio**

The gearing ratio at end of the reporting period was as follows.

Particulars	31 <sup>st</sup> March, 2021
Borrowing	6,463.08
<b>*Net Debt</b>	<b>6,463.08</b>
<b>Total Equity</b>	<b>2,971.92</b>
<b>Capital Gearing Ratio</b>	<b>0.46</b>

\*Debt is defined as long-term and short-term borrowings including current maturities and books overdraft Total equity (as shown in balance sheet) includes issued capital and all other equity reserves.

## 54 Fair Value Measurement

## Financial instruments by category

(₹In Lakhs)

Particulars	31 <sup>st</sup> March, 2021		
	FVPL	FVOCI	Amortised Cost
<b>Financial assets</b>			
Investments			
- Mutual Funds	48.73	-	-
- Equity instruments (Excluding investment in subsidiary)	-	2.72	-
Trade receivables	-	-	4,272.80
Cash and cash equivalents	-	-	213.03
Bank balances other than Cash and cash equivalents	-	-	9.79
Security deposit	-	-	160.18
Loan to Employees	-	-	7.26
Interest accrued	-	-	22.79
Other Receivables	-	-	95.83
<b>Total financial assets</b>	<b>48.73</b>	<b>2.72</b>	<b>4,781.67</b>
<b>Financial liabilities</b>			
Borrowings	-	-	6,463.08
Trade payables	-	-	4,897.76
Lease liabilities	-	-	1,080.30
Security deposit	-	-	74.22
Others	-	-	32.12
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>12,547.49</b>

## i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value At March 31, 2021	Level 1	Level 2	Level 3	Total
Financial Assets				
Financial Investments at FVPL				
Mutual Funds	48.73	-	-	48.73
Financial Investments at FVOCI				
Equity Instruments	-	-	2.72	2.72
<b>Total Financial Assets</b>	<b>48.73</b>	<b>-</b>	<b>2.72</b>	<b>51.45</b>

There are no transfers between levels 1 and 2 during the year.

## Reconciliation of Level 3 fair value measurement is as follows:

Particulars	Amount
Balance as on 1 <sup>st</sup> April, 2020	2.95
Change in Value	(0.23)
<b>Balance as on 31<sup>st</sup> March, 2021</b>	<b>2.72</b>



The fair values of current debtors, cash & bank balances, loan to related party, security deposit to government department, current creditors and current borrowings and other financial liability are assumed to approximate their carrying amounts due to the short-term maturities of these assets and liabilities.

**ii) Valuation technique used to determine fair value**

Specific valuation techniques used to value financial instruments include:

\* the use of quoted market prices or dealer quotes for similar instruments

All of the resulting fair value estimates are included in level 3 except for unlisted equity securities, contingent consideration and indemnification asset, where the fair values have been determined based on present values and the discount rates used were adjusted for counterparty or own credit risk.

**iii) Valuation processes**

The carrying amounts of trade receivables, trade payables, capital creditors and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

**55** Additional information, as required to Consolidated Financial Statements to Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary for the year ended 31<sup>st</sup> March<sup>1</sup>, 2021 (₹In Lakhs)

	Net Assets i.e total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income (OCI)		Share in total comprehensive income (TCI)	
	As % of Consolidated Net Assets	Rs. in Lakhs	% of Consolidated profit or loss	Rs. in Lakhs	% of Consolidated OCI	Rs. in Lakhs	% of Consolidated TCI	Rs. in Lakhs
Remsons Industries Ltd.	55.71%	3,139.00	90.15%	665.55	-26.94%	(0.59)	89.81%	664.97
<b>Subsidiaries</b>								
<b>Foreign</b>								
Remsons Holding Ltd.	8.71%	490.53	-1.86%	(13.70)	-23.92%	(0.52)	-1.92%	-14.22
Magal Automotive Ltd.	11.13%	627.19	15.98%	117.96	205.93%	4.48	16.54%	122.44
Woolford Properties Ltd.	24.46%	1,378.27	-4.27%	(31.55)	-55.08%	(1.20)	-4.42%	-32.75
<b>Total</b>	<b>100.00%</b>	<b>5,634.98</b>	<b>100.00%</b>	<b>738.26</b>	<b>100.00%</b>	<b>2.17</b>	<b>100.00%</b>	<b>740.44</b>
<b>Adjustments arising out of consolidation</b>		<b>(2,663.06)</b>		<b>(289.76)</b>		<b>30.92</b>		<b>(258.84)</b>
<b>Consolidated Net Assets, Profit after tax / OCI / TCI</b>		<b>2,971.92</b>		<b>448.51</b>		<b>33.09</b>		<b>481.60</b>

**56 FINANCIAL RISK MANAGEMENT**

The Group's activities expose it to market risk, credit risk, liquidity risk and price risk.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact thereof in the financial statements.

Risk	Exposure arising from	Measurement	Management
Market Risk – Foreign Exchange	Financial assets and liabilities not denominated in INR.	Foreign currency exposure review and sensitivity analysis.	The company partly hedged due to natural hedge and is exploring to hedge its unhedged positions.
Credit Risk	Cash and cash equivalents, trade receivables and financial assets.	Credit ratings, Review of aging analysis, on quarterly basis.	Strict credit control and monitoring system, diversification of counterparties, on quarterly basis.
Liquidity Risk	Trade payables and other financial liabilities.	Maturity analysis, cash flow projections.	Maintaining sufficient cash / cash equivalents and marketable security and focus on realisation of receivables.
Price Risk	Basic ingredients of company raw materials are various grade of steel and plastic granuels where prices are volatile	The company sourcing components from vendors directly, hence it does not hedge its exposure to commodity price risk.	The company is able to pass on substantial price hike to the customers.



The Board provides guiding principles for overall risk management, as well as policies covering specific areas such as credit risk, liquidity risk, price risk and Foreign Exchange Risk effecting business operations. The group's risk management is carried out by the management as per guidelines and policies approved by the Board of Directors.

## I Market risk

### a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the Group's position with regard to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of the fixed rate and floating rate financial instruments in its total portfolio.

The exposure of Group borrowings to interest rate changes at the end of reporting period are as follows: (₹In Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021
Variable rate borrowings	5,713.08
Fixed rate borrowings	750.00
<b>Total borrowings</b>	<b>6,463.08</b>

#### Sensitivity Analysis

Profit/loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

Particular	Basis Points	Impact on Profit before Tax 31st March, 2021
Increase in Basis points	+50	(28.57)
Decrease in Basis points	- 50	28.57

### b) Foreign Currency risk

The Group has exposure to foreign currency risk on account of its payable and receivables in foreign currency. The group is following natural hedging to mitigate the foreign currency risk.

The Group's exposure to foreign currency risk which are unhedged at the end of the reporting period is as follows:

Particulars	EURO in Lakhs	USD in Lakhs	GBP in Lakhs
<b>31<sup>st</sup> March, 2021</b>			
Trade receivables/Bank - Foreign Currency	6.54	1.85	7.17
Trade receivables/Bank - INR	563.33	136.14	724.01
Trade payables/Loan - Foreign Currency	1.04	0.09	-
<b>Trade payables/Loan - INR</b>	<b>89.95</b>	<b>6.62</b>	<b>-</b>

#### Sensitivity Analysis-

The Group is mainly exposed to changes in Euro, GBP and USD. The sensitivity analysis demonstrate a reasonably possible change in Euro, GBP and USD exchange rates, with all other variables held constant. 5% appreciation/depreciation of Euro, GBP and USD with respect to functional currency of the group will have impact of following (decrease)/increase in Profit & vice versa.

Particulars	31st March, 2021	
	Strengthens	Weakening
<b>Impact on profit or loss for the year</b>		
Euro Impact	23.67	(23.67)
USD Impact	6.48	(6.48)
GBP Impact	36.20	(36.20)
<b>Total</b>	<b>66.35</b>	<b>(66.35)</b>

\* Holding all other variables constant



**c) Price Risk**

The group is exposed to price risk in basic ingredients of Group's raw material and is procuring finished components and bought out materials from vendors directly. The Group monitors its price risk and factors the price increase in pricing of the products.

**II Credit Risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses the direct risk of default, risk of deterioration of creditworthiness as well as concentration risks. The Group is exposed to credit risk from its operating activities (primarily trade receivables).

**Credit Risk Management**

The group's credit risk mainly from trade receivables as these are typically unsecured. This credit risk has always been managed through credit approvals, establishing credit limits and continuous monitoring the creditworthiness of customers to whom credit is extended in the normal course of business. The Group estimates the expected credit loss based on past data, available information on public domain and experience. Expected credit losses of financial assets receivable are estimated based on historical data of the Group. The group has provisioning policy for expected credit losses.

The maximum exposure to credit risk as at 31st March 2021 is the carrying value of such trade receivables as shown in note 14 of the financial statements.

**III Liquidity Risk**

Liquidity risk represents the inability of the Group to meet its financial obligations within stipulated time. To mitigate this risk, the Group maintains sufficient liquidity by way of working capital limits from banks

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments:

(₹ In Lakhs)

Particulars	Less than 1 year	More than 1 year	Total
<b>As at 31<sup>st</sup> March, 2021</b>			
Borrowings	3,026.12	3,436.96	6,463.08
Trade payables	4,897.76	-	4,897.76
Lease liabilities	243.80	836.51	1,080.30
Other financial liabilities	106.35	-	106.35
<b>Total</b>	<b>8,274.02</b>	<b>4,273.47</b>	<b>12,547.49</b>

57 The Board of Directors at their meeting held on 28th June, 2021 proposed final dividend of Re. 1.00/- per share i.e 10% on Equity Share of Rs. 10/- each, subject to the approval of the members at the ensuing Annual General meeting.

58 The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the group towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The group will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

59 During the year, the Company's Wholly Owned Subsidiary namely "Remsons Holdings Ltd." has acquired Step Down Subsidiary (SDS) namely "Woolford Properties Ltd." which mainly had land and building and "Remsons Automotive Ltd" now known as "Magal Automotive Ltd." which acquired the business and assets of UK based entity "Magal Cables Ltd." Both these acquisitions put together were part of business combination. The Company had formed another Wholly Owned Subsidiary namely "Remsons UK Ltd." in the United Kingdom, however, prior to remitting the initial capital, the Company has disposed off the shares for no consideration on 9th March 2021. This business combination resulted in "Bargain Purchase" as these companies were already with the administrator and was acquired under stress sale.

The details of, Assets & Liabilities acquired, consideration paid and resulting Capital Reserve, is as under:

(₹In Lakhs)

Particulars	Amount	Amount
<b>Net Assets acquired</b>		
Plant & Machinery	859.25	
Land & Building	1514.25	
Intangible Assets	243.81	
Current Assets (Net of Current liabilities)	71.22	2,688.53
Consideration paid		2672.23
<b>Capital Reserve</b>		<b>16.30</b>

- 60** During the year, the Company's Wholly Owned Subsidiary namely "Remsons Holdings Ltd." has acquired Step Down Subsidiary (SDS) namely "Woolford Properties Ltd." and "Remsons Automotive Ltd" now known as "Magal Automotive Ltd." which acquired the business and assets of UK based entity "Magal Cables Ltd." The Company had formed another Wholly Owned Subsidiary namely "Remsons UK Ltd." in the United Kingdom, however, prior to remitting the initial capital, the Company has disposed off the shares for no consideration on 9th March 2021.
- 61** Due to the applicability of the consolidation for the first time during this year, previous year figures in the financial statements, are not applicable.

As per our report of even date attached  
**For M LBHUWANIA AND CO LLP**  
 Chartered Accountants  
**FRN : 101484W /W100197**  
 VIJAY KUMAR JAIN  
 Partner  
 Membership No. 108374  
 Place : Mumbai, Dated : 28<sup>th</sup> June, 2021

**For and on behalf of the Board of Directors**  
**For Remsons Industries Limited**  
**Krishna Kejriwal**  
 Chairman & Managing Director  
 DIN : 00513788  
**Rohit Darji**  
 Company Secretary

**For and on behalf of the Board of Directors**  
**For Remsons Industries Limited**  
**Rahul Kejriwal**  
 Whole Time Director & CFO  
 DIN : 00513777  
**Amit Srivastava**  
 Chief Executive Officer

Place : Mumbai | Dated : 28<sup>th</sup> June, 2021



# **REMSONS**

## **INDUSTRIES LTD.**

**(CIN : L51900MH1971PLC015141)**

401, 4<sup>th</sup> Floor Gladiola, Hanuman Road Vile Parle, (East), Mumbai-400057

Tel: (022) 26113883, 26262100, Email : corporate@remsons.com, Website: www.remsons.com

### **FOR KIND ATTENTION OF SHAREHOLDERS**

Dear Shareholder(s),

As per the provisions of Section 88 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, the Company needs to update its 'Register of Members to incorporate certain new details, as required under the said provisions. Further, as per the "Green Initiative in the Corporate Governance" initiated by the Ministry of Corporate Affairs (MCA), vide its Circular No. 17/2011 dated 21/04/2011, the company proposes to send all the notices, documents including Annual Reports in electronic form to its members.

We, therefore request you to furnish the following details for updation of Register of Members and enable the Company to send all communication to you through electronic mode:

Registered Folio No./DP ID & Client ID	
Name of the Shareholder (s)	
Father's/Mother's/Spouse's Name	
Address (Registered Office Address in case the Shareholder is a Body Corporate)	
E-mail Id	
PAN or CIN (In case of Body Corporate)	
UIN (Aadhar Number)	
Occupation	
Residential Status	
Nationality	
In case member is a minor, name of the guardian	
Date of birth of the Member	

Place: \_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_  
Signature of Shareholder

Kindly submit the above details duly filled in and signed at the appropriate place to the Registrar and Share Transfer Agent of the Company viz. **M/s. Link Intime India Pvt Ltd.** C 101, 247 Park, Lal Bahadur Shastri Rd, Surya Nagar, Gandhi Nagar, Vikhroli West, Mumbai, Maharashtra 400083

The E-mail ID provided shall be updated subject to successful verification of your signature.

Thanking you

**For Remsons Industries Limited**

**Rohit Darji**  
**Company Secretary & Compliance Officer**



*Thanks*

to our million customers

throughout the world

for patronizing us.

**REMSONS<sup>®</sup>**  
INDUSTRIES LIMITED

**Registered Office:**

401, 4<sup>th</sup> Floor, Gladdiola, Hanuman Road, Vile Parle East, Mumbai 400 057.  
Tel: +91 22 261222368; 26262100; 26114452. Email: [corporate@remsons.com](mailto:corporate@remsons.com)

Web: [www.remsons.com](http://www.remsons.com)

CIN: L51900MHH1971PLC015141