

## **Bright Brothers Limited**

### **Regd. Office :**

Office No. 91, 9th Floor, Jolly Maker Chambers No. 2,  
225, Nariman Point, Mumbai - 400 021.  
Email: invcom@brightbrothers.co.in  
Tel.: 022-25835158  
Website : <http://www.brightbrothers.co.in>  
CIN : L25209MH1946PLC005056

***Brite***

### **BSE Limited**

27<sup>th</sup> July, 2022

Corporate Relations Dept.  
P. J. Towers, Dalal Street,  
Fort, Mumbai- 400 001

**Scrip Code: 526731**

Dear Sir/Madam,

**Sub.: 1. Notice of 75<sup>th</sup> Annual General Meeting and Annual Report for the Financial year 2021-22.**

**2. Book Closure for payment of dividend.**

We would like to inform that 75<sup>th</sup> Annual General Meeting of the Company is scheduled to be held on Wednesday, 24<sup>th</sup> August, 2022 at "Walchand Hirachand Hall", 4<sup>th</sup> Floor, Indian Merchant Chamber Building, IMC Marg, Churchgate, Mumbai-400020.

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, we enclose herewith Notice of 75<sup>th</sup> Annual General Meeting (AGM) and the Annual Report of the Company for the financial year 2021-22. The Notice of AGM along with the Annual Report for the financial year 2021-22 is also available on the website of the Company.

Pursuant to Regulations 42 of the SEBI (Listing Obligations and Disclosure Requirements), 2015, the Book Closure dates will be from Thursday, 18<sup>th</sup> August, 2022 to Wednesday, 24<sup>th</sup> August, 2022 (both days inclusive) for determining the entitlement of the shareholders to the payment of dividend.



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# Brite

Name of Exchange	Scrip Code	Type of Security	Book Closure dates (both days inclusive)		Purpose
			From	To	
BSE Limited	526731	Equity Shares	Thursday, 18 <sup>th</sup> August, 2022	Wednesday, 24 <sup>th</sup> August, 2022	75 <sup>th</sup> Annual General Meeting and payment of Dividend

It is further informed that, Wednesday, 17<sup>th</sup> August, 2022 has been fixed as the cut-off date for ascertaining the members/ beneficial owners those who are eligible to cast their vote with regard to the businesses to be transacted pursuant to the notice of Annual General Meeting and also for payment of dividend. The E-voting facility will be available to the eligible shareholders from Friday, 19<sup>th</sup> August, 2022 (9:00 am) and ends on Tuesday, 23<sup>rd</sup> August, 2022 (5:00 pm).

We request you to take the same on record.

Thanking you,

Yours faithfully,

For **Bright Brothers Limited**



**Sonali Pednekar**

**Company Secretary and Compliance Officer**



**Encl.:** As above

# BRIGHT BROTHERS LIMITED

CIN: L25209MH1946PLC005056

Registered Office : Office no. 91, 9<sup>th</sup> Floor, Jolly Maker Chambers No. 2, 225, Nariman Point, Mumbai - 400021.

• Tel.: 8828204635 • E-mail: invcom@brightbrothers.co.in • Website: www.brightbrothers.co.in

## NOTICE

Notice is hereby given that the 75<sup>th</sup> Annual General Meeting of BRIGHT BROTHERS LIMITED will be held on Wednesday, 24<sup>th</sup> August, 2022 at 11:30 a.m. IST at "Walchand Hirachand Hall", 4<sup>th</sup> Floor, Indian Merchant Chamber Building, IMC Marg, Churchgate, Mumbai - 400 020 to transact the following businesses.

### ORDINARY BUSINESS:

**1. Adoption of Accounts**

To receive, consider and adopt the Audited Financial Statements for the year ended 31<sup>st</sup> March, 2022 together with the Report of the Board of Directors and the Auditor's Report thereon.

**2. Declaration of dividend**

To declare Dividend on equity shares for the financial year 2021-22.

**3. Re-appointment of Mr. Suresh Bhojwani, Chairman and Managing Director (DIN: 00032966), who is liable to retire by rotation**

Mr. Suresh Bhojwani, Chairman and Managing Director of the Company will retire by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment.

**4. Appointment of Statutory Auditors**

To appoint M/s. GMJ & Co., Chartered Accountants, (Firm Registration No. 103429W) as Statutory Auditors of the Company for a term of 5 years.

"**RESOLVED THAT** pursuant to the provisions of Section 139, 141 and 142 and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed thereunder as amended from time to time (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the recommendation of Audit Committee, M/s. GMJ & Co., Chartered Accountants (Firm Reg. No. 103429W), be and is hereby appointed as Statutory Auditors of the Company to hold office for a term of five consecutive years from the conclusion of ensuing Annual General Meeting till the conclusion of the 80<sup>th</sup> Annual General Meeting of the Company at a remuneration as may be mutually agreed upon between the Board of Directors and the Statutory Auditors."

### SPECIAL BUSINESS:

**5. Payment of Remuneration to Cost Auditors for the financial year 2022-23.**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Cost Auditors, M/s. S. R. Singh and Co., Cost Accountants (Registration no.: 003403) appointed by the Board of Directors of the Company, on the recommendation of Audit Committee, to conduct the audit of the cost records of the Company for the financial year ending 31<sup>st</sup> March, 2023, be paid the remuneration of ₹ 1,50,000/- plus tax as applicable and reimbursement of out-of-pocket expenses as per the details set out in the statement annexed to the Notice be and is hereby ratified and confirmed.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all such acts and take all such steps as may be necessary, proper and expedient to give effect to this resolution."



**6. Re-appointment of Mr. Suresh Bhojwani (DIN: 00032966) as Chairman and Managing Director and payment of remuneration.**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, 203, read with Schedule V and other applicable provisions of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 made thereunder and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactments thereof for the time being in force), approval of the members of the Company be and is hereby accorded for re-appointment of Mr. Suresh Bhojwani (DIN: 00032966), as Chairman and Managing Director, who is liable to retire by rotation, as his term of office is liable to determination by expiry of the previous term of re-appointment, for a period of five years with effect from 1<sup>st</sup> February, 2023 to 31<sup>st</sup> January, 2028 and shall be paid remuneration, as recommended by the Nomination and Remuneration Committee, and on the basis of the terms and conditions as contained in the agreement to be entered between the Company and Mr. Suresh Bhojwani and as set out in the Explanatory Statement annexed to this Notice.

**RESOLVED FURTHER THAT** the Board of Directors and Nomination and Remuneration Committee be and are hereby authorized to alter and vary the terms and conditions as may be permissible under law in the best interest of the Company and on the terms of remuneration and perquisites as set out in the explanatory statement.

**RESOLVED FURTHER THAT** in the event of any loss or inadequacy of profit in any financial year comprised in the period of appointment, the Company will pay to the Chairman and Managing Director, remuneration in accordance with the applicable provisions of Schedule V of the Companies Act, 2013.

**RESOLVED FURTHER THAT** the Board of Directors as per the recommendation of the Nomination and Remuneration Committee thereof be and is hereby authorized to take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

**7. Re-appointment of Mrs. Devika Bhojwani (DIN 08355381) as a Whole-time Director and payment of remuneration:**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, 203, read with Schedule V and other applicable provisions of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 made thereunder and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactments thereof for the time being in force), approval of the members of the Company be and is hereby accorded for re-appointment of Mrs. Devika Bhojwani (DIN: 08355381), as Whole-time Director, who is liable to retire by rotation, as her term of office is liable to determination by expiry of the previous term of appointment, for a period of five years with effect from 1<sup>st</sup> October, 2022 to 30<sup>th</sup> September, 2027 and shall be paid remuneration, as recommended by the Nomination and Remuneration Committee, and on the basis of the terms and conditions as contained in the agreement to be entered between the Company and Mrs. Devika Bhojwani and as set out in the Explanatory Statement annexed to this Notice.

**RESOLVED FURTHER THAT** the Board of Directors and Nomination and Remuneration Committee be and are hereby authorized to alter and vary the terms and conditions as may be permissible under law in the best interest of the Company and on the terms of remuneration and perquisites as set out in the explanatory statement.

**RESOLVED FURTHER THAT** in the event of any loss or inadequacy of profit in any financial year comprised in the period of appointment, the Company will pay to the Whole-time Director, remuneration in accordance with the applicable provisions of Schedule V of the Companies Act, 2013.

**RESOLVED FURTHER THAT** the Board of Directors as per the recommendation of the Nomination and Remuneration Committee thereof be and is hereby authorized to take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

**8. Appointment of Mr. Kuchimanchi Viswanath (DIN 00547132) as an Independent Director.**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 made thereunder and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactments thereof for the time being in force) and pursuant to the recommendation of the Nomination and Remuneration Committee, Mr. Kuchimanchi Viswanath (DIN: 00547132), who was appointed as an Additional Director in the capacity of an Independent Director of the Company in terms of Section 161 of the Act by the Board of Directors with effect from 27<sup>th</sup> May, 2022, and who holds office upto the date of ensuing Annual General Meeting (AGM) and being eligible, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for five consecutive years from the date of ensuing AGM upto the conclusion of the 80<sup>th</sup> AGM of the Company to be held in respect of Financial Year ending 31<sup>st</sup> March, 2027 and to whom remuneration shall be paid in the form of sitting fees for attending meetings and profit-related commission, if any, as approved by the members of the Company.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to take all such steps as may be considered necessary, desirable and expedient for giving effect to this resolution.”

By Order of the Board of Directors,  
**For BRIGHT BROTHERS LIMITED**

**Suresh Bhojwani**  
*Chairman & Managing Director*  
DIN: 00032966

*Place* : Mumbai  
*Date* : 27<sup>th</sup> May, 2022

**Registered office:**  
Office no. 91, 9<sup>th</sup> Floor,  
Jolly Maker Chambers No. 2,  
225, Nariman Point,  
Mumbai – 400021.

**ANNEXURE TO THE NOTICE OF ANNUAL GENERAL MEETING**  
**DETAILS OF DIRECTORS RETIRING BY ROTATION / SEEKING APPOINTMENT /**  
**RE-APPOINTMENT AT THE 75<sup>TH</sup> ANNUAL GENERAL MEETING**

**[Pursuant to Regulation 36(3) of the SEBI**  
**(Listing Obligations and Disclosure Requirements) Regulations, 2015]**

<b>Name</b>	Mr. Suresh Bhojwani	Mrs. Devika Bhojwani	Mr. Kuchimanchi Viswanath
<b>DIN</b>	00032966	08355381	00547132
<b>Designation</b>	Chairman & Managing Director	Whole-time Director	Additional Director (Proposed to be appointed as Independent Director)
<b>Date of Birth and age</b>	16 <sup>th</sup> April, 1948, 74 years	18 <sup>th</sup> April, 1953, 69 years	6 <sup>th</sup> September, 1955, 66 years
<b>Date of Appointment</b>	1 <sup>st</sup> February, 2001	1 <sup>st</sup> April, 2019	27 <sup>th</sup> May, 2022
<b>Qualifications</b>	Graduate in Engineering and Management (Boston University)	Graduated from J. J. School of Arts with Distinction in Design	<ul style="list-style-type: none"> <li>i. Bachelor of Commerce (Bangalore University)</li> <li>ii. Chartered Accountant in practice since 1983</li> <li>iii. Studied at The Indian Institute of Management, Ahmedabad at an Executive Management Educational Program</li> <li>iv. Certified Internal Auditor and holds a Certificate in Information Systems Auditing</li> </ul>
<b>Experience in specific functional area</b>	<ul style="list-style-type: none"> <li>i. More than five decades of experience in Plastics Industry.</li> <li>ii. Past Elected Member of Automotive Component Manufacturers Association (ACMA) Executive Committee.</li> <li>iii. Past Chairman of ACMA Raw Materials Committee.</li> <li>iv. Past President and Elected Member of the Organisation of Plastic Processors of India (OPPI) Executive Committee</li> </ul>	An artist, an educationist and a businesswoman who has contributed immensely towards various art festivals and has also set up an NGO at Tata Memorial Hospital for creating cancer awareness. She has received many awards and honours.	<ul style="list-style-type: none"> <li>i. Specializes in the areas Audit &amp; Assurance and Corporate Tax Advisory Services.</li> <li>ii. Spoken at several national and international forums on a wide variety of topics.</li> </ul>

<b>Name</b>	Mr. Suresh Bhojwani	Mrs. Devika Bhojwani	Mr. Kuchimanchi Viswanath
<b>Number of equity shares held in the Company as on 31<sup>st</sup> March, 2022</b>	12,83,418 Equity shares	41,300 Equity shares	Nil
<b>List of Public Companies in which Directorships held as on 31<sup>st</sup> March, 2022 (other than Bright Brothers Limited)</b>	Nil	Nil	Nil
<b>Chairman/member of the Committees of the Board of the Companies in which She/he is a Director (other than Bright Brothers Limited)</b>	Nil	Nil	Nil
<b>Remuneration Last Drawn in the year 2021-22</b>	₹ 91.91 lakhs	₹ 10.24 lakhs	Not Applicable
<b>Remuneration proposed to be paid</b>	As detailed in the explanatory statement	As detailed in the explanatory statement	As detailed in the explanatory statement
<b>Relationship with other Director/ Key Managerial Personnel</b>	Spouse of Mrs. Devika Bhojwani (Whole-time Director) and Father of Mr. Karan Bhojwani (Whole-time Director)	Spouse of Mr. Suresh Bhojwani (Chairman & Managing Director) and Mother of Mr. Karan Bhojwani (Whole-time Director)	No relationship with any other Director/ Key Managerial Personnel
<b>Number of meetings of the Board attended during the year 2021-22</b>	5 meetings	5 meetings	Not applicable

*Note: Remuneration paid to Mr. Suresh Bhojwani, Chairman and Managing Director and Mrs. Devika Bhojwani, Whole-time Director during the financial year 2021-22 includes contribution to provident fund.*

#### NOTES:

1. Updation of bank account details is mandatory for all members. These details will be printed on the dividend warrants issued to the members. Therefore, the members who have not updated their bank details are requested to provide original cancelled cheque bearing the member's name and account number pre-printed on the cheque or Bank passbook / statement duly attested by branch manager to Link Intime India Pvt. Ltd. The members who are holding shares in their demat account are requested to approach their depository participants for updation of bank details. The members can also opt for receiving dividend directly to their bank account by submitting ECS Mandate letter to Link Intime India Pvt. Ltd.
2. Members who are holding shares in physical form are requested to dematerialize the same to ensure safe and speedy transaction in securities.
3. Members are requested to register nomination in respect of their holdings in shares. Such nomination greatly facilitates transmission of shares from the deceased shareholder to his/her nominee without having to go through the process of obtaining succession certificate/probate of the Will etc.
4. The relative explanatory statement pursuant to Section 102 of the Companies Act, 2013 with respect to the special business set out in Item Nos. 5 to 8 above, is annexed hereto.
5. A Member entitled to attend and vote can also appoint a proxy to attend and vote instead of himself/ herself and the proxy need not be a member of the Company. A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.

In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights then such proxy shall not act as a proxy for any other member.

The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting.

Proxies submitted on behalf of limited companies, societies, etc. must be supported by appropriate resolutions/ authority letter as applicable.

6. Pursuant to the provisions of Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company will remain closed from 18<sup>th</sup> August, 2022 to 24<sup>th</sup> August, 2022 (both days inclusive) for determining the entitlement of the Members to the payment of dividend.
7. Subject to the provisions of Section 126 of the Companies Act, 2013, dividend as recommended by the Board of Directors, if declared, at the Annual General Meeting will be paid on or after 24<sup>th</sup> August, 2022 either by crediting directly to their registered bank accounts or by dispatching dividend warrants to those members:
  - (a) whose names appear as Beneficial Owners in the list of Beneficial Owners on 17<sup>th</sup> August, 2022 furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd. (CDSL) and
  - (b) whose names appear as a member in the Register of Members of the Company after giving effect to valid requests for transmission and transposition lodged with the Company/Registrar and Share Transfer Agent on 17<sup>th</sup> August, 2022.
8. Members holding shares in electronic form are hereby informed that the bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars cannot act on any request received directly from the Members holding shares in electronic form for any change in address, change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members.
9. Members holding shares in physical form are requested to inform any change of address, updation of bank details etc. immediately to the Company's Registrar and Share Transfer Agent (RTA), M/s Link Intime India Private Limited.
10. Pursuant to provisions of Section 124 of the Companies Act, 2013, dividend which remain unpaid/unclaimed for a period of 7 years from the date of transfer of the same to the Company's Unpaid Dividend Account will be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government. The following are the details of the dividends paid by the Company and respective due dates for claim by the members:

Financial year	Date of declaration of Dividend	Date of transfer to unpaid Dividend Account	Last date for claim
2014-15	16/09/2015	23/10/2015	23/10/2022
2015-16	03/08/2016	09/09/2016	09/09/2023
2016-17	10/08/2017	16/09/2017	16/09/2024
2017-18	22/09/2018	29/10/2018	29/10/2025
2018-19	13/08/2019	19/09/2019	19/09/2026
2019-20	09/03/2020	15/04/2020	15/04/2027
2020-21	27/09/2021	03/11/2021	03/11/2028

The Company has uploaded the information of unclaimed/unpaid dividend in respect of the financial years from 2014-15, on the website of the IEPF viz. [www.iepf.gov.in](http://www.iepf.gov.in) and under "Download → Investors" Section on the Website of the Company viz. [www.brightbrothers.co.in](http://www.brightbrothers.co.in).

After the last date of claim, the company shall transfer the unpaid dividend to IEPF, including all benefits accruing on such shares, if any, and the same can be claimed only from the IEPF Authority by making a separate application to the IEPF Authority in Form IEPF-5 as prescribed under the Rules and the same is made available at IEPF website i.e. [www.iepf.gov.in](http://www.iepf.gov.in). In view of the above, the members are advised to send a written request for claiming unpaid dividend pertaining to the above years to M/s Link Intime India Private Limited, Registrar and Transfer Agent (RTA) for crediting unpaid dividend directly in your bank account through NEFT.

11. In case of joint holders attending the Meeting, only such joint holder who is higher in order of names will be entitled to vote.



12. Electronic copy of the Annual Report is being sent to all the members whose email IDs are registered with the Company/Depository Participants. For members who have not registered their email address, physical copies of the Annual report is being sent through the permitted mode.
13. To promote green initiative, members are requested to register their e-mail addresses through their Depository Participants for sending the future communications by e-mail. Members holding the shares in physical form may register their e-mail addresses through the RTA, giving reference of their Folio Number.
14. Members may also note that the Annual Report for financial year 2021-22 is also available on the Company's website [www.brightbrothers.co.in](http://www.brightbrothers.co.in) for download. Members are requested to bring their copy of the Annual Report with them to the Annual General Meeting.
15. Members desirous of obtaining any information concerning Accounts shall write to the Company Secretary at [invcom@brightbrothers.co.in](mailto:invcom@brightbrothers.co.in) at least seven clear days in advance so that the information required can be made available at the meeting.
16. Pursuant to the provisions of Section 72 of Companies Act, 2013, facility for making nomination is available for individual members. Therefore, the Members holding shares in physical forms and willing to avail this facility may make nomination in the prescribe Form No. SH-13 and send the form duly filled in to Link Intime India Pvt. Ltd. However, in case of demat holding the Members should approach their respective depository participants for making nominations.
17. For Security reasons and for proper conduct of AGM, entry to the place of the AGM will be regulated by the Attendance Slip, which is annexed to this Notice. Members/ Proxies are requested to bring their Attendance Slip duly filled in all respects and signed at the place provided there at and hand it over at the entrance of the venue. The route map of the AGM venue is also annexed to this Notice.
18. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of Members w.e.f. 1<sup>st</sup> April, 2020 and the Company is required to deduct tax at source from dividend paid to Members at the prescribed rates. For the prescribed rates for various categories, the Members are requested to refer to the Finance Act, 2020 and amendments thereof. The Members are requested to update their PAN with the Company/Link Intime (in case of shares held in physical mode) and depositories (in case of shares held in demat mode).
19. A Resident individual Members with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H or Lower Withholding Certificate (if obtained from the Tax department), to avail the benefit of non-deduction/ lower deduction of tax at source by writing an email to [mt.helpdesk@linkintime.co.in](mailto:mt.helpdesk@linkintime.co.in) and [invcom@brightbrothers.co.in](mailto:invcom@brightbrothers.co.in) on or before 12<sup>th</sup> August, 2022 (time) IST on 5:00 p.m. The Members are requested to note that in case their PAN is not registered/ updated, the tax will be deducted at a higher rate of 20% (plus Surcharge and Cess as applicable).
20. Non-resident Members can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment (PE) and Beneficial Ownership Declaration, Tax Residency Certificate (TRC), Form 10F or any other document which may be required to avail the tax treaty benefits by sending an email to [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in) and [invcom@brightbrothers.co.in](mailto:invcom@brightbrothers.co.in). The aforesaid declarations and documents need to be submitted by the Members by 5:00 p.m. IST on 12<sup>th</sup> August, 2022. The formats of No PE Declaration (including beneficial ownership) and Form 10F are available on Link Intime's website at [https://www.linkintime.co.in/admin/DownloadFiles/Form\\_10F.pdf](https://www.linkintime.co.in/admin/DownloadFiles/Form_10F.pdf)  
  
TRC needs to be obtained by the Members from the Tax Department of their country of residence. Non-resident Members shall also furnish the lower/nil withholding certificate, if obtained from the Tax Department.
21. The relevant details, pursuant to Regulations 26(4) and 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director retiring by rotation and seeking appointment/Re-appointment at this AGM is annexed.
22. As per Regulation 40 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, securities of listed Companies can be transferred only in dematerialized form with effect from 1<sup>st</sup> April, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrar and Transfer Agents, Link Intime India Private Limited for assistance in this regard.

23. Documents for inspection:

- A. During the period beginning 24 (twenty-four) hours before the time fixed for the AGM, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company provided that not less than 3 (three) days of advance notice in writing is given to the Company;
- B. Relevant documents referred to in the accompanying Notice and the statement pursuant to Section 102 (1) of the Companies Act, 2013 are available for inspection at the Registered Office of the Company during business hours on all days except Saturdays, Sundays and public holidays up to the date of the AGM; and
- C. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.

24. The e-voting period commences from 19<sup>th</sup> August, 2022 at 9.00 a.m. and ends on 23<sup>rd</sup> August, 2022 at 5.00 p.m. During this period, Members of the Company, holding shares either in physical form or in dematerialized form as on 17<sup>th</sup> August, 2022 (cut-off date) may cast their vote electronically. The e-voting module shall be disabled by Link Intime India Pvt. Ltd. for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change/modify it subsequently or cast the vote again.

25. Mr. Abhishek Prakash, Practicing Company Secretary (C.P. No. 13269) has been appointed as the Scrutinizer to scrutinize the voting and e-voting process in a fair and transparent manner.

26. The Scrutinizer shall immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, thereafter unlock the votes cast through e-voting in the presence of at least two witnesses not in the employment of the Company and shall make not later than 48 hours of conclusion of the Meeting, a consolidated Scrutiniser's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.

27. Results of voting shall be declared within 48 hours from the conclusion of the meeting and the declared results along with the report of the scrutinizer shall be accessed on the website of BSE Limited i.e. [www.bseindia.com](http://www.bseindia.com), Company i.e. [www.brightbrothers.co.in](http://www.brightbrothers.co.in) and Link Intime India Private Limited i.e. <https://instavote.linkintime.co.in>

28. **Voting through electronic means/Ballot Paper:**

- (a) In compliance with provisions of Section 108 of the Act and Rules issued thereunder and Regulation 44 of Listing Regulations, Members are provided with the facility to cast their vote by electronic means through the e-voting platform provided by Link Intime India Pvt. Ltd. on all resolutions set out in this Notice. Resolutions passed by the members through ballot papers or e-voting is/are deemed to have been passed, as if they have been passed at the AGM.
- (b) The process for e-voting is specified below. The facility for voting through ballot paper shall be annexed to this notice and made available at the Meeting and Members attending the Meeting, who have not already cast their vote by e-voting, shall be able to exercise their right at the Meeting by Ballot Paper.
- (c) The Members who have cast their vote by e-voting prior to the Meeting may also attend the Meeting but shall not be entitled to cast their vote again.
- (d) **INSTRUCTIONS FOR VOTING THROUGH ELECTRONIC MEANS:**

As per the SEBI circular dated 9<sup>th</sup> December, 2020, individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.

Type of shareholders	Login Method
<b>Individual Shareholders holding securities in demat mode with NSDL</b>	<ol style="list-style-type: none"> <li>Existing IDeAS user can visit the e-Services website of NSDL viz... <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a personal computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added 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 i.e. LINKINTIME and you will be re-directed to “InstaVote” website for casting your vote during the e-Voting period.</li> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> Select “Register Online for IDeAS Portal” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.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 i.e. LINKINTIME and you will be redirected to “InstaVote” website for casting your vote during the e-Voting period.</li> </ol>
<b>Individual Shareholders holding securities in demat mode with CDSL</b>	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will be able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. LINKINTIME. Click on LINKINTIME and you will be redirected to “InstaVote” website for casting your vote during the e-Voting period.</li> <li>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>Alternatively, the user can directly access e-Voting page by providing demat account number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. 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 provided links for the respective ESP i.e. LINKINTIME. Click on LINKINTIME and you will be redirected to “InstaVote” website for casting your vote during the e-Voting period.</li> </ol>
<b>Individual Shareholders (holding securities in demat mode) &amp; login through their depository participants</b>	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. 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 i.e. LINKINTIME and you will be redirected to “InstaVote” website for casting your vote during the e-Voting period.

Type of shareholders	Login Method
<b>Individual Shareholders holding securities in Physical mode &amp; e-Voting Service Provider is LINKINTIME</b>	<ol style="list-style-type: none"> <li>Open the internet browser and launch the URL: <a href="https://instavote.linkintime.co.in">https://instavote.linkintime.co.in</a>  <b>A</b> Click on “<b>Sign Up</b>” under ‘<b>SHARE HOLDER</b>’ tab and register with your following details: -               <ol style="list-style-type: none"> <li><b>User ID:</b> Shareholders/ members holding shares in <b>physical form shall provide</b> Event No + Folio Number registered with the Company.</li> <li><b>PAN:</b> Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.</li> <li><b>DOB/DOI:</b> Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)</li> <li><b>Bank Account Number:</b> Enter your Bank Account Number (last four digits), as recorded with your DP/Company.                   <ul style="list-style-type: none"> <li>* Shareholders/ members holding shares in <b>physical form</b> but have not recorded ‘c’ and ‘d’, shall provide their Folio Number in ‘d’ above</li> </ul> </li> </ol> <p>⇒ Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&amp;*), at least one numeral, at least one alphabet and at least one capital letter).</p> <p>⇒ Click “confirm” (Your password is now generated).</p> </li> <li>Click on ‘Login’ under ‘<b>SHARE HOLDER</b>’ tab</li> <li>Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on ‘<b>Submit</b>’.</li> <li>After successful login, you will be able to see the notification for e-voting. Select ‘<b>View</b>’ icon.</li> <li>E-voting page will appear.</li> <li>Refer the Resolution description and cast your vote by selecting your desired option ‘<b>Favour / Against</b>’ (If you wish to view the entire Resolution details, click on the ‘<b>View Resolution</b>’ file link).</li> <li>After selecting the desired option i.e. Favour / Against, click on ‘<b>Submit</b>’. A confirmation box will be displayed. If you wish to confirm your vote, click on ‘<b>Yes</b>’, else to change your vote, click on ‘<b>No</b>’ and accordingly modify your vote.</li> </ol>
<b>Institutional shareholders:</b>	<p>Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <a href="https://instavote.linkintime.co.in">https://instavote.linkintime.co.in</a> and register themselves as ‘<b>Custodian / Mutual Fund / Corporate Body</b>’. They are also required to upload a scanned certified true copy of the Board Resolution / Authority letter / Power of Attorney etc. together with attested specimen signature of the duly Authorised Representative(s) in PDF format in the ‘<b>Custodian / Mutual Fund / Corporate Body</b>’ login for the Scrutinizer to verify the same.</p>
<b>In case the Individual Shareholders, holding securities in Physical mode &amp; e-Voting service Provider is LINKINTIME, have forgotten the password:</b>	<p>If an Individual Shareholders holding securities in Physical mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the “Forgot Password” option available on the e-Voting website of Link Intime: <a href="https://instavote.linkintime.co.in">https://instavote.linkintime.co.in</a></p> <ul style="list-style-type: none"> <li>Click on ‘Login’ under ‘<b>SHARE HOLDER</b>’ tab and further Click ‘forgot password?’</li> <li>Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on “<b>SUBMIT</b>”.</li> </ul> <p>In case shareholders are having valid email address, Password will be sent to his/her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain minimum 8 characters, at least one special character (@!#\$%&amp;*), at least one numeral, at least one alphabet and at least one capital letter.</p> <p>User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company</p>

Type of shareholders	Login Method
<b>In case Individual Shareholders, holding securities in demat mode with NSDL/ CDSL, have forgotten the password:</b>	<ul style="list-style-type: none"> <li>Shareholders/members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/depository participants website.</li> <li>It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.</li> <li>For shareholders/members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.</li> <li>During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".</li> </ul>

**Helpdesk for Individual Shareholders holding securities in demat mode:**

In case shareholders/ members holding securities in demat mode have any technical issues related to login through Depository i.e. NSDL/ CDSL, they may contact the respective helpdesk given below:

Login type	Helpdesk details
<b>Individual Shareholders holding securities in demat mode with NSDL</b>	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
<b>Individual Shareholders holding securities in demat mode with CDSL</b>	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 or 22-23058542-43.

**Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders & e-Voting Service Provider is LINKINTIME**

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or contact on: - Tel: 022 – 4918 6000.

**By Order of the Board of Directors,  
For BRIGHT BROTHERS LIMITED**

**Suresh Bhojwani**  
Chairman & Managing Director  
DIN: 00032966

Place : Mumbai  
Date : 27<sup>th</sup> May, 2022

**Registered office:**  
Office no. 91, 9<sup>th</sup> Floor,  
Jolly Maker Chambers No. 2,  
225, Nariman Point, Mumbai - 400021



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

### Item No. 5: Payment of Remuneration to Cost Auditors for the financial year 2022-23

The Company is directed, under Section 148 of Companies Act, 2013, hereinafter referred to as “the Act”, to have an audit of its cost records conducted by a Cost Accountant in practice. The Board of your Company at its meeting held on 27<sup>th</sup> May, 2022 has, on the recommendation of the Audit Committee, approved the appointment of M/s. S. R. Singh and Co. as the Cost Auditors of the Company to conduct Cost Audit for the year ending 31<sup>st</sup> March, 2023 at a remuneration of ₹ 1.5 lakhs p.a. plus tax as applicable and out of pocket expenses.

M/s. S. R. Singh and Co. has furnished a certificate regarding its eligibility for appointment as Cost Auditors of the Company. M/s. S. R. Singh & Co. has vast experience in the field of cost audit.

The Board commends the remuneration of ₹ 1.5 lakhs plus tax and out-of-pocket expenses to M/s. S.R. Singh & Co. as the Cost Auditors and the approval of the members is sought for the same by an Ordinary Resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested in the resolution.

The Board commends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the members.

### Item No. 6: Re-appointment of Mr. Suresh Bhojwani (DIN: 00032966) as Chairman and Managing Director and payment of remuneration

The Members of the Company at their 70<sup>th</sup> Annual General Meeting had approved re-appointment of Mr. Suresh Bhojwani as Chairman and Managing Director of the Company. The present term of the Chairman and Managing Director expires on 31<sup>st</sup> January, 2023. While re-appointing Mr. Suresh Bhojwani as Chairman and Managing Director of the Company, the Board of Directors considered his contribution to the overall progress of the Company.

As per proviso to section 196(3)(a) of the Companies Act, 2013, the explanatory statement shall provide a justification for appointment of Managing Director who has attained age of seventy years. In accordance with the said provision, the Nomination and Remuneration Committee and Board of Directors have noted the diligent efforts and meticulous approach of Mr. Suresh Bhojwani in the major business transactions of the Company and also his proficiency and competency in the industry in which the Company operates.

As the Company has benefited with the invaluable contribution of Mr. Suresh Bhojwani during his Chairmanship, the Board of Directors, upon seeking recommendation from the Nomination and Remuneration Committee, at their respective meetings held on 27<sup>th</sup> May, 2022, has considered his re-appointment as Chairman and Managing Director for a further period of five years, subject to the approval of members of the Company. The brief profile of Mr. Suresh Bhojwani as stipulated under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015, hereinafter referred to as “Listing Regulations”, is given as an annexure to this Notice.

Taking into consideration the duties and responsibilities of the Chairman and Managing Director, the prevailing managerial remuneration in industry and on the recommendation of the Nomination and Remuneration Committee, the Board at its meeting held on 27<sup>th</sup> May, 2022 has approved the following terms and conditions of re-appointment and remuneration of Mr. Suresh Bhojwani as Chairman and Managing Director, subject to approval of the members of the Company:

<b>Term of appointment</b>	5 years (1 <sup>st</sup> February, 2023 to 31 <sup>st</sup> January, 2028)
<b>Term of remuneration</b>	3 years (1 <sup>st</sup> February, 2023 to 31 <sup>st</sup> January, 2026)

**Terms and conditions of remuneration:**

The proposed terms and conditions of remuneration subject to the limits prescribed under Schedule V of the Companies Act, 2013 are provided below:

**a. Basic Salary:**

₹ 5,50,000 p.m. (Rupees Five Lakhs Fifty Thousand only)

**b. Allowances:**

- i. House Rent Allowance payable monthly, equivalent to 50% of basic salary.
- ii. Leave Travel Allowance as per the Company's policy.

**c. Perquisites:**

- i. Health Insurance Policy of self and family and Personal Accident Insurance as per Company's policy.
- ii. Reimbursement of expenses incurred for purchase of books and periodicals.
- iii. Reimbursement of entertainment expenses incurred in the course of business of the Company.
- iv. Reimbursement of Membership fees of two clubs in India (excluding admission and life membership fees).
- v. Reimbursement of charges pertaining to gas, electricity, water and any other utility bills.
- vi. Reimbursement of expenses incurred by the Director on behalf of the Company.
- vii. Provision of Car with driver for official as well as personal use.
- viii. Communication facilities like telephone, internet connection and such other facilities at the residence of the Director.

The perquisites/ allowances shall be valued as per the Income-tax Rules, wherever applicable, in the absence of such rules perquisites/ allowances shall be valued at actual cost.

**d. Other perquisites as per rules of the Company: Contribution to Provident Fund**

The Company has received an intimation from Mr. Suresh Bhojwani that he is not disqualified from being a Director under section 164(2) of the Companies Act, 2013. Further, he is also not debarred from holding the office of Director pursuant to any order issued by the Securities and Exchange Board of India (SEBI).

Except Mr. Suresh Bhojwani and his relatives (including Mrs. Devika Bhojwani and Mr. Karan Bhojwani), no other Directors, Key Managerial Personnel of the Company and their relative are concerned and interested in the said resolution.

The Board recommends the special resolution as set out at Item no. 6 of the Notice for approval by the members.

**Item No. 7: Re-appointment of Mrs. Devika Bhojwani (DIN 08355381) as Whole-time Director and payment of remuneration:**

The Members of the Company at their 72<sup>nd</sup> Annual General Meeting had approved appointment of Mrs. Devika Bhojwani as Whole-time Director of the Company. Her present term of appointment expires on 30<sup>th</sup> September, 2022.

The Board of Directors noted the contribution done by Mrs. Devika Bhojwani in the overall progress of the Company. Therefore, the Board of Directors, upon seeking recommendation from the Nomination and Remuneration Committee, at their respective meetings held on 27<sup>th</sup> May, 2022, has considered her re-appointment as Whole-time Director for a further period of five years, subject to the approval of members of the Company. The brief profile of Mrs. Devika Bhojwani as stipulated under Regulation 36(3) of the Listing Regulations, is given as an annexure to this Notice.

The terms and conditions of re-appointment and remuneration of Mrs. Devika Bhojwani as Whole-time Director are provided below:

<b>Term of appointment</b>	5 years (1 <sup>st</sup> October, 2022 to 30 <sup>th</sup> September, 2027)
<b>Term of remuneration</b>	3 years (1 <sup>st</sup> October, 2022 to 30 <sup>th</sup> September, 2025)

**Terms and conditions of remuneration:**

The proposed terms and conditions of remuneration subject to the limits prescribed under Schedule V of the Companies Act, 2013 are provided below:

**a. Basic Salary:**

₹ 75,000 p.m. (Rupees Seventy-five Thousand only) with authority to the Board of Directors to grant annual increment(s) as they may deem fit based on the recommendation of the Nomination and Remuneration Committee, subject to the overall limit specified under Schedule V of the Companies Act, 2013.

**b. Allowances:**

- i. House Rent Allowance payable monthly, equivalent to 50% of basic salary.
- ii. Leave Travel Allowance as per the Company's policy.

**c. Perquisites:**

- i. Health Insurance Policy of self and family and Personal Accident Insurance as per Company's policy.
- ii. Reimbursement of expenses incurred for purchase of books and periodicals.
- iii. Reimbursement of entertainment expenses incurred in the course of business of the Company.
- iv. Reimbursement of Membership fees of two clubs in India (excluding admission and life membership fees).
- v. Reimbursement of charges pertaining to gas, electricity, water and any other utility bills.
- vi. Reimbursement of expenses incurred by the Director on behalf of the Company.
- vii. Provision of Car with driver for official as well as personal use.
- viii. Communication facilities like telephone, internet connection and such other facilities at the residence of the Director.

The perquisites/ allowances shall be valued as per the Income-tax Rules, wherever applicable, in the absence of such rules perquisites/ allowances shall be valued at actual cost.

**d. Other perquisites as per rules of the Company: Contribution to Provident Fund.**

The Company has received intimation from Mrs. Devika Bhojwani that she is not disqualified from being a Director under section 164(2) of the Companies Act, 2013. Further, she is also not debarred from holding the office of Director pursuant to any order issued by the Securities and Exchange Board of India (SEBI).

Except Mrs. Devika Bhojwani and her relatives (including Mr. Suresh Bhojwani and Mr. Karan Bhojwani), no other Directors, Key Managerial Personnel of the Company and their relative are concerned and interested in the said resolution.

The Board recommends the special resolution as set out at Item no. 7 of the Notice for approval by the members.

**Item No. 8: Appointment of Mr. Kuchimanchi Viswanath (DIN 00547132) as an Independent Director:**

Pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company, the Board of Directors has appointed, Mr. Kuchimanchi Viswanath as an Additional Director of the Company with effect from 27<sup>th</sup> May, 2022 who would hold office upto the date of the ensuing Annual General Meeting. Mr. Kuchimanchi Viswanath is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. The Nomination and Remuneration Committee has recommended the appointment of Mr. Kuchimanchi Viswanath as an Independent Director for a period of five consecutive years.

Mr. Kuchimanchi Viswanath possesses appropriate skills, experience and knowledge, inter alia, in the field of Audit & Assurance and Corporate Tax Advisory Services. Brief profile of Mr. Kuchimanchi Viswanath as stipulated under Regulation 36(3) of the Listing Regulations is given as an annexure to this Notice. In the opinion of the Board, he fulfills the conditions for his appointment as an Independent Director as specified in the Act and the Listing Regulations. Being a Chartered Accountant in practice for almost four decades and keeping in view his expertise and vast knowledge in finance, it will be in the interest of the Company to appoint him as an Independent Director, not liable to retire by rotation.

**The Company has also received:**

- i. Consent in writing to act as an Independent Director;
- ii. Intimation that he is not disqualified under section 164(2) of the Companies Act, 2013;
- iii. Declaration that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under the Listing Regulations;
- iv. A declaration to the effect that he is not debarred from holding the office of Director pursuant to any Order issued by the Securities and Exchange Board of India (SEBI);
- v. Registration certificate for Independent Director's Databank registration.

Except Mr. Kuchimanchi Viswanath, none of the other Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested (financially or otherwise), in this resolution.

The Board recommends the Special resolution as set out at Item no. 8 of the Notice for approval by the members.

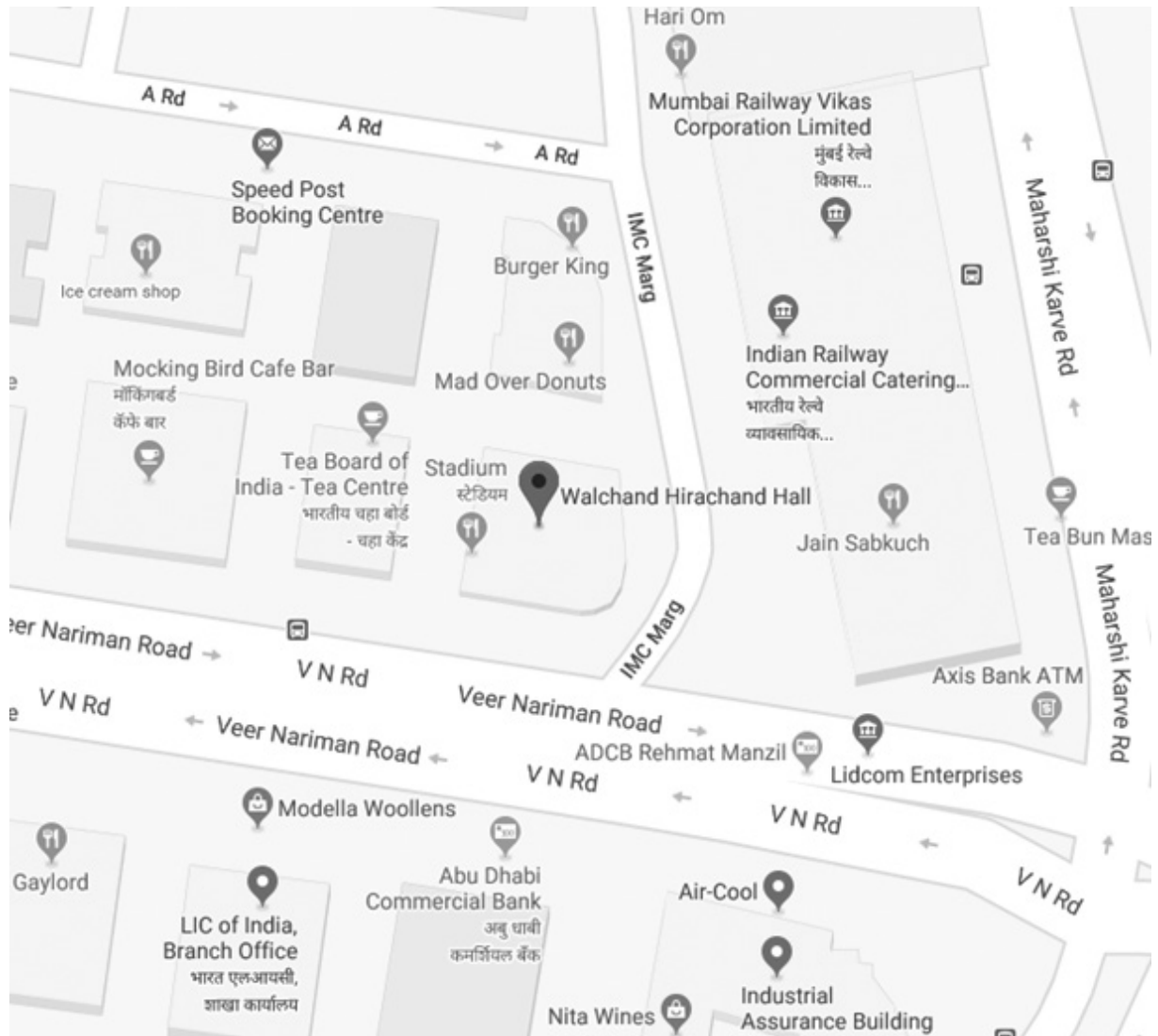
**By Order of the Board of Directors,  
For BRIGHT BROTHERS LIMITED**

**Suresh Bhojwani**  
*Chairman & Managing Director*  
DIN: 00032966

*Place : Mumbai*  
*Date : 27<sup>th</sup> May, 2022*

**Registered office:**  
Office no. 91, 9<sup>th</sup> Floor,  
Jolly Maker Chambers No. 2,  
225, Nariman Point, Mumbai - 400021

## Route map to the venue of AGM





# 75th Annual Report 2021-2022

Bright Brothers Limited



# Our Valued Customers

**EUREKA FORBES**   
Your friend for life



## COMPANY INFORMATION

### Board of Directors

Mr. Suresh Bhojwani – *Chairman & Managing Director*

Mrs. Devika Bhojwani – *Whole-time Director*

Mr. Karan Bhojwani – *Whole-time Director*

(w.e.f. 1<sup>st</sup> April, 2022)

Mr. K. P. Rao – *Independent Director (upto 7<sup>th</sup> April, 2022)*

Dr. T. S. Sethurathnam – *Independent Director*

Mr. Anil Kumar Bhandari – *Independent Director*

Mr. K. Viswanath – *Additional Independent Director*

(w.e.f. 27<sup>th</sup> May, 2022)

### Board Committees

#### Audit Committee

Mr. Anil Kumar Bhandari – *Chairman*

Dr. T. S. Sethurathnam

Mr. K. Viswanath

Mr. Suresh Bhojwani

#### Stakeholders Relationship Committee

Dr. T. S. Sethurathnam – *Chairman*

Mr. Suresh Bhojwani

Mrs. Devika Bhojwani

Mr. Karan Bhojwani

#### Nomination and Remuneration Committee

Dr. T. S. Sethurathnam – *Chairman*

Mr. Anil Kumar Bhandari

Mr. K. Viswanath

#### Chief Financial Officer

Mr. Chirag Shah

#### Company Secretary & Compliance Officer

Mrs. Sonali Pednekar

#### Banker

Kotak Mahindra Bank Ltd.

#### Auditors

M/s. Desai Saksena & Associates,  
Chartered Accountants

#### Registrar and Transfer Agent

M/s. Link Intime India Private Limited  
C 101, 247 Park, L. B. S. Marg,  
Vikhroli West, Mumbai - 400 083

#### 75<sup>th</sup> Annual General Meeting

**Day and Date** : Wednesday, 24<sup>th</sup> August, 2022

**Time** : 11.30 a.m.

#### Venue of the meeting:

“Walchand Hirachand Hall”, 4<sup>th</sup> Floor,  
Indian Merchant Chamber Building,  
IMC Marg, Churchgate, Mumbai - 400 020

#### Registered Office

Office no. 91, 9<sup>th</sup> Floor,  
Jolly Maker Chambers No. 2,  
225, Nariman Point, Mumbai - 400021  
Tel.: 8828204635

E-Mail: [invcom@brightbrothers.co.in](mailto:invcom@brightbrothers.co.in)

CIN: L25209MH1946PLC005056

ISIN: INE630D01010

Website: [www.brightbrothers.co.in](http://www.brightbrothers.co.in)

#### Corporate Office

B-54, Road No. 33,  
Gyaneshwar Nagar,  
Wagle Industrial Estate, Thane-West,  
Maharashtra - 400 604.

#### Factories:

- Plant I, II and III,  
Plot No. 1/1 to 1/4,  
Thirubhuvanai,  
Mannadipet Commune,  
Puducherry - 605 107.
- Plot No. 16-17, Sector 24,  
Faridabad, Haryana - 121 005.
- Hiltron Electronic Complex,  
Plot No. C, D, E, F & G,  
Mallital, Bhimtal, Nainital  
Uttarakhand - 263 136.
- Khasara No. 3962, 3963, 3946 & 3947,  
Lal Tapper Industrial Area,  
Majri Grant, Dehradun,  
Uttarakhand - 248 140.

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## DIRECTORS' REPORT

Dear Shareholders (Members),

On behalf of the Board of Directors, it is our pleasure to present the 75<sup>th</sup> Annual Report together with the Audited Statement of Accounts of Bright Brothers Limited ("the Company") for the year ended 31<sup>st</sup> March, 2022.

### Financial Performance:

(₹ in Lakhs)

Particulars	Year Ended 31 <sup>st</sup> March, 2022	Year Ended 31 <sup>st</sup> March, 2021
<b>Net Sales and Operating Income</b>	<b>23,025.35</b>	20,227.15
Less: Expenses	<b>21,718.68</b>	18,455.91
<b>Operating Profit</b>	<b>1,306.67</b>	1,771.24
Add: Other Income	<b>132.04</b>	78.94
<b>Profit before Depreciation, Finance Cost and Tax</b>	<b>1,438.71</b>	1,850.18
Less: Finance Costs	<b>471.37</b>	432.77
Less: Depreciation and amortization expenses	<b>621.23</b>	577.14
<b>Profit before tax</b>	<b>346.11</b>	840.27
Add: Exceptional items (Profit from sale of asset-Land)	<b>3,506.85</b>	0
Less: Tax expense	<b>657.00</b>	269.77
<b>Profit after tax</b>	<b>3,195.96</b>	570.50
Other comprehensive income	<b>(21.35)</b>	7.15
<b>Total Comprehensive Income</b>	<b>3,174.61</b>	577.65

### Summary of Operations

The total operational income of your Company for the year ended 31<sup>st</sup> March, 2022 stood at ₹ 23,025.35 lakhs as against ₹ 20,227.15 lakhs in the previous year. The Profit before Depreciation, Finance Cost and Tax for the year ended 31<sup>st</sup> March, 2022 was recorded at ₹ 1,438.71 lakhs as against ₹ 1,850.18 lakhs in the previous year.

### The Year in Retrospect and impact of pandemic due to COVID-19

During the financial year 2021-22, the second and third wave of Covid-19 pandemic had impacted the operations of the Company. The Company took several measures to provide a healthy and safe environment to its employees across all the manufacturing units and at its registered and corporate offices for smooth functioning of business. The details of business undertaken by every division of the Company during the year is provided below:

#### i. Manufacturing division:

As Covid-19 created awareness of cleanliness, health and hygiene, the demand for washing machines increased significantly. The consumers were opting to purchase fully automatic machines rather than semi-automatic machines. This led to an increase in demand for fully automatic washing machines

whose plastic components are manufactured by the Company. The Unit which manufactured these components was functioning at its full capacity. This led to a considerable increase in the Net Sales of the said Unit.

However, the scenario was different in case of the Unit which manufactures plastic components for refrigerators and air-conditioners. As the subsequent Covid-19 waves had struck during the peak period when there is a huge demand for refrigerators and air-conditioners, the OEMs (Original Equipment Manufacturers) were left with huge unsold inventory as the demand was lean during that period. Therefore, the Company did not receive much orders from the OEMs.

As regards, other injection moulded plastic components like water filter parts, toothbrush handles, packaging articles, etc., the Company had received significant orders during the year as compared to the previous year.

## **ii. Tooling division:**

The tooling division manufactures plastic injection moulds for its customers. As a part of risk mitigation measures, many companies are planning to set-up their manufacturing units in India rather than procuring their products from China. This has led to an increase in the tooling business of the Company.

## **iii. Haircare Division:**

This division is engaged in the business of trading and it supplies leading hair and beauty accessories under its brand named Divo. These products are used by hair stylists, fashion designers and hairdressers. During the financial year 2021-22, there has been notable increase in sales as they have increased the product range by adding new products to cater all the age groups and they have also added environment friendly products in their product range. Further, this division has also expanded its business by undertaking private-label business wherein they supply products to companies who sell them under their own brand name.

## **Outlook for the Current Year**

During the current year, the Company is in the process of expanding its existing manufacturing capacities by setting up two manufacturing units in <sup>\*</sup>SIPCOT (Tamil Nadu) and <sup>†</sup>SIDCUL (Uttarakhand). It is expected that the business operations of both the units would begin in the third quarter of the financial year. With this expansion, the Company would be able to widen its customer base and correspondingly increase its business.

## **Sale of Company's land**

In July, 2021, the Company executed an Indenture of Conveyance for sale of its own land admeasuring 7,004.64 square meters situated at Mumbai Suburban District to Kanakia Spaces Realty Pvt. Ltd. at an aggregate consideration of ₹ 43.75 crores as per the terms and conditions mentioned therein. Due to enhanced liquidity position after the sale of land, the Company has repaid the unsecured loans taken from its Directors. Further, the Company is also planning to utilise the said funds for expansion of business.

## **Material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year till the date of report**

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year 2021-22 and the date of this report. There has been no change in the nature of business of the Company during the financial year.

<sup>\*</sup> SIPCOT: State Industries Promotion Corporation of Tamil Nadu Limited

<sup>†</sup> SIDCUL: State Industrial Development Corporation of Uttarakhand Limited



## Change in directorate and appointment of Key Managerial Personnel

### i. Appointment of Whole-time Director:

The Board of Directors, upon seeking recommendation from the Nomination and Remuneration Committee considered appointment of Mr. Karan Bhojwani (DIN: 06423542) as the Whole-time Director of the Company for a period of five years with effect from 1<sup>st</sup> April, 2022. The approval of members for his appointment was sought by passing a special resolution through Postal Ballot whose voting result was declared on 30<sup>th</sup> March, 2022.

Mr. Karan Bhojwani is the Promoter of the Company and is associated with the Company since last two decades. He has immense knowledge of the industry in which the Company operates. Further, his expertise and skills have contributed effectively to the growth of the Company.

### ii. Cessation of Director:

#### a. Late Mr. Kuchimanchi Purnachandra Rao (Mr. K. P. Rao):

One of the Independent Directors of the Company, Late Mr. Kuchimanchi Purnachandra Rao (DIN: 00027577) left for heavenly abode on 7<sup>th</sup> April, 2022. Mr. K. P. Rao was associated with the Company as a Director since 7<sup>th</sup> August, 1990. During his directorship, he has provided invaluable guidance to the growth and business of the Company. Being a Chartered Accountant by profession, his vast experience and expertise in finance has immensely benefitted the Company. He was also the Chairman of the Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee of the Company.

#### b. Smt. Hira Bhojwani:

The tenure of Smt. Hira Bhojwani (DIN: 00032997) as a Non-Executive Non-Independent Director of our Company concluded at the close of business hours on 31<sup>st</sup> March, 2022. She has been in association with the Company as a Director since 1<sup>st</sup> April, 1994. During her tenure, she has been a guiding light to the Company and has provided invaluable support to the Company.

The Board of Directors and the Management have placed on record their deep appreciation towards the contribution done by Late Mr. Kuchimanchi Purnachandra Rao and Smt. Hira Bhojwani during their association with the Company.

### iii. Appointment of Independent Director:

As the directorship of the former Independent Director of the Company had ceased due to casual vacancy, the Company had to appoint an Independent Director in compliance with Regulation 17(1)(b) and 17(1)(c) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015 (hereinafter referred to as "Listing Regulations"). The Board of Directors, upon seeking recommendation from the Nomination and Remuneration Committee has considered appointment of Mr. Kuchimanchi Viswanath (DIN: 00547132) as Additional Director (Independent) who would hold office as an Additional Director upto the date of ensuing Annual General Meeting (hereinafter referred to as "AGM").

Mr. Kuchimanchi Viswanath (Mr. K. Viswanath) is a Bachelor of Commerce (Bangalore University) and a Fellow Member of The Institute of Chartered Accountants of India since 1983. He has immense knowledge and specializes in Audit & Assurance and Corporate Tax Advisory Services.

He has been in practice since 1983 in the areas of Corporate Audit, Risk based Internal Audits, Information Systems Audits and Enterprise Risk Management & Advisory Services and has vast experience in Audit and Assurance of Companies into Manufacturing, Banking & Finance, Insurance, Information Technology and Public Sector Undertakings.

Further, the Board of Directors have also recommended appointment of Mr. K. Viswanath as an Independent Director for a period of five years commencing from the date of ensuing Annual General Meeting subject to the approval of members of the Company in the said meeting. As required under the Companies Act, 2013, a resolution seeking members' approval for the appointment of Mr. K. Viswanath as an Independent Director forms part of the Notice convening the AGM.

### **Transfer to Reserves**

The Company does not propose to transfer any profits to its reserves for the financial year 2021-22.

### **Dividend**

Your Directors are pleased to recommend a dividend @50% (i.e. ₹ 5 per Equity Share) on 56,80,235 Equity Shares of ₹ 10 each for the financial year ended 31<sup>st</sup> March, 2022. The said dividend, if approved by the members, would involve a cash outflow ₹ 284 lakhs. The dividend will be paid subject to the approval of members of the Company at the forthcoming Annual General Meeting to those members whose names appear as Beneficial Owners in the list of Beneficial Owners on 17<sup>th</sup> August, 2022 furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd. (CDSL) and whose names appear as a member in the Register of Members of the Company after giving effect to transmission and transposition requests lodged with the Company/ Registrar and Share Transfer Agent on 17<sup>th</sup> August, 2022.

### **Share Capital**

The paid-up Equity Share Capital as on 31<sup>st</sup> March, 2022 was ₹ 567.60 lakhs. During the year, the Company has not issued any shares.

### **Loans, guarantees or investments**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes accompanying the financial statements.

### **Fixed Deposits**

Your Company has not accepted any deposits from public and its members during the financial year 2021-22. There has been no deposit which was unpaid or unclaimed as at the end of the year. There has not been any default in repayment of deposits or payment of interest thereon during the year. The Company is holding deposits of ₹ 303 lakhs from its Directors as on 31<sup>st</sup> March, 2022.

### **Related party transactions**

All transactions entered with related parties for the year under review were on arm's length basis and in the ordinary course of business and the provisions of Section 188 of the Companies Act, 2013 are not attracted. Thus, disclosure in AOC-2 is not required. The details of transaction are provided in Note No. 43 of the Notes to Accounts. Further, there are no material related party transactions during the year under review with the Promoters, Directors and Key Managerial Personnel.

All Related Party Transactions are placed before the Audit Committee as also before the Board for approval. Omnibus approval was obtained for transactions which are repetitive in nature. A statement giving details of all the transactions entered into pursuant to omnibus approval are placed before the Audit Committee and Board for a review.

The policy on Related Party Transactions as approved by the Board of Directors has been uploaded on the website of the Company. None of the Directors have any pecuniary relationships or transactions vis-a-vis the Company.

### **Insurance**

All the assets of the Company are fully insured against major risks.

### **Unsecured Loan**

The Company has repaid unsecured loan during the year and as of now there is no outstanding unsecured loan as on 31<sup>st</sup> March, 2022.

### **Internal financial controls**

The internal financial controls with reference to the Financial Statements are commensurate with the size and nature of business of the Company. The Company has appointed Internal Auditors who periodically audit the adequacy and effectiveness of the internal controls laid down by the management and suggest improvements. The Audit Committee periodically approves the audit reports, implementation of audit recommendations, if any and adequacy of internal controls. Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the internal, statutory and secretarial auditors, the Board is of the opinion that there is an existence of proper systems to ensure compliance with the provisions of applicable laws and Company's internal financial controls were adequate, efficient and effective during financial year 2021-22.

### **Significant and material orders passed by the Regulators**

During the year under review, no significant and material orders were passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations.

### **Directors' Responsibility Statement**

Pursuant to the requirement of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, your Directors confirm that:

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

## Management Discussion and Analysis

Management Discussion and Analysis of the financial conditions and result of operations of the Company for the period under review as required under Regulation 34(2)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed to this Report.

## Corporate Governance

A separate report on Corporate Governance is annexed to this Report.

## Meetings of the Board and its Committees

During the year 2021-22, the Board met five times on 4<sup>th</sup> June, 2021, 18<sup>th</sup> June, 2021, 29<sup>th</sup> July, 2021, 12<sup>th</sup> November, 2021 and 11<sup>th</sup> February, 2022. The gap between two meetings did not exceed 120 days. The details of the Board meetings and various Committee meetings have been mentioned in the Report of Corporate Governance annexed to this Report.

## Corporate Social Responsibility

The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company and the initiatives undertaken by the Company on CSR activities during the year in the format prescribed in the Companies (CSR Policy) Rules, 2014 is annexed to this Report. The Policy is available on Company's website at URL: [http://www.brightbrothers.co.in/pdf/pdf\\_455.pdf](http://www.brightbrothers.co.in/pdf/pdf_455.pdf)

## Annual Return

Pursuant to Section 92(3) of the Companies Act, 2013, the Annual Return in Form MGT-7 as on 31<sup>st</sup> March, 2022, is available on Company's website at [www.brightbrothers.co.in](http://www.brightbrothers.co.in).

## Report of the Statutory Auditors and Notes to Financial Statements

The Report of the existing Statutory Auditors alongwith notes to Schedules is enclosed to this report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report. The observations made in the Auditor's Report are self-explanatory and therefore, do not call for any further comments.

## Appointment of Statutory Auditors

As per the provisions of Section 139(2) of the Companies Act, 2013, the listed Company shall not appoint or re-appoint an audit firm as Statutory Auditor for more than two terms of five consecutive years. In accordance with the said provision, the tenure of existing Statutory Auditors of the Company, viz., M/s. Desai Saksena & Associates, Chartered Accountants is expiring on the date of the ensuing AGM.

Therefore, the Board of Directors of the Company at their meeting held on 27<sup>th</sup> May, 2022 on the recommendation of the Audit Committee and subject to the approval of the members of the Company at the ensuing AGM, have approved the appointment of M/s. GMJ & Co., Chartered Accountants (Firm Registration No. 103429W), as the Statutory Auditors, for a period of five years i.e. from the conclusion of the 75<sup>th</sup> AGM till the conclusion of 80<sup>th</sup> AGM of the Company.

The Company has received written consent and certificate of eligibility in accordance with Sections 139, 141 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder, from M/s. GMJ & Co. They have also confirmed to hold a valid certificate issued by the Peer Review Board of The Institute of Chartered Accountants of India (ICAI) as required under the Listing Regulations. As per the Companies Act, 2013, a resolution seeking members' approval for the appointment of Statutory Auditors forms part of the Notice convening the AGM.

### **Cost Audit**

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, your Company needs to conduct a Cost Audit for the financial year ending on 31<sup>st</sup> March, 2023.

The Board of Directors, on recommendation of the Audit Committee, has appointed M/s. S. R. Singh & Co., Cost Accountants, Registration no. 003403 as Cost Auditor to audit the cost accounts of the Company for the financial year 2022-23 at a remuneration of ₹ 1,50,000/- plus tax as applicable and reimbursement of out of pocket expenses. As required under Companies Act, 2013, a resolution seeking members' approval for the remuneration payable to the Cost Auditor forms part of the Notice convening Annual General Meeting.

### **Secretarial Audit**

In terms of Section 204 of the Act and Rules made there under, Ms. Purnima Shetty, Practicing Company Secretary (Registration no. FCS-9089, COP-14933) has been appointed Secretarial Auditor of the Company. The report of the Secretarial Auditor for the financial year 2021-22 is enclosed herewith.

The Report is self-explanatory and does not call for any further comments.

### **Annual Secretarial Compliance Report**

The Company has undertaken an audit for the Financial year 2021-22 for all applicable compliances as per SEBI Regulations and Circulars/Guidelines issued thereunder. The Annual Secretarial Compliance Report duly signed by Ms. Purnima Shetty, Practicing Company Secretary has been submitted to the Stock Exchange and is annexed to this Report.

### **Whistle Blower Policy**

Pursuant to the requirement of the Act, the Company has approved its Whistle Blower Policy which is also called as vigil mechanism. It is uploaded on website of the Company.

This mechanism enables Directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy.

### **Risk Management Policy**

The Company has developed and implemented the Risk Management Policy.

The Company considers ongoing risk management to be a core component of the Management of the Company and understands that the Company's ability to identify and address risk is central to achieving its corporate objectives.

The policy is in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 hereinafter referred to as "Listing Regulations" and provisions of the Companies Act, 2013 which requires the Company to lay down procedures about risk assessment and risk minimization.

### **Declaration by Independent Directors**

Mr. K. P. Rao, Dr. T. S. Sethurathnam and Mr. Anil Kumar Bhandari were Independent Directors on the Board of your Company. As Late Mr. K. P. Rao ceased to be the Director of the Company, Mr. K. Viswanath was appointed as Additional Director in the capacity of an Independent Director by the Board of Directors at their meeting held on 27<sup>th</sup> May, 2022. In the opinion of the Board and as confirmed by the aforesaid Directors, the Independent Directors fulfil the conditions specified in Section 149 of the Act and the Rules made thereunder and Regulations 16(1)(b) of Listing Regulations about their status as Independent Directors of the Company. Further, the Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Act and also the Code of Conduct for Directors and senior management personnel formulated by the Company.



There has been no change in the circumstances affecting their status as Independent Directors of the Company. During the year under review, the Independent Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board/Committees of the Company.

### **Company's Policy on Appointment and Remuneration**

The objective of Remuneration Policy is to attract, motivate and retain qualified and expert individuals that the Company needs in order to achieve its strategic and operational objectives, whilst acknowledging the societal context around remuneration and recognizing interest of stakeholders. The Board's approved policy is available on the website of the Company at [http://www.brightbrothers.co.in/pdf/pdf\\_388.pdf](http://www.brightbrothers.co.in/pdf/pdf_388.pdf)

### **Formal Annual Evaluation by the Board of its own performance and that of its Committees and individual Directors**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a structured questionnaire was prepared after taking into consideration the various aspects of the Board's functioning, composition of the Board and its Committees. The evaluation process inter alia considers attendance of Directors at Board and Committee meetings, participation at meetings, domain knowledge, cohesion at the Board's meetings, awareness, observance of governance, etc.

The Board carried out performance evaluation of the Board, Board committees, individual Directors and Chairperson.

### **Familiarisation programme**

The Company has put in place an induction and familiarization programme for all its Directors including the Independent Directors. The familiarization programme for Independent Directors in terms of provisions of Regulation 46(2) of Listing Regulations is uploaded on the website of the Company.

### **Transfer of Unclaimed dividend and underlying shares to Investor Education and Protection Fund (IEPF)**

In accordance with the applicable provisions of Companies Act, 2013 read with Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), all unclaimed dividends are required to be transferred by the Company to the IEPF, after completion of seven (7) years. Further, according to IEPF Rules, the shares on which dividend has not been claimed by the members for seven (7) consecutive years or more shall be transferred to the demat account of the IEPF Authority. During the financial year 2021-22, the Company had transferred ₹ 3,94,594/- to IEPF as unclaimed dividend relating to financial year 2013-14. Further, the Company has transferred 10,650 equity shares of the Company to IEPF as the members had not claimed dividend on those shares for the consecutive period of seven years.

The details of total amount lying in Unpaid Dividend Account of the Company and the date on which it is due for transfer is provided below:

Sr. No.	Dividend for financial year	Amount (₹ in lakhs) As on 31 <sup>st</sup> March, 2022	Due for transfer to the Fund after the following date
1	2014-15	2.79	23/10/2022
2	2015-16	2.99	09/09/2023
3	2016-17	3.14	16/09/2024
4	2017-18	2.17	29/10/2025
5	2018-19	1.75	19/09/2026
6	2019-20	2.28	15/04/2027
7	2020-21	2.50	03/11/2028

Pursuant to the provisions of IEPF Rules, the Company has filed the necessary forms and uploaded the aforesaid details on IEPF website ([www.iepf.gov.in](http://www.iepf.gov.in)) and these details are also available under “Download→Investors” Section on the Website of the Company viz. [www.brightbrothers.co.in](http://www.brightbrothers.co.in).

### **Equity shares in Unclaimed Suspense Account under Regulation 39 and Schedule VI of Listing Regulations**

The details of Equity shares in Unclaimed Suspense Account under Regulation 39 and Schedule VI of Listing Regulations are as follows:

<b>Description</b>	<b>No. of records</b>	<b>No. of Equity Shares of ₹ 10/- each</b>
No. of shareholders and outstanding shares at the beginning of the year	3	200
No. of shareholder's request received for transfer of shares during the year	NIL	—
No. of shareholders to whom shares transferred during the year	NIL	—
No. of members and shares transferred to IEPF Account	NIL	—
No. of members and outstanding shares at the end of the year	3	200

The voting rights on the above shares shall remain frozen till the rightful owner of such shares claims the shares.

### **Compliance with Secretarial Standards issued by The Institute of Company Secretaries of India**

The Company has complied with the Secretarial Standards issued by The Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meetings.

### **Particulars of Employees**

Disclosure pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in the Annexure forming part of the Annual Report.

Having regard to the provisions of Section 136(1) read with its relevant proviso of the Companies Act, 2013, the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said information is available for inspection at the Registered Office of the Company during working hours and any member interested in obtaining such information may write to the Company Secretary.

None of the employees of the Company is falling under the criteria as set out in Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 regarding remuneration.

### **Human Resources**

Your Company treats its “human resources” as one of its most important assets.

Your Company is focused on the promotion of talent internally through job rotation and job enlargement.

### **Prevention, Prohibition and Redressal of Sexual Harassment at Workplace**

The Company has formulated a policy on Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. It has also formulated Internal Complaints Committee under the Act. During the year under review, no complaints were filed under the said Act.

## **Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo**

Information given as required under Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014.

### **A. Conservation of Energy:**

Continuous monitoring and awareness amongst employees has helped to avoid wastage of energy. Various investments in reducing the consumption of energy has helped the Company to reduce the overall power consumption.

Continuous study and analysis for energy conservation, installation of energy efficient equipments has resulted into lower units of power consumption per kg production of finished products. Energy Conservation measures taken:

- Installation of Variable Frequency Drives (VFD) to reduce the power consumption of old machines and replacing the inefficient equipments with latest energy efficient technology and upgradation of equipments.
- Monitoring the energy parameters such as maximum demand, power factor, load factor, TOD tariff utilisation on regular basis.
- Installation of servo drives in injection moulding machines to reduce power consumption and energy efficient pump for cooling tower.
- Replacement of higher HP motor with lower HP motor and replacement of CFL with LED lights.
- Increasing the awareness of energy saving within the organisation to avoid wastage of energy.

### **B. Technology Absorption, Adaptation and Innovation:**

- Improving the output/input ratio to gain maximum finished products from per kg raw material.
- Modify the mould and dies to improve the cycle time to get higher production from the same machine.
- To modify the process parameters to improve the quality.
- No significant expenditure on Research and Development.

#### **Benefits derived from the above:**

- Increased output and labour saving.
- Knowledge and skills sharing across Company and taking initiatives for benchmarking the best practices.
- Fast and efficient production.

### **C. Foreign Exchange Earnings and Outgo:**

Foreign Exchange Earnings: ₹ Nil

Foreign Exchange Outgo: ₹ 167.13 lakhs

**Proceedings under the Insolvency and Bankruptcy Code 2016 ("IBC")**

There is no application filed against the Company during the year under Insolvency and Bankruptcy Code, 2016 (IBC).

**Acknowledgement**

Your Directors place on record their appreciation for employees at all levels who have contributed to the growth and performance of your Company.

Your Directors also thank the clients, vendors, bankers, members and advisors of the Company for their continued support.

Your Directors also thank the Central and State Government and other statutory authorities for their continued support.

For and on behalf of the Board,  
BRIGHT BROTHERS LIMITED

**Suresh Bhojwani**  
*Chairman & Managing Director*  
DIN: 00032966

*Place : Mumbai*  
*Date : 27<sup>th</sup> May, 2022*

## Annexure to Directors' Report

### I. Annual Report on Corporate Social Responsibility (CSR) Activities

[Pursuant to Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014]

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

This policy encompasses the Company's philosophy for delivering its responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programmes for welfare & sustainable development of the community at large.

**2. Composition of CSR Committee:**

As per Section 135(9) of the Companies Act, 2013 where the amount required to be spent by a Company on CSR does not exceed fifty lakh rupees, the requirement for constitution of the CSR Committee is not mandatory and the functions of the CSR Committee, in such cases, shall be discharged by the Board of Directors of the Company. Hence, Company is not required to constitute the CSR Committee.

**3. Web-link where CSR Policy approved by the board are disclosed on the website of the company:**

[http://www.brightbrothers.co.in/pdf/pdf\\_455.pdf](http://www.brightbrothers.co.in/pdf/pdf_455.pdf)

**4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report):**

Not Applicable.

**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**

Sr. No.	Financial year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set – off for the financial year, if any (in ₹)
Not Applicable			

**6. Average net profit of the company as per section 135(5) : ₹ 502.79 lakhs**

**7. (a) Two percent of average net profit of the company as per section 135(5) : ₹ 10.06 lakhs**

**(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years:** Not Applicable

**(c) Amount required to be set off for the financial year, if any:** Not Applicable

**(d) Total CSR obligation for the financial year (7a+7b+7c):** ₹ 10.06 lakhs

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

Total Amount Spent for the Financial Year. (₹ in lakhs)	Amount Unspent (in ₹)				
	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
10.20	NIL	—	—	NIL	—

## (b) Details of CSR amount spent against 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		Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation – Direct (Yes/No)	Mode of Implementation – Through Implementing Agency	
				State	District						Name	CSR Registration no.
Not Applicable												

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr. No.	Name of 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 lakhs)	Mode of Implementation - Direct (Yes/ No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR registration number
1	Promoting health care including preventive health care	Item no. i	Yes	Maharashtra	Mumbai	5.00	No	Tata Memorial Centre	CSR00001287
2	Setting up homes and hostels for orphans	Item no. iii	No	Maharashtra	Raigarh	0.50	No	SOS Childrens Villages Of India	CSR00000692
3	Animal Welfare	Item no. iv	Yes	Maharashtra	Mumbai	3.00	No	Sanctuary Nature Foundation	CSR00009203
4	Promoting Education	Item no. ii	No	Delhi	New Delhi	1.20	No	The Lepra India Trust	CSR00011847
5	Empowering Women	Item no. iii	Yes	Maharashtra	Mumbai	0.50	No	Urja Trust	CSR00002422
Total						10.20			



(d) Amount spent in Administrative Overheads: Nil

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

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) : ₹ 10.20 lakhs

(g) Excess amount for set off, if any: Nil

Sr. No.	Particulars	Amount (₹ in lakhs)
(i)	Two percent of average net profit of the company as per section 135(5)	10.06
(ii)	Total amount spent for the Financial Year	10.20
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.14
(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)]	Nil

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

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	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 ₹)
				Name of fund	Amount (in ₹)	Date of Transfer	
Not Applicable							

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

Sr. No.	Project id	Name of Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the project - Completed/ Ongoing
Not Applicable								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details): Not Applicable
- (a) Date of creation or acquisition of the capital asset(s): Not Applicable
  - (b) Amount of CSR spent for creation or acquisition of capital Asset: Not Applicable
  - (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: Not Applicable
  - (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): Not Applicable
11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5) : Not Applicable

For and on behalf of the Board,  
**BRIGHT BROTHERS LIMITED**

**Suresh Bhojwani**  
*Chairman & Managing Director*  
DIN: 00032966

*Place : Mumbai*  
*Date : 27th May, 2022*

## II. Secretarial Audit Report for the Financial Year ended on 31<sup>st</sup> March, 2022

### Form No. MR-3

[Pursuant to section 204(1) of the Companies Act, 2013 and rule no. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
Bright Brothers Limited  
CIN: L25209MH1946PLC005056  
2-91, Floor-9, Plot 225,  
2, Jolly Maker Chambers,  
Vinayak Kumar Shah Marg,  
NCPA, Nariman Point, Mumbai 400021

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Bright Brothers Limited, (hereinafter called as the 'Company'). This Audit was conducted in a manner that provided me a reasonable basis for evaluating 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, the explanations and clarifications given to us and the representations made by the Management, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2022, 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 returns maintained by the Company for the financial year ended March 31, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (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 **(Not applicable to the Company for the period under review)**;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 read with amendments from time to time **(Not applicable as the Company has not issued any further share capital during the period under review)**;
  - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not applicable as the Company has not issued any stock options during the period under review)**;
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable as the Company has not issued and listed any debt capital during the period under review)**;

- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 read with Amendments, regarding the Companies Act and dealing with client **(Not applicable as the Company is not registered as Registrar to Issue & Share Transfer Agent during the period under review);**
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable as there was no reportable event during the period under review);**
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not applicable as there was no reportable event during the period under review);**
- (vi) The other laws that are applicable specifically to the Company are as follows:
  - a) Maharashtra Shops and Establishments (Regulation of employment and conditions of service) Act, 2017, Rules thereunder and other State Acts and Rules thereunder, including statutory amendments made thereto
  - b) Factories Act, 1948 and applicable State Rules;
  - c) Contract Labour (Regulation and Abolition) Act, 1970, Contract Labour (Regulation and Abolition) Central Rules, 1971 and applicable State Rules.
  - d) Industrial Disputes Act, 1947, Industrial Disputes (Central) Rules, 1957 and applicable State Rules
  - e) Industrial Employment (Standing Orders) Act, 1946, Industrial Employment (Standing Orders) Central Rules, 1946 and applicable State Rules
  - f) Employee Compensation Act, 1923, Workmen Compensation Rules, 1924 and applicable State Rules.
  - g) Employees' Provident Funds and Miscellaneous Provisions Act, 1952 ('EPF'), Employees' Provident Fund Scheme, 1952, Employees' Pension Scheme, 1995 and Employees' Deposit Linked Insurance Scheme, 1976, Employees State Insurance Act, 1948 ('ESIC')
  - h) Equal Remuneration Act, 1976 and Equal Remuneration Rules, 1976.
  - i) Maternity Benefit Act, 1961 and applicable State Rules.
  - j) Payment of Bonus Act, 1965 and Payment of Bonus Rules, 1975.
  - k) Payment of Wages Act, 1936, Payment of Wages (Nomination) Rules, 2009 and applicable State Rules.
  - l) Minimum Wages Act, 1948, Minimum Wages Rules, 1950 and applicable State Rules.
  - m) Payment of Gratuity Act, 1972 and applicable State Rules.
  - n) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Rules, 2013
  - o) Environment Protection Act, 1986 and other applicable environmental laws;
  - p) Air (Prevention and Control of Pollution) Act, 1981 and Air (Prevention and Control of Pollution) Rules 1982 and applicable State rules;
  - q) Water (Prevention and Control of Pollution) Act, 1974 and Water (Prevention and Control of Pollution) Rules, 1975 and applicable State Rules.
  - r) Hazardous Waste (Management and Handling) Rules, 1989 and Amendment Rules, 2003;
  - s) The Trademark Act, 1999

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreement entered into by the Company with BSE Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent as mentioned below:

- There are issues as regards compliances under certain labour laws with respect to the employees of the Contractors. It has been informed by the Management that the Company is taking suitable measures to comply with the same.

I further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- As per the information provided, adequate notices 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 Committee of the Board as the case may be.
- 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 and as informed, the Company has responded appropriately to notices received from statutory / regulatory authorities including initiating immediate corrective measures, where necessary

I further report that during the audit period, the Company has no specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

This Report is to be read with my letter of even date which forms an integral part of this Report.

**Purnima Shetty**

*Practicing Company Secretary*

FCS-9089, COP-14933

UDIN No. F009089D000438881

Peer Review Cert. No. 1887/2022

*Place: Mumbai*

*Date: 30<sup>th</sup> May 2022*

**‘Annexure A’**

**(To the Secretarial Audit Report of M/s. Bright Brothers Limited  
for the financial year ended 31<sup>st</sup> March, 2022)**

To,  
The Members,  
Bright Brothers Limited  
CIN: L25209MH1946PLC005056  
2-91, Floor-9, Plot 225,  
2, Jolly Maker Chambers,  
Vinayak Kumar Shah Marg,  
NCPA, Nariman Point, Mumbai 400021

My Secretarial Audit Report of even date, for the F.Y. 2021-2022 is to be read along with this letter:

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper system to ensure compliance with the provisions of all applicable laws and rules and regulations and to ensure that the systems are adequate and operate effectively. My responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about correctness of the contents of the secretarial records. I believe that audit evidence and information obtained from the Company's management is adequate and appropriate for me to provide a basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. The compliance of the provisions of the corporate and other laws, rules, regulations, norms and standards is the responsibility of the management. My examination was limited to the verification of procedures on test basis.
5. Wherever required, I obtained management representation about the compliance of laws, rules, regulations, norms and standards and happening of events.
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.

**Purnima Shetty**  
*Practicing Company Secretary*  
FCS-9089, COP-14933  
UDIN No. F009089D000438881  
Peer Review Cert. No. 1887/2022

*Place: Navi Mumbai*  
*Date: 30<sup>th</sup> May 2022*



### III. Annual Secretarial Compliance Report for the Financial Year 2021-22

To,  
The Members,  
Bright Brothers Limited  
CIN: L25209MH1946PLC005056  
2-91, Floor-9, Plot 225,  
2, Jolly Maker Chambers,  
Vinayak Kumar Shah Marg,  
NCPA, Nariman Point, Mumbai 400021

Dear Sir/ Madam,

I have been engaged by Bright Brothers Limited (hereinafter referred to as 'the Company') bearing CIN: L25209MH1946PLC005056 whose Equity Shares are listed on BSE Limited to conduct an audit in terms of Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended read with SEBI's Circular No. CIR/CFD/CMD1/27/2019 dated 08th February, 2019 and to issue the Annual Secretarial Compliance Report thereon.

It is the responsibility of the management of the Company to maintain records, devise proper systems to ensure compliance with provisions of all applicable SEBI Regulations and circulars/ guidelines issued there under from time to time and to ensure that the systems are adequate and are operating effectively.

My responsibility is to verify compliances by the Company with provisions of all applicable SEBI Regulations and circulars/ guidelines issued there under from time to time and issue a report thereon.

My audit was conducted in accordance with Guidance Note on Annual Secretarial Compliance Report issued by the Institute of Company Secretaries of India and in a manner which involved such examinations and verifications as considered necessary and adequate for the said purpose.

Annual Secretarial Compliance Report is enclosed.

**Purnima Shetty**  
Practicing Company Secretary  
FCS-9089, COP-14933  
UDIN: F009089D000413064

Place: Mumbai  
Date: 27<sup>th</sup> May 2022

**Secretarial Compliance Report of Bright Brothers Limited  
For the Financial Year Ended 31<sup>st</sup> March, 2022**

Under Regulation 24A of SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015

To,  
The Members,  
Bright Brothers Limited  
CIN: L25209MH1946PLC005056  
2-91, Floor-9, Plot 225,  
2, Jolly Maker Chambers,  
Vinayak Kumar Shah Marg,  
NCPA, Nariman Point, Mumbai 400021

I have examined:

- a) all the documents and records made available to us and explanation provided by M/s Bright Brothers Limited ("the listed entity"),
- b) the submissions/ filings made by the listed entity to the stock exchanges,
- c) website of the listed entity,
- d) any other document/ filing, as may be relevant, which has been relied upon to make this certification,

for the year ended 31<sup>st</sup> March, 2022 ("Review Period") in respect of compliance with the provisions of:

- a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
- b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI")

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include: -

- a) the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- b) the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; \*\*
- c) the Securities and Exchange Board of India (Substantial Acquisition of Shares & Takeovers) Regulations, 2011;
- d) the Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; \*\*
- e) the Securities and Exchange Board of India (Share Based Employee Benefit) Regulations, 2014; \*\*
- f) the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; \*\*
- g) the Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; \*\*
- h) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(\*\*Not applicable as the listed entity did not carry out the activities covered by the regulations/ guidelines during the review period)

Based on the above examination, I hereby report that, during the Review Period:

- a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder;
- b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder in so far as it appears from my examination of these records;
- c) There were no actions taken against the listed entity / its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder.
- d) As regards the observation made in the previous report, the listed entity has taken the following actions to comply with the same.

Sr. No.	Observations made in the Secretarial Compliance Report for the financial year ended March 31, 2021	Actions taken by the Company	Comments of the Practicing Company Secretary on the actions taken by the Company
1	Non-compliance with the requirements pertaining to appointment or continuation of Non-executive director who has attained the age of seventy-five years Regulation 17(1A) of the SEBI (LODR) Regulations, 2015	The Company has sought waiver of the fine vide letter dated 18th November 2020 setting out the exceptional circumstances in which the non-compliance occurred and the BSE has presented the matter before the Waiver Committee.	Considering the exceptional circumstances prevailing at the time (Covid Pandemic) the request of the Company for waiver of fine seems appropriate.

**Purnima Shetty**  
Practicing Company Secretary  
FCS-9089, COP-14933  
UDIN No.- F009089D000413064

Place: Mumbai  
Date: 27<sup>th</sup> May 2022

## MANAGEMENT DISCUSSION AND ANALYSIS

### ECONOMIC AND BUSINESS OVERVIEW

During the financial year 2021-22, the world witnessed two waves of pandemic which dented the pace of economic activity in several countries. Notwithstanding the impact of pandemic, India is charting a different course of recovery from the rest of the world. As per the projections made by the International Monetary Fund, India is poised to grow at the fastest pace among major economies. This recovery is supported by large-scale vaccinations and sustained fiscal and monetary support. During the year, the financial sector has remained fully functional and has anchored the process of recovery as the Reserve Bank of India (RBI) undertook a slew of measure to deal with such an exceptional situation.

As the Global Economy was witnessing recovery after leaving the COVID 19 pandemic behind, the Russia-Ukraine crisis escalated. As a result, prices of crude oil and gas, food grains and several other commodities increased. This has further resulted into unpredictable and undesired implications on the global financial system and economy. This crisis has impacted India's growth outlook as well. India imports fuel and fertilizers from these two warring nations. Consequently, the increase in prices of fuel and fertilizers will reduce Government revenue and will increase subsidy cost and thereby impact inflation in India.

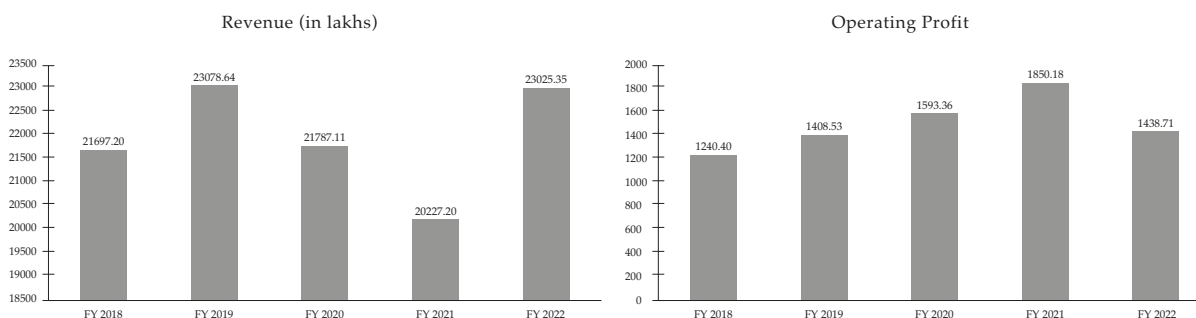
The Indian economy grew at 8.7 per cent in 2021-22, with the Gross Domestic Product (GDP) expanding 4.1 per cent in the March quarter from a year ago. The GDP growth for 2021-22 has taken the economy above its pre-pandemic level and is an improvement after contracting 6.6 per cent in 2020-21. It is expected that India's GDP would grow to range between 7.5% and 8.0% in the financial year 2022-23. It is also expected that there will be increase in inflation due to higher food and fuel prices. It is likely that the RBI would raise policy rates to keep a check on inflation and currency depreciation.

### INDUSTRY STRUCTURE AND DEVELOPMENT

The plastic industry in India made a promising beginning in 1957 with the production of polystyrene. Thereafter, significant progress was made and the industry has grown and diversified rapidly. The industry spans the country and hosts more than 2,000 exporters. It employs about 4 million people and comprises more than 30,000 processing units, 85-90% of which are small and medium-sized enterprises. The Indian plastics industry offers excellent potential in terms of capacity, infrastructure and skilled manpower. It is supported by many polymer producers, plastic process machineries and mould manufacturers in the country. As industry's major strength is the availability of raw materials in the country, plastic processors do not have to depend on import.

Ministry of State for Micro, Small and Medium Enterprises (MSME) foresees to make the plastic business a ten lakh crore industry in the next five years and is therefore providing assistance to the MSME sector through different initiatives. The plastic industry is playing a significant role in the Make in India initiative.

Performance highlights of the Company:



The below mentioned table gives the present composition of business of your Company.

Category	Percentage Share in Total Turnover
Consumer durable (white goods) injection moulded plastic components	95%
Brite branded products (material handling crates and beauty products)	5%

### OVERALL FINANCIAL PERFORMANCE

The financial performance of the Company has been summarized in the table below followed by explanatory remarks for significant changes in 2021-22 compared to the previous year.

(₹ in lakhs)

Particulars	FY 2021-22	FY 2020-21	Change	% Change	Remarks
Tonnage processed including job work (In Tons)	11,335.15	11,874.31	(539.16)	(4.54)	1
Total operational income (net)	23,025.35	20,227.15	2,798.20	13.83	2
Changes in finished goods inventory	(83.50)	(187.55)	—	—	
Consumption of material	16,033.62	13,823.70	—	—	
Purchase of traded goods	222.87	125.96	—	—	
Employee cost	2,008.34	1,666.54	—	—	
Operating and other expenses	3,537.36	3,027.26	—	—	
Earnings before depreciation and finance cost	1,306.66	1,771.24	—	—	3
Other non-operational income	3,638.90	78.94	—	—	4
Depreciation and amortization expenses	621.23	577.14	—	—	
Finance costs	471.37	432.77	—	—	
Profit/ (loss) before tax	3,852.96	840.27	—	—	
Tax expenses	657.00	269.77	—	—	
Profit/ (loss) after tax	3,195.96	570.50	—	—	
Other Comprehensive income	(21.35)	7.15	—	—	
Total Comprehensive income	3,174.61	577.65	—	—	
EPS	56.31	10.05	—	—	
Other Equity	7357.49	4,404.09	—	—	
Current liabilities	8617.53	10,798.83	—	—	
Property, Plant and Equipment (incl. CWIP)	4156.52	5,104.82	—	—	
Current assets	12371.72	11,678.16	—	—	

1. During the year 2021-22, there was decrease in tonnage processed to the extent of 539.16 tons as compared to the previous year due to the impact of Covid-19 pandemic.
2. Though there was reduction in tonnage, the increase in Sales is due to increase in the price of raw material as compared to the previous year.
3. EBDITA for the year 2021-22 is ₹ 1,306.66 lakhs as compared to ₹ 1,771.24 lakhs in the previous year.

4. Other non-operational income includes profit of ₹ 3,507.06 lakhs on sale of land.
5. During the year, Company has invested ₹ 214.08 lakhs in Plant and Equipment.

(₹ in lakhs)

Particulars	2021-22	2020-21
Net cash flow from/ (used in) operating activities	667.11	1,170.53
Net cash flow from/ (used in) investing activities	589.12	(1,008.39)
Net cash from/ (used in) financing activities	(1,589.84)	159.79

**REVIEW OF OPERATIONS:**

During the financial year 2021-22, the persistent impact of Covid-19 resulted into market slow down and softened the consumer sentiment. Due to this impact, your Company experienced softening of schedules from its customers in the refrigerator segment as well as water purification and vacuum cleaners.

Tooth brush sales remained steady during the year under review and your Company's performance in the fully automatic washing machine segment remained consistent due to healthy customer schedules.

The business in tool room division continued on a growth path with increased order inquiry and execution.

The growth trajectory of DIVO brand is scaling up due to recovery in the direct to retail segment along with increased share of institutional customers.

**GROWTH DRIVER**

Your Company is in the process of expanding its manufacturing footprint on pan India basis by setting up factories at two new locations. One location in the South to cater to the water purifier and vacuum cleaner segment in Hosur and the other location in the North to bring on a new prestigious consumer durable and electronics customer in Haridwar. These two locations will commission in the current financial year and will increase your Company's business with the respective customers as their manufacturing unit is located just next door which will provide opportunity for further growth and expansion.

**OPPORTUNITIES**

As a part of risk minimization, many companies who were having their manufacturing set-up in China are planning to set-up their manufacturing base in India also. Further, the incentives provided by Government of India through different schemes is boosting up the ease of doing business in India. Owing to the same, there is a continued growth in the segments which your Company supplies to.

**THREAT**

Your company continues to specialise in consumer durable industry supplies which are going through an incredibly competitive phase. This in turn applies continued pressure on cost down projects sought after by the customers. Therefore, the margins continue to remain on a lower scale.

Market sentiment is slowing down with customers choosing to differ big ticket home appliance purchases which is affecting schedules.



## OUTLOOK

The year is going to be challenging as commodity and oil prices have been on an upward trend due to the Russian war. Global logistics are also affected which is impacting imports and transit of goods. Your Company continues to focus on internal cost optimisation and lean manufacturing to tighten its belt which will help it survive through the challenging period to come.

## FINANCIAL RATIOS

The significant changes in the financial ratios of the Company, which are more than 25% as compared to the previous year are summarized below:-

Ratio	F.Y. 2021-22	F.Y. 2020-21	Change (%)
Current Ratio	1.44	1.08	33%
Debt Equity Ratio	0.64	1.46	56%
Operating Profit Margin (%)	3.55%	6.29%	(50.12%)
Net Profit Margin (%)	11.99%	2.81%	326.62%

### REASON FOR CHANGE IN RATIOS:

**i. Change in Current Ratio, Debt Equity Ratio and Net Profit Margin Ratio:**

Current Ratio, Debt Equity Ratio and Net Profit Margin Ratio are improved mainly due to sale of land located in Mumbai.

**ii. Change in Operating Profit Ratio:**

The change in Operating Profit Ratio was due to reduction in processing of tonnage and increase in Operating Cost.

## INTERNAL CONTROL SYSTEMS

The Company has adequate internal audit and control systems. Internal auditors comprising of professional firms of Chartered Accountants have been entrusted the job to conduct regular internal audits at all units and report the lapses, if any, to the management. Both internal auditors and statutory auditors independently evaluate the adequacy of internal control system. Based on the audit observations and suggestions, follow up and remedial measures are being taken including review and increase in the scope of coverage, wherever necessary. The Audit Committee of Directors in its periodical meetings, review the adequacy of internal control systems and procedures and suggest areas of improvements.

The Company has undertaken a detailed exercise to revisit its control systems in technical and other non financial areas to align them properly with Management Information Systems (MIS) to make MIS more efficient and result oriented. Information technology base created by the Company over the period is providing a very useful helping hand in the process. Needless to mention that ensuring maintenance of proper accounting records, safeguarding assets against loss and misappropriation, compliance of applicable laws, rules and regulations and providing reasonable assurance against fraud and errors will continue to remain the central point of the entire control system.

**CAUTIONARY STATEMENT**

Statements in this “Management Discussion and Analysis” describing the Company’s projections, expectations or predictions may be “Forward looking statements” within the meaning of applicable Securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could make a difference to the Company’s operation include cyclic demand and pricing of raw materials, changes in Government regulations, tax regimes, cost of power and interest cost and other factors such as litigation and labour negotiations. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements on the basis of any subsequent developments, information or events or otherwise.

For and on behalf of the Board,  
**BRIGHT BROTHERS LIMITED**

**Suresh Bhojwani**  
*Chairman & Managing Director*  
DIN: 00032966

*Place : Mumbai*  
*Date : 27<sup>th</sup> May, 2022*

## REPORT ON CORPORATE GOVERNANCE

[Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

### 1. Company's Philosophy on Code of Corporate Governance:

Your Company firmly believes in effective corporate governance practices and ethical conduct. Transparency and accountability are the basic tenets of Corporate Governance. Corporate Governance is the application of best management practices, compliance of laws, rules, regulations and adherence to ethical principles in all its dealings. It helps the Company to achieve its objectives, enhance stakeholders' value and discharge its social responsibility. It, therefore, continues to lay great emphasis on integrity, fairness, empowerment and responsibility for efficient and ethical conduct of its business.

Your Company is proud to belong to a group whose founder lived his life with ethical values and built the business enterprise on a foundation of good governance. Your Company firmly believes that Management must have freedom of execution and this freedom must be exercised within the framework of accountability to meet stakeholders' aspirations and society expectations.

Your Company consistently meets commitment towards continuous up gradation of Corporate Governance Standards. It has complied with the requirements of Corporate Governance stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### 2. Board of Directors:

#### 1.1 Composition and category of Directors:

The Board of Directors provides leadership, strategic guidance and objective judgement to the Company's Management and directs, supervises and controls performance of the Company. The Composition of the Board of Directors is in conformity with Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Companies Act, 2013. The composition of the Board ensures a judicious mix of Executive and Non- Executive Directors as well as Independent and Non-Independent Directors. There were three Independent Directors, two Executive Directors and one Non-executive Director on the Board of the Company as on 31<sup>st</sup> March, 2022. The Chairman is the Managing Director and a member of the Promoter Group. The Independent Directors provide their independent judgment, external perspective and objectivity on the issues placed before them.

1.2 During the year 2021-22, the Board met five times on 4<sup>th</sup> June, 2021, 18<sup>th</sup> June, 2021, 29<sup>th</sup> July, 2021, 12<sup>th</sup> November, 2021 and 11<sup>th</sup> February, 2022. The gap between two meetings did not exceed 120 days. The Agenda for the Board meetings were circulated in advance to take informed decisions.

### 1.3 Attendance of the Directors at the meetings and directorship in other companies as on 31<sup>st</sup> March, 2022:

Names and categories of Directors on the Board, their attendance at the Board Meetings held during the year and at the previous Annual General Meeting held on 27<sup>th</sup> September, 2021 and the number of other directorships and Chairmanship/Membership of Committee/s in other public companies including listed companies as on 31<sup>st</sup> March, 2022 are given below. Based on intimations/disclosures received from the Directors periodically, none of the Directors of the Company hold memberships/Chairmanships more than the prescribed limits.

Name of the Director, Designation and DIN	No. of Board Meetings held & attended during the year		Category of Directorship	Attendance at previous AGM
	Held	Attended		
Mr. Suresh Bhojwani (Chairman & Managing Director) DIN: 00032966	5	5	Promoter Executive	Yes
Mrs. Devika Bhojwani (Whole-time Director) DIN: 08355381	5	5	Promoter Executive	Yes
Smt. Hira Bhojwani (Non-Executive Director) DIN: 00032997	5	4	Promoter Non-Executive	Yes
Mr. K. P. Rao (Independent Director) DIN: 00027577	5	5	Non-Executive	No
Dr. T. S. Sethurathnam (Independent Director) DIN: 00042704	5	4	Non-Executive	Yes
Mr. Anil Kumar Bhandari (Independent Director) DIN: 00031194	5	4	Non-Executive	Yes

### Directorship in other public companies and listed companies as on 31<sup>st</sup> March, 2022:

Name of the Director	No. of Directorship(s) in other public companies		No. of Committee Positions* held in other public companies		Names of the other listed entities where the Director holds Directorship
	Chairman	Member	Chairman	Member	
Mr. Suresh Bhojwani	Nil	Nil	Nil	Nil	Nil
Mrs. Devika Bhojwani	Nil	Nil	Nil	Nil	Nil
Smt. Hira Bhojwani	Nil	Nil	Nil	Nil	Nil
Mr. K. P. Rao	Nil	Nil	Nil	Nil	Nil
Dr. T. S. Sethurathnam	Nil	Nil	Nil	Nil	Nil
Mr. Anil Kumar Bhandari	Nil	2	2	3	i. Kirloskar Electric Company Limited ii. Waterbase Limited

\*Note: The Chairmanship and Membership of Audit Committee and Stakeholders Relationship Committee are considered while determining the number of Committee Positions.

#### 1.4 Board's functioning and Procedure:

The Board of Directors, being an apex body constituted by the Members of the Company, plays an important role in ensuring good governance and functioning of the Company. The detailed Agenda are sent to each Director in advance of Board and Committee Meetings. To enable the Board to discharge its responsibilities effectively, the Managing Director apprises the Board at every meeting of the overall performance of the Company followed by presentations. The members of the Board have a complete freedom to express their opinion and decisions are taken after detailed discussions.

Evolving strategy, annual business plan, review of actual business plan and course correction as deemed fit, constitute the primary business of the Board. The Board reviews the certificate issued by Chief Financial Officer and Company Secretary of the Company regarding compliances of all the applicable laws on quarterly basis.

#### 1.5 Independent Directors

Schedule IV of the Companies Act, 2013 and Secretarial Standard - 1 on Meetings of the Board of Directors mandates that the Independent Directors of the Company hold at least one meeting in a year, without the attendance of non-Independent Directors. During the financial year 2021-22, the Independent Directors held their meeting on 8<sup>th</sup> March, 2022 and *inter alia* reviewed the performance of the Chairman and Managing Director, the Executive Director and senior officials of the Company who are in-charge of the management and administration of the business of the Company.

There have been no pecuniary or business relationship between the Non-Executive Directors and the Company, except for the sitting fees and commission payable to them annually in accordance with the applicable laws and with the approval of the Members. A declaration to this effect is also submitted by all the Independent Directors at the beginning of each financial year.

The Independent Directors have submitted declaration(s) that they meet the criteria of Independence laid down under the Companies Act, 2013 and the Listing Regulations. The Board of Directors, based on the declaration(s) received from the Independent Directors, have verified the veracity of such disclosures and confirm that the Independent Directors fulfill the conditions of independence specified in the Listing Regulations and are independent of the management of the Company. The terms and conditions of their appointment, sitting fees payable to them and familiarization programme provided by the Company is available on the Company's website at: [http://www.brightbrothers.co.in/pdf/pdf\\_474.pdf](http://www.brightbrothers.co.in/pdf/pdf_474.pdf)

Pursuant to a notification dated 22<sup>nd</sup> October, 2019 issued by the Ministry of Corporate Affairs, all the Independent Directors have completed the registration with the Independent Directors Databank. Requisite disclosures have been received from the said Directors in this regard.

1.6 The Matrix/Table of Core Skills, Expertise and Competencies of Board of Directors has been provided below:

Sr. No.	Details of core skills, expertise and competencies	Names of the Directors					
		Mr. Suresh Bhojwani	Mrs. Devika Bhojwani	Smt. Hira Bhojwani	Mr. K. P. Rao	Dr. T. S. Sethurathnam	Mr. Anil Bhandari
1	Sales, Marketing and Brand Building						
	Experience in developing strategy to grow sales, marketing management and build brand awareness	✓	✓		✓	✓	✓
2	Governance, Risk and Compliance						
	Experience in the application of Corporate Governance principles. Ability to identify key risks to the Company in a wide range of areas including legal and regulatory compliance	✓	✓	✓	✓	✓	✓
3	Financial skills						
	Comprehensive understanding of financial accounting, reporting and controls and analysis	✓	✓	✓	✓	✓	✓
4	Strategy and Planning						
	Ability to think Strategically; identify and critically assess strategic Opportunities and threats. Develop effective strategies in the context of the strategic objectives of the Company, relevant policies and priorities.	✓	✓		✓	✓	✓

1.7 Relationship between the Directors inter-se:

Mr. Suresh Bhojwani, Chairman and Managing Director is the son of Smt. Hira Bhojwani, Non-Executive Director. Mrs. Devika Bhojwani, Whole-time Director is the spouse of Mr. Suresh Bhojwani.

### 3. Committees of the Board of Directors

The Board has constituted the following Committees of Directors to deal with matters and to monitor the activities falling within the terms of reference as follows:

#### (i) Audit Committee:

The Audit Committee was constituted to review the financial statements, annual budget, accounting policies and practices and internal audit process.



The composition of Audit Committee as per Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013 as on 31<sup>st</sup> March, 2022 is as follows:

Name of the Director	Designation	Category	Number of meetings held and attended during the year	
			Held	Attended
Mr. K. P. Rao	Chairman	Independent, Non-Executive	5	5
Dr. T. S. Sethurathnam	Member	Independent, Non-Executive	5	5
Mr. Anil Kumar Bhandari	Member	Independent, Non- Executive	5	5
Mr. Suresh Bhojwani	Member	Non-Independent, Executive	5	5

Mrs. Sonali Pednekar acts as Secretary to the Committee.

During the financial year 2021-22, five Audit Committee meetings were held on 4<sup>th</sup> June, 2021, 18<sup>th</sup> June, 2021, 29<sup>th</sup> July, 2021, 12<sup>th</sup> November 2021 and 11<sup>th</sup> February, 2022 and the gap between two meetings did not exceed 120 days.

- Terms of Reference:

The terms of reference of the Audit Committee have been further enhanced / modified to be in line with the enhanced scope for the Committee as laid down under Section 177 of the Companies Act, 2013 which are briefly as follows:

- (a) Oversight of the Company's financial reporting process and the disclosure of its financial information.
- (b) Reviewing quarterly and annual financial statements with the management before submission to the Board for approval with particular reference to the following matters specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:
  - Matters required to be included in the Director's Responsibility Statement and to be included in the Board's Report in terms of Section 134 of the Companies Act, 2013.
  - Changes, if any, in accounting policies and practices and reasons for the same.
  - Major accounting entries involving estimates based on the exercise of judgment by management.
  - Significant adjustments made in the financial statements arising out of audit findings.
  - Compliance with listing and other legal requirements relating to financial statements.
  - Disclosure of any related party transactions.
  - Qualifications in the draft audit report, if any.
  - Approve policies in relation to the implementation of the Insider Trading Code and to supervise implementation of the same.
- (c) To consider the appointment or re-appointment of the statutory auditors, the audit fee, any questions of resignation or dismissal and payment to statutory auditors for any other services rendered by them.
- (d) Reviewing findings of any internal investigations by the internal auditors into 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.
- (e) Discussion with statutory auditors before the audit commences about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- (f) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

- Other Details:
  - (a) The Committee invites representatives of Statutory Auditors to be present at the meetings whenever it considers appropriate.
  - (b) Mrs. Sonali Pednekar is the Compliance Officer, to ensure compliance and effective implementation of the Insider Trading Code. The disclosure under the Insider Trading Code filed with the Stock Exchange are reported to the Committee on Quarterly basis.

(ii) **Nomination and Remuneration Committee:**

The Board has constituted the Nomination and Remuneration Committee which has been mandated to recommend to the Board, salary (including annual increments), perquisites to be paid to Executive Directors and employees of the Company and commission to be paid to the Non- Executive Directors. Under the enhanced terms of reference, the scope of the Committee, in addition to the above, includes formulation of criteria for performance evaluation of Independent Directors and the Board, policy on Directors' appointment and remuneration and remuneration policy relating to Key Managerial Personnel and other employees.

The composition of the Committee (as on 31<sup>st</sup> March, 2022):

Name of the Director	Designation	Category	Number of meetings held and attended during the year	
			Held	Attended
Mr. K. P. Rao	Chairman	Independent, Non-Executive	2	2
Dr. T. S. Sethurathnam	Member	Independent, Non-Executive	2	2
Mr. Anil Kumar Bhandari	Member	Independent, Non-Executive	2	2

During the financial year 2021-22, two meetings of the Committee were held on 18<sup>th</sup> June 2021 and 11<sup>th</sup> February 2022.

- Remuneration of Managerial Personnel:

Details of remuneration paid/payable to Chairman and Managing Director and Whole-Time Director for the financial year ended 31<sup>st</sup> March, 2022 are as follows:

(₹ in lakhs)

Particulars	Mr. Suresh Bhojwani Chairman and Managing Director	Mrs. Devika Bhojwani Whole Time Director
Salary & Allowances	80.99	9.52
Perquisites	3.00	0.00
Contribution to Provident Fund	7.92	0.72
<b>Total</b>	<b>91.91</b>	<b>10.24</b>

The additional information in respect of Executive Directors is as under:

	Mr. Suresh Bhojwani	Mrs. Devika Bhojwani
Service contract	Five years	Three years
Notice period	Six months	Six months
Severance fees	Not applicable	Not applicable

- Independent and Non-executive Directors are paid sitting fees of ₹ 20,000/- per Board meeting, ₹ 10,000/- per Audit Committee meeting and ₹ 1,000/- for every other Committee meeting. No sitting fee is payable to Executive Directors.
- Presently, the Company has no stock option scheme.
- Details of Sitting fees and Commission paid to Independent and Non-Executive Directors for attending Board/Committee Meetings for the period 1<sup>st</sup> April, 2021 to 31<sup>st</sup> March, 2022:  
(₹ in lakhs)

Sr. No.	Name of the Director	Board Meetings	Committee Meetings	Independent Directors Meeting	Commission
1.	Mr. K. P. Rao	1.00	0.56	0.20	1.22
2.	Dr. T. S. Sethurathnam	0.80	0.52	0.20	1.22
3.	Mr. Anil Kumar Bhandari	0.80	0.52	0.20	1.22
4.	Smt. Hira Bhojwani	0.80	0.04	Not applicable	0.61

The shareholding details of the aforesaid Directors in the Company as on 31<sup>st</sup> March, 2022 are provided below:

Sr. No.	Name of the Director	Category	Number of shares held
1.	Mr. K. P. Rao	Independent, Non-Executive	651
2.	Dr. T. S. Sethurathnam	Independent, Non-Executive	NIL
3.	Mr. Anil Kumar Bhandari	Independent, Non-Executive	1,000
4.	Smt. Hira Bhojwani	Non-Independent, Non-Executive	3,70,310

**(iii) Stakeholders Relationship Committee:**

The Committee is constituted to redress Shareholders' complaints like transmission/transposition of shares, duplicate issue of share certificates, non-receipt of annual report, dividends, notices, etc.

The composition of the Committee is as follows:

Name of the Director	Designation	Category	Number of meetings held and attended during the year	
			Held	Attended
Mr. K. P. Rao	Chairman	Independent, Non-Executive	4	4
Mr. Suresh Bhojwani	Member	Non-Independent, Executive	4	4
Mrs. Devika Bhojwani	Member	Non-Independent, Executive	4	4
Smt. Hira T. Bhojwani	Member	Non-Independent, Non-Executive	4	4

The Company Secretary acts as the Secretary to the Committee. There were no complaints pending as on 31<sup>st</sup> March, 2022.

#### 4. General Body Meetings:

Particulars of previous three Annual General Meetings.

AGM	Year	Location of the Meeting	Date	Time	Special Business
74 <sup>th</sup> AGM	2020-21	Video Conference/ Other Audio Visual Means	27 <sup>th</sup> September, 2021	12:00 noon	– Payment of Remuneration to Cost Auditors for the financial year 2021-22.
73 <sup>rd</sup> AGM	2019-20	Video Conference/ Other Audio Visual Means	12 <sup>th</sup> November, 2020	11.00 a.m.	– Payment of Remuneration to Cost Auditors for the financial year 2020-21. – Payment of Commission to Directors – Appointment of Mr. Anil Kumar Bhandari as an Independent Director for a period of five years – Approve payment of remuneration to Mr. Suresh Bhojwani Chairman and Managing Director of the Company for remaining period of his term of 5 years
72 <sup>nd</sup> AGM	2018-19	Walchand Hirachand Hall, IMC, 4 <sup>th</sup> floor, IMC Marg, Churchgate, Mumbai 400020	13 <sup>th</sup> August, 2019	11.30 a.m.	– Payment of remuneration to Cost Auditors for the financial year 2019-20 – Re-appointment of Mr. K. P. Rao as Independent Director for a period of five years – Re-appointment of Dr. T. S. Sethurathnam as an Independent Director for the period of five years – Re-appointment of Mr. Byram Jeejeebhoy as an Independent Director for the period of five years – Appointment of Smt. Hira Bhojwani as Non-Executive Non-Independent Director of the Company – Appointment of Mrs. Devika Bhojwani as Whole-time Director of the Company – Re-appointment of Mr. Karan Bhojwani, Vice President- Operations for a period of five years

- During the year under review, approval of Members of the Company was sought through Postal Ballot and details of the same are given below:

<b>Date of Postal Ballot Notice:</b>	11 <sup>th</sup> February, 2022
<b>Voting period:</b>	28 <sup>th</sup> February, 2022 to 29 <sup>th</sup> March, 2022
<b>Date of passing of resolution:</b>	29 <sup>th</sup> March, 2022
<b>Date of declaration of result:</b>	30 <sup>th</sup> March, 2022

A summary of the voting pattern is as follows:

Resolution	Votes Cast in favor (In %)	Votes Cast against (In %)
Appointment of Mr. Karan Bhojwani (DIN: 06423542) as a Whole-time Director and remuneration payable to him.	99.9945	0.0055

Mr. Abhishek Prakash, Practicing Company Secretary, was appointed as the scrutinizer for carrying out the postal ballot process in a fair and transparent manner.

- Extraordinary General Meeting:**

No Extraordinary General Meeting was held during the year 2021-22.

**5. Disclosures under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”):**

Particulars	Regulation	Details
Related party transactions	Regulation 23 of SEBI Listing Regulations and as defined under the Act	Details of related party transactions entered into by the Company are included in the notes to the Financial Statements. All the transactions covered under the related party transaction are fair, transparent and at arm’s length. No significant material transaction has been made with the directors, their relatives or management which is in conflict with the interest of the Company. The Board’s approved policy for related party transactions is available on the website of the Company at <a href="http://www.brightbrothers.co.in/pdf/pdf_105.pdf">http://www.brightbrothers.co.in/pdf/pdf_105.pdf</a>
Credit Ratings and any revisions thereto for debt instruments or any fixed deposit programme or any scheme or proposal involving mobilization of funds, whether in India or abroad	Schedule V (c) 9(q) to the SEBI Listing Regulations	The Company has not issued any debt instruments and does not have any fixed deposit programme or any scheme or proposal involving mobilization of funds in India or abroad during the financial year ended 31 <sup>st</sup> March, 2022. The ratings given by ICRA for Term Loan and Bill Discounting facility is BB+(Stable) and A4+ respectively. These ratings were assigned on 30 <sup>th</sup> July, 2021 pursuant to the Term Loan and Bill Discounting Facility availed from Kotak Mahindra Bank Limited.
Details of Regulatory compliance	Schedule V (c) 10(b) to the SEBI Listing Regulations	There were no cases of non-compliance during the last three financial years. During the year, no penalty or strictures have been imposed on the Company by the stock exchange or Securities and Exchange Board of India (‘SEBI’) or any statutory authority on any matter related to capital Markets.
Commodity price risk and hedging activities	Schedule V (c) 10(g) of the SEBI Listing Regulations	The activities carried out by the Company are not prone to commodity price risk. Hence, the Company has not undertaken commodity hedging positions during the financial year.
Compliance with the Code of Conduct	Regulation 34(3) of the SEBI Listing Regulations	The declaration signed by the Chairman and Managing Director stating that the members of Board of Directors and Senior Management personnel have affirmed compliance with the code of conduct of Board of Directors and Senior Management forms part of the Annual Report.
CEO/CFO Certification	Regulation 17(8) of SEBI Listing Regulations, 2015	The Chairman and Managing Director and Chief Financial Officer have in respect of the financial year ended 31 <sup>st</sup> March, 2022 certified to the Board regarding compliances of covenants contained in the Regulation. The Certificate forms part of the Annual Report.
Compliance Certificate from the Auditors	Regulation 34(3) of SEBI Listing Regulations, 2015	The Company has obtained a Certificate from the Statutory Auditors regarding compliance of conditions of Corporate Governance as stipulated in Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Certificate forms part of the Annual Report.
Certificate of Non-Disqualification of Directors	Schedule V (c) 10(i) to the SEBI Listing Regulations	The Company has obtained a certificate from a Company Secretary in practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by SEBI/ Ministry of Corporate Affairs or any such statutory authority. The Certificate forms part of the Report.
Whistle Blower Policy and Vigil Mechanism	Regulation 22 of SEBI Listing Regulations	The Company has a Whistle Blower Policy and has established the necessary vigil mechanism for Directors and employees to report concerns about unethical behavior. No person has been denied access to the Chairman of the Audit Committee.
Policy on Determination of Materiality for Disclosures	Regulation 30 of SEBI Listing Regulations	The Company has adopted a Policy on Determination of Materiality for Disclosures. The Board’s approved policy is available on the website of the Company at the following link: <a href="http://www.brightbrothers.co.in/pdf/pdf_103.pdf">http://www.brightbrothers.co.in/pdf/pdf_103.pdf</a>
Discretionary requirements	Schedule II Part E of the SEBI Listing Regulations	The auditors’ report on financial statements of the Company are unqualified. Internal auditors report of the manufacturing units of the Company is submitted to the Audit Committee on quarterly basis.

**6. Disclosures in relation to the Sexual Harassment of Woman at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

Number of complaints filed during the financial year	Number of complaints disposed of during the financial year	Number of complaints pending as at the end of the financial year
NIL	NIL	NIL

**7. Fees to statutory auditors:**

M/s. Desai Saksena and Associates, Chartered Accountants (Firm Registration No. 102358W) have been appointed as the Statutory Auditors of the Company. The particulars of payment of Statutory Auditors' fees, given below:

(₹ in lakhs)

Particulars	2021-22	2020-21
Audit fees	6.00	6.00
Others	0.12	0.09
Reimbursement of expenses	0	0
<b>Total Payment to Auditors</b>	<b>6.12</b>	<b>6.09</b>

**8. Disclosure of Accounting Standards:**

The Company follows the Accounting Standards issued by The Institute of Chartered Accountants of India and The Companies (Indian Accounting Standards) Rules, 2015.

**9. Others**

The Company does not have any subsidiaries.

**10. Compliance with non-mandatory requirements:**

Adoption of non-mandatory requirements under Regulation 27(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is being reviewed by the Board from time to time and implemented as per the requirements of the Company.

**11. Means of Communication:**

- The quarterly, half yearly and annual results are generally published in "The Free Press Journal" (English) and "Nav-Shakti" (Marathi) in Mumbai edition.

The results are also submitted on a timely basis in such a form to the Stock Exchange (i.e. BSE Limited) where the Equity shares of the Company are listed so as to enable it to put it on its website viz. [www.bseindia.com](http://www.bseindia.com). The results are also uploaded on the website of the Company viz. [www.brightbrothers.co.in](http://www.brightbrothers.co.in).

- A Management Discussion and Analysis is being presented as a part of the Annual Report as required under Regulation 34(2)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.



**12. General Shareholders Information:**

<b>Annual General Meeting</b>	
• <b>Date and Time</b>	: Wednesday, 24 <sup>th</sup> August, 2022 at 11:30 A.M. (IST)
• <b>Venue</b>	: Walchand Hirachand Hall", 4 <sup>th</sup> Floor, Indian Merchant Chamber Building, IMC Marg, Churchgate, Mumbai - 400 020
• <b>Dividend Payment date</b>	: On or after 24 <sup>th</sup> August, 2022
<b>Financial Year</b>	: 2021-22
<b>Date of Book Closure</b>	: 18 <sup>th</sup> August, 2022 to 24 <sup>th</sup> August, 2022 (Both days inclusive)
<b>Financial Calendar for 2022-23</b>	
Reporting for June, 2022 quarter	: On or before 14 <sup>th</sup> August, 2022.
Reporting for September, 2022 quarter	: On or before 14 <sup>th</sup> November, 2022.
Reporting for December, 2022 quarter	: On or before 14 <sup>th</sup> February, 2023.
Reporting for quarter & year ended March, 2023	: On or before 30 <sup>th</sup> May, 2023.

**Listing:**

The Equity shares of the Company are listed on BSE Limited. The Company has paid the Annual Listing Fee for the year 2021-22.

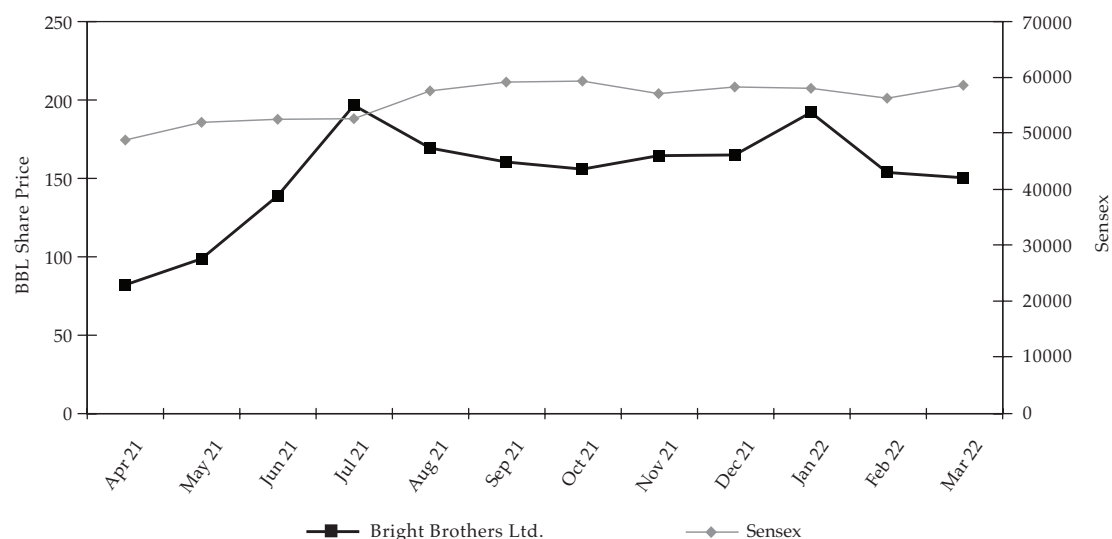
• <b>Stock Code</b>	: 526731
• <b>ISIN No. for NSDL and CDSL</b>	: INE630D01010
• <b>Scrip ID</b>	: BRIGHTBR
• <b>CIN</b>	: L25209MH1946PLC005056

- **Stock Market Data (BSE):**

Monthly high and low quotations of shares and volume of Equity shares traded on Bombay Stock Exchange Limited is as follows.

Month	High Price	Low Price	Close Price	No. of Shares	Sensex
Apr-21	96.95	78.00	81.85	62,048	48,782.36
May-21	109.50	80.05	98.50	3,58,826	51,937.44
Jun-21	168.00	91.20	138.65	16,81,803	52,482.71
Jul-21	225.90	137.25	196.35	8,54,818	52,586.84
Aug-21	197.00	131.20	169.10	3,08,091	57,552.39
Sep-21	183.00	146.55	160.20	1,52,280	59,126.36
Oct-21	180.00	150.00	155.65	1,07,939	59,306.93
Nov-21	179.00	142.05	164.25	1,34,001	57,064.87
Dec-21	197.20	154.00	164.70	2,38,732	58,253.82
Jan-22	214.00	160.00	191.80	3,18,319	58,014.17
Feb-22	197.95	141.10	153.55	1,48,740	56,247.28
Mar-22	169.90	148.30	150.15	1,57,751	58,568.51

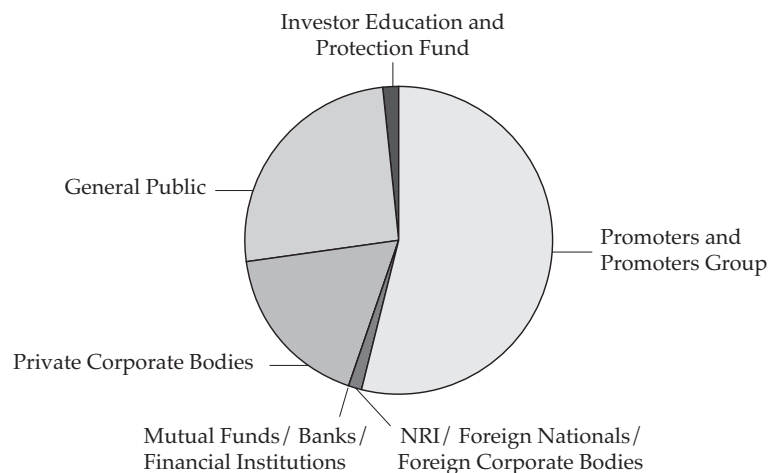
**Share Performance of the Company in Comparison to BSE Sensex**  
**BSE Sensex Vs BBL Share Price (Monthly Closing Price)**



**Pattern of Shareholding as on 31<sup>st</sup> March, 2022:**

Category	No. of Shares	%
<b>* Promoters and Promoter Group</b>	<b>30,64,052</b>	<b>53.94</b>
<b>Non Promoters</b>		
a. NRIs/Foreign Nationals/Foreign Corporate Bodies	76,536	1.35
b. Mutual Funds/Banks/Financial Institutions	50	0.00
c. Private Corporate Bodies	10,03,951	17.67
d. General Public	14,44,216	25.43
e. Investor Education and Protection Fund	91,430	1.61
<b>Grand Total</b>	<b>56,80,235</b>	<b>100.00</b>

\* Note: None of the Promoters have pledged their shares as on 31<sup>st</sup> March, 2022.



\* Promoter holdings comprised in “Promoter and Promoter Group” as defined in Regulation 2(w) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are as follows:

Sr. No.	Name of the shareholder	No. of Shares held as on 31 <sup>st</sup> March, 2022	% of total shareholding
1.	M/s. T. W. Bhojwani Leasing Pvt. Ltd.	10,73,594	18.90
2.	Mr. Suresh Bhojwani	12,83,418	22.59
3.	Smt. Hira T. Bhojwani	3,70,310	6.52
4.	T. W. Bhojwani – HUF	2,40,430	4.23
5.	Mrs. Devika S. Bhojwani	41,300	0.73
6.	S. T. Bhojwani – HUF	20,000	0.35
7.	Ms. Ruchika S. Bhojwani	17,500	0.31
8.	Mr. Karan S. Bhojwani	17,500	0.31
	<b>Total</b>	<b>30,64,052</b>	<b>53.94</b>

**Distribution of shareholding (shares)**

Sr. No.	Shareholding of Shares			Number of Shareholders	% of Total Shareholders	Shares	% of Total Share Capital
1	1	to	500	5,497	92.28	5,15,953	9.08
2	501	to	1000	217	3.64	1,73,332	3.05
3	1001	to	2000	97	1.63	1,42,581	2.51
4	2001	to	3000	38	0.64	95,595	1.68
5	3001	to	4000	24	0.40	83,319	1.47
6	4001	to	5000	19	0.32	88,285	1.55
7	5001	to	10000	24	0.40	1,64,771	2.90
8	10001	to	*****	41	0.69	44,16,399	77.76
<b>Total</b>				<b>5957</b>	<b>100.00</b>	<b>56,80,235</b>	<b>100.00</b>

**Share Transfer System:**

In terms of Regulation 40(1) of SEBI Listing Regulations, as amended, securities can be transferred only in dematerialized form w.e.f. 1<sup>st</sup> April, 2019, except in case of request received for transmission or transposition of securities and issue of duplicate share certificates. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Transfers of equity shares in electronic form are affected through the depositories with no involvement of the Company.

The aforesaid requests are processed by Link Intime India Pvt. Ltd. All the documents received from shareholders are scrutinized by the Company's RTA. The shares lodged for transmission, etc. are processed and share certificates duly endorsed are returned within the stipulated time, subject to documents being valid and complete in all respects.

**Dematerialisation and Liquidity:**

The shares of the Company are required to be compulsorily traded in dematerialised form. 55,37,760 Equity Shares representing 97.49% of the total Equity Capital of the Company are held in dematerialized form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as on 31<sup>st</sup> March, 2022.

**Outstanding GDRs/ ADRs/Warrants or any convertible instrument, conversion date and likely impact on equity:**

The Company has not issued any GDRs/ ADRs/Warrants or any convertible instruments in the past and hence, as on 31<sup>st</sup> March, 2022, the Company does not have any outstanding GDRs/ ADRs/Warrants or any convertible instruments.

**Plant Locations:**

<b>Puducherry:</b> Plant I, II and III Plot No. 1/1 to 1/4, Thirubhuvanai, Mannadipet Commune, Puducherry – 605 107. Phone No. : 0413 2640105/ 2641030	<b>Faridabad:</b> Plot No. 16-17, Sector 24, Faridabad, Haryana – 121 005. Phone No. : 9582806741
<b>Bhimtal:</b> Hiltron Electronic Complex, Plot No. C,D,E,F & G Mallittal, Bhimtal, Nainital, Uttarakhand – 263136 Phone No.: 9557700155	<b>Dehradun:</b> Khasara No. 3962,3963,3946 & 3947 Lal Tapper Industrial Area, Majri Grant Dehradun, Uttarakhand – 248140. Phone No: 9582806741

**Address for Investor's correspondence:**

For all matters relating to shares, dividends, Annual Reports	M/s. Link Intime India Pvt Ltd. C 101, 247 Park, L. B. S. Marg, Vikhroli West, Mumbai- 400083  Contact person: Mr. Ganapati Haligouda Email: <a href="mailto:rnt.helpdesk@linkintime.co.in">rnt.helpdesk@linkintime.co.in</a>	Phone : 022 4918 6000 Fax : 022 4918 6060
For any other general matters	Company Secretary Bright Brothers Limited Office no. 91, 9 <sup>th</sup> Floor, Jolly Maker Chambers no. 2, 221, Nariman Point, Mumbai- 400021 Email: <a href="mailto:invcom@brightbrothers.co.in">invcom@brightbrothers.co.in</a>	Phone : 8828204635

For and on behalf of the Board,  
**BRIGHT BROTHERS LIMITED**

**Suresh Bhojwani**  
Chairman & Managing Director  
DIN: 00032966

Place : Mumbai  
Date : 27<sup>th</sup> May, 2022

## Annexure to Corporate Governance Report

### I. Declaration of Compliance with the Code of Conduct

I hereby confirm that:

the Company has obtained from all the members of the Board and Senior Management Personnel, affirmation(s) that they have complied with the Code of Conduct for Board Members and Senior Management Personnel in respect of the financial year ended 31<sup>st</sup> March, 2022.

**Suresh Bhojwani**

*Chairman & Managing Director*

DIN: 00032966

Place : Mumbai

Date : 27<sup>th</sup> May, 2022

### II. CEO-CFO CERTIFICATE

**(Under Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)**

To

The Board of Directors,

BRIGHT BROTHERS LIMITED

- (a) We have reviewed financial statements and the cash flow statement of Bright Brothers Limited for the year ended on 31<sup>st</sup> March, 2022 and that to the best of our knowledge and belief:
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit Committee:
  - (i) that there are no significant changes in internal control over financial reporting during the year;
  - (ii) that there are no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (iii) that there are no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**Mr. Suresh Bhojwani**

*Chairman & Managing Director*

DIN: 00032966

**Mr. Chirag Shah**

*CFO*

Place : Mumbai

Date : 27<sup>th</sup> May, 2022

### III. Independent Auditors' Certificate on Corporate Governance

To  
The Members of  
**Bright Brothers Limited**

1. This certificate is issued in accordance with the terms of our engagement letter dated 16<sup>th</sup> May, 2022.
2. We, Desai Saksena & Associates, Chartered Accountants, the Statutory Auditors of Bright Brothers Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31<sup>st</sup> March, 2022 as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations").

#### Managements' Responsibility

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

#### Auditor's Responsibility

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by The Institute of the Chartered Accountants of India (the "ICAI"), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

#### Opinion

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended 31<sup>st</sup> March, 2022.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**Restriction on Use**

The certificate is addressed to and provided to the Members of the Company solely for the purpose to enable the Company to comply with requirement of aforesaid Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

**For Desai Saksena & Associates**

*Chartered Accountants*

FRN : 102358W

**Dr. S.N. Desai**

*Partner*

Membership No.: 032546

UDIN : 22032546AMWEUI7554

*Place* : Mumbai

*Date* : 27<sup>th</sup> May, 2022



**IV. Certificate of Non-Disqualification of Directors**  
**(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI**  
**(Listing Obligations and Disclosure Requirements) Regulations, 2015)**

To  
The Members of  
Bright Brothers Limited  
2-91, Floor-9, Plot 225, 2,  
Jolly Maker Chambers,  
Vinayak Kumar Shah Marg,  
NCPA, Nariman Point,  
Mumbai 400021

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Bright Brothers Limited having CIN: L25209MH1946PLC005056 and having registered office at 2-91, Floor-9, Plot 225, 2, Jolly Maker Chambers, Vinayak Kumar Shah Marg, NCPA, Nariman Point, Mumbai 400021 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No	Name of the Director	DIN	Date of Appointment in the Company
1	Mr. Suresh Thakurdas Bhojwani	00032966	01/02/2018
2	Ms. Hira Thakurdas Bhojwani*	00032997	01/04/2019
3	Ms. Devika Suresh Bhojwani	08355381	01/10/2019
4	Mr. Purnachandrarao Kuchimanchi**	00027577	13/08/2019
5	Mr. Subramaniam Sethurathnam Thinam	00042704	13/08/2019
6	Mr. Anil Kumar Bhandari	00031194	12/11/2020

\* Ms. Hira T. Bhojwani has retired from Directorship of the Company w.e.f 1<sup>st</sup> April 2022.

\*\* Mr. Purnachandrarao Kuchimanchi ceases to be the director w.e.f 7<sup>th</sup> April 2022 (Due to his demise)

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate 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.

**Purnima Shetty**  
Practicing Company Secretary  
FCS – 9089, CP No.: 14933  
UDIN No.- F009089D000413152

Place : Mumbai  
Date : 27<sup>th</sup> May, 2022

## Independent Auditor's Report

**TO THE MEMBERS OF,  
BRIGHT BROTHERS LIMITED**

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the accompanying financial statements of **Bright Brothers Limited** (the "Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022 and its profit, total 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 financial statements in accordance with the Standards on Auditing ("SA's") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

#### Emphasis of Matter:

The Company has an internal control system. However, the same needs to be strengthen.

Our opinion is not modified in respect of this matter.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	The Key Audit Matters	How our audit addressed the key audit matter
1	<b>Evaluation of Contingent Liabilities</b>	
	The Company operates in multiple jurisdictions and is subject to periodic challenges by local tax authorities on a range of tax matters during the normal course of business regarding Disputed Statutory Liabilities and Contingent Liabilities. These involve significant management judgment to determine the possible outcome of the uncertain tax positions, consequently having an impact on related accounting and disclosures in the financial statements.	Our audit procedures include the following substantive procedures: ➤ Read and analysed documents provided by the management for key uncertain tax positions; ➤ Discussed with appropriate senior management and evaluated management's underlying key assumptions in disclosure of disputed statutory liabilities; and ➤ Assessed management's estimate of the possible outcome of the disputed cases.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's

Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained 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 Responsibilities for the Financial Statements**

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

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

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

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

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

1. As required by Section 143(3) of the Act, based on our audit we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements-Refer note 34 to the financial statements
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

- iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. **As stated in Note 39 –(C)-(b) to the financial statements**
  - (a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.
  - (b) The Company has not declared interim dividend during the year
  - (c) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.
- 2. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure B**" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Desai Saksena & Associates**  
Chartered Accountants  
Firm's registration number: 102358W

**CA (Dr.) Shashank N. Desai**  
Partner  
Membership number: 32546  
UDIN: 22032546AMRZCU8257

Place: Mumbai  
Date: 27th May 2022

## **Annexure “A” to the Independent Auditor’s Report**

**(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Bright Brothers Limited of even date)**

**Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of sub- section 3 of Section 143 of the Companies Act, 2013 (the “Act”)**

We have audited the internal financial controls over financial reporting of **Bright Brothers Limited** (the “Company”) as of March 31, 2022 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

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

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

### **Auditor’s Responsibility**

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

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

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

### **Meaning of Internal Financial Controls over Financial Reporting**

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

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.



**Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For **Desai Saksena & Associates**  
Chartered Accountants  
Firm's registration number: 102358W

**CA (Dr.) Shashank N. Desai**  
Partner  
Membership number: 32546  
UDIN: 22032546AMRZCU8257

Place: Mumbai  
Date: 27th May 2022



## Annexure 'B' to the Independent Auditor's Report

**(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Bright Brothers Limited of even date)**

In our opinion and according to the information and explanations given to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
  - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
  - (B) The Company has maintained proper records showing full particulars of intangible assets.
  - (b) The Company has a program of physical verification of Property, Plant and Equipment so to cover all the assets in a phased manner over a period of two years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year were physically verified by the Management. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - (c) Based on the examination of the records such as registered sale deed/ transfer deed/ conveyance deed etc. provided to us, we report that, the title deeds, comprising the immovable properties of freehold land and buildings, (other than properties where the company is the lessee), are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land that have been taken on lease, the lease agreements are in the name of the Company.
  - (d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.
  - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. In respect Company's inventories:
  - (a) The inventories have been physically verified by the management at reasonable intervals during the year. In our opinion, the coverage and the frequency of such verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material.
  - (b) In respect of the working capital limits sanctioned in excess of ₹ 5 Crore on the basis of security of current assets:
    - As per the explanation given to us, the Company has been sanctioned term loan and working capital term loan from Kotak Mahindra Bank Ltd., which are secured against exclusive charge on all existing and future receivables/ current assets/ movable assets/ movable fixed assets. Discrepancies observed in the current assets as per the books of accounts vis a vis stock statements submitted to the Kotak Mahindra Bank Ltd. are per the note no. 50 iii) to the financial statements. The Company has explained that, although the current assets are hypothecated to Kotak Mahindra Bank, no loan or drawing power is availed by the Company on the basis of stock statement submitted to the Bank.
    - As per the explanation given to us, the Company has availed Bill discounting facility (Sales Invoice finance) from Kotak Mahindra Bank Ltd. The Company has stated that, the Company do not require to submit any monthly or quarterly stock statements to Kotak Mahindra Bank Ltd. in respect of the Bill discounting facility (Sales Invoice finance).
- iii. The Company has not made investments in companies, firms, Limited Liability Partnerships, and granted unsecured loans to other parties, during the year, Hence, reporting under clause 3 (iii) (a) (A) (B) (c) to (f) of the Order is not applicable to the Company.
- iv. The Company has not granted any loans, secured or unsecured or provided any guarantees or security to parties covered under section 185 of the Act. The Company has not granted loans, no investment has been made, no guarantee and security is given to parties covered section 186 of the Act. Accordingly, paragraph 3 (iv) of the Order is not applicable to the Company.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

vi. We have broadly reviewed the books of accounts and records maintained by the Company pursuant to the Rules prescribed by the Central Government under sub section (1) of section 148 of the Act and are of the opinion that, prima facie the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. In respect of statutory dues:

(a) In our opinion, the Company has been generally regular in depositing the undisputed statutory dues deducted/accrued in the books of account, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, duty of Custom, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, duty of Custom, Cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

(b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2022 on account of disputes are given below:

Sr. No.	Name of the Statute	Nature of dues	Financial Year to which it Pertains	Forum where dispute is Pending	*Amount (₹ in Lakhs)
1	Bombay Sales Tax Act, 1959 and Central Sales Tax Act, 1956	Sales tax, Interest and Penalty	1998-99 2001-02	Sales Tax Appellate Tribunal	6.80
2	Bombay Sales Tax Act, 1959	Sales tax, Interest and Penalty	1987-89	Joint Commissioner (Appeals-Sales Tax)	16.86
3	The Central Excise Act, 1944	Duty and Penalty	1996-1997 to 1998-1999	CESTAT	89.78
4	Provident Fund Act, 1952	P.F. dues	2010-2011, 2011-2012, 2012-2013	Commissioner (PF)	8.66
5	Uttarakhand Value Added Tax, 2005	VAT & CST	2011-12, 2012-13, 2013-14, 2014-15, 2015-16	Joint Commissioner (Appeals)	422.59
6	Service Tax under the Finance Act, 1994 **	Service tax	2015-16	Joint Commissioner CGST, Faridabad	66.66
7	MVAT Act, 2002 and Central Sales Tax Act, 1956 ***	Sales tax (VAT & CST), Interest and Penalty	2015-16	Assistant Commissioner of Sales Tax	7.85
8	MVAT Act, 2002 and Central Sales Tax Act, 1956 ***	Sales tax (VAT & CST), Interest and Penalty	2016-17	Assistant Commissioner of Sales Tax	9.19
9	MVAT Act, 2002 and Central Sales Tax Act, 1956 ***	Sales tax (VAT & CST), Interest and Penalty	2017-18	Assistant Commissioner of Sales Tax	5.56

\* Interest and Penalty as per the orders received.

\*\* There is no response from the department on a reply filled by the Company, hence considered as disputed on a conservative side.

\*\*\*Based on the certification of the legal consultant, rectification is filed and accordingly considered as disputed by the Company

viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

- ix. a. The Company has not defaulted in the repayment of loans or borrowings to any lender. The Company has not raised any monies from government or financial institutions and does not have any outstanding debentures.
- b. The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- c. The Company has not taken any term loan during the year. The outstanding term loans at the beginning of the year were applied for the purpose for which loans were obtained;
- d. On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- e. The Company do not have any subsidiary, associate or a joint venture and hence, reporting under clause 3(ix)(e) of the Order is not applicable.
- f. The Company do not have any subsidiary, associate or a joint venture and hence reporting on clause 3(ix)(f) of the Order is not applicable.

- x. a. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- b. During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi. a. No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- b. No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- c. No whistle-blower complaints have been received during the year by the Company.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable Indian accounting standards.
- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi) (a), (b), (c) and (d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. (a) There is no unspent amount regarding the Corporate Social Responsibility (CSR) activities as referred in the sub-section (5) of Section 135 of the Act, pursuant to any project other than ongoing projects. Accordingly, clause 3(xx)(a) of the Order is not applicable.
- (b) The Company has undertaken the Corporate Social Responsibility (CSR) activities through other than ongoing projects (implementing agencies) and not through ongoing project, hence reporting under clause (xx)(b) of paragraph 3 of the Order is not applicable to the Company.

For **Desai Saksena & Associates**  
Chartered Accountants  
Firm's registration number: 102358W

**CA (Dr.) Shashank N. Desai**  
Partner  
Membership number: 32546  
UDIN: 22032546AMRZCU8257

Place: Mumbai  
Date: 27th May 2022

## Balance Sheet As at 31st March, 2022

	Note No.	As at 31st March, 2022	(₹ in Lakhs) As at 31st March, 2021
<b>ASSETS</b>			
<b>1. Non-current assets</b>			
(a) Property, Plant and Equipment	2	4,156.52	5,104.82
(b) Capital work-in-progress	3	—	—
(c) Other intangible assets	4	—	—
(d) Financial assets			
(i) Investments	5	34.81	34.81
(ii) Deposits	6	148.00	135.76
(iii) Loans	7	—	—
(e) Other non-financial assets	8	714.87	183.34
(f) Deferred tax assets	20B	—	—
(g) Other non-current assets	9	61.78	61.78
<b>Total non-current assets</b>		<b>5,115.98</b>	<b>5,520.51</b>
<b>2. Current assets</b>			
(a) Inventories	10	1,813.95	2,032.98
(b) Financial assets			
(i) Investments	11	3,718.78	470.45
(ii) Trade receivables	12	6,360.15	8,376.30
(iii) Cash and cash equivalents	13	295.42	629.03
(iv) Other bank balances	14	24.64	21.83
(c) Other current assets	15	158.79	147.57
<b>Total current assets</b>		<b>12,371.73</b>	<b>11,678.16</b>
<b>TOTAL ASSETS</b>		<b>17,487.71</b>	<b>17,198.67</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	16	567.60	567.60
Other equity	17	7,357.49	4,404.09
<b>Total Equity</b>		<b>7,925.09</b>	<b>4,971.69</b>
<b>Liabilities</b>			
<b>1. Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	18	581.99	1,073.45
(ii) Deposits	19	150.00	138.00
(b) Deferred tax liabilities	20A	213.11	216.70
<b>Total non-current liabilities</b>		<b>945.10</b>	<b>1,428.15</b>
<b>2. Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	21	153.00	650.00
(ii) Trade payables	22		
(A) total outstanding dues of micro enterprises and small enterprises; and		199.48	217.46
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		2,439.49	3,621.54
(iii) Other financial liabilities	23	4,748.69	5,864.38
(b) Other current liabilities (includes statutory liabilities)		249.10	214.89
(c) Provisions	24	19.43	63.95
(d) Current tax liabilities (Net)		808.33	166.61
<b>Total current liabilities</b>		<b>8,617.52</b>	<b>10,798.83</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>17,487.71</b>	<b>17,198.67</b>
<b>Significant Accounting Policies</b>	1		

The accompanying notes referred to herein form an integral part of the financial statements

As per our Report annexed

For Desai Saksena & Associates

Firm Registration No.: 102358W

Chartered Accountants

Mr. Chirag Shah  
Chief Financial Officer

CA (Dr.) Shashank N. Desai

Partner

Membership No. 32546

Mumbai, 27th May, 2022

Mrs. Sonali Pednekar  
Company Secretary &  
Compliance Officer

Mr. Suresh Bhojwani  
DIN: 00032966

Chairman &  
Managing Director

Mr. Karan Bhojwani  
DIN: 06423542  
Mrs. Devika Bhojwani  
DIN: 08355381

Whole Time Director

Mr. K.Viswanath  
DIN: 00547132

Dr. T. S. Sethurathnam  
DIN: 00042704

Mr. Anil Kumar Bhandari  
DIN: 00031194

Independent Directors

## Statement of Profit and Loss for the year ended 31st March, 2022

	Note No.	Year Ended 31st March, 2022	(₹ in Lakhs) Year Ended 31st March, 2021
<b>INCOME</b>			
Revenue from operations	25	23,025.35	20,227.15
Other income	26	132.05	78.94
<b>Total Revenue</b>		<b>23,157.40</b>	<b>20,306.09</b>
<b>EXPENSES</b>			
Cost of materials consumed	27	16,033.62	13,823.70
Purchases of traded goods	28	222.87	125.96
Changes in inventories of finished goods, work-in-progress and traded goods	29	(83.50)	(187.55)
Other operating expenses	30	2,411.26	2,107.52
Employee benefits expenses	31	2,008.34	1,666.54
Finance costs	32	471.37	432.77
Depreciation and amortization expenses	2,4	621.23	577.14
Other expenses	33	1,126.10	919.74
<b>Total Expenses</b>		<b>22,811.29</b>	<b>19,465.82</b>
<b>Profit before exceptional items and tax</b>		<b>346.11</b>	<b>840.27</b>
Exceptional items (Refer Note 48)		3,506.85	—
<b>Profit before tax</b>		<b>3,852.96</b>	<b>840.27</b>
<b>TAX EXPENSES</b>			
		657.00	269.77
(1) Current Tax		690.43	118.00
(2) MAT Credit		(37.77)	—
(3) Deferred Tax		(3.59)	146.53
(4) Excess / Short Provision for Earlier Years		7.93	5.24
<b>Profit after Tax</b>		<b>3,195.96</b>	<b>570.50</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
<b>Items that will not be reclassified to profit or loss</b>			
(1) Remeasurements of net defined benefit plans		(30.12)	9.91
(2) Income tax relating to Re-measurement of defined employee benefit plans		8.77	(2.76)
<b>Other Comprehensive Income for the year, net of income tax</b>		<b>(21.35)</b>	<b>7.15</b>
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>3,174.61</b>	<b>577.65</b>
<b>EARNING PER EQUITY SHARE IN (₹)</b>	45		
<b>Basic and diluted (Face Value ₹ 10/- paid-up)</b>		<b>56.26</b>	<b>10.04</b>
<b>Significant Accounting Policies</b>	1		

The accompanying notes referred to herein form an integral part of the financial statements

As per our Report annexed  
For Desai Saksena & Associates  
Firm Registration No.: 102358W  
Chartered Accountants

Mr. Chirag Shah  
Chief Financial Officer

CA (Dr.) Shashank N. Desai  
Partner  
Membership No. 32546  
Mumbai, 27th May, 2022

Mrs. Sonali Pednekar  
Company Secretary &  
Compliance Officer

Mr. Suresh Bhojwani  
DIN: 00032966

Chairman &  
Managing Director

Mr. Karan Bhojwani  
DIN: 06423542  
Mrs. Devika Bhojwani  
DIN: 08355381

Whole Time Director

Mr. K. Viswanath  
DIN: 00547132  
Dr. T. S. Sethurathnam  
DIN: 00042704  
Mr. Anil Kumar Bhandari  
DIN: 00031194

Independent Directors

## Cash Flow Statement for the year ended 31st March, 2022

	Year ended 31st March, 2022	Year ended 31st March, 2021
(₹ in Lakhs)		
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Profit before Tax	3,852.96	840.27
Adjustments for :		
Depreciation and amortization	621.23	577.14
Finance cost	471.37	432.77
Loss/(gain) on sale of property, plant & equipment, including exceptional items	(3,507.06)	(2.46)
Interest (income)	(2.56)	(1.69)
Dividend from non current investment (income)	(0.76)	(0.52)
Net (gain)/loss on sale of investments	(98.09)	(68.87)
<b>Operating profit before working capital changes</b>	<b>1,337.09</b>	<b>1,776.64</b>
Adjustments for :		
Movements in working capital :		
Increase/(Decrease) in trade payables	(1,200.03)	2,016.22
Increase/(Decrease) in other current financial liabilities	(1,115.69)	2,054.85
Increase/(Decrease) in other current liabilities	34.21	83.69
Increase/(Decrease) in provisions	(65.85)	(46.47)
(Increase)/Decrease in trade receivables	2,016.15	(3,778.46)
(Increase)/Decrease in other bank balances	(2.81)	7.84
(Increase)/Decrease in inventories	219.03	(807.54)
(Increase)/Decrease in other financial assets	(23.45)	(21.70)
(Increase)/Decrease in other assets	(61.95)	(47.53)
<b>Working capital changes :</b>	<b>(200.39)</b>	<b>(539.11)</b>
Cash flow from/(Used In) Operating Activities	1,136.70	1,237.53
Income tax Refund/(Paid)	(469.59)	(67.00)
<b>Net Cash flow from/(Used In) Operating Activities (A)</b>	<b>667.11</b>	<b>1,170.53</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of property, plant & equipments, including capital work in progress-tangible assets and capital advances	(542.99)	(1,309.72)
Proceeds from sale of property, plant & equipments	4,377.13	4.09
Interest Income	2.56	1.69
Dividend from non current investment income	0.76	0.52
Purchase/sale of investments	(3,248.34)	295.03
<b>Net cash flow from/(Used in) Investing Activities (B)</b>	<b>589.12</b>	<b>(1,008.39)</b>
<b>(C) CASH FLOWS FROM FINANCING ACTIVITIES :</b>		
Proceeds/Repayment of long-term borrowings	(479.46)	550.56
Increase/(Decrease) in short-term borrowings	(497.00)	42.00
Finance Cost	(471.37)	(432.77)
Final Dividend paid (including dividend distribution tax)	(142.01)	—
<b>Net Cash flow from/(Used in) Financing Activities (C)</b>	<b>(1,589.84)</b>	<b>159.79</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENT (A+B+C)</b>	<b>(333.61)</b>	<b>321.93</b>
Cash and cash equivalents at the beginning of year	629.03	307.10
Cash and cash equivalents at the end of the year	295.42	629.03
(1) The above statement has been prepared in indirect method.		
(2) Previous year's figures have been reclassified to conform to current year's presentation.		
(3) Figures in the bracket indicate out go.		

This is the Cash Flow Statement referred to in our report of even date.

As per our Report annexed

For Desai Saksena & Associates

Firm Registration No.: 102358W

Chartered Accountants

Mr. Chirag Shah  
Chief Financial Officer

CA (Dr.) Shashank N. Desai

Partner

Membership No. 32546

Mumbai, 27th May, 2022

Mrs. Sonali Pednekar  
Company Secretary &  
Compliance Officer

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Whole Time Director

Mr. K.Viswanath  
DIN: 00547132  
Dr. T. S. Sethurathnam  
DIN: 00042704  
Mr. Anil Kumar Bhandari  
DIN: 00031194

Independent Directors



## Statement of Changes in Equity for the year ended 31st March, 2022

(₹ in Lakhs)

EQUITY SHARE CAPITAL :		Paid up capital (Refer Note 16)
Balance as at 1st April 2020		567.60
Changes in equity share capital during the year		—
Changes in Equity Share Capital due to prior period errors		—
Balance as at 31st March 2021		567.60
Changes in equity share capital during the year		—
Balance as at 31st March 2022		567.60

### OTHER EQUITY :

Particulars	Reserves and Surplus						Accumulated Other Comprehensive Income	Total
	Capital Reserves	Securities Premium Reserve	Capital Redemption Reserve	General Reserve	Amalgama- tion Reserve	Retained Earnings	Revaluation Reserve	
Balance as at 1st April 2020	156.83	967.00	229.53	1,933.17	139.00	353.20	84.79	3,821.04
Profit/(Loss) for the year						570.50		570.50
Remeasurements of net defined benefit plans (Net of Taxes)								
Changes in accounting policies or prior period errors								
Balance as at 31st March 2021	156.83	967.00	229.53	1,933.17	139.00	923.70	84.79	4,404.09
Profit/(Loss) for the year						3,195.96	(84.79)	3,111.17
Remeasurements of net defined benefit plans (Net of Taxes)								
Final dividend F.Y. 2020-21 paid including corporate dividend tax						(142.01)		(15.76)
Balance as at 31st March 2022	156.83	967.00	229.53	1,933.17	139.00	3,977.65	—	7,357.49

The accompanying notes referred to herein form an integral part of the financial statements

As per our Report annexed  
For Desai Saksena & Associates  
Firm Registration No.: 102358W  
Chartered Accountants

Mr. Chirag Shah  
Chief Financial Officer

CA (Dr.) Shashank N. Desai  
Partner  
Membership No. 32546  
Mumbai, 27th May, 2022

Mr. Suresh Bhojwani  
DIN: 00032966  
Mr. Karan Bhojwani  
DIN: 06423542  
Mrs. Devika Bhojwani  
DIN: 08355381  
Mr. K. Viswanath  
DIN: 00547132  
Dr. T. S. Sethurathnam  
DIN: 00042704  
Mr. Anil Kumar Bhandari  
DIN: 00031194

Chairman &  
Managing Director

Whole Time Director

Independent Directors



## Notes accompanying the Financial Statements

### Note 1

#### SIGNIFICANT ACCOUNTING POLICIES

##### COMPANY OVERVIEW:

The Bright Brothers Limited ("the Company") is public limited Company incorporated and domiciled in India and has registered office at Office No. 91, 9<sup>th</sup> Floor, Jolly Maker Chambers No. 2, 225, Nariman Point, Mumbai 400 021. It is incorporated under the Indian Companies Act, 1913 and its shares are listed on the Bombay Stock Exchange Limited.

The Company is engaged in the business of manufacturing injection moulded plastics products for supplies to Original Equipment Manufacturers for Consumer Durable Industry and market its own products under "Brite" brand for material handling crates.

The Company has hair care division which market hair brushes and beauty products under "DIVO" brand.

##### (A) Statement of Compliance & Basis of Preparation of Financial Statements:

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified under the Companies (Indian Accounting standards) Rules, 2015 and amendments thereto issued by Ministry of Corporate Affairs under section 133 of the Companies Act, 2013.

The financial statements of the Company are prepared and presented on accrual basis and under the historical cost convention, except for the following material items that have been measured at fair value as required by the relevant Ind AS:

These financials statements have been approved for issue by the Board of Directors at its meeting held on May 27, 2022.

##### (B) Presentation of financial statements:

The Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 (the Act). The Statement of Cash Flows has been prepared and presented in accordance with Ind AS 7 "Statement of Cash Flows". The disclosures with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Accounting Standards and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

Amounts in the financial statements are presented in Indian Rupee in lakh rounded off to two decimal places as permitted by Schedule III to the Act. Per share data are presented in Indian Rupee to two decimals places.

##### (C) Use of Estimates:

The preparation of financial statements in conformity with Ind AS requires that the management of the Company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. The estimates and underlying assumptions made by management are explained under respective policies. Revisions to accounting estimates include useful lives of property, plant and equipment & intangible assets, allowance for expected credit loss, future obligations in respect of retirement benefit plans, fair value/recoverable amount measurement, etc. Difference, if any, between the actual results and estimates is recognised in the period in which the results are known.

##### (D) Operating cycle for current and non-current classification:

All the assets and liabilities have been classified as current or non-current as per the company's normal operating cycle of twelve months and other criteria set out in Schedule III to the Companies Act, 2013.

##### (E) Property, Plant and Equipment (PPE):

- (i) PPE is recognised when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. PPE is stated at original cost net of tax/duty credits availed, if any, less accumulated depreciation and cumulative impairment, if any.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost can be measured reliably.

The cost comprises purchase price, borrowing costs if capitalisation criteria are met, directly attributable cost of bringing the asset to its working condition for the intended use and initial estimate of decommissioning, restoring and similar liabilities. Any trade discounts and rebates are deducted in arriving at the purchase price. Such cost includes the cost of replacing part of the plant and equipment. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

- (ii) Items of stores and spares that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Otherwise, such items are classified as inventories.
- (iii) Gains or losses arising from de-recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

## Notes accompanying the Financial Statements

- (iv) Cost of land includes lands acquired under lease.
- (v) Cost of building includes buildings constructed on leasehold lands.
- (vi) PPE is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition is recognised in the Statement of Profit and Loss in the same period.

### (F) Depreciation on Property, Plant and Equipment:

- (i) Depreciation on Property, plant and equipment (PPE) is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management, which are equal to the life prescribed under the Schedule II to the Companies Act, 2013. Depreciation method is reviewed at each financial year end to reflect the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful life and residual values are also reviewed at each financial year end and the effect of any change in the estimates of useful life/ residual value is accounted on prospective basis.

Depreciation on assets added/ sold or discarded during the year is being provided on pro-rata basis up to the date on which such assets are added/ sold or discarded.

Gains/Losses on disposals/ de-recognition of property, plant and equipment are determined by comparing proceeds with carrying amount and these are recognized in statement of profit & Loss.

- (ii) Premium on leasehold land is amortized over the period of lease.

### (G) Intangible Assets:

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortisation and cumulative impairment. All directly attributable costs and other administrative and other general overhead expenses that are specifically attributable to acquisition of intangible assets are allocated and capitalised as a part of the cost of the intangible assets.

Intangible assets, which are acquired, are capitalized and amortized on a straight-line basis over their useful lives of four years.

Intangible assets are held on the balance sheet at cost less accumulated amortisation and impairment losses.

### (H) Foreign Currency Transactions:

- (i) The functional currency and presentation currency of the Company is Indian Rupee.
- (ii) Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction.
- (iii) Foreign currency monetary assets and liabilities are translated at year end exchange rates. Exchange differences arising either on settlement or on translation of monetary items at the year-end are recognised as income or expenses in the year in which they arise.

### (I) Inventories:

Inventories includes Raw Material and Components, Work-in-Progress, Finished goods and Traded goods, Stores & spares, Consumables, Packing Materials.

- (i) Raw Material and Stores Spare Parts – Raw Material and Components are valued at lower of moving weighted average cost or net realisable value. However, these items are considered to be realisable at cost if the finished products in which they will be used, are expected to be sold at or above cost. Cost includes cost of purchases and other costs incurred in bringing the inventories to their present location and condition. Taxes which are subsequently recoverable from taxation authorities are not included in the cost. Cost is determined using identified lot basis / First in first out (FIFO) basis.
- (ii) Finished stock, Traded goods and Work in progress stock – Finished stock, Traded goods and Work in progress stock are valued at lower of weighted average cost including related overheads or net realisable value. Cost includes cost of direct material, labour, other direct cost and a proportion of manufacturing overheads allocated based on the normal operating capacity but excluding borrowing costs.
- (iii) Assessment of net realisable value is made at each reporting period end and when the circumstances that previously caused inventories to be written-down below cost no longer exist or when there is clear evidence of an increase in net realisable value because of changed economic circumstances, the write-down, if any, in the past period is reversed to the extent of the original amount written-down so that the resultant carrying amount is the lower of the cost and the revised net realisable value.

Adequate allowance is made for obsolete and slow moving items.

### (J) Financial Instruments:

#### Financial assets - Initial recognition

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial assets other than trade receivables are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss is initially recognised at fair value, and transaction costs are expensed in the Statement of Profit and Loss. Subsequent measurement

## Notes accompanying the Financial Statements

Financial assets, other than equity instruments, are subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of both:

- (i) the entity's business model for managing the financial assets and;
- (ii) the contractual cash flow characteristics of the financial asset.

**(a) Measured at amortised cost:**

A financial asset is measured at amortised cost, if it is held under the hold to collect business model i.e. held with an objective of holding the assets to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest on the principal outstanding. Amortised cost is calculated using the effective interest rate ("EIR") method by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. On derecognition, gain or loss, if any, is recognised to Statement of Profit and Loss.

**(b) Measured at fair value through other comprehensive income (FVOCI):**

A financial asset is measured at FVOCI, if it is held under the hold to collect and sell business model i.e. held with an objective to collect contractual cash flows and selling such financial asset and the contractual cash flows are solely payments of principal and interest on the principal outstanding. It is subsequently measured at fair value with fair value movements recognised in the OCI, except for interest income which recognised using EIR method. The losses arising from impairment are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in the OCI is reclassified from the equity to Statement of Profit and Loss.

**(c) Measured at fair value through profit or loss (FVTPL):**

Investment in financial asset other than equity instrument, not measured at either amortised cost or FVOCI is measured at FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised in the Statement of Profit and Loss.

Equity Instruments:

All investments in equity instruments classified under financial assets are subsequently measured at fair value. Equity instruments which are held for trading are measured at FVTPL.

For all other equity instruments, the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument shall be recognised in Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognised in the OCI. Amounts recognised in Other Comprehensive Income (OCI) are not subsequently transferred to Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised in Statement of Profit and Loss.

Impairment:

The Company recognises a loss allowance for Expected Credit Losses (ECL) on financial assets that are measured at amortised cost and at FVOCI. The credit loss is difference between all contractual cash flows that are due to an entity in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. This is assessed on an individual or collective basis after considering all reasonable and supportable including that which is forward-looking.

The Company's trade receivables or contract revenue receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall, being simplified approach for recognition of impairment loss allowance.

Under simplified approach, the Company does not track changes in credit risk. Rather it recognizes impairment loss allowance based on the lifetime ECL at each reporting date right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables.

The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

For financial assets other than trade receivables, the Company recognises 12-month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. If, in a subsequent period, credit quality of the instrument improves such that there is no longer significant increase in credit risks since initial recognition, then the Company reverts to recognizing impairment loss allowance based on 12 months ECL.

The impairment losses and reversals are recognised in Statement of Profit and Loss. For equity instruments and financial assets measured at FVTPL, there is no requirement for impairment testing.

De-recognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers rights to receive cash flows from an asset, it evaluates if and to what extent it has

## Notes accompanying the Financial Statements

retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Trade receivables, security deposits, cash and cash equivalents, employee and other advances – at amortised cost.

### Financial Liabilities

#### Initial Recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial liabilities are initially recognised at fair value net of transaction costs for all financial liabilities not carried at fair value through profit or loss.

The Company's financial liabilities include trade and other payables, loans and borrowings.

#### Subsequent measurement:

Financial liabilities measured at amortised cost are subsequently measured at using EIR method. Financial liabilities carried at fair value through profit or loss is measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

#### Loans & Borrowings:

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using EIR method. Gains and losses are recognized in profit & loss when the liabilities are derecognized as well as through EIR amortization process.

#### Financial Guarantee Contracts

Financial guarantee contracts issued by the Company are those contracts that requires a payment to be made or to reimburse the holder for a loss it incurs because the specified debtors fails to make payment when due in accordance with the term of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative adjustments.

#### De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

#### Offsetting of financial instruments

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

### (K) Fair Value measurement:

The Company measures 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:

- (i) In the principal market for the asset or liability, or
- (ii) 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, maximising the use of relevant observable inputs and minimising 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:

- (i) Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- (ii) Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

## Notes accompanying the Financial Statements

- (iii) Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is 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 categorisation (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 and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

### (L) Employee Benefits:

#### (i) Short-term employee benefits:

Employee benefits such as salaries, wages, short-term compensated absences, bonus falling due wholly within twelve months of rendering the service are classified as short-term employee benefits and are expensed in the period in which the employee renders the service.

#### (ii) Post-employment benefits:

**A. Defined contribution plans:** The Company's superannuation scheme, state governed provident fund scheme, employee state insurance scheme and employee pension scheme are defined contribution plans. The contribution paid/payable under the schemes is recognised during the period in which the employee renders the service.

**B. Defined benefit plans:** The employees' gratuity & leave encashment fund schemes and represent defined benefit plans. The present value of the obligation under defined benefit plans is determined based on actuarial valuation using the Projected Unit Credit Method.

##### (a) Defined-benefit plan:

The defined benefit obligations are calculated annually by actuaries through actuarial valuation using the projected unit credit method.

The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- (i) Service costs comprising current service costs, past-service costs, gains and losses on curtailment and nonroutine settlements; and
- (ii) Net interest expense or income

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and fair value of plan assets. This cost is included in employee benefit expenses in the statement of the profit & loss.

Re-measurement comprising

- (i) Re-measurement of Actuarial(gains)/losses
- (ii) Return on plan assets, excluding amount recognized in effect of asset ceiling
- (iii) Re-measurement arising because of change in effect of asset ceiling are recognised in the period in which they occur directly in Other comprehensive income. Re-measurement are not reclassified to profit or loss in subsequent periods.

Ind AS 19 requires the exercise of judgment in relation to various assumptions including future pay rises, inflation and discount rates and employee and pensioner demographics. The Company determines the assumptions in conjunction with its actuaries and believes these assumptions to be in line with best practice, but the application of different assumptions could have a significant effect on the amounts reflected in the income statement, other comprehensive income and balance sheet. There may be also interdependency between some of the assumptions.

### (M) Impairment of Non Financial Assets:

As at the end of each financial year, the carrying amounts of PPE, intangible assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, PPE and intangible assets are tested for impairment so as to determine the impairment loss, if any. Intangible assets with indefinite life are tested for impairment each year.

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is determined:

- (i) in the case of an individual asset, at the higher of the fair value less costs to sell and the value-in-use; and
- (ii) in the case of a cash generating unit (the smallest identifiable group of assets that generates independent cash flows), at the higher of the cash generating unit's fair value less costs to sell and the value-in-use.

The amount of value-in-use is determined as the present value of estimated future cash flows from the continuing use of an asset, which may vary based on the future performance of the Company and from its disposal at the end of its useful life. For this purpose, the discount rate (pre-tax) is determined based on the weighted average cost of capital of the company suitably adjusted for risks specified to the estimated cash flows of the asset.



## Notes accompanying the Financial Statements

If recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, such deficit is recognised immediately in the Statement of Profit and Loss as impairment loss and the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, such that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

### (N) Taxes on Income:

Income tax comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961 and using estimates and judgments based on the expected outcome of assessments/appeals and the relevant rulings in the areas of allowances and disallowances.

The Company offsets, the current tax assets and liabilities (on a year-on-year basis) where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis or to realise the assets and liabilities on net basis.

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements. Deferred income tax asset are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred tax assets are not recognised where it is more likely than not that the assets will not be realised in the future.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

The Company reviews the Minimum Alternative Tax ('MAT') at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income-tax during the specified period.

### (O) Provisions, Contingent Liabilities and Contingent Assets:

#### Provisions:

A provision is recognized when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Where the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

#### Contingent Liabilities:

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 control of the Company or a present obligation that is not recognised 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 can't be recognised because it can't be measured reliably. The Company does not recognise the contingent liability but disclose its existence in its financial statements.

#### Contingent assets:

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

Provisions, Contingent Liabilities and Contingent Assets are reviewed at each Balance Sheet date.

### (P) Commitments:

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

- (i) estimated amount of contracts remaining to be executed on capital account and not provided for;
- (ii) other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

Other commitments related to sales/procurements made in the normal course of business are not disclosed to avoid excessive details.

## Notes accompanying the Financial Statements

### (Q) Leased Assets:

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 "Leases" which replaces the existing lease standard, Ind AS 17 "Leases" and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors.

Effective 01 April, 2019, the Company has adopted Ind AS 116 "Leases". The Company's lease assets class consist of leases of factory premises and office premises. These leases were earlier classified as "Operating Leases" under Ind AS 17.

On transition to Ind AS 116 "Leases", the Company has determined these as short term leases.

- The company didn't recognised the Right to Use and Lease liabilities for lease for which the leases are classified as short term on the date of initial transition.
- All the lease transactions entered by the company are deemed as short term leases.

Considering the above criteria, all the leases previously classified as operating leases under Ind AS 17 are to be deemed as short term leases and hence no further adjustments to its carrying value is required to be made in this financial statements.

### (R) Exceptional Items:

Exceptional Items: On certain occasions, the size, type or incidence of an item of income or expense, pertaining to ordinary activities of the Company is such that its disclosure improves an understanding of performance of the Company. Such income or expense is classified as an exceptional item and accordingly disclosed in the notes to accounts.

### (S) Borrowing Costs:

Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of cost of such asset till such time as the asset is ready for its intended use or sale. All other borrowing costs are charged to revenue.

### (T) Revenue Recognition:

Revenue from contracts with customers is recognised when a performance obligation is satisfied by transfer of promised goods or services to a customer.

For performance obligation satisfied over time, the revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.

The Company transfers control of a good or service over time and therefore satisfies a performance obligation and recognises revenue over a period of time if one of the following criteria is met:

- the customer simultaneously consumes the benefit of the Company's performance or
- the customer controls the asset as it is being created/enhanced by the Company's performance or
- there is no alternative use of the asset and the Company has either explicit or implicit right of payment considering legal precedents,

In all other cases, performance obligation is considered as satisfied at a point in time.

#### Revenue from operations:

#### Other income:

Interest income on fixed deposits is accrued on a time basis by reference to the outstanding fixed deposit amount.

Dividend income is recognised when the right to receive payment is established.

### (U) Earnings Per Share:

Earnings per share are calculated by divided the profit attributable to the shareholders by the number of equity shares outstanding at the close of the year. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the period. The weighted diluted earnings per equity share are computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the period.

### (V) Cash and Cash Equivalents:

Cash and Cash equivalents include cash and cheque in hand, bank balances, demand deposits with banks and other short-term highly liquid investments that are readily convertible to known amounts of cash & which are subject to an insignificant risk of changes in value where original maturity is three months or less.

### (W) Cash Flow Statement:

The Cash flow statement is prepared segregating the cash flows from operating, investing and financing activities. Cash flow from operating activities is reported using indirect method. Under the indirect method, the net profit 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
- items of income or expense associated with investing or financing cash flows.

### (X) Cash Dividend:

The Company recognizes a liability to pay dividend when the distribution is authorised and the distribution is no longer at the discretion of the Company i.e. when the dividend distribution is being approved by the shareholders. A corresponding amount is recognized directly in equity.



## Notes accompanying the Financial Statements

## Note 2

## PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakhs)

Particulars	Land		Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office equipment	Moulds	Computers	Electric Installation	Total
	Leasehold	Freehold									
<b>Gross carrying amount</b>											
Balance as at 1st April 2021	125.22	637.51	1,534.69	8,246.49	247.38	318.46	132.90	688.15	209.28	254.18	12,394.26
Additions	—	374.25	16.98	214.08	0.19	—	5.73	9.85	6.69	—	627.77
On disposals/ Adjustments during the year	—	(952.94)	—	(0.85)	—	—	—	—	—	(3.69)	(957.48)
Balance as at 31st March 2022	125.22	58.82	1,551.67	8,459.72	247.57	318.46	138.63	698.00	215.97	250.49	12,064.55
<b>Accumulated Depreciation</b>											
Balance as at 1st April 2021	14.35	—	542.06	5,321.45	197.73	140.25	96.15	581.07	188.46	207.92	7,289.44
Depreciation charge for the year	1.20	—	55.15	484.39	10.07	27.96	11.88	10.07	9.98	10.53	621.23
On disposals/ Adjustments during the year	—	—	—	(0.46)	—	—	—	—	—	(2.18)	(2.64)
Balance as at 31st March 2022	15.55	—	597.21	5,805.38	207.80	168.21	108.03	591.14	198.44	216.27	7,908.03
<b>Net carrying amount as at 1st April 2021</b>	110.87	637.51	992.63	2,925.04	49.65	178.21	36.75	107.08	20.82	46.26	5,104.82
<b>Net carrying amount as at 31st March 2022</b>	109.67	58.82	954.46	2,654.34	39.77	150.25	30.60	106.86	17.53	34.22	4,156.52
<b>Gross carrying amount</b>											
Balance as at 1st April 2020	125.22	212.51	1,454.15	7,565.25	245.37	271.32	131.79	662.01	197.90	251.42	11,116.94
Additions	—	425.00	80.54	681.24	2.01	79.54	1.11	26.14	11.38	2.76	1,309.72
On disposals/ Adjustments during the year	—	—	—	—	—	(32.40)	—	—	—	—	(32.40)
Balance as at 31st March 2021	125.22	637.51	1,534.69	8,246.49	247.38	318.46	132.90	688.15	209.28	254.18	12,394.26
<b>Accumulated Depreciation</b>											
Balance as at 1st April 2020	13.15	—	489.66	4,887.37	189.52	147.98	87.08	554.04	176.44	197.84	6,743.08
Depreciation charge for the year	1.20	—	52.40	434.08	8.21	23.05	9.07	27.03	12.02	10.08	577.14
On disposals/ Adjustments during the year	—	—	—	—	—	(30.78)	—	—	—	—	(30.78)
Balance as at 31st March 2021	14.35	—	542.06	5,321.45	197.73	140.25	96.15	581.07	188.46	207.92	7,289.44
<b>Net carrying amount as at 1st April 2020</b>	112.07	212.51	964.49	2,677.88	55.85	123.34	44.71	107.97	21.46	53.58	4,373.86
<b>Net carrying amount as at 31st March 2021</b>	110.87	637.51	992.63	2,925.04	49.65	178.21	36.75	107.08	20.82	46.26	5,104.82

## Note:

- The Property, Plant and Equipment mortgaged to the lenders (Refer Note 45).

## Notes accompanying the Financial Statements

	(₹ in Lakhs)	
	As at 31st March, 2022	As at 31st March, 2021
<b>Note 3</b>		
<b>CAPITAL WORK-IN-PROGRESS</b>		
<b>Assets under installation</b>		
Buildings	—	—
Plant and Equipment	—	—
<b>Total</b>	<u>—</u>	<u>—</u>

<b>Note 4</b>	
<b>OTHER INTANGIBLE ASSETS</b>	
	<b>Amount</b>
<u>Gross carrying amount</u>	
Balance as at 1st April 2021	20.73
Additions	—
(On disposals/Adjustments during the year)	—
Balance as at 31st March 2022	<u>20.73</u>
<u>Accumulated Depreciation</u>	
Balance as at 1st April 2021	20.73
Depreciation charge for the year	—
(On disposals/Adjustments during the year)	—
Balance as at 31st March 2022	<u>20.73</u>
<u>Net carrying amount as at 1st April 2021</u>	—
<u>Net carrying amount as at 31st March 2022</u>	<u>—</u>

Note 5

NON CURRENT INVESTMENTS

Sr. No.	Name of the Body Corporate	Quantity		Amount (₹ in Lakhs)	
		31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
(A)	Investment in equity instruments (at cost) - Unquoted				
	The Saraswat Co-op. Bank Ltd. (Share of ₹ 10/- each, fully paid up)	1,000	1,000	0.10	0.10
	Shalimar Infotech Ltd. (Share of ₹ 300.12/- each, fully paid up)	1,666	1,666	5.00	5.00
	(A)			5.10	5.10
(B)	Other non-current investments (units of venture fund) - Unquoted				
	Ambit Pragma Fund Scheme I	6208	6208	29.71	29.71
	(B)			29.71	29.71
	Total [A + B]			34.81	34.81

## Notes accompanying the Financial Statements

	(₹ in Lakhs)	
	As at 31st March, 2022	As at 31st March, 2021
<b>Note 6</b>		
<b>DEPOSITS</b>		
(Unsecured, Considered good unless otherwise stated)		
Security and other deposits	148.00	135.76
<b>Total</b>	<u>148.00</u>	<u>135.76</u>
<b>Note 7</b>		
<b>LOANS</b>		
(Unsecured, Considered good unless otherwise stated)		
Inter corporate loans	660.00	660.00
Less: Written off during the year (Refer Note 47)	660.00	660.00
<b>Total</b>	<u>—</u>	<u>—</u>
<b>Note 8</b>		
<b>OTHER NON-FINANCIAL ASSETS</b>		
(Unsecured, Considered good unless otherwise stated)		
Advance tax	714.87	183.34
<b>Total</b>	<u>714.87</u>	<u>183.34</u>
<b>Note 9</b>		
<b>OTHER NON-CURRENT ASSETS</b>		
(Unsecured, Considered good unless otherwise stated)		
Deposit against disputed stamp duty	39.81	39.81
Deposit against disputes-Others	21.97	21.97
<b>Total</b>	<u>61.78</u>	<u>61.78</u>
<b>Note 10</b>		
<b>INVENTORIES</b>		
(For mode of valuation- Refer Note 1 (I) )		
Raw materials	840.28	1,245.26
Finished goods/work in progress	556.03	505.81
Traded goods	97.06	63.78
Stores, spares and components	218.80	135.42
Packing materials	101.78	82.71
<b>Total</b>	<u>1,813.95</u>	<u>2,032.98</u>

**Notes:**

1. Inventories which are pledged/hypothecated (Refer Note 45).
2. Write down of Inventories to Net Realisable Value by ₹ 6.14 Lakhs (Previous year ₹ 9.31 Lakhs) based on management inventory policy for Non & slow-moving inventory. The same has been recognised as an expense during the year and included in the "Changes in inventories of finished goods, work-in-progress and traded goods" in the statement of Profit and Loss.

## Notes accompanying the Financial Statements

### Note 11

#### CURRENT INVESTMENTS

Sr. No.	Name of the Body Corporate	Quantity		Amount (₹ in Lakhs)	
		31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
(A)	<b>Investment in equity instruments (quoted)</b>				
	(No. of equity shares of face value of ₹ 10 each fully paid-up unless otherwise specified)				
	JSW Steel Ltd. (Face value of ₹ 1 each)	1,914	—	14.02	—
	Atul Ltd.	441	—	45.39	—
	Suven Life Sciences Ltd. (Face value of ₹ 1 each)	2,599	—	2.41	—
	Tvs Srichakra Ltd.	478	—	7.64	—
	Dishman Carbogen Amcis Ltd. (Face Value of ₹ 2 Each)	2,916	—	5.39	—
	Astrazeneca Pharma India Ltd. (Face Value of ₹ 2 Each)	632	—	16.12	—
	Supreme Petrochem Ltd. (Face Value of ₹ 4 Each)	1,744	—	16.14	—
	Grasim Industries Ltd. (Face Value of ₹ 2 Each)	787	—	13.10	—
	Bayer Cropscience Ltd.	291	—	14.46	—
	Heritage Foods Ltd. (Face Value of ₹ 5 Each)	3,525	—	11.29	—
	Thirumalai Chemicals Ltd. (Face Value of ₹ 1 Each)	2,797	—	7.44	—
	Ultramarine & Pigments Ltd. (Face Value of ₹ 2 Each)	960	—	3.12	—
	3M India Ltd.	24	—	4.73	—
	Pfizer Ltd.	141	—	6.13	—
	D-Link India Ltd. (Face Value of ₹ 2 Each)	3,356	—	4.69	—
	Marico Ltd. (Face Value of ₹ 1 Each)	675	—	3.40	—
	Procter & Gamble Hygiene & Health Care Ltd.	40	—	5.77	—
	Glaxosmithkline Pharmaceuticales Ltd.	132	—	2.20	—
	Oil and Natural Gas Corp Ltd.	1,728	—	2.83	—
	(A)			186.27	—
(B)	<b>Investments in Mutual Funds (trade)</b>				
	HDFC Equity Savings Fund - Regular Plan - Growth	123,415	123,415	59.58	52.73
	Hdfc Arbitrage Fund - WS - Regular Plan - Growth	2,043,801	—	507.95	—
	HDFC Overnight Fund - Direct Plan - Growth	378	—	11.85	—
	Kotak Equity Arbitrage Fund - Growth	3,372,149	—	1,018.72	—
	Kotak Liquid Regular Plan - Growth	19,595	—	838.47	—
	Kotak Savings Fund - Regular Plan - Growth	1,682,432	1,238,412	587.00	417.72
	Nippon India Arbitrage Fund - Growth	2,352,491	—	508.94	—
	(B)			3,532.51	470.45
	<b>Total [A + B]</b>			3,718.78	470.45

\* Current investments are stated at Market value

(₹ in Lakhs)

As at	As at
31st March, 2022	31st March, 2021

### Note 12

#### TRADE RECEIVABLES

(Unsecured, Considered good)

Trade Receivables considered good - Unsecured	6,360.15	8,376.30
<b>Total</b>	<b>6,360.15</b>	<b>8,376.30</b>

#### Note:

- Debts due by directors or other officers of the company or any of them either severally or jointly ₹ Nil Lakhs (Previous year ₹ Nil Lakhs)- (Refer Note 39 and 43).

## Notes accompanying the Financial Statements

### TRADE RECEIVABLES AGEING SCHEDULE:

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due/ Unbilled	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
<b>As at 31st March, 2022</b>							
i) Undisputed Trade receivables – considered good	5,845.90	492.76	12.00	3.45	4.80	1.24	6,360.15
ii) Undisputed Trade Receivables – which have significant increase in credit Risk	—	—	—	—	—	—	—
iii) Undisputed Trade Receivables – credit impaired	—	—	—	—	—	—	—
iv) Disputed Trade receivables – considered good	—	—	—	—	—	—	—
v) Disputed Trade Receivables – which have significant increase in credit Risk	—	—	—	—	—	—	—
vi) Disputed Trade Receivables – credit impaired	—	—	—	—	—	—	—
Subtotal :	5,845.90	492.76	12.00	3.45	4.80	1.24	6,360.15
Less: Provision for doubtful trade receivables	—	—	—	—	—	—	—
<b>Total :</b>	<b>5,845.90</b>	<b>492.76</b>	<b>12.00</b>	<b>3.45</b>	<b>4.80</b>	<b>1.24</b>	<b>6,360.15</b>
<b>As at 31st March, 2021</b>							
i) Undisputed Trade receivables – considered good	7,821.86	505.91	27.30	9.29	1.06	10.88	8,376.30
ii) Undisputed Trade Receivables – which have significant increase in credit Risk	—	—	—	—	—	—	—
iii) Undisputed Trade Receivables – credit impaired	—	—	—	—	—	—	—
iv) Disputed Trade receivables – considered good	—	—	—	—	—	—	—
v) Disputed Trade Receivables – which have significant increase in credit Risk	—	—	—	—	—	—	—
vi) Disputed Trade Receivables – credit impaired	—	—	—	—	—	—	—
Subtotal :	7,821.86	505.91	27.30	9.29	1.06	10.88	8,376.30
Less: Provision for doubtful trade receivables	—	—	—	—	—	—	—
<b>Total :</b>	<b>7,821.86</b>	<b>505.91</b>	<b>27.30</b>	<b>9.29</b>	<b>1.06</b>	<b>10.88</b>	<b>8,376.30</b>

(₹ in Lakhs)

As at  
31st March, 2022

As at  
31st March, 2021

### Note 13

#### CASH AND CASH EQUIVALENTS

Cash on hand	5.45	8.79
Balances with Banks in current accounts	289.97	620.24
<b>Total</b>	<b>295.42</b>	<b>629.03</b>

### Note 14

#### OTHER BANK BALANCES

Earmarked deposits	3.08	2.74
Unpaid dividend accounts	21.56	19.09
<b>Total</b>	<b>24.64</b>	<b>21.83</b>

## Notes accompanying the Financial Statements

	(₹ in Lakhs)	
	As at 31st March, 2022	As at 31st March, 2021
<b>Note 15</b>		
<b>OTHER CURRENT ASSETS</b>		
(Unsecured, Considered good unless otherwise stated)		
Prepaid Expenses	57.38	57.02
Advances recoverable in cash or in kind or for value to be received	83.66	71.37
Loan and advances to employees	17.27	18.44
Deposit against disputes-Others	0.48	0.74
<b>Total</b>	<b>158.79</b>	<b>147.57</b>

### Note 16

#### EQUITY SHARE CAPITAL

##### Authorised :

7,000,000 (previous year 7,000,000) Ordinary Shares of ₹ 10/- each	700.00	700.00
3,000,000 (previous year 3,000,000) Cumulative redeemable preference shares of ₹ 10/- each	300.00	300.00

##### Issued, Subscribed and Paid up :

5,680,235 (previous year 5,680,235) Ordinary Shares of ₹ 10/- each paid up	568.02	568.02
Less: Calls in arrears	0.42	0.42
<b>Total</b>	<b>567.60</b>	<b>567.60</b>

#### The Reconciliation of the number of shares outstanding

Particulars	2021-22		2020-21	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	5,680,235	568.02	5,680,235	568.02
Shares outstanding at the end of the year	5,680,235	568.02	5,680,235	568.02

##### (Terms/Rights and Restriction attached to shares):

The Company has one class of shares i.e. Ordinary shares having a par value of ₹ 10/- per share. Each holder of Equity shares is entitled to one vote per share and are subject to the preferential rights as prescribed under law.

Each Shareholder is eligible for one vote per share held. In the event of liquidation, Ordinary shareholders will be eligible to receive the assets of the company after distribution of all preferential amounts, in proportion to the number of equity shares held by the shareholders.

The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting except in the case of Interim Dividend.

##### Preference Shares:

The Company has the power to issue cumulative redeemable preference shares. In the event of liquidation, the Preference shareholders of the Company have the preference over equity shares when it comes to payment of dividend and return of capital.

## Notes accompanying the Financial Statements

### The details of shareholders holding more than 5 percent shares

Name of Shareholder	2021-22		2020-21	
	No. of Shares	% of Holding	No. of Shares held	% of Holding
Mr. Suresh Bhojwani (DIN: 00032966)	1,283,418	22.59%	1,283,418	22.59%
Smt. Hira T. Bhojwani (DIN: 00032997)	370,310	6.52%	370,310	6.52%
M/s. T. W. Bhojwani Leasing Pvt. Ltd	1,073,594	18.90%	1,053,225	18.54%
M/s. Patton International Limited	206,831	3.64%	318,292	5.60%

Unpaid Calls	2021-22	2020-21
By Directors	Nil	Nil
By Others	42,000	42,000

### The details of Shares held by promoters at the end of the year

Promoter name	2021-22			2020-21		
	No. of Equity Shares	Equity Shares %	% Change during the year	No. of Equity Shares	Equity Shares %	% Change during the year
Suresh T Bhojwani	1,283,418	22.59%	—	1,283,418	22.59%	—
T W Bhojwani Leasing Private Limited	1,073,594	18.90%	1.93%	1,053,225	18.54%	3.82%
Hira Thakurdas Bhojwani	370,310	6.52%	—	370,310	6.52%	—
Thakurdas Wadhmal Bhojwani Huf	240,430	4.23%	—	240,430	4.23%	—
Devika S Bhojwani	41,300	0.73%	—	41,300	0.73%	—
S T Bhojwani	20,000	0.35%	—	20,000	0.35%	—
Karan Suresh Bhojwani	17,500	0.31%	—	17,500	0.31%	—
Ruchika S Bhojwani	17,500	0.31%	—	17,500	0.31%	—
<b>Total</b>	<b>3,064,052</b>	<b>53.94%</b>	<b>—</b>	<b>3,043,683</b>	<b>53.58%</b>	<b>—</b>

(₹ in Lakhs)

As at 31st March, 2022      As at 31st March, 2021

### Note 17

#### OTHER EQUITY

(a) Capital Reserve	156.83	156.83
(b) Securities Premium Reserve	967.00	967.00
(c) Capital Redemption Reserve	229.53	229.53
(d) General Reserve	1,933.17	1,933.17
(e) Amalgamation Reserve	139.00	139.00
(f) Retained Earnings	3,977.65	923.70
(g) Revaluation Reserve	—	84.79
(h) Other Comprehensive Income	(45.69)	(29.93)
<b>Total</b>	<b>7,357.49</b>	<b>4,404.09</b>



## Notes accompanying the Financial Statements

### Nature & Purpose of the Reserve:

- (a) **Capital Reserve** : Capital reserve created at the time of acquisition. The reserve will be utilised in accordance with the provisions of the Act.
- (b) **Securities Premium Reserve** : Securities premium reserve is credited when shares are issued at premium. The reserve will be utilised in accordance with the provisions of the Act.
- (c) **Capital Redemption Reserve** : Capital redemption reserve is being created by transfer from Retained earnings at the time of buy back of equity shares in accordance with the Act. The reserve will be utilised in accordance with the provisions of the Act.
- (d) **General Reserve** : The General reserve is created by way of transfer of profits from retained earnings for appropriation purposes. This reserve is utilised in accordance with the provisions of the Act.
- (e) **Amalgamation Reserve** : The Amalgamation reserve is created for amalgamation of Brite Automotive and Plastics Limited with Bright Brothers Limited pursuant to the Scheme of amalgamation being sanctioned by the High Court. This reserve is utilised in accordance with the provisions of the Act.
- (f) **Retained Earnings** : Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.
- (g) **Revaluation Reserve** : Revaluation reserve represents the revalued of certain fixed assets as on 30.06.1993 as per the Valuation report dated 16.11.1993 submitted by Professional Valuers, appointed for the purpose by the Company. The reserve will be utilised in accordance with the provisions of the Act.

(₹ in Lakhs)

As at  
31st March, 2022      As at  
31st March, 2021

### Note 18

#### NON CURRENT BORROWINGS

##### SECURED

##### Term loans from banks

Car Loan	75.57	112.33
Banks	506.42	961.12
(Refer Note 45 and 50)		
<b>Total</b>	<b>581.99</b>	<b>1,073.45</b>

### Note 19

#### DEPOSITS

##### UNSECURED

##### Fixed Deposits

Related parties	150.00	138.00
<b>Total</b>	<b>150.00</b>	<b>138.00</b>

### Note 20

#### DEFERRED TAX

##### (A) Deferred Tax Liabilities

- (i) Property, Plant and Equipment: Impact of difference between tax depreciation and depreciation/amortization charged for the financial reporting

	213.11	216.70
<b>Gross deferred tax liability (A)</b>	<b>213.11</b>	<b>216.70</b>

##### (B) Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purpose on payment basis

- (i) Other item giving rise to timing difference/Unabsorbed business loss

	—	—
<b>Gross deferred tax assets (B)</b>	<b>—</b>	<b>—</b>
<b>Net deferred tax liabilities (A-B)</b>	<b>213.11</b>	<b>216.70</b>

## Notes accompanying the Financial Statements

	(₹ in Lakhs)	
	As at 31st March, 2022	As at 31st March, 2021
<b>Note 21</b>		
<b>CURRENT BORROWINGS</b>		
<b>UNSECURED</b>		
Loans repayable on demand	—	470.00
	—	470.00
<b>Fixed Deposits</b>		
Related parties	153.00	180.00
<b>Total</b>	<b>153.00</b>	<b>650.00</b>

<b>Note 22</b>		
<b>TRADE PAYABLES</b>		
<b>Due to:</b>		
Micro, small and medium enterprises	199.48	217.46
Creditors other than micro, small and medium enterprises	2,439.49	3,621.54
<b>Total</b>	<b>2,638.97</b>	<b>3,839.00</b>

Notes:

1. Refer Note 43 for related party balances.
2. The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosure pursuant to the said MSMED Act, to the extent information available to the Company are as follows:

	As at 31st March, 2022	As at 31st March, 2021
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	199.48	217.46
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	—	—
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	—	—
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	—	—
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	—	—
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	—	—
Further interest remaining due and payable for earlier years	—	—

### TRADE PAYABLES AGEING SCHEDULE:

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due/ Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>As at 31st March, 2022</b>						
i) Micro, small and medium enterprises	143.31	56.17	—	—	—	199.48
ii) Creditors other than micro, small and medium enterprises	1,494.95	904.21	34.25	2.22	3.86	2,439.49
iii) Disputed dues – Micro, small and medium enterprises	—	—	—	—	—	—
iv) Disputed dues other than micro, small and medium enterprises	—	—	—	—	—	—
<b>Total</b>	<b>1,638.26</b>	<b>960.38</b>	<b>34.25</b>	<b>2.22</b>	<b>3.86</b>	<b>2,638.97</b>

## Notes accompanying the Financial Statements

Particulars		Outstanding for following periods from due date of payment					Total
		Not Due/ Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31st March, 2021							
i)	Micro, small and medium enterprises	156.23	61.23	—	—	—	217.46
ii)	Creditors other than micro, small and medium enterprises	2,219.32	1,370.77	24.65	4.49	2.32	3,621.54
iii)	Disputed dues – Micro, small and medium enterprises	—	—	—	—	—	—
iv)	Disputed dues other than micro, small and medium enterprises	—	—	—	—	—	—
Total		2,375.54	1,432.00	24.65	4.49	2.32	3,839.00

(₹ in Lakhs)

As at 31st March, 2022      As at 31st March, 2021

### Note 23

#### OTHER FINANCIAL LIABILITIES

Unpaid dividends	21.56	19.09
Current maturities of long term borrowings - (Refer Note 45 and 50)	494.57	281.07
Sales Invoice Finance - (Refer Note 45 and 50)	3,664.26	5,099.97
Other liabilities	568.30	464.25
<b>Total</b>	<b>4,748.69</b>	<b>5,864.38</b>

### Note 24

#### PROVISIONS

Provision for employees benefits	19.43	63.95
<b>Total</b>	<b>19.43</b>	<b>63.95</b>

(₹ in Lakhs)

Year Ended 31st March, 2022      Year Ended 31st March, 2021

### Note 25

#### REVENUE FROM OPERATIONS

##### Sale of Goods

Sale of Plastic Components	21,148.18	18,883.66
Hair Care and Beauty Products	375.74	228.56
Sale of Moulds	446.40	268.89
	<b>21,970.32</b>	<b>19,381.11</b>

##### Sale of services

Job Work	1,055.03	846.04
<b>Total</b>	<b>23,025.35</b>	<b>20,227.15</b>

### Note 26

#### OTHER INCOME

Interest	2.56	1.69
Dividend	0.76	0.52
Net gain on sale of investments and fair valuation	98.09	68.87
Profit/(loss) sale of assets	0.21	2.46
Other non-operating income	30.43	5.40
<b>Total</b>	<b>132.05</b>	<b>78.94</b>

## Notes accompanying the Financial Statements

	(₹ in Lakhs)	
	Year Ended 31st March, 2022	Year Ended 31st March, 2021
<b>Note 27</b>		
<b>COST OF MATERIALS CONSUMED</b>		
<b>Cost of raw material consumed</b>		
Opening stock of raw materials	1,245.26	654.73
Add : Purchases	13,345.58	12,068.13
Less : Closing Stock of raw materials	840.28	1,245.26
(A)	<u>13,750.56</u>	<u>11,477.60</u>
<b>Cost of components, packing, paints and plating charges consumed</b>		
Consumption of components	1,591.75	1,840.25
Consumption of packing	616.26	475.25
Consumption of paints and plating charges	75.05	30.60
(B)	<u>2,283.06</u>	<u>2,346.10</u>
<b>Total [A+B]</b>	<u>16,033.62</u>	<u>13,823.70</u>
<b>Note 28</b>		
<b>PURCHASES OF TRADED GOODS</b>		
Hair Care and Beauty products	222.87	125.96
<b>Total</b>	<u>222.87</u>	<u>125.96</u>
<b>Note 29</b>		
<b>CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND TRADED GOODS</b>		
<b>Inventories at the beginning of the year</b>		
Finished goods/work-in-process/traded goods	569.59	382.04
<b>Inventories at the end of the year</b>		
Finished goods/work-in-process/traded goods	653.09	569.59
<b>Total</b>	<u>(83.50)</u>	<u>(187.55)</u>
<b>Note 30</b>		
<b>OTHER OPERATING EXPENSES</b>		
Consumption of stores and spare parts	386.96	178.01
Power and fuel	869.35	824.42
Contract labour and sub-contract charges	969.14	937.53
Repairs to machinery	153.84	131.89
Repairs to mould	31.97	35.67
<b>Total</b>	<u>2,411.26</u>	<u>2,107.52</u>
<b>Note 31</b>		
<b>EMPLOYEE BENEFITS EXPENSES</b>		
Salaries, Wages, bonus and superannuation fund (includes Directors Remuneration)	1,850.47	1,498.69
Contribution to Provident fund, Gratuity and pension scheme	64.14	90.51
Staff welfare expenses	93.73	77.34
<b>Total</b>	<u>2,008.34</u>	<u>1,666.54</u>

## Notes accompanying the Financial Statements

	(₹ in Lakhs)	
	Year Ended 31st March, 2022	Year Ended 31st March, 2021
<b>Note 32</b>		
<b>FINANCE COSTS</b>		
Interest and discounting charges	375.71	381.79
Interest on term loan	95.66	50.98
<b>Total</b>	<b>471.37</b>	<b>432.77</b>

<b>Note 33</b>		
<b>OTHER EXPENSES</b>		
Security charges and other contract charges	105.53	101.13
Rent rates and taxes	222.80	197.19
Printing and stationery	21.05	17.97
Communication expenses	13.28	14.15
Insurance	35.88	31.13
Repairs and maintenance - building	19.99	6.27
Repairs and maintenance - others	60.53	68.74
Legal and professional fees	111.53	62.41
Inter corporate loans written off	660.00	—
Less: Provisions made earlier years reverse	(660.00)	—
Directors sitting fees and commission	9.91	11.91
Audit fees	6.00	6.00
Travelling and conveyance	110.31	77.39
Expenditure towards corporate social responsibility (CSR) (refer to note 54)	10.20	10.06
Sales promotion and commission	22.06	9.57
Freight and forwarding charges	272.97	211.21
Advertisement and sales promotions	28.91	18.96
Miscellaneous expenses	75.15	75.65
<b>Total</b>	<b>1,126.10</b>	<b>919.74</b>

### 34. Contingent Liabilities not provided for:

		(₹ in Lakhs)	
Sr. No.	Particulars	2021-22	2020-21
1	Sales Tax, VAT and CST (including Interest and Penalty wherever applicable.)	468.85	48.71
2	Service Tax	66.66	66.66
3	Stamp Duty	36.75	36.75
4	Excise Duty	89.78	89.78
5	Employees Provident Fund	8.66	8.66

#### Notes:

- It is not possible to estimate the timings of outflow of the contingent liabilities.
- The Company do not expect any reimbursement in respect of the contingent liabilities
- Most of the issues of litigation pertaining to Central Excise/Service Tax/Income Tax are based on interpretation of the respective Law & Rules thereunder. Management has been opined by its counsel that many of the issues raised by revenue will not be sustainable in law as they are covered by judgments of respective judicial authorities which supports its contention. As such no material impact on the financials of the Company is envisaged.
- Sales Tax related litigation/demand primarily pertains to non-submission of required declaration forms in time due to non- receipt of the same from customers and/or some interpretation related issues. However in most of the cases, required documents are being filed and minor impact if any, shall be given in the year of final outcome of respective matter in appeal.
- Other issues are either in ordinary course of business or not of substantial nature and management is reasonably confident of their positive outcome. Management shall deal with them judiciously and provide for appropriately, if any such need arises.

## Notes accompanying the Financial Statements

### 35. Commitments:

Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advances) is ₹ 10.00 lakhs (Previous year ₹ 23.77 lakhs).

### 36. Payments to Auditors:

(₹ in Lakhs)

Particulars	2021-22	2020-21
Audit fees	6.00	6.00
Others	0.12	0.09
<b>Total Payment To Auditors</b>	<b>6.12</b>	<b>6.09</b>

### 37. Financial Instruments:

The details of significant accounting policies, including criteria for recognition, the basis of measurement and the basis on which income and expenditure are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in the respective Notes to Financial Statements.

#### Financial assets and liabilities

The accounting classification of each category of financial instruments, and their carrying amounts are set out as below:

#### (a) Financial assets

Instruments carried at fair value

(₹ in Lakhs)

Particulars	FVOCI (Equity instruments)	FVOCI (Other instruments)	Fair value through profit and loss	Instruments carried at amortized cost	Total carrying value	Total fair value
<b>As at 31 March, 2021</b>						
Investments	—	—	505.26	—	505.26	505.26
Trade receivables	—	—	—	8,376.30	8,376.30	8,376.30
Cash and cash equivalents	—	—	—	629.03	629.03	629.03
Other bank balances	—	—	—	21.83	21.83	21.83
Deposits	—	—	—	135.76	135.76	135.76
Other financial assets	—	—	—	183.34	183.34	183.34
<b>Total</b>	<b>—</b>	<b>—</b>	<b>505.26</b>	<b>9,346.26</b>	<b>9,851.52</b>	<b>9,851.52</b>
<b>As at 31 March, 2022</b>						
Investments	—	—	3,753.59	—	3,753.59	3,753.59
Trade receivables	—	—	—	6,360.15	6,360.15	6,360.15
Cash and cash equivalents	—	—	—	295.42	295.42	295.42
Other bank balances	—	—	—	24.64	24.64	24.64
Deposits	—	—	—	148.00	148.00	148.00
Other financial assets	—	—	—	714.87	714.87	714.87
<b>Total</b>	<b>—</b>	<b>—</b>	<b>3,753.59</b>	<b>7,543.08</b>	<b>11,296.67</b>	<b>11,296.67</b>

#### (b) Financial liabilities

(₹ in Lakhs)

Particulars	Fair value through profit and loss	at amortized cost	Total carrying value	Total fair value
<b>As at 31 March, 2021</b>				
Borrowings	—	1,723.45	1,723.45	1,723.45
Trade payables	—	3,839.00	3,839.00	3,839.00
Deposits	—	138.00	138.00	138.00
Other financial liabilities	—	5,864.38	5,864.38	5,864.38
<b>Total</b>	<b>—</b>	<b>11,564.83</b>	<b>11,564.83</b>	<b>11,564.83</b>
<b>As at 31 March, 2022</b>				
Borrowings	—	734.99	734.99	734.99
Trade payables	—	2,638.97	2,638.97	2,638.97
Deposits	—	150.00	150.00	150.00
Other financial liabilities	—	4,748.69	4,748.69	4,748.69
<b>Total</b>	<b>—</b>	<b>8,272.65</b>	<b>8,272.65</b>	<b>8,272.65</b>

## Notes accompanying the Financial Statements

### (c) Fair value hierarchy

The Company uses the following hierarchy for determining and/or disclosing the fair value of financial instruments by valuation techniques:

The categories used are as follows:

- **Level 1:** Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- **Level 2:** Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- **Level 3:** Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The below table summarises the categories of financial assets and liabilities as at March 31, 2022, and March 31, 2021 measured at fair value

(₹ in Lakhs)

Particulars	Level 1	Level 2	Level 3	Total
<b>As at 31 March, 2021</b>				
<b>Equities</b>				
Equity Instruments	—	—	34.81	34.81
<b>Debt</b>				
Real Estate Fund	—	—	—	—
Structured Products	—	—	—	—
Liquid Mutual Funds	470.45	—	—	470.45
FMP Mutual fund	—	—	—	—
Preference Shares	—	—	—	—
Government Bonds	—	—	—	—
Bonds	—	—	—	—
Non-Convertible Debentures	—	—	—	—
<b>Total</b>	<b>470.45</b>	<b>—</b>	<b>34.81</b>	<b>505.26</b>
<b>As at 31 March, 2022</b>				
<b>Equities</b>				
Equity Instruments	186.27	—	34.81	221.08
<b>Debt</b>				
Real Estate Fund	—	—	—	—
Structured Products	—	—	—	—
Liquid Mutual Funds	3,532.51	—	—	3,532.51
FMP Mutual fund	—	—	—	—
Preference Shares	—	—	—	—
Government Bonds	—	—	—	—
Bonds	—	—	—	—
Non-Convertible Debentures	—	—	—	—
<b>Total</b>	<b>3,718.78</b>	<b>—</b>	<b>34.81</b>	<b>3,753.59</b>



## Notes accompanying the Financial Statements

Fair value of financial assets and liabilities measured at amortised cost:-

(₹ in Lakhs)

Particulars	As at 31 March, 2022		As at 31 March, 2021	
	Carrying value	Fair value	Carrying value	Fair value
<b>Financial assets</b>				
Trade receivables	6,360.15	6,360.15	8,376.30	8,376.30
Cash and cash equivalents	295.42	295.42	629.03	629.03
Other bank balances	24.64	24.64	21.83	21.83
Deposits	148.00	148.00	135.76	135.76
Other financial assets	714.87	714.87	183.34	183.34
<b>Total</b>	<b>7,543.08</b>	<b>7,543.08</b>	<b>9,346.26</b>	<b>9,346.26</b>
<b>Financial liabilities</b>				
Borrowings	734.99	734.99	1,723.45	1,723.45
Trade payables	2,638.97	2,638.97	3,839.00	3,839.00
Deposits	150.00	150.00	138.00	138.00
Other financial liabilities	4,748.69	4,748.69	5,864.38	5,864.38
<b>Total</b>	<b>8,272.65</b>	<b>8,272.65</b>	<b>11,564.83</b>	<b>11,564.83</b>

The Management assessed that fair value of cash and cash equivalents, trade receivables, investments in term deposits, loans, other financial assets (except derivative financial instruments, if any), trade payables, and other financial liabilities (except derivative financial instruments, if any) is considered to be equal to the carrying amount of these items due to their short-term nature. There were no significant changes in classification and no significant movements between the fair value hierarchy classifications of financial assets and financial liabilities during the period.

### 38. Accounting Ratios:

No.	Name of the Ratio	Numerator	Denominator	FY 2021-22	FY 2020-21	% Variance
1	Current Ratio (in times)	Current assets	Current liabilities	1.44	1.08	33.00%
2	Debt Equity Ratio (in times)	Total debt	Equity	0.64	1.46	56.00%
3	Debt Service Coverage Ratio (in times)	Earnings available for debt service	Total debt service	8.40	3.58	135.00%
4	Return on equity (in %)	Net Profits after taxes	Average shareholder equity	49.56%	12.19%	307.00%
5	Inventory Turnover Ratio (in times)	Sales	Average inventory	11.97	12.42	(4.00%)
6	Trade receivables Turnover Ratio (in times)	Net Sales	Average accounts receivables	3.12	3.12	0.00%
7	Trade payables Turnover Ratio (in times)	Net purchases	Average trade payables	5.05	5.21	(3.00%)
8	Net Capital Turnover Ratio (in times)	Net Sales	Working Capital	6.13	23.00	(73.00%)
9	Net profit ratio (in %)	Net profit	Total revenue	11.99%	2.81%	326.62%
10	Return on capital employed (in %)	Earning before interest and taxes"	Average Capital Employed	57.73%	22.42%	157.45%
11	Return on investment (in %)	Profit after tax	Total Equity	40.33%	11.47%	251.44%

Increase in Ratios more than 25%: Ratios are improved mainly due to sale of land.

### 39. Risk Management:

#### Financial risk management objective and policies:

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Managing Board. The risk management policies aim to mitigate the following risks arising from the financial instruments: (a) Liquidity risk; (b) Market risk and (c) Credit risk.

## Notes accompanying the Financial Statements

### (A) Financial risk factors

The Company's principal financial liabilities comprise borrowings, deposits from dealers and trade and other payables. The purpose of these financial liabilities is to finance the Company's operations and to provide to support its operations. The Company's principal financial assets include investments, loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Company is exposed to the following risk arising from the financial instruments: (a) Liquidity risk; (b) Market risk and (c) Credit risk.

Risk	Exposure arising from	Measurement	Management
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities; working capital management
Market Risk - Price risk	Investments in Equities, Bonds, debentures, Mutual Funds	Sensitivity analysis; market fluctuations; credit rating	Continuous monitoring, Diversification
Credit risk	Cash and cash equivalents, trade receivables, investments, loans and other financial assets measured at fair / amortised cost.	Ageing analysis/ Credit ratings / Assets Coverage	Diversification in various class of assets, credit limits

#### (a) Liquidity risk

The risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk management implies maintaining sufficient cash including availability of funding through an adequate amount of committed credit facilities to meet the obligations as and when due.

The Company manages its liquidity risk by ensuring as far as possible that it will have sufficient liquidity to meet its short term and long term liabilities as and when due. Anticipated future cash flows, undrawn committed credit facilities are expected to be sufficient to meet the liquidity requirements of the Company.

#### (i) Financing arrangements

The Company has access to the following undrawn borrowing facilities as at the end of the reporting period:

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Secured working capital credit facility from Banks	1835.74	0.03

#### (ii) The following is the contractual maturities of the financial liabilities:

(₹ in Lakhs)

Particulars	Total Liability (undiscounted)	Less than 1 year	1-3 years	more than 3 years	Carrying amount as per Books
<b>As at 31 March, 2021</b>					
<b>Non-derivative liabilities</b>					
Borrowings	1,723.45	650.00	836.96	236.49	1,723.45
Trade payables	3,839.00	3,807.54	29.14	2.32	3,839.00
Deposits	138.00	—	138.00	—	138.00
Other financial liabilities	5,864.38	5,864.38	—	—	5,864.38
<b>As at 31 March, 2022</b>					
<b>Non-derivative liabilities</b>					
Borrowings	734.99	153.00	572.80	9.19	734.99
Trade payables	2,638.97	2,598.64	36.47	3.86	2,638.97
Deposits	150.00	—	150.00	—	150.00
Other financial liabilities	4,748.68	4,748.68	—	—	4,748.68

## Notes accompanying the Financial Statements

### (b) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include investment, deposits and payables. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. The Company's treasury team manages the Market risk, which evaluates and exercises independent control over the entire process of market risk management.

#### (i) Foreign currency risk

Foreign currency risk can only arise on financial instruments that are denominated in a currency other than the functional currency in which they are measured. The Company's functional and presentation currency is INR. The Company has not entered into any transaction, in currency other than functional currency, for purchase of raw material or capital assets nor availed any foreign currency loans, which remains outstanding as at year end. Similarly, the Company does not have any assets / liabilities receivable / payable in foreign currency as at year end date. The Company is not exposed to any foreign currency.

#### (ii) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. The Company's entire borrowings, Long term as well as short term, have fixed rate of interest and carried at amortized costs. The Company did not have any borrowings bearing variable rate of interest.

#### Exposure to Interest rate risk - Financial liabilities

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Total borrowings	5,043.82	7,242.49
% of borrowings out of above bearing variable rate of interest		
1. Short term in nature	82.45%	74.30%
2. Long term in nature	11.54%	14.82%

Hence, the Company is not exposed to any interest rate risk.

#### (iii) Price risk

The Company's exposure to price risk arises from investments held by the Company and classified in the balance sheet at fair value through profit and loss. To manage its price risk arising from its investments, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company in accordance with the guidelines provided by the Board of directors of the Company.

#### Exposure

(₹ in Lakhs)

Particulars	As at 31 March, 2022		As at 31 March, 2021	
	Amount	%	Amount	%
<b>Equities</b>				
Quoted Equity Instruments	186.27	4.96%	—	
Other Equity Instruments	34.81	0.93%	34.81	6.89%
<b>Mutual Funds</b>				
Savings, Liquid & Other Fund Instruments	3,532.51	94.11%	470.45	93.11%
<b>Total</b>	<b>3,753.59</b>	<b>100.00%</b>	<b>505.26</b>	<b>100.00%</b>

#### Investments in Equity Instruments and Mutual funds (including investment through Venture funds)

The Company's quoted equity instruments and in mutual funds are subject to the market price risk arising from the fluctuation in the market price of those instruments. This risk arises from instruments which are classified as Fair value through P&L wherein the price fluctuations, based on the historical trends, are not very significant.

#### Sensitivity

The table below summarises the impact of Increase/decrease of the BSE index on the Company's investments in quoted equity instruments and Gain/Loss for the period. The analysis is based on the assumption that the index has increased by 5% or decrease by 5 % with all other variables held constant and that all the Company's investments in equity instruments and mutual funds moved in line with the index.

(₹ in Lakhs)

Impact on profit before tax	For the year ended 31 March, 2022	For the year ended 31 March, 2021
BSE Sensex - Increase 5% - Gain/(loss)	185.94	23.52
BSE Sensex - Decrease 5% - Gain/(loss)	(185.94)	(23.52)

## Notes accompanying the Financial Statements

### (c) Credit risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assess financial reliability of counter party, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. The Company considers the probability of default upon initial recognition of assets and whether there has been a significant increase in credit risks on an on-going basis throughout each reporting period.

To assess whether there is a significant change increase in credit risk the Company compares the risks of default occurring on the assets as at the reporting date with the risk of default as at the date of initial recognition. It considers the reasonable and supportive forward looking information such as;

- (i) Actual or expected significant adverse changes in business
- (ii) Actual or expected significant changes in the operating results of the counterparty.
- (iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations
- (iv) Significant increase in credit risk on other financial instruments of same counterparty

The company categorises financial assets based on the assumptions, inputs and factors specific to the class of financial assets into High-quality assets, negligible credit risk; Quality assets, low credit risk; Standard assets, moderate credit risk; Substandard assets, relatively high credit risk; Low quality assets, very high credit risk; Doubtful assets, credit-impaired.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. The Company categorises a loan or receivable for write off when a debtor fails to make contractual payments greater than one year past due. Where loans or receivables have been written off, the Company continues engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in profit or loss.

#### Provision for expected credit losses:

		Basis for recognition of expected credit loss provision		
Description of category	Category	Investments	Loans and deposits	Trade Receivables
Assets where the counter-party has strong capacity to meet the obligations and where the risk of default is negligible or nil	High-quality assets, negligible credit risk	12 month expected credit losses	12 month expected credit losses	Life time expected credit losses (simplified approach)
Assets where there is low risk of default and where the counter-party has sufficient capacity to meet the obligations and where there has been low frequency of defaults in the past	Quality assets, low credit risk			
Assets where the probability of default is considered moderate, counter-party where the capacity to meet the obligations is not strong	Standard assets, moderate credit risk			
Assets where there has been a significant increase in credit risk since initial recognition. Assets where the payments are more than 180 days past due	Substandard assets, relatively high credit risk	Life-time expected credit losses	Life-time expected credit losses	Life time expected credit losses (simplified approach)
Assets where there is a high probability of default. In general, assets where contractual payments are more than 180 days past due are categorised as low quality assets. Also includes assets where the credit risk of counter-party has increased significantly though payments may not be more than 180 days past due	Low quality assets, very high credit risk			
Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the company. The company categorises a loan or receivable for write off when a debtor fails to make Contractual payments greater than 365 days past due. Where loans or receivables have been written off, the company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.	Doubtful assets, credit-impaired	Asset is written off		

## Notes accompanying the Financial Statements

### Expected credit loss for loans, security deposits and investments:

As at 31 March, 2022

Particulars		Asset group	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit losses	Financial assets for which credit risk has not increased significantly since initial recognition	Loans	—	—	—	—
		Security and other deposits	—	—	—	—
Loss allowance measured at life-time expected credit losses	Financial assets for which credit risk has increased significantly and not credit-impaired or credit impaired	NA	—	—	—	—

As at 31 March, 2021

Particulars		Asset group	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit losses	Financial assets for which credit risk has not increased significantly since initial recognition	Loans	660.00	—	660.00	—
		Security and other deposits	—	—	—	—
Loss allowance measured at life-time expected credit losses	Financial assets for which credit risk has increased significantly and not credit-impaired or credit impaired	NA	—	—	—	—

### Expected credit loss for trade receivables under simplified approach

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Not Due	5,845.90	7,821.86
Due for not more than 3 months	471.51	405.75
Due for more than 3 months or but less than 6 months	21.25	100.16
Due for more than 6 months	21.49	48.53
<b>Total</b>	<b>6,360.15</b>	<b>8,376.30</b>

#### (B) Commodity Risk

The Company is exposed to the risk of price fluctuation of raw materials proactively managed through inventory management and proactive vendor development practices.

#### (C) Capital risk management

##### (a) The Company's objectives when managing capital are to:

Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital.

## Notes accompanying the Financial Statements

The Company sets the amount of capital required on the basis of annual business and long-term operating plans which includes capital and other strategic investments. The Company's intention is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business.

The Company monitors capital using a gearing ratio being a ratio of net debt as a percentage of total capital.

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Total equity	7,925.09	4,971.69
Net Debt	1,084.14	1,043.49
<b>Total Capital (Borrowings and Equity)</b>	<b>9,009.23</b>	<b>6,015.18</b>
<b>Gearing Ratio</b>	<b>12.03%</b>	<b>17.35%</b>

(i) Net debt represents total borrowings (non-current & current) as reduced by cash and cash equivalents.

(ii) Equity comprises of all components including other comprehensive income.

**(b) Dividend:**

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
<b>Equity Shares:</b>		
Final dividend for the year ended March 31, 2021 of ₹ 2.50 per shares (March 31, 2020 of ₹ NIL per shares) fully paid share	142.01	—

The Board of Directors have recommended a payment of final dividend of ₹ 5.00 per equity share of the face value of ₹ 10 each for the financial year ended 31st March, 2022. Final dividend is subject to approval of Shareholders.

### 40. Disclosure Pursuant to Ind AS – 19 “Employee Benefits”:

**(a) Defined contribution plan**

The Company has certain defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12 % of basic salary and other allowances as per regulations. The obligation of the Company is limited to the amount contributed and it has no further contractual or any constructive obligation. The expenses recognised during the year towards defined contribution plan is ₹ 82.02 lakhs (March 31, 2021 ₹ 60.45 lakhs).

**(b) Defined benefit plan**

**(i) Gratuity:**

In accordance with applicable laws, the company provides for gratuity, a defined benefit retirement plan (“The Gratuity Plan”) covering eligible employees. The Gratuity Plan provides for a lump sum payment to vested employee on retirement (subject to completion of five years of continuous employment), death, incapacitation or termination of employment that are based on last drawn salary and tenure of employment. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation on the reporting date and the Company makes annual contribution to the gratuity fund administered by Life Insurance Corporation of India under their respective Group Gratuity Schemes.

(₹ in Lakhs)

Particulars	Present Value of Obligation	Fair Value of plan assets
<b>As at 31st March, 2020</b>	<b>266.70</b>	<b>267.13</b>
Current service cost	25.88	—
Interest expense/(income)	17.41	20.38
<b>Total amount recognised in profit or loss</b>	<b>43.30</b>	<b>20.38</b>
<b>Remeasurements</b>		
Return on plan assets, excluding amounts included in interest expense/(income)	—	(0.22)
Net actuarial (gain)/loss	(10.35)	—
Adjustment to Opening Fair Value of Plan Asset		24.12
Change in experience	—	—
Change in demographic assumptions	—	—
Change in financial assumptions	0.23	—
<b>Total amount recognised in other comprehensive income</b>	<b>(10.12)</b>	<b>23.90</b>

## Notes accompanying the Financial Statements

(₹ in Lakhs)

Particulars	Present Value of Obligation	Fair Value of plan assets
Employer Contribution	—	38.29
Benefits payment	(21.24)	(21.24)
<b>As at 31 March, 2021</b>	<b>278.64</b>	<b>328.47</b>
<b>The net liability As at 31 March, 2021</b>	<b>49.83</b>	
<b>As at 31 March, 2021</b>	<b>278.64</b>	<b>328.47</b>
Current service cost	25.24	-
Interest expense/(income)	18.62	23.12
<b>Total amount recognised in profit or loss</b>	<b>43.86</b>	<b>23.12</b>
<b>Remeasurements</b>		
Return on plan assets, excluding amounts included in interest expense/(income)	—	0.11
Net actuarial (gain)/loss	—	—
Change in experience	38.36	—
Change in demographic assumptions	—	—
Change in financial assumptions	(8.12)	—
<b>Total amount recognised in other comprehensive income</b>	<b>30.24</b>	<b>0.11</b>
Employer Contribution	-	33.06
Benefits payment	(8.89)	(8.89)
<b>As at 31 March, 2022</b>	<b>343.84</b>	<b>375.87</b>
<b>The net liability As at 31 March, 2022</b>	<b>32.03</b>	

The net liability disclosed above relates to funded/unfunded plans are as follows:

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Present value of funded obligations	(343.84)	(278.64)
Fair value of plan assets	375.87	328.47
<b>(Deficit)/Surplus of funded plan</b>	<b>32.03</b>	<b>49.83</b>
<b>Significant estimates: actuarial assumptions and sensitivity</b>		
<b>Financial assumption:</b>		
Discount rate	7.10%	6.79%
Salary escalation rate	4.00%	4.00%
<b>Demographic assumption:</b>		
Mortality rate	IALM (2012-14) Ult.	IALM (2006-08) Ult.
Employee Attrition rate		
0 to 40 Years	3.00%	3.00%
41 to 50 Years	2.00%	2.00%
51 to 58 Years	1.00%	1.00%
Retirement age	58 Years	58 Years
<b>Sensitivity analysis</b>		
The sensitivity of the overall plan liabilities to changes in the weighted key assumptions are:		
<b>Discount rate</b>		
(a) Discount rate - 100 basis points	371.22	302.71
(b) Discount rate + 100 basis points	319.66	257.50
<b>Salary escalation rate</b>		
(a) Rate - 100 basis points	319.96	257.96
(b) Rate + 100 basis points	370.47	301.82



## Notes accompanying the Financial Statements

The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
The major categories of plan asset are as follows:		
Equities	0.00%	0.00%
Bonds	0.00%	0.00%
Gilts	0.00%	0.00%
Pooled assets with an insurance company	100.00%	100.00%
Other	0.00%	0.00%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>

The defined benefit obligations shall mature after year end March 31, 2022 as follows:

Year 1	21.64	12.33
Year 2	21.52	22.30
Year 3	30.38	12.32
Year 4	29.96	25.25
Year 5	35.29	23.95
Year 6-10	164.42	134.10

The weighted average duration of the defined benefit obligation is 8.31 years (Previous Year: 8.94 years).

### (ii) Compensated Absences:

The Company permits encashment of compensated absence accumulated by their employees on retirement, separation and during the course of service. The liability in respect of the Company, for outstanding balance of leave at the balance sheet date is determined and provided on the basis of actuarial valuation as at the balance sheet date performed by an independent actuary. The Company doesn't maintain any plan assets to fund its obligation towards compensated absences.

### Risk exposure:

Through its defined benefit plans, Company is exposed to a number of risks, the most significant of which are detailed below:

Investment risk/ Interest risk:	The Company is exposed to Investment/Interest risk if the return on the invested fund falls below the discount rate used to arrive at present value of the benefit.
Longevity risk:	The Company is not exposed to risk of the employees living longer as the benefit under the scheme ceases on the employee separating from the employer for any reason.
Salary risk:	The Company is exposed to higher liability if the future salaries rise more than assumption of salary escalation.

## 41. Income Taxes:

### (A) Components of Income Tax Expense.

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
<b>(a) Tax expense recognised in the Statement of Profit and Loss</b>		
<b>(i) Current tax</b>		
Current year	652.66	118.00
Tax provision of earlier years	7.93	5.24
<b>Total current tax</b>	<b>660.59</b>	<b>123.24</b>
<b>(ii) Deferred tax</b>		
Relating to origination and reversal of temporary difference	(3.59)	146.53
<b>Total deferred income tax expense/(credit)</b>	<b>(3.59)</b>	<b>146.53</b>
<b>Total (i) + (ii)</b>	<b>657.00</b>	<b>269.77</b>
<b>(b) Tax on Other Comprehensive Income</b>		
<b>(i) Tax relating to items that will not be reclassified to profit or loss</b>		
Tax on realized gain of equity instruments	—	—
Tax on re-measurements of net defined benefit plans	—	—
Tax on equity instrument through other comprehensive income	—	—
<b>(ii) Income tax on items that will be reclassified to profit or loss</b>		
Tax on debt instrument through other comprehensive income	—	—
<b>Total (i) + (ii)</b>	<b>—</b>	<b>—</b>

## Notes accompanying the Financial Statements

### (B) Reconciliation of tax expenses and the accounting profit for the year.

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
A reconciliation between the statutory income tax rate applicable to the Company and the effective income tax rate of the Company is as follows :		
<b>Profit before tax</b>	<b>3,852.96</b>	<b>840.27</b>
<b>Enacted income tax rate in India</b>	<b>29.12%</b>	<b>27.82%</b>
Expected income tax expense during the year at statutory rate	<b>1,121.98</b>	233.76
Differences due to:		
Expenses not deductible for tax purposes	<b>14.76</b>	9.08
Exempt Income	—	(0.14)
Tax of earlier years reversed	—	—
Impact of Minimum alternate tax	<b>652.66</b>	118.00
Adjustment of C/F Losses/Difference in Tax Rate etc.	<b>(446.31)</b>	(141.88)
<b>Effective tax expenses</b>	<b>652.66</b>	<b>118.00</b>

### (C) The movement in deferred tax assets and liabilities.

(₹ in Lakhs)

Movement during the year ended March 31, 2021	Year Ended 31st March, 2020	Credit/ (charge) in statement of Profit and Loss	Credit/ (charge) in Other Comprehensive Income	Year Ended 31st March, 2021
<b>Deferred tax assets/(liabilities)</b>				
On expenses allowable for tax purposes when paid	153.38	(153.38)	—	—
On depreciation	(223.55)	6.85	—	(216.70)
On fair valuation of financial assets	—	—	—	—
<b>Total</b>	<b>(70.17)</b>	<b>(146.53)</b>	<b>—</b>	<b>(216.70)</b>

Movement during the year ended March 31, 2022	Year Ended 31st March, 2021	Credit/ (charge) in statement of Profit and Loss	Credit/ (charge) in Other Comprehensive Income	Year Ended 31st March, 2022
<b>Deferred tax assets/(liabilities)</b>				
On expenses allowable for tax purposes when paid	—	—	—	—
On depreciation	(216.70)	3.59	—	(213.11)
On fair valuation of financial assets	—	—	—	—
<b>Total</b>	<b>(216.70)</b>	<b>3.59</b>	<b>—</b>	<b>(213.11)</b>

42. The Company is engaged in the activities relating to manufacture and sale of process plastics and the Chief Operating Decision Maker (Board of Directors) review the operating results as a whole for the purposes of making decisions about resources to be allocated and assess its performance, the entire operations are to be classified as a single business segment, namely process plastics. The geographical segments considered for disclosure are India and Rest of the World. All the manufacturing facilities are located in India.

- (i) The Product wise break up – Please refer Note 25.  
(ii) Geographical information.

(₹ in Lakhs)

Particulars	Revenue from external Customers		Non-Current Assets*	
	Year Ended 31st March, 2022	Year Ended 31st March, 2021	Year Ended 31st March, 2022	Year Ended 31st March, 2021
India	23,025.35	20,227.15	4,156.52	5,104.82
Rest of World	—	—	—	—
<b>Total</b>	<b>23,025.35</b>	<b>20,227.15</b>	<b>4,156.52</b>	<b>5,104.82</b>

\* Non-Current Assets are used in the operations of the Company to generate revenues both in India and outside India

## Notes accompanying the Financial Statements

(iii) Information about major customers

Revenue from sale of products to largest customers (greater than 10% of total sales) is ₹ 17,050.36 lakhs (March 31, 2021 ₹ 16,241.30 lakhs)

43. The disclosure as required by Ind AS 24 "Related Parties Disclosures", is as follows:

Names of related parties are as under:

(a) Entities in which key managerial personnel are interested:

M/s. Quality Plastics

M/s. T.W. Bhojwani Leasing Pvt. Ltd.

(b) Key Managerial Personnel:

Mrs. Devika Bhojwani - Whole Time Director DIN: 08355381

Mr. Suresh Bhojwani - Chairman & Managing Director DIN: 00032966

Mr. Chirag Shah - Chief Financial Officer

Mrs. Sonali Pednekar - Company Secretary & Compliance Officer

(c) Relatives of Key Managerial Personnel:

Smt. Hira Bhojwani - Non-Executive Director DIN: 00032997

Mr. Karan Bhojwani - Whole-time Director DIN: 06423542 (w.e.f. 1st April, 2022)

Ms. Ruchika Bhojwani - Chief Operating Officer

M/s. T.W. Bhojwani HUF

M/s. S. T. Bhojwani HUF

(d) Other Related Parties:

Mr. K. P. Rao - Independent Director DIN : 00027577 (upto 7th April, 2022)

Dr. T. S. Sethurathnam - Independent Director DIN : 00042704

Mr. Anil Kumar Bhandari DIN: 00031194 (w.e.f. 9th September, 2020)

Mr. K. Viswanath - Additional Independent Director DIN: 00547132 (w.e.f. 27th May, 2022)

(₹ in Lakhs)

Particulars	Entities in which key managerial personnel are interested		Key Management Personnel		Relatives of Key Management Personnel		Other Related Parties	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
<b>(a) Remuneration</b>								
(i) Mrs. Devika Bhojwani DIN: 08355381	—	—	10.24	8.70	—	—	—	—
(ii) Mr. Suresh Bhojwani DIN : 00032966	—	—	91.91	69.22	—	—	—	—
(iii) Mr. Karan Bhojwani	—	—	—	—	49.86	38.21	—	—
(iv) Ms. Ruchika Bhojwani	—	—	—	—	29.87	17.81	—	—
(v) Others	—	—	80.83	57.42	—	—	—	—
	—	—	182.98	135.34	79.73	56.02	—	—
<b>(b) Warehousing Charges</b>								
(i) Quality Plastics	14.40	12.80	—	—	—	—	—	—
	14.40	12.80	—	—	—	—	—	—
<b>(c) Royalty</b>								
(i) Quality Plastics	3.90	2.50	—	—	—	—	—	—
	3.90	2.50	—	—	—	—	—	—
<b>(d) Purchase</b>								
(i) Quality Plastics	6.37	4.69	—	—	—	—	—	—
	6.37	4.69	—	—	—	—	—	—

## Notes accompanying the Financial Statements

(₹ in Lakhs)

Particulars	Entities in which key managerial personnel are interested		Key Management Personnel		Relatives of Key Management Personnel		Other Related Parties	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
<b>(e) Loans Accepted/(Repaid)</b>								
(i) Smt. Hira T. Bhojwani DIN : 00032997	—	—	—	—	(460.00)	—	—	—
(ii) Mrs. Devika S. Bhojwani DIN : 08355381	—	—	(10.00)	—	—	—	—	—
(iii) Mr. K. P. Rao DIN : 00027577	—	—	—	—	—	—	(15.00)	—
	—	—	(10.00)	—	(460.00)	—	(15.00)	—
<b>(f) Interest Paid</b>								
(i) Smt. Hira T. Bhojwani DIN : 00032997	—	—	—	—	33.50	57.63	—	—
(ii) Mr. Suresh Bhojwani DIN : 00032966	—	—	1.62	1.73	—	—	—	—
(iii) Mrs. Devika S. Bhojwani DIN : 08355381	—	—	3.96	4.92	—	—	—	—
(iv) Mr. K. P. Rao DIN : 00027577	—	—	—	—	—	—	4.72	6.13
	—	—	5.58	6.65	33.50	57.63	4.72	6.13
<b>(g) Dividend Paid</b>								
(i) Smt. Hira T. Bhojwani DIN : 00032997	—	—	—	—	9.26	—	—	—
(ii) Mr. Suresh Bhojwani DIN : 00032966	—	—	32.09	—	—	—	—	—
(iii) Mrs. Devika S. Bhojwani DIN : 08355381	—	—	1.03	—	—	—	—	—
(iv) Mr. Karan Bhojwani	—	—	—	—	0.44	—	—	—
(v) Ms. Ruchika Bhojwani	—	—	—	—	0.44	—	—	—
(vi) Mr. K. P. Rao DIN : 00027577	—	—	—	—	—	—	0.02	—
(vii) Mr. Anil Kumar Bhandari DIN : 00031194	—	—	—	—	—	—	0.03	—
(viii) Mr. Chirag Shah	—	—	0.32	—	—	—	—	—
(ix) M/s. T.W. Bhojwani Leasing Pvt. Ltd.	26.42	—	—	—	—	—	—	—
(x) M/s. T.W. Bhojwani HUF	—	—	—	—	6.01	—	—	—
(xi) M/s. S. T. Bhojwani HUF	—	—	—	—	0.50	—	—	—
	26.42	—	33.44	—	16.65	—	0.05	—
<b>(h) Sitting Fees &amp; Commission</b>								
(i) Smt. Hira T. Bhojwani DIN : 00032997	—	—	—	—	1.45	2.03	—	—
(ii) Mr. K. P. Rao DIN : 00027577	—	—	—	—	—	—	2.98	4.25
(iii) Dr. T. S. Sethurathnam DIN : 00042704	—	—	—	—	—	—	2.74	4.21
(iv) Mr. Anil Kumar Bhandari DIN: 00031194	—	—	—	—	—	—	2.74	1.42
	—	—	—	—	1.45	2.03	8.46	9.88

## Notes accompanying the Financial Statements

(₹ in Lakhs)

Particulars	Entities in which key managerial personnel are interested		Key Management Personnel		Relatives of Key Management Personnel		Other Related Parties	
	31.03.22	31.03.21	31.03.22	31.03.21	31.03.22	31.03.21	31.03.22	31.03.21
<b>(i) Year End Balances</b>								
<b>(i) Receivable</b>								
(1) Quality Plastics	4.11	2.50	—	—	—	—	—	—
	<b>4.11</b>	<b>2.50</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>(ii) Trade Payable</b>								
(1) Quality Plastics	11.27	11.33	—	—	—	—	—	—
	<b>11.27</b>	<b>11.33</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>(iii) Unsecured Loans Payable</b>								
(1) Smt. Hira T. Bhojwani DIN : 00032997	—	—	—	—	200.00	660.00	—	—
(2) Mr. Suresh Bhojwani DIN : 00032966	—	—	18.00	18.00	—	—	—	—
(3) Mrs. Devika S. Bhojwani DIN : 08355381	—	—	40.00	50.00	—	—	—	—
(4) Mr. K. P. Rao DIN : 00027577	—	—	—	—	—	—	45.00	60.00
	<b>—</b>	<b>—</b>	<b>58.00</b>	<b>68.00</b>	<b>200.00</b>	<b>660.00</b>	<b>45.00</b>	<b>60.00</b>
<b>(iv) Commission Payable</b>								
(1) Smt. Hira T. Bhojwani DIN : 00032997	—	—	—	—	0.61	1.40	—	—
(2) Mr. K. P. Rao DIN : 00027577	—	—	—	—	—	—	1.22	2.80
(3) Dr. T. S. Sethurathnam DIN : 00042704	—	—	—	—	—	—	1.22	2.80
(4) Mr. Anil Kumar Bhandari DIN: 00031194	—	—	—	—	—	—	1.22	0.82
	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>0.61</b>	<b>1.40</b>	<b>3.66</b>	<b>6.42</b>
<b>(v) Remuneration Payable</b>								
(1) Mrs. Devika Bhojwani DIN: 08355381	—	—	0.71	0.71	—	—	—	—
(2) Mr. Suresh Bhojwani DIN : 00032966	—	—	6.90	6.90	—	—	—	—
(3) Mr. Karan Bhojwani	—	—	—	—	3.56	3.21	—	—
(4) Ms. Ruchika Bhojwani	—	—	—	—	2.22	1.78	—	—
(5) Others	—	—	7.04	5.81	—	—	—	—
	<b>—</b>	<b>—</b>	<b>14.65</b>	<b>13.42</b>	<b>5.78</b>	<b>4.99</b>	<b>—</b>	<b>—</b>

- (i) No amount pertaining to related parties has been provided for as doubtful debts. Also no amount has been written off/back
- (ii) The related parties are as identified by the Company and relied upon by the Auditors.
- (iii) Long term retirement benefits pertaining to the KMP are on consolidated basis as disclosed as per the Note no. 40. Due to this amount of Long term retirement benefits pertaining to KMP is not available.

44. Trade Payables includes amount payable to related Party ₹ 11.27 lakhs (Previous Year ₹ 11.33 lakhs)

#### 45. Assets provided as security

- (a) Vehicle loans are taken from the banks against hypothecation of the vehicles purchased, repayable in 60 monthly instalments with interest rates ranging from 7.40% to 8.40%.
- (b) (i) Term loan from Kotak Mahindra Bank are secured against Primary Security exclusive charge on all existing and future receivables/ current assets/ movable assets/ moveable fixed assets with the term loan of ₹ 7.50 Cr carry interest at 1.15% p.a. over and above the 3 months MCLR (as at 31.03.22 is 6.90%) payable in monthly basis. The term loan monthly instalment payable @ ₹ 19.98 lakhs, last instalment due in June 2023.
- (ii) Working Capital Term Loan from Kotak Mahindra Bank are secured against Primary Security exclusive charge on all existing and future receivables/ current assets/ movable assets/ moveable fixed assets with the Working Capital Term Loan of ₹ 7.45 Cr carry interest rate shall be floating for the entire loan tenor. Applicable floating ROI as on date of offer is 7.50% p.a. with moratorium of 12 months. The monthly instalment payable @ ₹ 23.17 lakhs, first instalment due in February 2022 last instalment due in January 2025.
- (iii) Sales Invoice Financing from Kotak Mahindra Bank are secured against Primary Security exclusive charge on all existing and future receivables/ current assets/ movable assets/ moveable fixed assets with the Sales Invoice Financing of ₹ 55.00 Cr carry interest at 0.55% p.a. over and above the 3 months MCLR (as at 31.03.22 is 6.90%)

## Notes accompanying the Financial Statements

### 46. Earnings Per Share (EPS) :

(₹ in Lakhs)

Particulars	2021-2022	2020-2021
Profit after tax (PAT) available for equity shareholders (before exceptional items)	262.76	570.50
Profit after tax (PAT) available for equity shareholders (after exceptional items)	3,195.96	570.50
Weighted average number of equity Shares (In nos.)	5680235	5680235
Nominal value of equity Shares (In ₹)	10.00	10.00
Basic & diluted earning per share (Before exceptional Income/Loss) (In ₹)	4.63	10.04
Basic & diluted earning per share (After exceptional Income/Loss) (In ₹)	56.26	10.04

47. The Company has made provision for doubtful recovery of ICD aggregating to ₹ 660.00 lakhs during FY 2012-13 to FY 2015-16. As the ultimate recovery is not likely, the same has been written off.

48. The unsold portion of Freehold land located at Village Hariyali, Taluka Kurla in Mumbai Suburban district was revalued to ₹ 150.39 lakhs on 30th June, 1993. The litigations with respect to the said land were settled amicably and expenses of ₹ 4.25 crores incurred for the same were capitalised in the previous year under Freehold land. On 13<sup>th</sup> July, 2021, the Company executed an Indenture of Conveyance for sale of the said land to M/s. Kanakia Spaces Realty Pvt. Ltd. at an aggregate consideration of ₹ 43.75 crores and the resultant surplus has been shown as an Exceptional Item.

49. Balances of trade receivables, trade payables and deposits (including security deposit) are subject to confirmations and reconciliations.

### 50. Borrowings:

- The Company has not defaulted in repayment of any borrowings from any lenders and interest as on the balance sheet date
- Borrowings are not guaranteed by personal guarantee of any of the director.
- Statement of current assets filed by the Company with banks vis a vis the books of account.

(₹ in Lakhs)

Quarter	Inventories and Trade receivables as per the books of accounts	Inventories and Trade receivables as per the Stock statement	(Short)/Excess
Jun-21	6,938.00	6,968.50	(30.50)
Sep-21	7,815.00	7,889.06	(74.06)
Dec-21	7,238.00	7,320.04	(82.04)
Mar-22	8,174.01	8,061.20	112.81

iv) Borrowings from banks used for the specific purpose for which it was taken as at the balance sheet date.

51. Particulars in respect of loans and advances in the nature of loans to related parties as required by the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015):

The Company has not given loans and advances in the nature of loans.

52. There are no amounts due and outstanding to be credited to Investor Education & Protection Fund as at March 31, 2022.

### 53. Short term lease rentals:

Rental expense recorded for short-term leases was ₹ 183.94 lakhs for the year ended 31 March, 2022 (Previous Year ₹ 177.11 lakhs)

### 54. Details of Corporate Social Responsibility:

Sr. No.	Particulars	2021-22 (₹ in Lakh)	2020-21 (₹ in lakh)
1	Amount required to be spent by the company during the year	10.06	During the Financial year 2019-20 and earlier Financial year the provisions of CSR were not applicable to the Company.
2	Amount of expenditure incurred	10.20	
3	Shortfall at the end of the year	NIL	
4	Total of previous years' shortfall	NA	
5	Reason for shortfall	NA	
6	Nature of CSR activities	Programmes for welfare & sustainable development of the community at large	
7	Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	No CSR transaction has been entered into with a related party	

**55. Recent Indian Accounting Standards (Ind AS):**

The Ministry of Corporate Affairs ("MCA") notifies new standards / amendments under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23rd March, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below:

- (a) Ind AS 16 – Property, plant and equipment – The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after 1st April, 2022.
- (b) Ind AS 37 - Provisions, contingent liabilities and contingent assets – The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after 1st April, 2022, although early adoption is permitted.
- (c) Ind AS 103 – Business combinations – The amendment adds a new exception in Ind AS 103 for liabilities and contingent liabilities.
- (d) Ind AS 109 – Financial instruments – The amendment clarifies which fees an entity includes when it applies the '10%' test in assessing whether to derecognise a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.

The Company is in the process of evaluating the impact of these amendments.

**56. Other Statutory Information :**

- i) The Company do not have any benami property, and no proceeding has been initiated against the Company for holding any benami property.
  - ii) The Company do not have any transactions with companies struck off.
  - iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
  - iv) The Company have not traded or invested in crypto currency or virtual currency during the financial year.
  - v) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
    - a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (ultimate beneficiaries) or
    - b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
  - vi) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
    - a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
    - b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
  - vii) Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961".
  - viii) The Company have not declared willful defaulter by any banks or any other financial institution at any time during the financial year.
  - ix) The title deeds of the freehold & leasehold lands, Buildings are registered in the name of the Company. No deeds are pending for registration in this regard.
57. The previous period's figures have been re-grouped / re-classified wherever required to conform to current year's classification. All figures of financials have been rounded off to nearest lakhs rupees.

The accompanying notes referred to herein form an integral part of the financial statements

As per our Report annexed  
For Desai Saksena & Associates  
Firm Registration No.: 102358W  
Chartered Accountants

Mr. Chirag Shah  
Chief Financial Officer

CA (Dr.) Shashank N. Desai  
Partner  
Membership No. 32546  
Mumbai, 27th May, 2022

Mrs. Sonali Pednekar  
Company Secretary &  
Compliance Officer

Mr. Suresh Bhojwani  
DIN: 00032966

Chairman &  
Managing Director

Mr. Karan Bhojwani  
DIN: 06423542  
Mrs. Devika Bhojwani  
DIN: 08355381

Whole Time Director

Mr. K. Viswanath  
DIN: 00547132  
Dr. T. S. Sethurathnam  
DIN: 00042704  
Mr. Anil Kumar Bhandari  
DIN: 00031194

Independent Directors



## Notes

[illegible]





# DIVO<sup>®</sup>

## FREEDOM *of* EXPRESSION

Recommended by professionals, Divo is one of India's leading hair and beauty accessory brands. Conceived and launched in 2008, the brand has moved from strength to strength as the product line has extended, and the scale of demand has escalated. Used by makeup artists, hair stylists, fashion designers, and hair dressers, Divo has become the hair and beauty brand of choice.

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

