TIMEXGROUP

Timex Group India Limited
Unit No 303, 3rd Floor, Tower B,
World Trade Tower (WTT),
C-1, Sector-16, Noida - 201 301
Uttar Pradesh INDIA
CIN : L33301DL1988PLC033434
Tel. : +91 120 474 1300
Fax: +91 120 474 1440
Website: www.timexindia.com
E-mail: feedback@timexindia.com

August 18, 2021

The Secretary
BSE Ltd.
P J Towers, Rotunda Bldg.,
Dalal Street, Fort
Mumbai – 400 001

Scrip Code: 500414

Dear Sir,

Sub: Notice of the 33rd Annual General Meeting (AGM) and Annual Report for the financial year 2020-21 – Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

This is in furtherance to our letter dated August 10, 2021, wherein the Company had informed that the 33rd Annual General Meeting of the Company is scheduled to be held on Thursday, September 16, 2021 at 4.00 PM. (IST) through Video Conferencing (VC) / Other Audio-Visual Means (OAVM) only, in accordance with relevant circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India ('Circulars').

In terms of the said Circulars and pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached the Annual Report of the Company for the Financial Year 2020-21 along with the Notice convening the 33rd AGM. The same is also being sent to all the Members of the Company whose email addresses are registered with the Company / Registrar and Share Transfer Agent/ Depository Participant(s). AGM Notice may be referred for detailed instructions on registering email addresses(s) and voting/ attendance for the AGM.

The Annual Report for the financial year 2020-21 along with Notice of 33rd AGM is uploaded on the Company's website, www.timexindia.com.

Please take the same on record and inform the members of the Stock Exchange accordingly.

Thanking you,
For Timex Group India Limited

TIMEX GROUP INDIA LIMITED

Dhiraj Kumar Maggo
Vice President – Legal, HR and Company Secretary

TIMEX

WE DON'T STOP™

ANNUAL REPORT 2021

TIMEX GROUP INDIA LIMITED

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SINCE 1927 ITALY

Board of Director(s)	David Thomas Payne	Non-Executive Director & Chairman
	Sharmila Sahai (Ms.)	Managing Director
	Gagan Singh (Ms.)	Non-Executive & Independent Director
	Pradeep Mukerjee	Non-Executive & Independent Director
	Bijou Kurien	Non-Executive & Independent Director
	Sylvain Ernest Louis Tatu	Non-Executive Director
CFO	Amit Jain	
VP Legal, HR & Company Secretary	Dhiraj Kumar Maggo	
Bankers	J.P. Morgan Chase Bank NA HDFC Bank Limited	
Auditors	Deloitte Haskins and Sells LLP., Chartered Accountants	
Registered Office	E-10, Lower Ground Floor Lajpat Nagar-III New Delhi – 110024**.**	
Works	Plot No.10 Baddi Industrial Area Katha Bhatoli Baddi, Distt. Solan (H.P)	
Share Registrar & Transfer Agent	Alankit Assignment Limited 4E/2, Alankit House Jhandewalan Extension New Delhi 110 055 Tel.: 011-42541234 Fax: 011 -42541967 Email: rta@alankit.com Website: www.alankit.com	

NOTICE OF THE ANNUAL GENERAL MEETING

Notice is hereby given that the Thirty-third Annual General Meeting of the Members of TIMEX GROUP INDIA LIMITED will be held on Thursday, 16th September, 2021 at 4.00 P.M. through Video Conferencing (VC)/ Other Audio Visual means (OAVM), to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March 2021, and the Report of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. David Thomas Payne (DIN: 07504820), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

3. 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 152 and other applicable provisions of the Companies Act, 2013 ("Act") read with the Companies (Appointment and Qualification of Directors) Rules, 2014 as amended, Mr. Sylvain Ernest Louis Tatu (DIN: 09125924), who was appointed by the Board of Directors as an Additional Director of the Company with effect from March 26, 2021 and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 of the Act and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

4. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION**.

   "RESOLVED THAT pursuant to Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and the applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and subject to all applicable approvals, permissions and such conditions as may be prescribed by any of the concerned authorities while granting such approvals, which may be agreed to by the Board of Directors of the Company, consent of the members of the Company be and is hereby accorded to enter into transactions relating to purchase, distribution and sale of Furla brand watches, in terms of the Distribution Agreement dated 29th September, 2020 (as may be amended from time to time) with M/s Timex Nederland B.V. (TNBV), a related party being intermediate holding Company, subject to the condition that the total value of all transactions with TNBV in any financial year shall not exceed 60% of turnover as per last audited balance sheet of the Company and all transactions shall be at arms' length basis and in ordinary course of business.

   RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall include any committee constituted by the Board of Directors of the Company or any person authorised by the Board to exercise the powers conferred on the Board of Directors of the Company by this resolution) be and is hereby authorized to agree, make, accept and finalize all such terms, condition(s), modification(s) and alteration(s) as it may deem fit from time to time and the Board is also hereby authorized to resolve and settle, from time to time all questions, difficulties or doubts that may arise with regard to above transactions and to finalize, execute, modify and amend all agreements, documents and writings and to do all acts, deeds and things in this connection and incidental as the Board in its absolute discretion may deem fit without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have been given approval thereto expressly by the authority of this resolution."

Registered Office:
E-10, Lower Ground Floor,
Lajpat Nagar-III, New Delhi-110024

Dated: June 30, 2021

By Order of the Board of Directors
For and on behalf of Timex Group India Ltd

Sd/-
Dhiraj Kumar Maggo
VP - Legal, HR & Company Secretary
Membership No. F7609

NOTES

1. Pursuant to the General Circular numbers 02/2021, 20/2020, 14/2020, 17/2020 issued by the Ministry of Corporate Affairs (MCA) and Circular number SEBI/HO/CFD/CMD1/CIR/P/2020/79 issued by the Securities and Exchange Board of India (SEBI) (hereinafter collectively referred to as "the Circulars"), companies are allowed to hold AGM through VC, without the physical presence of members at a common venue. Hence, in compliance with the Circulars, the AGM of the Company is being held through VC. The deemed venue for the 33rd AGM will be Unit No.303, 3rd Floor, Tower-B, World Trade Tower (WTT), C-1, Sector-16, Noida-201301.

2. As per the provisions of clause 3.A.11 of the MCA General Circular No. 20/2020 dated 5th May, 2020, the matter of Special Business as apearing at item no. 3 and 4 of the accompanying Notice, are considered to be unavoidable by the Board and hence forming part of this Notice.

3. A member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his / her behalf and the proxy need not be a member of the Company. Since the AGM is being held in accordance with the Circulars through VC, the facility for appointment of proxies by the members will not be available for this AGM and hence the Proxy Form, Attendance Slip and Route Map of AGM are not annexed to this notice.

4. Participation of members through VC will be reckoned for the purpose of quorum for the AGM as per section 103 of the Companies Act, 2013 ("the Act").

5. Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large shareholders (Shareholders holding 2% or more shareholding), promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

6. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM through VC. Corporate members intending to authorize their representatives to participate and vote at the meeting are requested to send a certified copy of the Board resolution / authorization letter to the Company or upload on the VC portal / e-voting portal.

7. The Register of Members and Share Transfer Books of the Company will remain closed from September 14, 2021 to September 15, 2021 (both days inclusive).

8. The Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the business under Item No. 3 is annexed hereto. Relevant details, in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director retiring by rotation and proposed to be re-appointed and Director proposed to be appointed are annexed to this Notice.

9. In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management & Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to offer e-voting facility which will enable the Members to cast their votes electronically through the e-voting services provided by NSDL, on all resolutions set forth in this Notice (Remote e-voting). Members who have cast their votes by remote e-voting prior to the AGM may participate in the AGM but shall not be entitled to cast their votes again. The manner of voting remotely by members holding shares in dematerialized mode, physical mode and for members who have not registered their email addresses is provided in the instructions for e-voting section which forms part of this Notice.

10. Members holding shares in electronic form are requested to intimate immediately, any change in their address or bank mandates to their depository participant(s) with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to intimate changes, if any, in their Registered Address along with Pin Code Number and the bank details immediately to the Registrar and Share Transfer Agent, M/s Alankit Assignments Limited.

11. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 and other documents referred to in the notice will be available for inspection electronically by the members without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e. September 16, 2021. Members seeking to inspect such documents can send an email to investor.relations@timex.com.

12. Pursuant to Section 72 of the Companies Act, 2013, members holding shares in physical form are advised to file nomination in the prescribed Form SH-13 with the Company's Registrar and Share Transfer Agent. In respect of shares held in electronic/ demat form, the members may please contact their respective depository participant.

13. In compliance with the Circulars, the Annual Report 2021, the Notice of the 33rd Annual General Meeting and instructions for e-voting are being sent only through

electronic mode to those members whose email addresses are registered with the Company / depository participant(s).

14. Members may also note that the Notice of the 33rd Annual General Meeting and the Annual Report for 2021 will also be available on the Company's website, www.timexindia.com, website of BSE Limited at www.bseindia.com and on the website of NSDL https://www.evoting.nsdl.com for their download.

15. We urge members to support our commitment to environmental protection by choosing to receive the Company's communication through email. Members holding shares in demat mode, who have not registered their email addresses are requested to register their email addresses with their respective depository participants, and members holding shares in physical mode are requested to update their email addresses with the Company's RTA, M/s Alankit Assignments Limited at rta@alankit.com to receive copies of the Annual Report 2021 in electronic mode. Members may follow the process detailed below for registration of email ID to obtain the Annual Report and for procuring user ID / password for e-voting on the resolutions set out in the Notice:

    a. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to investor.relations@timex.com.

    b. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to investor.relations @timex.com.

16. Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number ("PAN") by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/ RTA.

17. The Voting period begins on 13th September, 2021 at 9.00 AM and ends on 15th September, 2021 at 5.00 PM. During this period Members, holding shares either in physical form or dematerialised form, as on the cut-off date i.e. September 8, 2021, may cast their vote electronically. The Remote e-voting module shall be disabled by NSDL for voting thereafter. The voting rights of the Members shall be in proposition to their share of the paid-up equity share capital of the Company as on the cut-off date of September 8, 2021.

18. The facility for voting during the AGM will also be made available. Members present in the AGM through VC and who have not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through the e-voting system during the AGM.

19. Any person who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. September 8, 2021, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if he / she is already registered with NSDL for remote e-voting then he / she can use his / her existing user ID and password for casting the vote.

20. Mr. Neelesh Kumar Jain, Proprietor, M/s N.K.J. & Associates, Company Secretaries, (Membership Number FCS 5593, Certificate of Practice No. 5233), has been appointed as the Scrutinizer to scrutinize the e-voting process in fair and transparent manner.

    The Scrutinizer shall, immediately after the conclusion of voting at the AGM, count the votes cast at the AGM and thereafter unblock the votes cast through Remote e-voting in the presence of at least 2 witnesses not in employment of the Company. The Scrutinizer shall submit a consolidated report of the total votes casted in favour of or against, if any, within 48 hours of the conclusion of the AGM to the Chairman of the Company. The Chairman, or any other person authorised by the Chairman shall declare the result of the voting forthwith.

    The result, along with Scrutinizers Report will be placed on the Company's website, www.timexindia.com, and on the website of NSDL immediately after the result is declared by the Chairman or by any other person authorised by the Chairman, and the same shall also be communicated to the BSE Ltd.

21. Shareholders, who would like to express their views/have questions may send their questions in advance, atleast 48 hours before the commencement of the meeting, mentioning their name, demat account number/folio number, email id, mobile number at investor.relations@timex.com. Such questions by the members shall be taken up during the meeting or replied within 7 days from AGM date by the Company suitably.

    Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at investor.relations @timex.com atleast 48 hours before the commencement of the Meeting. Those members who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

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

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com 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 i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. 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 i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi / Easiest, they 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 https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi.

	2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of **e-Voting service provider i.e. NSDL.** Click on **NSDL** to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. **NSDL** where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	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 i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

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

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

<u>How to Log-in to NSDL e-Voting website?</u>

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

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

4. Your User ID details are given below :

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

5. Password details for shareholders other than Individual shareholders are given below:
   a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
   c) How to retrieve your 'initial password'?
      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
      (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
   a) Click on "**Forgot User Details/Password**?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   b) **Physical User Reset Password**?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

<u>Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.</u>

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

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to nkj@nkj.co.in with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Pallavi Mhatre, Manager-NSDL at evoting@nsdl.co.in

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

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

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

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

STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 3

The Board of Directors based on the recommendations of Nomination and Remuneration Committee and pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company, appointed Mr. Sylvain Ernest Louis Tatu as an Additional Director of the Company with effect from March 26, 2021.

In terms of the provisions of Section 161(1) of the Act, Mr. Tatu would hold office up to the date of the 33rd Annual General Meeting of the Company. The Company has received a notice in writing from the member under Section 160 of the Act proposing the candidature of Mr. Tatu for the office of Director of the Company.

Mr. Tatu 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.

Brief resume of Mr. Sylvain Ernest Louis Tatu, nature of his expertise in specific functional areas, names of companies in which he holds directorship and the membership/ chairmanship of Board Committees, shareholding in the company and relationship between the Directors inter-se as required under Regulation 36 of the SEBI (Listing Obligation and Disclosure

Requirements) Regulations 2015, are annexed to this Notice.

None of the Directors and key managerial personnel and their relatives, other than Mr. Sylvain Ernest Louis Tatu, are deemed to be concerned or interested in this resolution.

The Board recommends the resolution set forth in Item No. 3 for the approval of the members.

Item No. 4

The Company has one of the most powerful and diversified portfolios of brands in the watch industry. It derives global advantage and breadth of expertise in this highly competitive marketplace with its patronage to the Timex Group Global. Further, the Timex Group entities have license to manufacture and distribute watches of various international brands of high repute. To continue to exploit this prowess of Timex Group, it is essential for the Company to purchase, import and utilize watches/watch components and avail services from Timex Group companies.

In line with the above objective and in the best interest of the Company, the Company has been entering into various business transactions with the group entities in the ordinary course of business and at arms' length basis and pursuant to the approvals of the Audit Committee, Board of Directors and shareholders for purchase and sale of watches/ movements/ components and for availing and providing of services.

The shareholders of the Company had, vide their resolution passed by way of postal ballot in March 2020, approved transactions proposed to be entered into with Timex Nederland B.V. (TNBV), a related party being an intermediate holding company, in terms of various agreements for purchase and sale of watches/ movements/ components and for availing and providing of services. Thereafter, the Company has entered into a Distribution Agreement dated 29th September, 2020 with TNBV for distribution of watches of Furla Brand by the Company in accordance with the terms and conditions specified in this agreement. This Distribution Agreement was approved by the Audit Committee and Board of Directors and is now put up for shareholders' approval.

All transactions in terms of various agreements executed between the Company and TNBV are being/ will be executed in the ordinary course of business and at arms' length basis. Hence, the provisions of Sec 188 (1) of the Companies Act, 2013 and the Rules made thereunder are not applicable on transactions between these entities.

Since all the transactions taken together during a financial year between the Company and TNBV might be exceeding 10% of the last year's turnover, these transactions might be considered as material related party transactions. The Company needs approval of shareholders by way of ordinary resolution for all material related party transactions in terms of Regulation 23 of SEBI Listing Regulations. Further, pursuant to Regulation 23(7) of SEBI Listing Regulations, in respect of voting on this resolution, all the related parties shall abstain from voting, irrespective of whether the entity or person is a party to the particular transaction or not.

Accordingly, in terms of Regulation 23 of SEBI Listing Regulations, the approval of members is required for the material related party transactions which has/will be executed with TNBV in terms of the Distribution Agreements dated 29th September, 2020, as may be amended from time to time.

Details of all agreements and monetary value of the transactions proposed to be transacted between the Company and TNBV is given below:

Name of the related party and nature of Relationship	Nature, material terms and particulars of the contract to arrangement	Monetary Value
Timex Nederland B.V. (TNBV)TNBV is an intermediate holding Company	Product Supply Agreement dated 7th November, 2019, as may be amended from time to time, between TNBV and the Company for purchase of watches/ movements/ components of brands TIMEX, NAUTICA and TED BAKER by the Company in accordance with the terms and conditions specified in the aforesaid agreement	Monetary value of all transactions under all agreements with TNBV not to exceed 60% of turnover as per last audited balance sheet of the Company
	Product Supply Agreement dated 22nd July, 2019, as may be amended from time to time, between TNBV and the Company for sale of watches/ spares manufactured in India to TNBV in accordance with the terms and conditions specified in the aforesaid agreement	
	Manufacturer's Agreement dated 30th January, 2020, as may be amended from time to time, between TNBV and the Company for manufacture of watches of Nautica Brand in accordance with the terms and conditions specified in the aforesaid agreement	
	Services Agreement dated 1st June, 2016, as may be amended from time to time, between the Company and TNBV to provide to TNBV, services relating to IT and supply chain/logistical Support Services Agreement dated 15th February, 2014, as may be amended from time to time, between the Company and TNBV to avail from TNBV,	

	services including Website Design & hosting, Brand Management & planning, Marketing & Advertising, development, Product design, International Sales Team Leadership, International Sales & Marketing office, IT & Data storage and third party charges	
	Distribution Agreement dated 29th September, 2020, as may be amended from time to time, between TNBV and the Company for distribution of watches of Furla Brand by the Company in accordance with the terms and conditions specified in the aforesaid agreement	

The agreements between the Company and TNBV are available for inspection at the Registered Office of the Company between 11.00 A.M. and 1.00 P.M. on all working days, from Monday to Friday, up to the date of Annual General Meeting.

None of the Directors, except Mr. David Thomas Payne and Mr. Sylvain Ernest Louis Tatu, or their relatives are in any way, concerned or interested, financially or otherwise, in the said resolution.

The Board recommends the Ordinary Resolution as set out in Item No. 4 of this Notice for approval of the Members.

Registered Office:
E-10, Lower Ground Floor,
Lajpat Nagar-III, New Delhi-110024

Dated: June 30, 2021

By Order of the Board of Directors
For and on behalf of Timex Group India Ltd

Sd/-
Dhiraj Kumar Maggo
VP - Legal, HR & Company Secretary
Membership No. F7609

ANNEXURE TO ITEM NO. 2 AND 3 OF THE NOTICE

Details of Director seeking appointment at the 33rd Annual General Meeting
(In pursuance of Secretarial Standards - 2 on General Meeting and Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

Name	**Mr. David Thomas Payne**	**Mr. Sylvain Ernest Louis Tatu**
DIN	07504820	09125924
Date of birth/ age	26/07/1971/49 years	19/01/1969/52 years
Nationality	United States of America	French
Qualifications	Bachelor of Science degree in Computer Science from the University of Alabama, and a Juris Doctor degree from Washington & Lee University School of Law.	Mr. Sylvain Tatu is a Mechanical engineer and has also done Masters in Business Administration.
Experience (including nature of expertise in specific functional areas)/ Brief Resume	Mr. David Thomas Payne is Senior Vice President, General Counsel, HR and Corporate Secretary for Timex Group, specializing in licensing, employment law, employee benefits, corporate finance, international distribution, advertising and trademark law. Since joining Timex Group in 2001, Mr. Payne has advised the company in significant transactions including the negotiation of license agreements with major fashion and luxury brands, mergers and acquisitions and bank financing agreements, as well as representing the company in litigation and environmental matters. Prior to joining Timex, Mr. Payne represented employers in commercial and employment litigation, and secured creditors in bankruptcy proceedings.	Mr. Sylvain Ernest Louis Tatu has vast and diversified experience in heading and supervising the micro mechanical manufacturing plants across the globe. Since last 5 years, Mr. Tatu has been working as VP-Manufacturing, being in charge of worldwide quality and engineering in Timex Group in addition to supervising 2 manufacturing plants. His recent major achievements include consolidation of the supply chain assembly plant, development of a Swiss made movement, increase in 3 year customer quality feedback by 15%, transform dedicated Timex plant (cost center) to an OEM business (profit center).
Terms and conditions of re-appointment	Proposed to be re-appointed as Non-Executive Non-Independent Director, liable to retire by rotation	Proposed to be appointed as Non-Executive Non-Independent Director, liable to retire by rotation
Remuneration last drawn (including sitting fee if any)	NIL	NIL
Remuneration sought to be paid	NIL	NIL
Date of first appointment on the Board	April 20, 2018	March 26, 2021
Date of last re-appointment	NA	NA
Shareholding(including beneficial ownership) in Timex Group India Limited as on March 31, 2021	NIL	NIL
Relationship with other directors, key managerial personnel of the Company	None	None
Number of Board Meetings attended	5	NIL

Name of Companies in which he/she holds directorship	• BTX, Inc. • Giorgio Galli Design Lab S.r.l. • Indiglo Corporation • Ingersoll Watch Company • Joint Trademark Holdings, LLC • LR Property Holdings, LLC • Middlebury Land development, LLC • Sequel eCommerce, Inc. • Sequel International, Inc. • Tiempo S.A. de C.V. • Time Factory, Inc. • Timex (Shanghai) Trading Co. Ltd. • Timex Espana S.A. • Timex Group Canada, Inc. • Timex Group Customer Service Europe GmbH • Timex Group Italia S.r.l. • Timex Group Luxury Watches B.V. • Timex Group USA, Inc. • Timex Licensing Corporation • Timex Limited • Timex Nederland B.V. • Timex Pension Trustee Company Limited • Timex Resources Limited • Timex Trustee Corporation • Timex.com, Inc. • Timexpo Corporation • TMX Limited N.V. • TMX Manufacturers B.V. • TMX Philippines, Inc. • TX Group Europe Limited • TX Watch Company, Inc • U.K. Time Manufacturing, Ltd. • Vertime B.V.	• Timach SARL
Name of Committees of other Indian Companies in which he/she holds Membership	NIL	NIL

DIRECTORS' REPORT

To the Members of Timex Group India Limited

The Directors are pleased to present the Thirty third Annual Report and Audited Statement of Accounts for the year ended 31st March 2021.

FINANCIAL RESULTS AND PERFORMANCE

(Rs. in Lakhs)

Particulars	**2020-2021**	**2019-2020**
Revenue from operations (including other income)	14,211	25,229
Profit/ (Loss) before Interest and Depreciation	(238)	397
Less: Interest	219	280
Less: Depreciation	354	297
Profit/ (Loss) before tax	(811)	(180)
Tax expense	(10)	-
Profit/ (Loss) after tax	(801)	(180)
Other comprehensive income	(12)	-
Total comprehensive income	**(813)**	**(180)**

The financial year 2020-21 was a highly volatile and challenging year with unprecedented situations caused by COVID-19 pandemic. The nationwide lockdown which started in March 2020 was followed by restricted easing of services and localised restrictions in various parts of the country. The lockdowns disrupted the complete demand and supply chains. Being in non-essential category, the business saw complete wash out during the first quarter. The business saw gradual recovery post easing of the lockdown restrictions from second quarter of the financial year. These conditions had severe impact on the revenue and profitability of the Company. As a result, the Revenue from Operations (including other income) witnessed sharp degrowth of 43.67% over the previous year and the Loss after tax increased to Rs. 801 lakhs against Rs. 180 lakhs in the previous year.

The Company was quick to realign its plans to the emerging market and consumer scenario. The Team Timex took all necessary measures for mitigating the impact of the challenges faced in the business and worked towards being resilient in order to sail through the fast-changing situation. Since the business was completely down in first quarter, we focussed on cash, cost and collection, channel correction, product and margin, and health and safety of employees.

We used cash only for essential payments, negotiated rents, restricted employee travel and reduced staff cost except for factory operators. Overdue debtors were collected, goods were taken back from partners, wherever required and other arrangements were made for early realization from partners.

For channel correction, we improved health of inventory with our partners, reduced channel costs including staff and rent cost, made changes in business model, initiated e-retail venture and worked closely with partners for improving sales performance.

We focussed on product and margin improvement by reconfiguring new products to suit new business outlook, shifting focus to smart wearables etc. The consumers showed renewed interest in physical fitness and well-being, and a shift in focus was seen towards wearable tech. With 5 new launches, our robust pipeline of smart products enabled us to reach out to this growing consumer segment, while providing meaningful solutions to their needs.

From the second generation youth smart-band Helix Gusto 2.0 with music control, dual colour bands and SOS features, to the ultra-stylish rose gold-tone mesh band Timex Smart-band, the new launches were received positively by our consumers. With a sharp focus on evolving consumer needs, Timex brand launched the Temperature & SpO2 smartwatch.

The ever-growing Technology roadmap was supported by a 360 degree GTM Strategy. The launch of Timex Fitness bands helped us win new accolades such as the 'Editor's Choice Award – Lifestyle Fitness Band of the Year' at the Jagran HiTech Awards 2020.

We reconfirmed our product strategy of launching innovative products and also offered global collection to the growing segment of consumers looking for premium iconic brands.

To ensure health, safety and well-being of employees, the Company quickly instituted measures to trace all employees and aided COVID-19 impacted employees. The plant and offices were closed during lockdowns and the workforce was shifted to an entirely new 'work-from-home' model. All offices, plant, warehouse and other workplaces were properly sanitised. All COVID-19 precautions including social distancing, use of masks, sanitisers, health checking etc. were strictly adhered to at all workplaces. Company paid vaccination drives were organised in one of the best private hospital covering permanent employees, off-roll associates, housekeeping staff, security guards etc.

During these challenging times, the Company was watchful of all opportunities which could positively impact the revenue and cash flow and took swift steps to grab all such opportunities. E-commerce channel recovered faster than traditional channels. Accordingly, we shifted our focus to E-commerce and supported it with new products and improved digital marketing efforts etc. We also started a new e-retail venture through a partner for making all warehouse inventory available to consumer through various e-com portals. This new venture has shown encouraging results and supported the business.

The Company forged a partnership with Flipkart for design, manufacture, and after sales service for watches of some well-known brands. From India's fastest growing youth brand 'Wrogn', to India's No. 1 premium lifestyle brand for professionals, Van Heusen, the Company created highly successful watch collections that were quick to sell out. Having added Allen Solly and Peter England watches to the stable as well, going forward, the Company will continue to pursue this revenue stream enthusiastically.

The Company entered a new category with Timex Clocks this year. Backed by a 166 year watchmaking experience, the Timex Clocks Collection is the perfect accessory for modern Indian homes. With a silent sweep technology and sturdy materials, we believe this collection will soon become a household name. The collection is stylish, and the price point is very attractive. And best of all, it is MADE in INDIA.

The Company entered into a licensing agreement with Benetton for design, manufacture and distribution of Benetton watches. Under this collaboration Benetton India will be at the forefront of creative inspiration stemming from the brand's DNA of colors and social, while Timex India will spearhead the overall designing, manufacturing and distribution. Slated to be launched in 2021, the 'Timewear' collection will demonstrate the core brand ethos of both Benetton & Timex. The collection will bespeak contemporary designs, democratic price points and sustainable options, backed by high quality manufacturing. The product portfolio for men, women and kids will span across four key categories of Signature, Sport, Iconic and most importantly Social, with an end to end sustainable collection.

Marketing initiatives, packed with out-of-the-box narrative and execution heralded this year's brand campaigns. Subtle messaging with a classy approach has been the highlight of our brand-building efforts. Our focus has also been on performance-based campaigns that offered ROI and drove sales. To uplift the spirits of true heroes and praise their efforts in combatting the ongoing global pandemic, we launched the TMX '#DeshKeGaurav' campaign on the brand TMX's Facebook page. These heroes and those nominating them were presented a beautiful TMX watch as a token of respect. The campaign created a lot of buzz and had many gratitude messages rolling in, thanking the brand for their efforts in recognising the real heroes and rewarding them for the same.

We maintained our connect with the consumer even during lockdown. We shifted our focus on consumer engagement via meaningful communication over social media channels and other digital network. Our social media influencer campaigns for various key launches including Timex Fitness band, New Switch It Up collection and Helix Gusto, etc. have been a huge hit and received a massive response.

While the festivities might have dulled this year, but we kept the spirits alive with our tactical regional focus during festivals such as Onam, Durga Puja, Diwali, etc. with different launches and campaigns. We made our latest 'We Don't Stop Campaign' a star-studded affair and had leading India film star, Siddharth Malhotra launch it.

The Company believes that for sustainable future growth, it is important to drive digital and encourage innovation. The Company will continue to accelerate the innovation agenda to foster new product development and embed digital across every part of the business. For channel partner digitisation, the Company has invested in technology to upgrade the existing infrastructure by implementing Distributor Management System (DMS). All distributors are being connected with DMS which will enable the Company to get details of fast moving / slow moving inventory on real time basis. This will help the Company to plan right product at right price point.

The Company is also working on implementation of Omni Channel concept for its showroom channel which will connect showrooms with online world to provide a seamless omni experience to our consumers. The Company will focus on more such initiatives including digital data insights and analytics across value chain, investing in e-commerce and digital marketing, drive decision making and efficiencies with analytics etc.

COVID-19 Pandemic

The year 2020-21 saw unprecedented disruption to lives and livelihoods across the world and India was no exception. The economy declined sharply during first half of the fiscal year as the country grappled with the pandemic. Effective measures taken by the Government of India and the Reserve Bank of India helped the Indian economy to recover. Rapid rollout of vaccines coupled with Government's efforts on stimulating growth improved consumer sentiments. Notwithstanding these encouraging developments, the Covid-19 pandemic is far from over. The trajectory of the pandemic still remains unpredictable to a very large extent. Our overriding priority remains, therefore, to protect lives and livelihoods.

With the more waves of the infection disturbing the business, the business will take some time to reach the pre-COVID 19 level as watches are non-essential consumer discretionary category.

Business disruption caused by COVID-19 pandemic has resulted into negative impact on revenue, collection and cash flow. Management believes that it has taken into account all the possible impact of known events arising from COVID-19 pandemic till date of approval of financial statements. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration and actual results may differ materially from these estimates. The Company will continue to monitor any material changes to future economic condition and any significant impact of these changes would be recognised in the financial statements as and when these material changes to economic condition arise. Based on an initial assessment of likely adverse impact on business and financial risks on account of COVID-19, the management is confident that there is no medium to long term risks to the Company's ability to serve its customers and markets and the use of going concern assumption has been considered appropriate by the Board of Directors in preparation of financial statements of the Company.

With the new investor, Baupost Group, taking majority of the shareholding and control of the Timex Group, the Company is confident of continued support from parents in difficult times and also for growth.

Dividend

In view of the accumulated losses, the Board of Directors has not recommended any dividend for this year.

MANAGEMENT DISCUSSION AND ANALYSIS

ECONOMIC CONDITIONS AND OUTLOOK

The COVID-19 pandemic has significantly impacted the Indian economy, with the nationwide lockdown from end March 2020 bringing business activities to a standstill during the first quarter of FY 20-21. An accommodative monetary policy from the Reserve Bank of India (RBI) and fiscal policy interventions by the central government, coupled with the gradual reopening of the economic activities from June 2020, have led to a sequential recovery in economic output. India's real GDP clocked a 0.4% growth in the October-December 2020 quarter on a year-on-year basis after a sharp fall in the first two quarters of FY 2020-21. However, the recovery is largely centered around the formal part of the economy. The informal players, especially the Micro, Small and Medium-sized Enterprises (MSMEs) in many industries have taken a disproportionately large hit. Inflation picked up over the year, despite the pandemic, primarily led by food inflation and higher fuel taxes. On the exchange rate front, post the initial bout of depreciation in the Indian currency in the beginning of the financial year, the currency has been relatively well supported on account of robust portfolio inflows in the economy as well as a better current account position.

The vaccination drive rollout in the last quarter of FY 2020-21 has given a much-needed boost to sentiments around a sustained recovery of economic activity. RBI is committing to continue an accommodative monetary stance to reinforce the economic green shoots. The economic growth is expected to recover strongly in FY 2021-22 due to the base-effect. However, it would still depend a lot on how the pandemic plays out, given the resurgence of the virus and the spread of infections. The lockdowns imposed in April 2021 have again disrupted the business. The inflationary pressure in inputs and the uncertain market conditions have posed challenges to business which would require managing the business in a dynamic manner and altering operational priorities to suit the changing market conditions.

We believe that the long term India growth story remains intact. It will grow once it recovers from COVID overhang with consumption led by young and rising middle class with growing aspirations and willingness to spend, and lower tier cities and market emerging as new centers of economic revival & growth.

OVERVIEW OF WATCH INDUSTRY

The watch industry, being non-essential consumer discretionary category and majorly dependent upon retail channel, has been severely impacted with the impact of COVID-19 disruptions. The slump in the overall consumer sentiments and demand, and liquidity crunch have resulted in lower revenues and losses for the watch industry. The watch industry is expected to have seen 40% degrowth due to COVID during the year under review.

During these unprecedented times, the Company has been scouting for all sorts of opportunities and started new initiatives such as OEM business, e-retail venture and new product lines. The Company also increased its focus on E-Commerce and B2B channels. All these initiatives have supported the revenue and cash flow. The Company will continue to engage in more such new initiatives to support growth and increase market share.

GROWTH DRIVERS OF THE COMPANY

The Company will continue to focus on sustained growth in the fast-changing business environment and the growing competition and ensure returns for all its stakeholders. The Company has laid down well thought plans and has identified the following key growth drivers:

Growing E-commerce channel and increasing points of Sale:

The global pandemic has entirely solidified the very need for e-commerce through faster rate of digital adoption. From being just one of the many options that we could opt for when it came to shopping, to becoming the primary method of shopping - we have all transitioned to a digital era where e-commerce is perhaps the fastest growing channel with more people depending on e-commerce platforms to meet their needs, our consumers are a lot more tech-savvy now than they have ever been before.

The consumer is expected to increasingly move online for their shopping needs, premiumize his spends across categories while seeking greater value for money.

The company will continue to focus on increasing its market share in the e-commerce segment by launching a series of exciting products through key e-commerce channels, thereby encouraging online sales through brand websites and other leading e-com portals. With the increasing internet users, growing online shopper base, growing comfort for online shopping, enhanced shopping experience and e-com platforms serving majorly the whole of the country, this channel is expected to grow exponentially.

With the increased focus on growth of business through brand websites, the Company expects sizeable business through this channel too. Timex India has also witnessed a significant leap in both traffic and transactions and the numbers are constantly evolving, thereby being an impetus to the growth of the overall business.

The Company will also focus on growth of newly started e-retail venture with presence on all major e-com portals. This channel has shown encouraging results during last year and presents a promising business opportunity.

The Company is working on Omni Channel concept for its showroom channel thereby connecting showrooms with online world. This will improve the consumer experience and make showrooms part of the e-com growth.

The other sales channels are also very important for sustainable growth. The Company will continue to increase points of sale through distribution channel by further strengthening this channel especially in Tier II and Tier III markets. The Company has a wide variety of product range relevant for the consumer in this market ranging from mass to fashion to luxury. Our product portfolio which includes watches designed and manufactured in India as well as the international range gives ample choice to consumers. Improved branding and increased consumer engagement will help in improving our position in the large format stores. Presence in these stores will drive customer experience. Showroom Channel will be further strengthened by opening more showrooms in B & C class towns. This channel helps in enhancement of brand visibility, consumer insights, consumer engagement and showcasing of global collection.

Product portfolio:

The Company, with its global organization and breadth of expertise in design and manufacturing, has a true advantage in a highly competitive marketplace. Further, the Company enjoys strong presence over various sales channels for reaching out to the consumer. The Company will leverage this expertise by focussing on shift from single brand to multi-brand business, with the primary focus on three core brands, Timex, Helix and TMX. Key collections will be launched to fill assortment gaps with demand and compete with other players. This will help increasing the width and depth of the product portfolio and increasing consumer choice, thereby adding to the revenue.

The Company will also focus on shift towards fashion segment from classic timepieces (through in-house/ licence brands and OEM business). The Company has already taken initiatives in this direction and will further grow this with more exciting opportunities.

While the license brands will help fill identified assortment gaps with demand, enhanced fashion brand portfolio will help gain better visibility and counter share in retail formats. The Company has access to an array of globally renowned fashion brands and more such brands are being added by the parent company with its global licensing tie-ups. The Company will further strengthen its brand portfolio by launching popular international lifestyle and fashion brands in India to cater to the high demand in the Premium Fashion and Bridge to Luxury segments driven by upper middle-class customers and the continued affinity for international brands.

The Company has recently entered into a licencing agreement with Benetton for design, manufacture and distribution of Benetton watches. This will help the Company to introduce new exciting collection of watches with the brand ethos of both Benetton and Timex. With the watch making expertise of Timex and the strong brand pull of Benetton, this tie-up is expected to show good results.

The Company has started new OEM business line in collaboration with Flipkart during the year under review. With the Company's watch making expertise and high-quality standards at Baddi factory, this initiative has shown very encouraging results. The consumers have liked these watches and given very good reviews and feedback. We will focus to grow this business line adding more OEM brands which are not in competition with our own portfolio of brands.

Tech Wearables are seeing strong growth across geographies in India, and the Company has a robust product pipeline to meet the demands of the fitness conscious Indian consumer at a variety of price points and feature concepts. The Company will focus on strengthening its technology product road map.

With Gen Z driving digital and market trends, the Company will continue to expand its youth portfolio with on-trend seasonal launches backed by social media marketing for the digital native young consumers.

Innovative products that leave a mark in the mind of the consumer at various price points have been one of the pillars of the Company's growth strategy for the past few years. With continued innovation, an eye on trends, and a strong connection with its legacy, the Company will maintain its focus on this pillar in the times to come.

The Company will focus on emphasising the innovation agenda for new product development and adopting digital across every part of the business. Digital analytics for decision making including keeping track of right product at right price point, will help in further strengthening the product portfolio to match the dynamic consumer needs. These initiatives are expected to grow the revenue as well as the margins.

Increasing Marketing initiatives:

The Company will continue to leverage digital channels in order to portray its brand's uniqueness through iconic global products. The aim is to establish the brand as an authentic American watch brand known for innovation, craftsmanship and a heritage of par excellence. We will continue to focus on smart digital strategies to increase customer engagement.

With digital marketing on the rise, the Company will continue to translate its values to life by focusing on digital marketing, visual merchandising, tactical consumer initiatives and in-store visibility to achieve consumer delight. The Timex India website is also regularly updated with new launches & technological advancements that only aims at delivering a seamless experience to our consumers.

In order to enhance the impact of its marketing efforts, the Company plans to use more digital means including use of high quality content creation (interactive/3D with the use of new technology like augmented reality etc.) for increased consumer engagement, use of artificial intelligence for faster service & for better customer experience along with high level of human touch, use of advance tools for data analytics & improved decision making etc.

The marketing activities would be focussed on improving the brand imagery of our three core brands, Timex, Helix and TMX through digital marketing campaigns for tech savvy and young consumer utilising social media, influencers etc. Tactical marketing (VM, In-shop displays) would be used to ensure on-ground brand presence and displays in line with overall brand imagery to compliment awareness and drive in-store awareness. More initiatives would be taken to build awareness of fashion brands amongst target segment to take advantage of growing demand for fashion brands and drive future sales.

Strengthening our manufacturing capability:

Our Baddi plant is one of the most advanced and sophisticated watch assembly plant with the best of the class certifications such as SA 8000:2014 and ISO 18001:2018. It is currently handling over 50 types of watch – movements with assembly capacity of 10 k watches per day. It includes assembly of digital, Analogue, Ana-Digi, Indiglo®. It has recently developed the technology to assemble Smart-bands and digital watches too.

The Baddi plant is currently manufacturing watches for various world class brands including Timex Group brands and other OEM brands. The Baddi plant would be assembling watches under the licencing agreement with Benetton Group too. To leverage the manufacturing expertise at Baddi plant, the Company would be exploring more such opportunities.

With the start of OEM business, the plant has seen continuous increase in production of watches per day and reduction of production cost per watch. It has become an important manufacturing hub for India as well as group companies globally. The watches manufactured at this factory have been well accepted by other group companies globally and the export of watches has been continuously increasing. The Company would consider ramp up of the capacity at Baddi plant in line with its growth plans.

Internal and External stakeholder support:

The Company boasts of the highly skilled, experienced and motivated employees with a very low attrition rate which will continue to take the Company to the next level of growth. Suppliers and trade and institutional sales partners have always contributed their best for the Company's growth. The Company will continue to invest in all these internal and external stakeholders to ensure continued growth.

OPPORTUNITIES AND CHALLENGES

The Indian watch industry is poised for a strong growth which is substantiated by the following factors:

1. Watch as a discretionary spend category witnessed sharp drop in demand during COVID; demand recovery curve is projected by 2022.
2. At 35% wrist watch penetration, there is huge untapped potential to cover a larger base of Indian consumers.
3. Close to 55% of sales come from metros and tier-I cities; there is huge growth potential in lower tier cities.
4. Traditional watches comprise of 73% of the total Indian watch industry which shows that majority of the consumers like to wear traditional watches.
5. Surge in aspirational consumer with high disposable income and premiumizing across categories will help in market growth.
6. New age digital sales channels such as e-commerce, online and omni channels will grow exponentially and contribute to the growth for watch industry.
7. Technology based products such as Smart watches, bands and wearables are growing at a fast pace and will increase the overall size of watch market.
8. Growing demand for international / fashion brands and premium watches by young population will improve the average prices and margins.
9. Licensing arrangements with aspirational brands to start watch category will give additional boost.
10. Opportunities such as OEM business will help boost revenue, higher capacity utilisation and reduction in overheads.

RISKS & THREATS

The Company has in place a well-defined risk management framework to identify, evaluate and assess the potential risks and challenges and determine the processes to mitigate and manage the same. The Risk Management Committee comprising of senior management executives, periodically reviews and assesses the key risks in consultation with the functional managers. The potential risks to the operations are identified, evaluated, managed and monitored regularly. The Board periodically reviews the risks and suggests steps to be taken to mitigate and manage the same. The Company has identified the below specific key risks:-

- **Financial Risk**
    1. The accumulated losses of the past years have eroded substantial part of the net worth of the Company. Further, Company's performance has been severely impacted due to COVID-19 pandemic. However, with the significant improvement in the operational performance of the Company over the last couple of years, the Company has been able to improve this situation. The Company also expects growth in its operations in future post COVID-19 situations with continuous improvement in the operational efficiency. While accumulated losses will be wiped off from profits over a period of time, the Company continues to recognize and monitor this risk closely.
    2. Foreign exchange fluctuations with a falling rupee pose a risk for the Company's margins as the Company imports significant amount of material. The Company is integrating with the Timex Global supply chain and taking measures to indigenise and develop indigenous vendors which will reduce the impact of adverse exchange rate fluctuations on the Company's margins.
- **External Environment**
    1. Technology and fashion products are witnessing fast growing demand. Fitness trackers and smart watches will also continue to grow. The Company will continue to add more international brands into its product range to cater to the demand of fashion category. The Company will be coming out with more technology products for the users of technology product.
    2. With the increased penetration of internet, digital sales channel will grow faster. E-commerce sales, omni channel sales and online sales through the brand websites and e-retail venture are the focus areas for next level of growth.
    3. Competition is increasing its investment in brand campaigns and is adopting price reduction techniques to disrupt the market. Mobile handset manufacturers and technology companies are investing on wearable technology. Wellness companies also are launching

bands which are an extension to their health apps. Technology companies are tying up with various watch manufacturers to integrate technology with watches. The Company believes that continuous innovation is key to success. Timex Group Global Design Centre located in Milan, and the Global Supply Chain organization supports the Company in creating differentiation and bringing cutting edge technology and designs to a highly competitive marketplace. By thinking and acting both locally and globally, we are constantly challenging ourselves to look at the future.

4. The watch industry continues to face the challenge of fake / counterfeit products. The Industry needs to counter this collectively. The Company keeps a close watch on counterfeit products and has been regularly taking legal action against counterfeiters.

- **Labour risk at Baddi plant**

The Company engages labour for assembly of watches and other processes at the factory. The factory is situated in an industrial area and therefore potential risks emanating from a concentration of industries in one area like loss of trained manpower, labour movement, labour unrest, strike etc. are inherent at the location even though we have not had any industrial unrest in our factory ever since inception.

The Company always endeavours to keep the employees motivated and happy to enable them to contribute to Company's growth. The Company has put in place well defined policies and systems for recruitment and appraisal of employees at factory. With regular on-the-job training and job rotation, we ensure that we have seamless availability of trained and skilled manpower. Employees are motivated with monthly rewards programs, employee engagement activities, welfare activities etc. The Company's environment, health and safety policies have been certified by world class certifications such as SA-8000 and ISO 45001:2018. All labour related issues are handled proactively and prompt action is taken to avoid any adverse situation.

Due to COVID-19 pandemic, there is a risk of large scale spread of COVID-19 infection within enclosed spaces in the various premises and the Company needs to make proper arrangements for precautions at workplaces. The Company has put in place all precautions and safety measures to ensure that the employees remain safe including social distancing, use of masks, sanitizer, encouraging use of virtual meetings and approvals, restrictions on travel etc.

- **Other Risks**

Other risks include the usual risks relating to information technology (IT), business continuity and disaster management, retention of key personnel, compliance of various laws, contractual obligations, risks relating to the general macroeconomic environment including risks associated with political and legal changes, changes in tax structures, commercial rules & laws. These are analyzed regularly and measures are taken to mitigate the same.

DIRECTORS

Composition

The Board of Directors comprises six (6) Directors consisting of three (3) Independent Directors, two (2) Non-Executive Directors and One (1) Managing Director.

Appointment/ Resignation from the Board of Directors/Key Managerial Personnel

Mr. Anil Malhotra, Non-Executive Director of the Company resigned from directorship of the Company with effect from November 25, 2020, due to his personal reasons.

Pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and Articles of Association of the Company, Mr. Sylvain Ernest Louis Tatu was appointed as an additional director of the Company with effect from March 26, 2021. Mr. Sylvain Ernest Louis Tatu holds the office upto the date of the ensuing Annual General Meeting. The Company has received requisite notice in writing from a member proposing the appointment of Mr. Tatu as a director. The Board recommends his appointment as Director, liable to retire by rotation.

In accordance with Section 152 of the Companies Act, 2013 and Articles of Association of the Company, Mr. David Thomas Payne retires by rotation as a Director, and being eligible, offers himself for re-appointment. The Board recommends his re-appointment as a Director.

There was no change in the Key Managerial Personnel during the year.

Declaration by the Independent Directors

Pursuant to the provisions of Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Company has received declaration from all Independent Directors confirming their compliance with the criteria of independence and their independence from the management. In the opinion of the Board, the Independent Directors, fulfil the conditions of independence specified in Section 149(6) of the Act and Regulation 16(1) (b) of the Listing Regulations. There has been no change in the circumstances affecting their status as Independent Directors of the Company.

In the opinion of the Board all Independent Directors of the Company possess requisite qualifications, experience and expertise in the fields of retail, sales and marketing, manufacturing, finance and tax, governance and risk, human resources, strategy etc. and that they hold highest standards of integrity.

All Independent Directors of the Company have registered themselves with the Independent Directors' Database maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014.

The Company has also received confirmation from all

Independent Directors regarding their compliance with the Company's code of conduct during the FY 2020-21.

Number of meetings of Board of Directors

Five Board meetings were held during the financial year 2020-21 on June 24, 2020, August 6, 2020, August 31, 2020, October 26, 2020 and February 3, 2021. All directors attending the meeting actively participated in the deliberations at these meetings. The intervening gap between any two meetings was within the period prescribed under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. More details of the Board meetings have been provided in the 'Report on Corporate Governance'.

COMMITTEES OF THE BOARD

The Board has constituted the following Committees pursuant to the requirements of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders' Relationship Committee
4. Corporate Social Responsibility Committee
5. Share Allotment and Transfer Committee

More details with respect to the composition, powers, roles, terms of reference, etc. of these Committees are given in the 'Report on Corporate Governance' of the Company which forms part of this Annual Report.

NOMINATION AND REMUNERATION POLICY

The Board of Directors has, on the recommendations of the Nomination and Remuneration Committee, adopted a Nomination and Remuneration Policy which contains the process and guidelines to be followed for identification, evaluation and fixation of remuneration of directors, key managerial personnel and other employees and other matters as prescribed under the Companies Act, 2013 and Listing Regulations.

The Policy has been enacted mainly to deal with the following matters, falling within the scope of the NRC:

- to institute processes which enable the identification of individuals who are qualified to become Directors and who may be appointed as KMP and/or in senior management/ other employees and recommend to the Board of Directors their appointment and removal from time to time;
- to formulate the criteria for determining qualifications, positive attributes and independence of Directors;
- to establish evaluation criteria of Board, its Committees, individual Directors, key managerial personnel, senior management and other employees;
- to establish processes for fixation of remuneration of Directors, key managerial personnel, senior management and other employees.

The Nomination and Remuneration Policy is available on the website of the Company i.e. www.timexindia.com. It is affirmed that the remuneration paid to Directors, key managerial personnel and all other employees of the Company is in accordance with the Nomination and Remuneration Policy of the Company.

EMPLOYEE REMUNERATION

Pursuant to the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules is provided in the Annual Report, which forms part of this Report.

Disclosures relating to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in the Annual Report, which forms part of this Report.

Having regard to the provisions of the Section 136 of the Act, 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 and the same will be furnished on request.

FORMAL ANNUAL EVALUATION

The Board has carried out performance evaluation of itself, its Committees and each of the Directors (without participation of the concerned director). Independent Directors collectively evaluated the Board's performance, performance of the Chairman and other non-independent Directors.

The performance evaluation concluded on the note that each of the individual directors, Committees and the Board as a whole, were performing efficiently and effectively and shared a common vision to turn organization goals into reality.

VIGIL MECHANISM/ WHISTLE BLOWER POLICY

The Company has adopted a Whistle Blower Policy which provides a mechanism for employees / Board Members and others to raise good faith concerns about violation of any applicable law/ Code of Conduct of the Company, gross wastage or misappropriation of funds, substantial or specific danger to public health and safety, abuse of authority or unethical behaviour and to protect the individuals who take such actions from retaliation or any threat of retaliation and also provides for direct access to the Chairman of the Audit Committee. The functioning of the Vigil mechanism is reviewed by the Audit Committee from time to time.

Any incidents that are reported are investigated and suitable action is taken in line with the Whistle Blower Policy.

The Whistle Blowers are not denied access to the Audit Committee of the Board. The details of the Whistle Blower Policy are given in the Report on Corporate Governance and are also available on the website of the Company at the link www.timexindia.com.

POLICY ON PREVENTION OF INSIDER TRADING

In terms of the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended, the Company has framed, a) Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders, b) Code of Fair Disclosure and c) Policy on investigation in case of leak / suspected leak of unpublished price sensitive information. The Company's Code, inter alia, prohibits dealing in the shares of the Company by an insider, while in possession of unpublished price sensitive information in relation to the Company and also during certain prohibited periods.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The Company has not given any loans or guarantees or made any investments covered under Section 186 of the Companies Act, 2013 during the year under review.

RELATED PARTY TRANSACTIONS

Pursuant to the provisions of the Companies Act 2013, the Rules there under and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has, on the recommendation of the Audit Committee, adopted a Policy to regulate transactions between the Company and its Related Parties. This Policy has been uploaded on the website of the Company at www.timexindia.com.

All the related party transactions executed by the Company during the year were in the ordinary course of business, on arm's length basis and in compliance with the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Omnibus approval of Audit Committee is obtained at the beginning of the financial year for the related party transactions which are foreseen and repetitive in nature. A statement of all Related Party Transactions is placed before the Audit Committee for its review on a quarterly basis, specifying the nature, value and terms and conditions of the transactions.

No material related party transaction was entered during the financial year. Accordingly, the disclosure required under section 134(3) (h) of the Companies Act, 2013 in Form AOC-2 is not applicable to the Company. The details of the related party transactions entered during the year are given in the financial statements of the Company.

FINANCE

The Company has not invited nor holds any fixed deposits. There were no overdue / unclaimed deposits as on 31st March 2021.

During the year under review, the Company made payment, net of credits, aggregating to Rs. 2,137 Lakhs by way of Central, State and local sales taxes and duties as against Rs. 3,435 Lakhs in the previous year.

SEGMENT WISE REPORTING

The segment wise information for watches and other activities are provided in the Notes to the Accounts.

LISTING

The Equity Shares of the Company are listed on the BSE Ltd. The annual listing fee for the year 2021-22 has been paid to the Exchange.

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has put in place adequate internal control systems, commensurate with size, scale and complexity of Company's operations to ensure compliance with policies and procedures. The Company has also adopted policies and procedures for ensuring the orderly and efficient conduct of its business, 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 disclosures.

The internal control mechanism comprises a well-defined organization, which undertakes time bound audits and reports its findings to the Audit Committee, documents policy guidelines and determines authority levels and processes.

The Audit Committee regularly reviews the systems and operations to ensure their effectiveness and implementation. The Internal Auditors and Statutory Auditors regularly attend Audit Committee meetings and convey their views on the adequacy of internal control systems as well as financial disclosures. The Audit Committee is briefed about the corrective actions taken by the management on the audit observations. The Audit scope is regularly reviewed by the Audit Committee for enhancement/ modification of scope and coverage of specific areas. The Statutory Auditors review the internal financial controls periodically.

AUDITORS AND AUDITORS' REPORT

a. Statutory Auditors

M/s Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration No. 117366W/W-100018), were appointed as the Statutory Auditors of the Company by the shareholders in their 29th annual general meeting, to hold office for a period of 5 years from the conclusion of 29th Annual General Meeting till the conclusion of 34th Annual General Meeting.

During the year under review, the Auditors had not reported any matter under Section 143 (12) of the Act, therefore no detail is required to be disclosed under Section 134 (3)(ca) of the Act.

The Report given by M/s Deloitte Haskins & Sells LLP, Statutory Auditors on the financial statement of the Company for the year 2020-21 is part of the Annual Report. There has been no qualification, reservation or adverse remark or disclaimer in their Report.

b. Secretarial Auditors and Secretarial Audit Report

M/s NKJ and Associates, Company Secretaries (Certificate of Practice No. 5233) have carried out the Secretarial Audit of the Company for the financial year 2020-21. The Report given by the Secretarial Auditors is annexed as **Annexure A** and forms integral part of this Report. There has been no qualification, reservation or adverse remark or disclaimer in their Report.

During the year under review, the Secretarial Auditors had not reported any matter under Section 143 (12) of the Act, therefore no detail is required to be disclosed under Section 134 (3)(ca) of the Act.

In terms of Section 204 of the Companies Act, 2013, the Audit Committee recommended and the Board of Directors appointed M/s NKJ & Associates, Company Secretaries (Certificate of Practice No. 5233) as the Secretarial Auditors of the Company in relation to the financial year 2021-22. The Company has received their consent for appointment.

HUMAN RESOURCES

We saw unprecedented challenges and dynamic situations throughout the year under review on HR front. The pandemic posed a big cause of concern for work force to attend the offices/ workplaces and perform their duties. Accordingly, new HR policies and initiatives were adopted considering care and empathy for employees. It was also important to take the team along towards individual and organisational success. The Company took all measures to support the employees during difficult times by allowing them to work from home, medical support and guidance to COVID-19 impacted employees, financial support and counselling to need employees, free vaccination for all employees etc.

We believe that the experienced, talented and motivated manpower is the key to ensure successful operations and achieving the growth plans. We are committed to hiring and retaining the best talent. We have been taking initiatives for promoting a collaborative, transparent and participative organization culture, and rewarding individual contribution and innovation. Growth and development of the manpower is a regular focus area and we will continue to invest in this. Training programmes are regularly organised at all locations to sharpen and update the skills of the employees. Employee engagement activities are organised at all locations to keep the employees fully motivated and aligned.

Skilled and trained manpower is required at the Baddi plant for various processes during assembly of watches. The manpower is regularly motivated and updated with on-the-job training, regular counselling, performance rewards, transparent annual appraisals, formal and informal interactions, on-site and off-site events and picnics, food festivals, festival celebrations etc. The policies and practices at plant are employee friendly. The employees at plant are highly satisfied and we have never seen any labour issue at plant ever since inception.

We provide good work culture and regular opportunities for growth of employees. As a result, the attrition rate of employees is very low. We have a succession planning roadmap in place for critical roles at the senior leadership to ensure seamless availability of competent talent.

The culture of performance and meritocracy at all levels of the organisation is important to motivate and encourage the employees to give their best performance. We have adopted transparent and agreed upon smart KRAs and KPIs in line with the Company's growth strategy and plan. The goals and objectives are defined and tracked in an online performance management system, called 'Workday'. Performance appraisals are also linked with these smart goals and objectives.

We have a lean and efficient structure and have 348 employees as on 31st March 2021.

SIGNIFICANT CHANGE IN KEY FINANCIAL RATIOS

The interest coverage ratio was at -2.70 for the financial year ended March 31, 2021 as compared to 0.36 for previous financial year. The ratio has reduced significantly due to reduction in the earnings before interest caused by the impact of COVID-19 pandemic.

The Operating Profit Margin of the Company has reduced from 1.58 to -1.67 due to decreased Operating profit and the Net Profit Margin has reduced from -0.71 to -5.64 due to decreased Net profits of the Company.

The return on net worth has decreased from -8.7% to -64.8% due to decrease in the net income and increase in loss after tax of the Company.

SECRETARIAL STANDARDS

The Directors state that applicable secretarial standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly followed by the Company.

MATERIAL CHANGES

There have been no material changes and commitments affecting the financial position of the Company that occurred between the end of the financial year and the date of Directors' Report of the Company i.e. June 30, 2021.

Further, there were no significant or material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

EXTRACT OF ANNUAL RETURN

The extract of the Annual Return of the Company is annexed herewith as **Annexure B** and forms an integral part of this Report.

CORPORATE GOVERNANCE

As per Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, a separate section on Corporate Governance together with a certificate from the practicing Company Secretary confirming compliance is set out in the Annexure forming part of this report.

CONSERVATION OF ENERGY

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo, as required to be disclosed under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is provided in **Annexure C** to this Report forming an integral part of this report.

DEMATERIALISATION

The equity shares of the Company are being compulsorily traded in dematerialized form. As on 31st March 2021, 23016 shareholders representing 97.494% of the Equity Share Capital are holding shares in dematerialized form.

CORPORATE SOCIAL RESPONSIBILITY

The Board of Directors had, on the recommendations of the Corporate Social Responsibility Committee, adopted a Corporate Social Responsibility (CSR) Policy which provided the guidelines for undertaking CSR activities by the Company. The CSR Policy was also made available on the Company's website at www.timexindia.com. There was no change in the Policy during the year.

However, the Board of Directors of the Company has, considering the accumulated and continuing losses and consequent to the amendments in the provisions of the Section 135 of the Companies Act, 2013, dissolved the Corporate Social Responsibility Committee with effect from February 3, 2021.

COST RECORDS

Maintenance of cost records as specified by the Central Government under Section 148(1) of the Companies Act, 2013, is not applicable on the Company. Accordingly, such records are not made and maintained.

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The Company has zero tolerance towards sexual harassment at the workplace and has formed committees called Internal Complaints Committee at Baddi Plant, Corporate Office and at all regional offices for prevention and prohibition of sexual harassment and redressal against complaints of sexual harassment of working women at the workplace as per Sexual Harassment of Women At Workplace (Prevention, Prohibition And Redressal) Act, 2013 read with Sexual Harassment of Women At Workplace (Prevention, Prohibition And Redressal) Rules, 2013. These Committees have the power/jurisdiction to deal with complaints of sexual harassment of working women as per the rules specified therein. All the employees (permanent, contractual, temporary, trainees) are covered under this policy.

During the financial year 2020-21, no such complaint was received across the organisation.

During the year, the Company has complied with the provisions of Sexual Harassment of Women At Workplace (Prevention, Prohibition And Redressal) Act, 2013 read with Sexual Harassment of Women At Workplace (Prevention, Prohibition And Redressal) Rules, 2013 and has formed necessary committees at all locations.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the directors to the best of their knowledge and ability 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 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 proper internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively and;

(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.

CAUTIONARY STATEMENT

Statements in the Board's Report and the Management Discussion & Analysis Report describing the Company's objectives, expectations or forecasts may be forward looking within the meaning of applicable laws. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include global and domestic demand and supply conditions affecting selling prices, raw material availability and prices, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

ACKNOWLEDGEMENTS

The Directors wish to place on record their appreciation for the support and cooperation, which the Company continues to receive from its customers, the watch trade, the New Okhla Industrial Development Authority, the Governments of Uttar Pradesh and Himachal Pradesh, the Banks / Financial Institutions and other stakeholders such as - shareholders, customers and suppliers, among others, and its employees. The Directors also commend the continuing commitment and dedication of the employees at all levels, which has been critical for the Company's success. The Directors look forward to their continued support in future.

For and on behalf of the Board of Directors

Sd/-

Place: Connecticut, USA
Date: June 30, 2021

David Thomas Payne
Chairman
DIN: 07504820

Annexure-A

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]

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2021

To,
The Members,
Timex Group India Limited
E-10, Lower Ground Floor,
Lajpat Nagar-III New Delhi-110024

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Timex Group India Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the 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, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2021 according to the provisions of:

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

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

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

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

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

   (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;

   (d) Securities and Exchange Board of India (Share Based Employees Benefits) Regulation, 2014;

   (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

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

   (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

   (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

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

   (j) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above as applicable.

We would like to make following disclosure:

As per SEBI (LODR) Regulations 2015, the Company is required to have at least 6 Directors in its Board. Accordingly, the Company was having the prescribed composition of the Board. However, one non-executive Director of the Company had resigned from the Board on November 25, 2020 reducing Board's strength to 5 Directors. The company filled this vacancy on 26th March 2021 by appointment of a new Director, with a time gap of 3 month 29 days. BSE Limited has imposed a fine on the Company for a period of 29 days for delay in filling this vacancy. The Company has paid the fine, under protest, with a request to the BSE for waiver and refund of the fine.

We further report that

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

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

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

We further report that

There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that

During the audit period there is an indirect acquisition of 74.93% of the total issued and paid-up Equity Share Capital and voting rights of the Company by B.P. Horological Holdings, L.L.C and in this regard the company has complied with the applicable laws, rules, regulations and guidelines.

For **NKJ & Associates**
Company Secretaries

Sd/-
Neelesh Kumar Jain
FCS No.: 5593
C P No.: 5233
UDIN: F005593C000536288

Place: New Delhi
Date: June 30, 2021

This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report

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Annexure A

To,
The Members
Timex Group India Limited
E-10, Lower Ground Floor,
Lajpat Nagar-III New Delhi-110024

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

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

Date: June 30, 2021
Place: New Delhi

Sd/-
Neelesh Kumar Jain
FCS No. 5593
CP No. 5233

Annexure-B

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31st March 2021

(Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014)

I. REGISTRATION AND OTHER DETAILS

1	**CIN**	**L33301DL1988PLC033434**
2	**Registration Date**	4 October 1988
3	**Name of the Company**	**Timex Group India Limited**
4	**Category/Sub-Category of the Company**	Public Company/Limited by shares
5	**Address of the Registered office and contact details**	E-10, Lower Ground Floor, Lajpat Nagar-III, New Delhi-110024. **Phone Nos.** 011-41021297, **Email Id:** investor.relations@timex.com
6	**Whether listed company**	Yes
7	**Name, Address and Contact Details of Registrar and Transfer Agent:**	**Alankit Assignment Limited** 4E/2 Alankit House, Jhandewalan Extension, New Delhi - 110055 **Telephone:** 011-42541234, **Fax Number:** 011-23552001 **Email Id :** rta@alankit.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

S No.	Name and Description of main products/services	NIC Code of the Product/ service	% to total turnover of the company
1	Watches	2652	100%*

*Rounded off

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S No.	Name and address of the Company	CIN/GLN	Holding/subsidiary/ Associate of the Company	% of shares Held	Applicable Section
1.	Timex Group Luxury Watches B.V. Herengracht 466, 1017 CA Amsterdam The Netherlands	-	Holding Company	74.93%	Section 2(46)

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (1st April 2020)				No. of Shares held at the end of the year (31st March 2021)				% Change During the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
(1) **Indian**									
a) Individual/HUF	0	0	0	0	0	0	0	0	0
b) Central Government	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	0	0	0	0	0	0	0	0
e) Banks/FI	0	0	0	0	0	0	0	0	0

Category of Shareholders	No. of Shares held at the beginning of the year (1st April 2020)				No. of Shares held at the end of the year (31st March 2021)				
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	% Change During the Year
f) Any other	0	0	0	0	0	0	0	0	0
Sub-Total(A)(1):-	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
(2) **Foreign**									
a) NRIs-Individual	0	0	0	0	0	0	0	0	0
b) Other-Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	75645100	0	75645100	74.933	75645100	0	75645100	74.933	0
d) Banks/ FI	0	0	0	0	0	0	0	0	0
e) Any other....	0	0	0	0	0	0	0	0	0
Sub-total (A)(2):-	75645100	0	75645100	74.933	75645100	0	75645100	74.933	0
Total share-holding of Promoter(A) =(A)(1)+(A)(2)	**75645100**	**0**	**75645100**	**74.933**	**75645100**	**0**	**75645100**	**74.933**	**0**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	7800	7800	0.008	0	7800	7800	0.008	0
b) Banks/FI	201	1100	1301	0.001	200	1100	1300	0.001	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs	4423	15600	20023	0.020	31023	15600	46623	0.046	0.026
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) **Others(specify) Foreign National**	500	0	500	0.000	500	0	500	0.000	0
Sub-total(B)(1):-	**5124**	**24500**	**29624**	**0.029**	**31723**	**24500**	**56223**	**0.056**	**0.027**
2. Non-Institutions									
• Bodies Corp.									
i) Indians	2733284	15600	2748884	2.723	2634143	15600	2649743	2.625	(0.098)
ii) Overseas									
• Individuals									
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	12347828	2157343	14505171	14.369	12096806	2147843	14244649	14.11	(0.259)
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	6718525	0	6718525	6.655	7020566	0	7020566	6.954	0.299
• Others(specify) NRI	957496	344100	1301596	1.289	992119	341500	1333619	1.321	0.032
Trust	1100	0	1100	0.001	100	0	100	0	(0.001)
Subtotal(B)(2):-	**22758233**	**2517043**	**25275276**	**25.037**	**22743734**	**2504943**	**25248677**	**25.011**	**(0.026)**
Total Public Shareholding(B)= (B)(1)+(B)(2)	**22763357**	**2541543**	**25304900**	**25.07**	**22775457**	**2529443**	**25304900**	**25.07**	0
3. Share held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	**98408457**	**2541543**	**100950000**	**100**	**98420557**	**2529443**	**100950000**	**100**	**0**

(ii) Shareholding of Promoters

Sl. No.	Shareholders Name	Shareholding at the beginning of the year (1st April 2020)			Shareholding at the end of the year (31st March 2021)			% change in share-holding during the year
		No. of Shares	% of total shares of the Company	% of Shares Pledged/ encumbered to total Shares	No. of Shares	% of total shares of the Company	% of Shares Pledged/ encumbered to total Shares	
1.	Timex Group Luxury Watches B.V.	75645100	74.93	0	75645100	74.93	0	0
	Total	**75645100**	**74.93**	**0**	**75645100**	**74.93**	**0**	**0**

(iii) Change in Promoters Shareholding

No Change in the shareholding of the promoters.

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	At the beginning of the year	Not Applicable			
2.	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease(e.g. allotment/transfer/bonus/ sweat equity etc)				
3.	At the end of the year				

(iv) Shareholding Pattern of the top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	For Each of the Top 10 Shareholders			Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	**Mitesh N Mehta**						
	At the beginning of the year			2467940	2.44		
	Sale(-)/Purchase(+) during the Year	As on Benpos Date	No of shares				
		22/05/2020	(100000)			2367940	2.34
		03/07/2020	(118000)			2249940	2.29
		04/09/2020	(50000)			2199940	2.18
		11/09/2020	(82940)			2117000	2.10
		18/09/2020	(100000)			2017000	2.00
		06/11/2020	8000			2025000	2.00
		27/11/2020	(195000)			1830000	1.81
		11/12/2020	(200000)			1630000	1.61
		15/01/2021	180000			1810000	1.80
		12/02/2021	250000			2060000	2.04
	At the end of the year (or on the date of separation, if separated during the year)			2060000	2.04		

Sl. No.	For Each of the Top 10 Shareholders			Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
2.	**Chetan Jayantilal Shah**						
	At the beginning of the year			1050000	1.04		
	Sale(-)/Purchase(+) during the Year	As on Benpos Date	No of shares				
		04/12/2020	231468			1281468	1.27
		11/12/2020	68532			1350000	1.34
		12/02/2021	150000			1500000	1.48
		19/02/2021	50000			1550000	1.53
		26/03/2021	50000			1600000	1.58
	At the end of the year (or on the date of separation, if separated during the year)			1600000	1.58		
3.	**Ithoughtwealth Analytics LLP**						
	At the beginning of the year			1321897	1.31		
	Sale(-)/Purchase(+) during the Year	As on Benpos Date	No of shares				
	At the end of the year (or on the date of separation, if separated during the year)			1321897	1.31		
4.	**Shashank S Khade**						
	At the beginning of the year			845064	0.84		
	Sale(-)/Purchase(+) during the Year	As on Benpos Date	No of shares				
	At the end of the year (or on the date of separation, if separated during the year)			845064	0.84		
5.	**Sanjeev Arora**						
	At the beginning of the year			563355	0.56		
	Sale(-)/Purchase(+) during the Year	As on Benpos Date	No of shares				
	At the end of the year (or on the date of separation, if separated during the year)			563355	0.56		
6.	**Bharat Kunverji Kenia**						
	At the beginning of the year			340612	0.34		
	Sale(-)/Purchase(+) during the Year	As on Benpos Date	No of shares				
	At the end of the year (or on the date of separation, if separated during the year)			340612	0.34		
7.	**Smart Value Equisearch Pvt ltd**						
	At the beginning of the year			322356	0.32		
	Sale(-)/Purchase(+) during the Year	As on Benpos Date	No of shares				
	At the end of the year (or on the date of separation, if separated during the year)			322356	0.32		

Sl. No.	For Each of the Top 10 Shareholders			Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
8.	**Sonal Chetan Shah**						
	At the beginning of the year			300000	0.30		
	Sale(-)/Purchase(+) during the Year	As on Benpos Date	No of shares				
	At the end of the year (or on the date of separation, if separated during the year)			300000	0.30		
9.	**Jayantilal Premji Shah**						
	At the beginning of the year			150000	0.15		
	Sale(-)/Purchase(+) during the Year	As on Benpos Date	No of shares				
		19/03/2021	95000			245000	0.24
		26/03/2021	55000			300000	0.30
	At the end of the year (or on the date of separation, if separated during the year)			300000	0.30		
10.	**Ojas Consulting Pvt Ltd**						
	At the beginning of the year			155000	0.15		
	Sale(-)/Purchase(+) during the Year	As on Benpos Date	No of shares				
	At the end of the year (or on the date of separation, if separated during the year)			155000	0.15		

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year (1st April 2020)		Increase/decrease in shareholding during the year specifying the reason for increase/ decrease	Shareholding at the end of the year (31st March 2021)	
	Name of Director /KMP	No. of shares	% of total shares of the Company		No. of shares	% of total shares of the Company
1.	Mr. David Thomas Payne	0	0	-	0	0
2.	Mr. Anil Malhotra*	0	0	-	0	0
3.	Mr. Sylvain Ernest Louis Tatu**	0	0	-	0	0
4.	Ms. Sharmila Sahai	0	0	-	0	0
5.	Ms. Gagan Singh	0	0	-	0	0
6.	Mr. Pradeep Mukerjee	0	0	-	0	0
7.	Mr. Bijou Kurien	3800	0.00	-	3800	0.00
8.	Mr. Amit Jain	0	0	-	0	0
9.	Mr. Dhiraj Kumar Maggo	1	0	-	1	0.00

* Mr. Anil Malhotra resigned with effect from November 25, 2020

** Mr. Sylvain Ernest Louis Tatu was appointed as an additional director with effect from March 26, 2021.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment (Amount in Rs.)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	20,42,24,493	-	20,42,24,493
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total(i+ii+iii)	-	**20,42,24,493**	-	**20,42,24,493**
Change in Indebtedness during the financial year				
• Addition	-	-	-	-
• Reduction	-	17,51,32,060	-	**17,51,32,060**
Net Change	-	**17,51,32,060**	-	**17,51,32,060**
Indebtedness at the end of the financial year				
i) Principal Amount	-	2,90,92,432	-	2,90,92,432
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total(i+ii+iii)	-	**2,90,92,432**	-	**2,90,92,432**

VI. REMUNERATION OF THE DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Directors, Whole-time Directors and/or Manger:

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manger (Amount in Rs.)
		Ms. Sharmila Sahai
1.	Gross salary	
	(a) Salary as per provisions contained in section 17(1) of the Income-Tax Act, 1961	61,71,970
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act,1961	-
2.	Stock Option	-
3.	Sweat Equity	-
4.	Commission	
	- As % of profit	-
	- Others, specify	-
5.	Others (Incentive, reimbursements & retirals)	23,53,875
	Total(A)	**85,25,845**
	Ceiling as per the Act	Remuneration paid is within the ceiling prescribed under Companies Act, 2013.

B. Remuneration of other directors

Sl No.	Particulars of Remuneration	Name of Directors			Total Amount (Rs.)
		Mr. Bijou Kurien	Ms. Gagan Singh	Mr. Pradeep Mukerjee	
1.	A. Independent Directors				
	• Fees for attending board/committee meetings	1,50,000	1,80,000	1,80,000	**5,10,000**
	• Commission	-	-	-	-
	• Others, please specify	-	-	-	-
2.	**Total(1)**	**1,50,000**	**1,80,000**	**1,80,000**	**5,10,000**
3.	B. Other Non-Executive Directors				
	• Fees for attending board committee meetings	-	-	-	-
	• Commission	-	-	-	-
	• Others, please specify	-	-	-	-
4.	**Total(2)**	-	-	-	-
5.	**Total(B)=(1+2)**	**1,50,000**	**1,80,000**	**1,80,000**	**5,10,000**
	Total Managerial Remuneration (A+B)				**90,35,845**
	Overall Ceiling as per the Act	The sitting fees has been paid within the limits prescribed under the Companies Act, 2013			

Mr. David Thomas Payne, Mr. Anil Malhotra and Mr. Sylvain Ernest Louis Tatu were not paid any sitting fee or other remuneration during the year 2020-21.

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO/MD*	CFO- Amit Jain	VP – Legal, HR & CS - Dhiraj Kumar Maggo	Total (Rs.)
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		68,24,349	48,28,088	**1,16,52,437**
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		32,400	32,400	**64,800**
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		-	-	-
2.	Stock Option		-	-	-
3.	Sweat Equity		-	-	-
4.	Commission				
	- As % of profit		-	-	-
	- Others, specify		-	-	-
5.	Others (Retirals & Reimbursements)		27,63,216	25,70,728	**53,33,945**
	Total		**96,19,965**	**74,31,216**	**1,70,51,182**

*Particulars of remuneration of CEO/MD are given under point VI(A) above.

VII. PENALITIES/PUNISHMENT/COMPOUNDINGOF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/Compounding fees imposed	Authority (RD/NCLT/ Court)	Appeal made, if any (give details)
COMPANY					
Penalty	None				
Punishment					
Compounding					
DIRECTORS					
Penalty	None				
Punishment					
Compounding					
OTHER OFFICERS IN DEFAULT					
Penalty	None				
Punishment					
Compounding					

Annexure-C

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO PURSUANT TO PROVISIONS OF SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 AND RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014

Particulars	Measures
Conservation of energy	
(i) the steps taken or impact on conservation of energy; (ii) the steps taken by the company for utilising alternate sources of energy; (iii) the capital investment on energy conservation equipment.	The Company has taken the following steps towards energy conservation: 1. CFL lights were replaced with LED lights. 2. Use of Variable frequency drive for AHU Motors instead of Star Delta Starter that reduces power consumption by 15%/day (approx.) 3. Modified the Power Distribution Board of watch assembly lines which makes the use of all electric equipment safe and helps in reducing cost 4. Using Automatic Power Factor Controller to maintain PF at 0.99 which reduces Demand Charges, Improves Voltage and reduces power system losses 5. Using energy from Rainwater Harvesting to recharge Ground Water 6. Reuse of sewage water after treatment for irrigation of the green area and using sludge as compost manure after sewage treatment
Technology Absorption	
(i) the efforts made towards technology absorption; (ii) the benefits derived like product improvement, cost reduction, product development or import substitution; (iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- (a) the details of technology imported; (b) the year of import; (c) whether the technology been fully absorbed; (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and (iv) the expenditure incurred on Research and Development.	NA
Foreign exchange	
The Company has earned INR 385 Lakhs in Foreign exchange and used INR 3,229 lakhs.	

REPORT ON CORPORATE GOVERNANCE

CORPORATE GOVERNANCE PHILOSOPHY

Transparency and accountability are the two basic tenets of Corporate Governance which are integral part of our business and endeavour to ensure fairness for every stakeholder- our customers, investors, vendors and the communities wherever we operate. At TIMEX, we feel proud to belong to a Company whose visionary founders laid the foundation stone for good governance long back and made it an integral principle of the business. We always seek to ensure that our performance is driven by integrity, value and ethics. Responsible corporate conduct is integral to the way we do our business.

We, at TIMEX, ensure that we evolve and follow the corporate governance guidelines and best practices. The norms and processes of Corporate Governance reflect our commitment to disclose timely and accurate information regarding our financial and operational performance, as well as the Company's leadership and governance structure.

Our Board is responsible for shaping the long-term vision and policy approach to steadily elevate the quality of governance in our Organisation. At Timex, we firmly believe that an active, well-informed and independent Board is necessary to ensure the highest standards of Corporate Governance to bring objectivity and transparency in the Management. This belief is reflected in our governance practices, under which we strive to maintain an effective, informed and independent Board. We keep our governance practices under continuous review and benchmark ourselves to best practices across the globe.

VISION
The Timex Group vision is anchored in our rigorous focus on long lasting relationships with our customers and our commitment to build the power of our brands, underpinned by our peoples will to win. By transforming ourselves into a truly Global Company and intent on globalizing the mindset of our people, we are building one of the most powerful portfolios of brands in the watch and jewellery industry. Our vision for the future goes way beyond timekeeping. We will delight and surprise our customers through innovation in design, technology and application of our brands and deliver a superior customer experience. This will lead to enhanced values for our shareholders and increase returns on investments and assets. Deeply committed to our Corporate Social Responsibility and our values, we will build pride in our people and win the best future talent for our Group.

VALUES
o The customer is our most important asset.
o Corporate Social Responsibility is our foundation.
o Truth, transparency and respect for our differences are our pillars of strength.
o We work together to achieve Group goals.
o Our core values encompass integrity, responsibility and courage.
o We reward performance and results and we value a culture of discipline.
o We are fair and listen to our people and we expect them to always look for a better way.
o We protect our assets.
o We want to win.

BOARD OF DIRECTORS

a) Composition of Board

The composition of Board of Directors of the Company is in conformity with the requirements of Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as Section 149 of Companies Act 2013. Currently, the Board consists of 6 Directors comprising 1 Executive Director, 3 Non-Executive and Independent Directors, and 2 Non-Executive Directors. The Board is chaired by Mr. David Thomas Payne as a Non-Executive Chairman. All the Directors are well qualified professionals in their respective areas. The Board has no institutional nominee director. We believe that an active, well-informed and independent Board is necessary to ensure the highest standards of corporate governance.

The composition and category of Directors on Board of the Company as on June 30, 2021 are as follows:

Name of the directors/DIN	Category	Number of shares held	No. of Directorship held in other Companies(1)	No. of Membership/ Chairmanship in other Board Committees(2)	Names of the Listed Companies where the person is a director along with category of directorship
Mr. David Thomas Payne (DIN: 07504820)	Chairman and Non-Executive Director	Nil	-	-	-
Ms. Sharmila Sahai (DIN: 00893750)	Managing Director	Nil	-	-	-
Mr. Sylvain Ernest Louis Tatu (DIN: 09125924)	Non-Executive Director	Nil	-	-	-
Ms. Gagan Singh (DIN: 01097014)	Non-Executive-Independent Director	Nil	1	2 (including 2 as chairperson)	Future Retail Limited - Independent Director
Mr. Pradeep Mukerjee (DIN: 02287773)	Non-Executive-Independent Director	Nil	-	-	-
Mr. Bijou Kurien (DIN: 01802995)	Non-Executive-Independent Director	3800	10	2 (including 1 as Chairperson) 4 (including 2 as Chairperson)	Brigade Enterprises Limited - Independent Director Mindtree Limited - Independent Director

1. *Does not include directorships/committee position in Companies incorporated outside India.*
2. *Only Audit Committee and Stakeholders Relationship Committee of the Public Limited Company have been considered for the purpose of ascertaining no. of membership & chairmanship of Committee.*
3. *No director is inter-se related to any other director on the Board.*

b) Appointment/Re-appointment of Director(s)

Mr. Anil Malhotra, Non-Executive Director of the Company resigned from directorship of the Company with effect from November 25, 2020 due to his personal reasons.

Pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and Articles of Association of the Company, Mr. Sylvain Ernest Louis Tatu was appointed as an additional director of the Company with effect from March 26, 2021. Sylvain Ernest Louis Tatu holds the office upto the date of the ensuing Annual General Meeting. The Company has received requisite notice in writing from a member proposing the appointment of Mr. Tatu as a director. The Board recommends his appointment as Director, liable to retire by rotation.

In accordance with Section 152 of the Companies Act, 2013 and Articles of Association of the Company, Mr. David Thomas Payne retires by rotation as a Director, and being eligible, offers himself for re-appointment. The Board recommends his re-appointment as a Director.

Ms. Gagan Singh, Mr. Bijou Kurien and Mr. Pradeep Mukerjee, Independent Directors of the Company, completed their first term as Independent Directors on March 31, 2019. They were re-appointed as Independent Directors to hold office for the second term of five years each with effect from April 01, 2019.

Ms. Sharmila Sahai was also re-appointed as the Managing Director of the Company for a term of three years with effect from November 18, 2018.

c) Board Meetings

The Board meets at regular intervals to discuss and decide on Company / business policy and strategy apart from other Board businesses. The Board / Committee Meetings are pre-scheduled and a tentative annual calendar of the Board and Committee Meetings is circulated to the Directors well in advance. Agenda papers are sent to the Directors generally one week before the meeting to facilitate meaningful and focused discussions at the meeting. In case of exigencies or urgencies, resolutions are considered by Circulation as well.

The Board met five times during the financial year 2020-21 on 24th June, 2020, 6th August, 2020, 31st August, 2020, 26th October, 2020 and 3rd February, 2021 to consider amongst other business matters, the quarterly performance of the Company and financial results. The intervening gap between any two meetings was within the period prescribed under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Directors attending the meeting actively participated in the deliberations at these meetings.

Board/ General Meetings and Attendance

Details of Attendance of Directors at various Board Meetings and at the Annual General Meeting held during the Financial year 2020-21 are as under:

Names	No. of Board Meetings attended	Attendance at last AGM
Ms. Sharmila Sahai	5	Yes
Mr. David Thomas Payne	5	Yes
*Mr. Anil Malhotra	4	Yes
Ms. Gagan Singh	5	Yes
Mr. Pradeep Mukerjee	5	Yes
Mr. Bijou Kurien	5	Yes
**Mr. Sylvain Ernest Louis Tatu	-	-

**Mr. Anil Malhotra resigned with effect from November 25, 2020.*

***Mr. Sylvain Ernest Louis Tatu was appointed as an Additional Director of the Company with effect from March 26, 2021*

- **Board Diversity**

  The Company recognises and embraces the importance of a diverse board in its success. The Company believes that a truly diverse board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, ethnicity, race and gender, which will help the Company to retain its competitive advantage. The Board has adopted the Board Diversity Policy which sets out the approach to diversity of the Board of Directors.

- **Board Independence**

  The definition of 'Independence' of Directors is derived from Section 149(6) of the Companies Act, 2013 and the rules made thereunder, and Regulation 16(1) (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Based on the confirmation /disclosures received from the Independent Directors and on evaluation of their relationships disclosed, they fulfil the conditions specified and are Independent of the management in terms of Section 149(6) of the Companies Act, 2013 and the rules made thereunder, and Regulation 16(1)(b) and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

- **Information provided to the Board**

  The Board has unrestricted access to all Company-related information including that of our employees. Presentations are also made to the Board by different functional heads on important matters from time to time. Directors have separate and independent access to the officers of the Company. The Board was presented with the information broadly on all suggested matters in terms of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

  The Company has an effective post Board meeting follow up procedure. Action taken report on the decisions taken in a meeting is placed at the immediately succeeding meeting for information of the Board. The Board has established procedures to periodically review Compliance Report pertaining to all laws applicable to the Company as well as steps taken by the Company to rectify instances of non-compliance.

- **Skills/ expertise/ competence requirements for Board of Directors**

  The Board of Directors has identified core skills/ expertise/competencies to be available at all times with the Board for functioning effectively and those which are actually available. Such skills/expertise/ competencies include a combination of educational qualifications in different functional areas, knowledge and work experience in the fields of manufacturing Industry, banking, finance, sales and marketing, human resource, regulatory, administration and legal etc. The Board is satisfied with the set of skills/ expertise/competencies available with it presently.

  Name of the director with relevant expertise is given below:

S. No.	Skills/Expertise/ Competence identified by the Board of Directors	Actually available with the Board of Directors	Name of Director having such Skill/ Expertise/ Competency
1	**Manufacturing/ Retail Industry expertise**	Yes	Ms. Sharmila Sahai, Mr. Bijou Kurien, Ms. Gagan Singh, Mr. David Payne, Mr. Sylvain Tatu
2	**Technical skills/ experience**		
	Retail	Yes	Mr. Bijou Kurien, Mr. David Payne, Mr. Sharmila Sahai, Ms. Gagan Singh, Mr. Pradeep Mukerjee, Mr. Sylvain Tatu
	Accounting and Finance	Yes	Ms. Gagan Singh, Mr. Bijou Kurien, Ms. Sharmila Sahai, Mr. Pradeep Mukerjee, Mr. David Payne, Mr. Sylvain Tatu

S. No.	Skills/Expertise/ Competence identified by the Board of Directors	Actually available with the Board of Directors	Name of Director having such Skill/ Expertise/ Competency
	Sales and Marketing	Yes	Mr. Bijou Kurien, Ms. Sharmila Sahai, Ms. Gagan Singh, Mr. Pradeep Mukerjee, Mr. David Payne, Mr. Sylvain Tatu
	Human Resources	Yes	Mr. Pradeep Mukerjee, Mr. David Payne, Ms. Sharmila Sahai, Ms. Gagan Singh, Mr. Bijou Kurien, Mr. Sylvain Tatu
	Governance and Risk Management	Yes	Ms. Gagan Singh, Mr. David Payne, Mr. Bijou Kurien, Ms. Sharmila Sahai, Mr. Pradeep Mukerjee, Mr. Sylvain Tatu
3	**Behavioural Competencies**		
	Integrity and ethical standards	Yes	Mr. Pradeep Mukerjee, Mr. David Payne, Ms. Gagan Singh, Mr. Bijou Kurien, Ms. Sharmila Sahai, Mr. Sylvain Tatu
	Mentoring abilities	Yes	Mr. Pradeep Mukerjee, Mr. David Payne, Ms. Gagan Singh, Mr. Bijou Kurien, Ms. Sharmila Sahai, Mr. Sylvain Tatu
	Interpersonal relations	Yes	Mr. Pradeep Mukerjee, Mr. David Payne, Ms. Gagan Singh, Mr. Bijou Kurien, Ms. Sharmila Sahai, Mr. Sylvain Tatu

INDEPENDENT DIRECTORS MEETING

A meeting of Independent Directors of the Company was held on February 3, 2021 whereat the following items as enumerated under Schedule IV to the Companies Act, 2013 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 were discussed:

a) Review of performance of Non-Independent Directors and the Board as a whole;

b) Review of performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors;

c) Assessment of the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

FAMILIARIZATION PROGRAMME

In compliance with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has put in place a familiarization programme for the Independent Directors to familiarize them with their roles, rights and responsibility as Directors, the working of the Company, nature of the industry in which the Company operates, business model etc. The details of familiarization programmes arranged for the Independent Directors have been disclosed on the website of the company and are available at the following link-www.timexindia.com.

BOARD COMMITTEES

The Board Committees play a crucial role in the governance structure of the Company and have been constituted as per the requirement of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles. The minutes of the meetings of all Committees are placed before the Board for review. The Board Committees request special invitees to join the meeting, as and when considered appropriate.

a) Audit Committee

The Company has in place adequately qualified and independent Audit Committee. Currently, Audit Committee comprises of 4 Directors: Ms. Gagan Singh, Mr. Pradeep Mukerjee, Mr. Bijou Kurien and Mr. David Thomas Payne. Three of the four members on the Committee are independent directors. The Committee is chaired by Ms. Gagan Singh, who is an independent Director having vast experience and expertise in the area of finance and accounts. The Company Secretary of the Company acts as the Secretary to the Committee.

The role of the Audit Committee, inter-alia, includes the following:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company and also approval for the payment of any other services;
3. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
    a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of section 134(3)(c) of the Companies Act, 2013
    b. Changes, if any, in accounting policies and practices and reasons for the same
    c. Major accounting entries involving estimates based on the exercise of judgment by management
    d. Significant adjustments made in the financial statements arising out of audit findings
    e. Compliance with listing and other legal requirements relating to financial statements

f. Disclosure of any related party transactions

g. Qualifications in the draft audit report

4. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
5. Approval or any subsequent modification of transactions of the company with related parties;
6. Evaluation of internal financial controls and risk management systems;
7. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
8. To review/oversee the functioning of the Whistle Blower/ vigil mechanism.

Audit Committee's composition and terms of reference are in compliance with the provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. During the year under review, the Audit Committee met four times on 24th June, 2020, 6th August, 2020, 26th October, 2020 and 3rd February, 2021.

The details of member's attendance at the Audit Committee Meetings during the financial year 2020-21 are as under:

Names	No. of Meeting attended
Ms. Gagan Singh	4
Mr. Bijou Kurien	4
Mr. Pradeep Mukerjee	4
Mr. David Thomas Payne	4

The meetings of Audit Committee are also attended by the Managing Director and Chief Financial Officer as special invitees. Statutory Auditors and Internal Auditors also attend the meetings for specific items related to them and brief the Committee on their observations/ findings. The minutes of each Audit Committee meeting are placed and confirmed in the next meeting of the Board. All the recommendations of the Audit Committee have been accepted by the Board of Directors.

b) Nomination and Remuneration Committee

Currently, the Committee comprises of 3 Non-Executive Directors, namely, Ms. Gagan Singh, Mr. Pradeep Mukerjee and Mr. David Thomas Payne. Mr. Pradeep Mukerjee, an Independent Director is the Chairman of the Committee. The Committee meets periodically as and when required. None of the Directors, except Managing Director draws remuneration from the Company.

Terms of reference of the Committee, inter alia, includes the following:

1. Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal.
2. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
3. Formulation of criteria for evaluation of Independent Directors and the Board;
4. Devising a policy on Board diversity;
5. To recommend/ review remuneration of Managing Director(s)/ Whole time Director(s).
6. Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of the independent directors.
7. Recommend to the Board, all remuneration, in whatever form, payable to senior management.

The Nomination and Remuneration Committee's composition and terms of reference are in compliance with the provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. During the year under review, the Committee met once on 3rd February, 2021.

The details of member's attendance at the Nomination & Remuneration Committee Meetings during the financial year 2020-21 are as follows:

Names	No. of Meeting attended
Ms. Gagan Singh	1
Mr. Pradeep Mukerjee	1
Mr. David Thomas Payne	1

Performance evaluation criteria

The Nomination and Remuneration Committee have developed parameterized feedback forms for the performance evaluation of all directors of the Company. The performance of each director, Committee and the Board as a whole was evaluated by the Board of Directors on an annual basis.

c) Stakeholders Relationship Committee

Currently, the Committee comprises of 4 Non-Executive Directors namely Mr. Bijou Kurien, Ms. Gagan Singh, Mr. Pradeep Mukerjee and Mr. David Thomas Payne. Mr. Bijou Kurien, an Independent Director is the Chairman of the Committee. The Company Secretary is the Secretary of the Committee and attends its meetings.

Terms of reference of the Committee, inter alia, includes the following:

(1) Resolving the grievances of the security holders of the Company including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.

(2) Review of measures taken for effective exercise of voting rights by shareholders.

(3) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.

(4) Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

To expedite the process of share transfers, the Board has delegated the power of share transfer to Share Allotment and Transfer Committee.

The Stakeholders Relationship Committee's composition and terms of reference are in compliance with the provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. During the year under review, the Stakeholders Relationship Committee met two times on 6th August, 2020 and 3rd February, 2021.

The details of member's attendance at the Stakeholders Relationship Committee Meetings during the financial year 2020-21 are as under:

Names	**No. of Meeting attended**
Ms. Gagan Singh	2
Mr. Pradeep Mukerjee	2
Mr. Bijou Kurien	2
Mr. David Thomas Payne	2

The details of complaints received and resolved during the Financial Year ended 31st March, 2021 are given in the table below:

Complaints outstanding as on April 1, 2020	0
Complaints received during the year ended March 31, 2021	3
Complaints resolved during the year ended March 31, 2021	3
Complaints pending as on March 31, 2021	0

Name and designation of compliance officer: Mr. Dhiraj Kumar Maggo, VP-Legal, HR & Company Secretary.

Address: E-10, Lower Ground Floor, Lajpat Nagar-III, New Delhi-110024.

d) Corporate Social Responsibility Committee

The Board had constituted Corporate Social Responsibility Committee in compliance with the provisions of the Companies Act, 2013. However, pursuant to the amendments in the provisions of the Section 135 of the Companies Act, 2013 and considering that the Company does not have any CSR corpus to spend, the Board of Directors of the Company has dissolved the Corporate Social Responsibility Committee with effect from 3rd February, 2021.

Prior to winding up of this Committee, the Committee comprised of Ms. Gagan Singh, Ms. Sharmila Sahai and Mr. David Thomas Payne. The Company Secretary was acting as the Secretary of the Committee.

Terms of reference of the Committee included the following:

a) To formulate and recommend to the Board, CSR policy which shall indicate the activities to be undertaken by the Company as per the Companies Act, 2013;

b) To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the Company;

c) To monitor the CSR policy of the Company from time to time.

The Corporate Social ResponsibilityCommittee's composition and terms of reference were in compliance with the provisions of Companies Act, 2013. During the year under review, the Committee met once on 24th June, 2020.

The details of member's attendance at the Corporate Social Responsibility Committee Meetings during the financial year 2020-21 were as under:

Names	**No. of Meeting attended**
Ms. Gagan Singh	1
Ms. Sharmila Sahai	1
Mr. David Thomas Payne	1

e) Share Allotment and Transfer Committee

The Committee comprise of Ms. Sharmila Sahai and Mr. David Thomas Payne. The Share Allotment and Transfer Committee considers requests of share transfer/ transmission/ transposition/ split/ consolidation/ sub-division/ duplicate share certificate etc. The summary of number of requests received and resolved in every quarter is placed before the Board for its information and noting.

CODE OF CONDUCT

In compliance with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013, the Company has formulated and adopted a Code of Conduct for its Board of Directors and senior management and has put the same on the company's website www.timexindia.com. The Code has been circulated to all members of the Board and Senior Management and they have affirmed the compliance of the same. A declaration signed by the Managing Director of the Company regarding affirmation of the compliance with the code of conduct by Board Members and Senior Management for the financial year ended March 31, 2021, is annexed hereto.

DISCLOSURES

a) Related party transactions

All transactions entered into with related parties as defined under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure requirements) Regulations 2015 during the financial year were in ordinary course of business and on arm's length basis. Audit Committee reviews the Related Party Transactions periodically.

None of the transactions with any of the related parties was in conflict with the Company's interest.

Attention of members is drawn to the disclosure of transactions with related parties set out in Note no. 27 of Financial Statements, forming part of the Annual Report.

Company has formulated a "Related Party Transaction Policy" to ensure the proper approval and reporting of transactions between the Company and its Related Parties. This Policy as considered and approved by the Board has been uploaded on the website of the Company at www.timexindia.com. The Audit Committee/ Board may review and amend this policy from time to time.

b) Details of Non-compliance

The Company has complied with the requirements of the BSE Ltd., SEBI and other statutory authorities on all matters relating to capital markets during the last three years. A report on the compliances on the applicable laws for the Company is placed before the Board on a quarterly basis for its review and consideration. There has been no instance of non-compliance with any legal requirements, nor have there been any strictures imposed by any stock exchange or SEBI, on any matters relating to the capital market over the last three years except for a fine imposed by the BSE Ltd. for non-compliance under Regulation 17(1) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 relating to the requirements pertaining to composition of the Board of the Company.

The Company has deposited the fine, under protest, and submitted a request with BSE Ltd. for waiver of fine and refund of the same on the ground that the delay was caused due to the circumstances which were unforeseen, unavoidable and beyond the control of the Company and were caused by unprecedented COVID-19 crises. The response on the said request is awaited.

c) Whistle Blower Policy

The Company is committed to adopt the best Corporate Governance Practices and to follow the highest possible moral, legal and ethical standards in the conduct of its business. In line with this commitment, Whistle blower Policy is designed to provide a mechanism for employees / Board Members and others to raise good faith concerns about unethical behaviour, actual or suspected fraud or violation of Company's Code of Conduct and to protect the individuals who take such actions from retaliation or any threat of retaliation.

Any incidents that are reported are investigated and suitable action is taken in line with the Whistle Blower Policy.

The Whistle Blowers are not denied access to the Audit Committee of the Board.

d) Details of compliance with mandatory requirements and adoption of the discretionary requirements

The Company has fully complied with the mandatory requirements of the Code of Corporate Governance as specified in Regulation 17 to 27 and clauses (b) to (i) of sub regulation (2) of Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In addition, the Company has adopted the non-mandatory requirement relating to unmodified audit report, separate post of Chairman and Managing Director and reporting of Internal Auditors to the Audit Committee.

e) Accounting treatment in preparation of financial statement

The Company has followed the Accounting standards notified by the Institute of Chartered Accountants of India, as amended from time to time, in preparation of its financial statements.

f) Certificate for transfer of Shares and Reconciliation of Share Capital

Pursuant to Regulation 40(9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, certificates on half-yearly basis, have been issued by a Company Secretary-in-Practice with respect to due compliance of share transfer formalities by the Company.

Pursuant to SEBI (Depositories and Participants) Regulations, 1996, certificates have also been received from a Company Secretary-in-Practice reconciling the total shares held in both the depositories, viz. NSDL and CDSL and in physical form with the total issued / paid-up capital of the Company and submitted the same to the BSE Ltd. where the securities of the Company are listed within 30 days of the end of each quarter.

g) Risk management

The Company has established a risk management framework where in a Committee comprising of the senior executives of the Company has been established which periodically identifies potential risks to the strategy of the Company and take effective measures to mitigate the same in the best possible manner. The Board is also periodically updated on the key risks, steps and processes initiated for reducing and, if feasible, eliminating various risks.

h) CEO/CFO certification

As required under Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Managing Director and the Chief Financial Officer of the Company have certified to the Board regarding the Financial Statements for the year ended on March 31, 2021 which is annexed to this Report.

i) Foreign currency risk and hedging activities

The Company is exposed to foreign currency risk due to imports of components and watches and export of watches. The Company had not indulged in currency hedging activities during the year under report.

j) Commodity price risk and commodity hedging activities

The Company is exposed to commodity price risk as per nature of its business. The Company had not indulged into commodity hedging activities during the year under report.

k) The Company has not raised any funds through preferential allotment or qualified institutions placement during the year nor has any unutilised funds from the previous years as specified under Regulation 32 (7A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

l) Certificate for non-disqualification of Directors

Mr. Neelesh Kumar Jain, proprietor, M/s NKJ and Associates, Company Secretaries (Certificate of Practice No. 5233), has issued a certificate to the effect that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as director of the companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority. The certificate is attached to this Report.

m) Statutory Auditor fee

Total fees paid during the year to the Statutory Auditors for all the services rendered by them and their network firm/ network entity of which the Statutory Auditors are a part, have been disclosed in Note no. 24 of Financial Statements, forming part of the Annual Report.

DIRECTORS REMUNERATION

Non-Executive Directors including Independent Directors do not have any pecuniary relationships or transactions with the Company. The independent directors were paid sitting fees of Rs. 30,000/- each for attending the meetings of the Board of Directors or its Committees.

Remuneration of Executive Directors is decided by the Board of Directors, subject to the approval of shareholders, based on recommendation of Nomination and Remuneration Committee.

Details of remuneration paid to Directors of the Company for the financial year ended March 31, 2021 are as follows-

Sl. No.	Name	Sitting Fees	Salary and Benefits	Performance Bonus	Retirals	Total (in Rs.)
1.	Ms. Sharmila Sahai	Nil	63,71,290	18,88,875	2,65,680	85,25,845
2.	Ms. Gagan Singh	1,80,000	Nil	Nil	Nil	1,80,000
3.	Mr. Bijou Kurien	1,50,000	Nil	Nil	Nil	1,50,000
4.	Mr. Pradeep Mukerjee	1,80,000	Nil	Nil	Nil	1,80,000

Note: Mr. David Thomas Payne, Mr. Anil Malhotra and Mr. Sylvain Tatu were not paid any sitting fees or other remuneration during the year 2020-21.

Ms. Sharmila Sahai was re-appointed as Managing Director of the Company for a period of 3 years w.e.f November 18, 2018. In terms of the agreement, the Company or Ms. Sharmila Sahai can terminate the Appointment Agreement by giving 3 months' notice in writing. There is no severance fee.

MEANS OF COMMUNICATION

In accordance with Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has maintained a functional website at www.timexindia.com containing information about the Company viz., details of its business, financial information, shareholding pattern, compliance with corporate governance, contact information of the designated officials of the Company who are responsible for assisting and handling investor grievances, details of conference calls/presentations to institutional investors or analysts etc. The contents of the said website are updated within 2 working days from the date of such change.

The quarterly and annual results are generally published in Business Standard (English and Hindi editions) and also displayed on the Company's website.

Further, the Company disseminates to the Stock Exchange (i.e. BSE Ltd.), wherein its equity shares are listed, all mandatory information and price sensitive/ such other information, which in its opinion, are material and/or have a bearing on its performance/ operations and for the information of the public at large.

GENERAL SHAREHOLDER INFORMATION

AGM: Day, Date, time and venue	:	Thursday, September 16, 2021 at 4.00 p.m. through Video Conferencing or any other audio visual means
Financial Year	:	April 1, 2020 to March 31, 2021
Tentative calendar of events for the financial year 2021-22 (April- March)		To review and approve unaudited Financial Results for the quarter First quarter - upto 14th August, 2021 Second quarter - upto 14th November, 2021 Third quarter - upto 14th February, 2022 Fourth quarter - upto 15th May, 2022 or alternatively upto 30th May, 2022 with Annual Results for the Year ending 31st March 2022
Book closure Date	:	September 14, 2021 to September 15, 2021 (both days inclusive)
Listing of shares on Stock Exchanges	:	BSE Ltd., PhirozeJeejeebhoy Towers, Dalal Street, Mumbai-400001
Registered Office	:	E-10, Lower Ground Floor, Lajpat Nagar-III, New Delhi-110024
Listing Fees	:	Listing fees as prescribed has been paid to the Stock Exchange up to March 31, 2022
Registrar & Share Transfer Agents of the Company for both physical and electronic mode of share transfers.	:	Alankit Assignment Limited 4E/2 Alankit House, Jhandewalan Extension, New Delhi -110055 Contact Person: Mr. J K Singla Phones : 011-42541234 Fax : 011-23552001 Email : rta@alankit.com, info@alankit.com Website : www.alankit.com

SHARE TRANSFER SYSTEM

The Company has appointed Alankit Assignment Limited as Registrar and Shares Transfer Agent. Shares sent for transfer in physical form are registered by the Registrar and Share Transfer Agents within fifteen days of receipt of the documents, if found in order. Shares under objection are returned within two weeks. All requests for dematerialization of shares are processed, if found in order and confirmation is given to the respective depositories i.e. National Securities Depository Ltd (NSDL) and Central Depository Services (India) Limited (CDSL) within twenty-one days.

The Board has delegated the authority for approving transfer, transmission etc. of the Company's securities to the Share Allotment and Transfer Committee. A summary of transfer, transmission of securities of the company so approved by the Share Allotment and Transfer Committee is placed at the Board Meeting.

Effective from April 1, 2019, transfer of shares in physical form has ceased. Further, re-lodgement of share transfer request by the shareholders who had lodged their request prior to March 31, 2019 has also been ceased with effect from March 31, 2021. Request for transmission of shares and dematerialisation of shares will continue to be accepted.

Venue and time of the Last Three Annual General Meetings

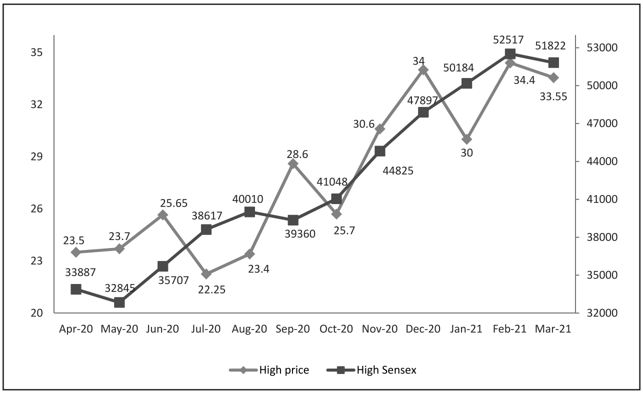
Date	Category	Venue/ Deemed Venue	Time	No. of Special Resolution
03.08.2018	AGM	Air Force Auditorium, Subroto Park, New Delhi	10.00 AM	-
02.08.2019	AGM	Air Force Auditorium, Subroto Park, New Delhi	10.00 AM	1
18.09.2020	AGM	Unit No. 303, 3rd Floor, Tower-B, World Trade Tower (WTT), C-1, Sector-16, Noida (Deemed venue for AGM held through video conference/ audio video means)	03.30 PM	-

POSTAL BALLOT

During the year, the company did not place any matter for approval of shareholders through postal ballot.

STOCK PERFORMANCE

Market price data: The monthly high and low stock quotations during the last financial year at the BSE Ltd. and performance in comparison to BSE Sensex are given below:



Month	Apr 20	May 20	Jun 20	Jul 20	Aug 20	Sep 20	Oct 20	Nov 20	Dec 20	Jan 21	Feb 21	Mar 21
High	23.5	23.7	25.65	22.25	23.4	28.6	25.7	30.6	34	30	34.4	33.55
Low	16.35	19.15	20	19	17.45	20.25	20.6	20.65	25.95	24.9	25.10	27.05

STOCKCODE

The stock code of the Company at BSE Ltd.	500414
ISIN allotted by National Securities Depository Limited and Central Depository Services (India) Limited for Equity Shares	INE064A01026

The Company's shares are covered under the compulsory dematerialization list and are transferable through the depository system.

As on 31 March 2021, the distribution of Company's shareholding was as follows: -

No. of Shares	No. of Shareholders	% of Shareholders	Share Amount	% of Amount
UPTO 2500	43292	98.159	8039302	7.964
2501-5000	400	0.907	1534911	1.521
5001-10000	217	0.492	1674809	1.659
10001-20000	93	0.211	1389436	1.376
20001-30000	29	0.066	707293	0.701
30001-40000	23	0.052	804679	0.797
40001-50000	12	0.027	553447	0.548
50001-100000	14	0.032	1160281	1.149
100001 ABOVE	24	0.054	85085842	84.285
TOTAL	**44104**	**100.000**	**100950000**	**100.000**

DEMATERIALISATIONOFSHARES

Members are requested to convert their physical holdings to demat/electronic form through the registered Depository Participants (DPs) to avoid the hassles involved in dealing in physical shares such as possibility of loss, mutilation, etc. and also to ensure safe and speedy transaction in respect of the shares held. Shares received for dematerialization are generally confirmed within a maximum period of twenty one days from the date of receipt, if the documents are clear in all respects. There are 23016 no. of shareholders holding their shares in dematerialized form, which represent 97.494% of the Equity paid up capital of the Company.

PLANT LOCATION

TIMEX GROUP INDIA LIMITED

Plot No-10, Baddi, Ind. Area Katha, Near Fire Station Baddi, Nalagarh, Solan, Himachal Pradesh.

ADDRESS FOR CORRESPONDENCE

Timex Group India Limited, E-10, Lower Ground Floor, Lajpat Nagar-III, New Delhi-110024

Email: investor.relations@timex.com

CERTIFICATE UNDER PARA 10(I) OF PART C OF SCHEDULE V TO THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To
The Members,
Timex Group India Limited
E-10, Lower Ground Floor, Lajpat Nagar-III New Delhi-110024

We have reviewed the disclosures and declarations as received from the Directors of Timex Group India Limited ("the Company") including in Form MBP-1 and DIR-8 pursuant to Section 184(1) and Section 164(2) of the Companies Act, 2013 respectively and we hereby certify 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 the Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority.

For N.K.J & ASSOCIATES
Company Secretaries

Sd/-
NEELESH KR. JAIN
Proprietor
Membership No. FCS 5593
Certificate of Practice No. 5233
UDIN: F005593C000536081

Date: June 30, 2021
Place: New Delhi

CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION AS PER REGULATION 17(8) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

The Board of Directors
Timex Group India Limited
New Delhi

Certification to the Board pursuant to Regulation 17(8) read with Regulation 33(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

This is to certify that;

a) We have reviewed the Financial Statements and the cash flow statement for the year ended 31st March, 2021 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 ended 31st March, 2021 which are fraudulent, illegal or violative of the Company's code of conduct.

c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of 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 Audit Committee;
   i. significant changes in internal control over financial reporting during the year ended 31st March, 2021;
   ii. significant changes in accounting policies during the year ended 31st March, 2021 and that the same have been disclosed in the notes to the financial statements; and
   iii. 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 Company's internal control system over financial reporting.

	Sd/-	Sd/-
	Sharmila Sahai	**Amit Jain**
Date: June 30, 2021	Managing Director	Chief Financial Officer
Place: Noida	(DIN: 00893750)	

DECLARATION BY THE CEO UNDER SCHEDULE V OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, REGARDING ADHERENCE TO THE CODE OF CONDUCT

To,
Board of Directors
Timex Group India Limited

AFFIRMATION OF COMPLIANCE OF CODE OF CONDUCT

On the basis of affirmations received from the Board Members and the Senior Management Personnel and to the best of my information, knowledge and belief, I, Sharmila Sahai, Managing Director of Timex Group India Limited ("the Company"), hereby affirm that, the Board Members and the Senior Management Personnel during the financial year 2020-21, have complied with the provisions of Code of Conduct for Directors and Senior Management of the Company as laid down by the Board of directors of Timex Group India Limited.

Sd/-
Sharmila Sahai
Managing Director
(DIN: 00893750)

Date: May 21, 2021
Place: Noida

CERTIFICATE OF COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER SCHEDULE V OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To the Members,
Timex Group India Limited
E-10, Lower Ground Floor,
Lajpat Nagar-III New Delhi-110024

1. We have reviewed the implementation of the corporate governance procedures by Timex Group India Limited (the Company) during the year ended March 31st 2021, with the relevant records and documents maintained by the Company, furnished to us for our review and report on Corporate Governance, as approved by the Board of Directors.
2. The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedure and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of the opinion on the financial statements of the Company.
3. We further 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 to conduct the affairs of the Company.
4. On the basis of our review and according to the best of our information and according to the explanation given to us, the company has been complying with conditions of Corporate Governance, as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

   We would like to make following disclosure

   As per SEBI (LODR) Regulations 2015, the Company is required to have at least 6 Directors in its Board. Accordingly, the Company was having the prescribed composition of the Board. However, one non-executive Director of the Company had resigned from the Board on November 25, 2020 reducing Board's strength to 5 Directors. The company filled this vacancy on 26th March 2021 by appointment of a new Director, with a time gap of 3 month 29 days. BSE Limited has imposed a fine on the Company for a period of 29 days for delay in filling this vacancy. The Company has paid the fine, under protest, with a request to the BSE for waiver and refund of the fine.

For **N.K.J & ASSOCIATES**
Company Secretaries

Sd/-
NEELESH KR. JAIN
Proprietor
Membership No. FCS 5593
Certificate of Practice No. 5233
UDIN: F005593C000536255

Date: June 30, 2021
Place: New Delhi

INDEPENDENT AUDITOR'S REPORT

To The Members of Timex Group India Limited
Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Timex Group India Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2021, and 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 then ended, 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 standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its loss, total comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the 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.

Material uncertainty related to Going Concern

We draw attention to Note 1.B.3 to the financial statements, which indicates that the Company has incurred a net loss of Rs. 801 Lakhs during the year ended 31st March, 2021 and has accumulated losses of Rs. 7,716 Lakhs as at 31st March, 2021, which have resulted in erosion of the equity of the Company. These events or conditions, along with other matters as set forth in Note 1.B.3, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. However, the financial statements of the Company have been prepared on a going concern basis for the reasons stated in the said Note.

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. In addition to the matter described in the Material Uncertainty Related to Going Concern section of our report, we have determined that there are no other key audit matters to communicate in our report.

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

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report and Report on Corporate Governance report, but does not include the financial statements and our auditor's report thereon.
- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon
- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the 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 , cash flows and changes in equity 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 relevant books of account.
   d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.

e. The matter described in the Material uncertainty related to Going Concern section above, in our opinion, may have an adverse effect on the functioning of the Company.

f. On the basis of the written representations received from the directors as on 31 March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2021 from being appointed as a director in terms of Section 164(2) of the Act.

g. 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.

h. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,

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

i. 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 26(a) of the financial statements;

   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses- Refer note 26(e) of the financial statements;

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company - Refer note 26(f) to the financial statements;

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Sd/-
Rajesh Kumar Agarwal
(Partner)
(Membership No. 105546)
(UDIN: 21105546AAAAEB9491)

Place: New Delhi
Date: 30 June 2021

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 (g) under 'Report on Other Legal and Regulatory Requirements' section of our report on the financial statements for the year ended March 31, 2021 to the members of Timex Group India 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 Timex Group India Limited ("the Company") as of March 31, 2021 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 Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us referred to in the Other Matters paragraph below, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Sd/-
Rajesh Kumar Agarwal
(Partner)
(Membership No. 105546)
(UDIN: 21105546AAAAEB9491)

Place: New Delhi
Date: 30 June 2021

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 on the financial statements for the year ended March 31, 2021 to the Members of **Timex Group India Limited** of even date]

(i) In respect of its fixed assets:

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and the records examined by us the Company does not have any immovable properties of freehold or leasehold land and building disclosed as property, plant and equipment and hence reporting under clause (i) (c) of the Order is not applicable.

(ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals. The discrepancies noted on physical verification of inventories as compared to book records were not material and have been properly dealt with in the books of account.

(iii) According to the information and explanation given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability

Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ("the Act").

(iv) According to the information and explanations given to us, the Company has not granted any loans, made investments or provided guarantees and hence reporting under clause (iv) of the Order is not applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposit during the year in the terms of the provision of section 73 to 76 or any other relevant provision of the Act. Accordingly, para 3 (v) of the Order is not applicable.

(vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Act. Accordingly, para 3 (vi) of the Order is not applicable.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Customs Duty, Goods and Services Tax, Cess and other material statutory dues applicable to it to the appropriate authorities. Also refer to the note 26 (g) in the financial statement regarding management assessment on certain matters relating to the provident fund.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Customs Duty, Goods and Services Tax, Cess and other material statutory dues in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.

(c) According to the information and explanations given to us, other than the amounts reported below, there are no dues of Income-tax, Sales Tax, Customs Duty and Goods and Services Tax which have not been deposited by the Company with the appropriate authorities on account of any dispute.

(Rs. Lakhs)

Nature of Statute	Nature of dues	Forum where dispute	Period	Amount unpaid*
Sales Tax Laws	State Sales Tax	Upto Commissioner (Appeals)	2008-2017	21
	Central Sales Tax	Upto Commissioner (Appeals)	2008-2018	1,408

*amount as per demand orders including interest and penalty wherever quantified in the Order net of amount deposited as per the records of the Company against States Sales and Central sales Tax which is Rs. 1 Lakh and Rs. 15 lakhs respectively.

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks. The Company did not have any outstanding dues to any financial institution, government or debenture holders during the year.

(ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the Order is not applicable.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding or persons connected with them and hence provisions of section 192 of the Act are not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Sd/-
Rajesh Kumar Agarwal
(Partner)
(Membership No. 105546)
(UDIN: 21105546AAAAEB9491)

Place: New Delhi
Date: 30 June 2021

Balance Sheet as at March 31, 2021

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	2	617	730
(b) Right of Use Assets	32	1,261	1,405
(c) Intangible assets	3	83	122
(d) Financial assets			
- Other financial assets	4	72	91
(e) Tax assets (net)	5	3	42
(f) Other non-current assets	6	21	21
Total non-current assets		**2,057**	**2,411**
(2) Current assets			
(a) Inventories	7	3,327	4,256
(b) Financial assets			
(i) Trade receivables	8	3,800	6,270
(ii) Cash and cash equivalents	9	131	17
(iii) Bank balances other than (ii) above	10	2	2
(iv) Other financial assets	4	41	32
(c) Other current assets	6	1,212	1,287
Total current assets		**8,513**	**11,864**
TOTAL ASSETS		**10,570**	**14,275**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	11	1,010	1,010
(b) Other equity	12	245	1,058
Total equity		**1,255**	**2,068**
Liabilities			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	32	1,106	1,191
(b) Provisions	13	757	718
(c) Other non-current liabilities	14	-	6
Total non-current liabilities		**1,863**	**1,915**
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	15	291	2,042
(ii) Lease liabilities	32	127	93
(iii) Trade payables	16		
- total outstanding dues of micro enterprises and small enterprises		410	240
- total outstanding dues of creditors other than micro enterprises and small enterprises		5,351	6,343
(iv) Other financial liabilities	17	841	838
(b) Provisions	13	264	253
(c) Tax liability (net)	5	-	-
(d) Other current liabilities	14	168	483
Total current liabilities		**7,452**	**10,292**
Total liabilities		**9,315**	**12,207**
TOTAL EQUITY AND LIABILITIES		**10,570**	**14,275**
Accompanying notes forming part of the financial statements	1 to 36		

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

Sd/-
Rajesh Kumar Agarwal
Partner

Place : New Delhi
Date : June 30, 2021

For and on behalf of the Board of Directors

Sd/-
David Thomas Payne
Chairman
(DIN - 07504820)

Place : Connecticut, USA
Date : June 30, 2021

Sd/-
Sharmila Sahai
Managing Director
(DIN - 00893750)

Place : Noida
Date : June 30, 2021

Sd/-
Dhiraj Kumar Maggo
Vice President – Legal,
HR & Company Secretary
(Membership No.:F7609)

Place : Noida
Date : June 30, 2021

Sd/-
Amit Jain
Chief Financial Officer

Place : Noida
Date : June 30, 2021

Statement of Profit & Loss for the year ended March 31, 2021

(All amounts in Rs. Lakhs, unless otherwise stated)

	Particulars	Note No.	Year ended March 31, 2021	Year ended March 31, 2020
I	Revenue from operations	18	14,090	25,190
II	Other income	19	121	39
III	**Total Income (I + II)**		**14,211**	**25,229**
IV	**Expenses**			
	Cost of materials consumed	20	5,592	10,688
	Purchases of stock-in-trade	20.1	1,791	3,387
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	20.2	429	(79)
	Employee benefits expense	21	2,645	3,148
	Finance costs	22	219	280
	Depreciation and amortisation expense	23	354	297
	Other expenses	24	3,992	7,688
	Total Expenses (IV)		**15,022**	**25,409**
V	**Profit/(loss) before tax (III - IV)**		**(811)**	**(180)**
VI	**Tax Expense**	25		
	Current tax		(10)	-
	Deferred tax		-	-
	Total tax expense		**(10)**	**-**
VII	**Profit/(loss) after tax (V - VI)**		**(801)**	**(180)**
VIII	**Other comprehensive income**			
	Items that will not be reclassified to profit or loss			
	- Gain / (loss) on defined benefit obligations	28.2	(12)	0#
	Total other comprehensive income		(12)	0
IX	**Total comprehensive income (VII + VIII)**		**(813)**	**(180)**
	Earning per equity share (Face value of share - Re. 1 (absolute amount) each)			
	Basic (in Rs.)	30	(1.64)	(1.03)
	Diluted (in Rs.)	30	(1.64)	(1.03)

Accompanying notes forming part of the financial statements 1 to 36

Amount is below rounding off threshold adopted by the Company

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

Sd/-
Rajesh Kumar Agarwal
Partner

Place : New Delhi
Date : June 30, 2021

For and on behalf of the Board of Directors

Sd/-
David Thomas Payne
Chairman
(DIN - 07504820)
Place : Connecticut, USA
Date : June 30, 2021

Sd/-
Sharmila Sahai
Managing Director
(DIN - 00893750)
Place : Noida
Date : June 30, 2021

Sd/-
Dhiraj Kumar Maggo
Vice President – Legal, HR & Company Secretary
(Membership No.:F7609)
Place : Noida
Date : June 30, 2021

Sd/-
Amit Jain
Chief Financial Officer
Place : Noida
Date : June 30, 2021

Statement of Changes in Equity for the year ended March 31, 2021

(a) Equity share capital

	Amount
Balance as at March 31, 2019	1,010
Changes in equity share capital during the year	-
Balance as at March 31, 2020	1,010
Changes in equity share capital during the year	-
Balance as at March 31, 2021	**1,010**

(b) Other Equity

Other Equity	Securities Premium	Equity component of compound financial instrument - Preference share	Retained earnings	TOTAL
Balance as at March 31, 2019	**351**	**7,610**	**(6,723)**	**1,238**
Profit/(loss) for the year	-	-	(180)	**(180)**
Other comprehensive income for the year, net of income tax	-	-	0#	**0#**
Total comprehensive income for the year	**-**	**-**	**(180)**	**(180)**
Balance as at March 31, 2020	**351**	**7,610**	**(6,903)**	**1,058**
Profit/(loss) for the year	-	-	(801)	**(801)**
Other comprehensive income for the year, net of income tax	-	-	(12)	**(12)**
Total comprehensive income for the year	**-**	**-**	**(813)**	**(813)**
Balance as at March 31, 2021	**351**	**7,610**	**(7,716)**	**245**

Amount is below rounding off threshold adopted by the Company

Accompanying notes forming part of the financial statements 1 to 36

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

Sd/-
Rajesh Kumar Agarwal
Partner

Place : New Delhi
Date : June 30, 2021

For and on behalf of the Board of Directors

Sd/-
David Thomas Payne
Chairman
(DIN - 07504820)
Place : Connecticut, USA
Date : June 30, 2021

Sd/-
Sharmila Sahai
Managing Director
(DIN - 00893750)
Place : Noida
Date : June 30, 2021

Sd/-
Dhiraj Kumar Maggo
Vice President – Legal, HR & Company Secretary
(Membership No.:F7609)
Place : Noida
Date : June 30, 2021

Sd/-
Amit Jain
Chief Financial Officer
Place : Noida
Date : June 30, 2021

Statement of Cash Flows for the year ended March 31, 2021

(All amounts in Rs. Lakhs, unless otherwise stated)

	Particulars	Year ended March 31, 2021	Year ended March 31, 2020
A	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit before tax	(811)	(180)
	Adjustments for:		
	Interest income	(3)	(30)
	Liabilities/provisions no longer required written back	(119)	(4)
	Grant income	(6)	(6)
	Finance costs	219	280
	Depreciation and amortisation expenses	354	297
	Net loss on sale / discarding of property, plant and equipment	-	0#
	Assets written off	7	1
	Bad debts written off	-	-
	Provision for doubtful debts	-	187
	Net unrealised currency exchange fluctuation loss	(83)	150
	Changes in working capital:		
	Adjustments for (increase) / decrease in operating assets		
	Inventories	929	292
	Trade receivables	2,581	(992)
	Other financial assets (Current)	(9)	(22)
	Other financial assets (Non-current)	65	1
	Other assets (Current)	75	(496)
	Other assets (Non-current)	3	16
	Adjustments for increase / (decrease) in operating liabilities		
	Trade payables	(731)	1,009
	Other financial liabilities (Current)	3	75
	Provisions (Current)	(1)	65
	Provisions (Non-current)	39	77
	Other liabilities (Current)	(317)	238
	Cash generated /(outflow) from operations	**2,195**	**958**
	Income taxes paid (net of refunds)	49	(8)
	Net cash generated /(used) in operating activities	**2,244**	**950**
B	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Interest received	3	28
	Bank balances not considered as cash and cash equivalents	(0)#	(0)#
	Payment for purchase of property, plant and equipment and other intangible assets	(20)	(176)
	Proceeds from disposal of property, plant and equipment	-	(0)#
	Net cash generated / (used) in investing activities	**(17)**	**(148)**

Statement of Cash Flows for the year ended March 31, 2021 *(Contd.)*

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
C CASH FLOW FROM FINANCING ACTIVITIES		
Net proceeds / (repayment) from borrowings (Current)	(1,751)	(645)
Repayment of lease liability and Interest	(259)	(153)
Finance costs paid	(103)	(203)
Net cash generated / (used) in financing activities	**(2,113)**	**(1,001)**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	**114**	**(199)**
Cash and cash equivalents at the beginning of the year	17	216
Cash and cash equivalents at the end of the year	**131**	**17**
Note:		
Component of cash and cash equivalents :		
Balances with Banks		
- In current accounts	53	3
Cheques, drafts on hand	78	13
Cash on hand	0#	1
	131	**17**

Amount is below rounding off threshold adopted by the Company

Accompanying notes forming part of the financial statements 1 to 36

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

Sd/-
Rajesh Kumar Agarwal
Partner

Place : New Delhi
Date : June 30, 2021

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(Membership No.:F7609)
Place : Noida
Date : June 30, 2021

Sd/-
Amit Jain
Chief Financial Officer
Place : Noida
Date : June 30, 2021

Notes forming part of the financial statements for the year ended March 31, 2021

(All amounts in Rs. Lakhs, unless otherwise stated)

1 CORPORATE INFORMATION, SIGNIFICANT ACCOUNTING POLICIES AND SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

A CORPORATE INFORMATION

Timex Group India Limited ("the Company") is a public limited company domiciled in India and was incorporated on October 4, 1988. The Company's equity shares are listed at BSE Limited. The registered office of the Company is situated at E-10, Lower Ground Floor, Lajpat Nagar - III, New Delhi – 110024. The Company's Parent Company is Timex Group Luxury Watches B.V., Netherlands and Ultimate Holding Company is Eagleville Group B.V., Netherlands.

Subsequent to the change in the shareholding at group level, BP Horological Group L.L.C became ultimate holding company on and from December 21, 2020 (Refer note no. 36).

The principal activities of the Company are manufacturing and trading of watches and rendering of related after sales service. The Company's manufacturing facility is located at Baddi, Himachal Pradesh. The Company also provides information and technology support services to the Group Companies.

The financial statements were approved for issue in accordance with a resolution of the directors on June 30, 2021.

B SIGNIFICANT ACCOUNTING POLICIES

1 Statement of compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013 ("the 2013 Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

2 Basis of preparation

The financial statements have been prepared on accrual basis under the historical cost convention except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the accounting policies mentioned below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods or services.

Fair value is the price that would be received on selling of asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

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

3 Use of going concern assumption

On account of nationwide lockdown imposed by the Government to contain COVID-19 Global health pandemic from March 24, 2020 and in spite of subsequent lifting/easing of lockdown restriction in different parts of the country, the operations of the Company have been adversely impacted during the year. Management believes that it has taken into account all the possible impact of known events arising from COVID-19 Global health pandemic till date of approval of these financial statements including the impact of closures subsequent to the year end. The impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration and actual results may differ materially from these estimates. The Company will continue to monitor any material changes to future economic condition and any significant impact of these changes would be recognised in the financial statements, including inventory and trade receivables as and when these material changes to economic condition arise. With easing of lockdown and opening of economic activities the operations of the Company has increased gradually. Company's performance has improved during the last two quarters of the year 2020-21, however on account of the losses incurred in the first two quarters of the year 2020-21, the Company has reported a loss of Rs. 801 lakhs during the year ended March 31, 2021 (Previous year ended March 31, 2020 : loss of Rs. 180 lakhs) which has eroded the equity of the Company. Accumulated losses as at March 31, 2021 are at Rs. 7,716 lakhs (As at March 31, 2020 was at Rs.6,903 lakhs) and this has resulted in significant erosion of the net worth of the Company.

The above conditions indicate existence of material uncertainty that may raise significant doubt about the ability of the Company to continue as a going concern and, therefore, it may be unable to realise its assets and discharge its liabilities in the normal course of business. As per current business plan approved by the Board of Directors, taking into considerations the current economic condition, the management believes that the funding requirements of the Company will be met through funds from operations and bank borrowings upto Rs. 3,559 lakhs, which have been guaranteed by Tanager Group B.V. (formerly known as Timex Group B.V.), the Intermediate Holding Company. The Company has been delivering growth in revenue with improved operational efficiency in past and expects growth in its operations in future post COVID-19 situations with continuous improvement in the operational efficiency. In view of the above, the use of going concern assumption has been considered appropriate by the Board of Directors in preparation of these financial statements of the Company.

4 **Property, plant and equipment (PPE)**

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and accumulated impairment losses, if any.

The Company has elected to continue with the carrying value of all of its Property, plant and equipment recognised as on April 1, 2016 measured as per the previous GAAP and use that carrying value as its deemed cost as on transition date.

Cost of acquisition or construction is inclusive of freight, duties, relevant taxes (other than those subsequently recoverable from the tax authorities), incidental expenses and interest on loans attributable to the acquisition of qualifying assets up to the date the asset is ready for its intended use.

Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for qualifying assets up to the date the asset is ready for its intended use.

Subsequent expenditure on property, plant and equipment after its purchase/completion is capitalised only if such expenditure results in an increase in the future economic benefits from such asset beyond its previously assessed standard of performance. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

Assets are classified to the appropriate categories of property, plant and equipment when completed and ready for its intended use.

Capital Work in Progress: Project under which assets are not yet ready for their intended use are carried at cost comprising direct cost, related incidental expenses and attributable interest.

Depreciation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation has been provided on the cost of assets less their residual values using the straight-line method on the basis of estimated useful life of the assets determined by the Company which are different from the useful life as prescribed in Schedule II of the Companies Act, 2013. The estimated useful life of the assets have been assessed based on taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes and maintenance support, etc. The estimated useful lives as assessed and considered for depreciation are as under:

Buildings	30 years
Leasehold Improvements	Over the period of lease
Plant and machinery	15 years
Furniture and fixtures	5 years
Computer equipments	4 to 6 years
Office equipments	5 years

Depreciation on additions is provided on a pro-rata basis from the date of acquisition/installation. Depreciation on sale/deduction from fixed assets is provided for upto the date of sale/adjustment, as the case may be.

An item of property, plant and equipment or any significant part initially recognised of such item of property plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

The estimated useful lives and methods of depreciation of property, plant and equipment are reviewed at end of each reporting period and adjusted prospectively, if appropriate.

5 **Intangible Assets**

Intangible assets acquired separately are measured on initial recognition at cost.

Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Intangible assets are amortised over their respective useful lives on a straight line basis from the date they are available for use. The estimated useful life of an identifiable intangible assets is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

Software is amortised over 5-7 years, depending on its estimated useful life, on a straight-line basis.

The Company has elected to continue with the carrying value of all of its intangibles assets recognised as on April 1, 2016 measured as per the previous GAAP and use that carrying value as its deemed cost as on transition date.

The amortisation period and the amortisation method for an intangible asset are reviewed at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

An intangible asset is derecognised on disposal or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

6 Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit and loss.

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

7 Borrowing

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation

All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

8 Government Grant

Government grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in the statement of profit or loss on a systematic basis over the periods in which the company recognises as expenses the related costs for which the grants are intended to compensate, Specifically, government grants whose primary condition is that the company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the balance sheet and transferred to the statement of profit and loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the company with no future related costs are recognised in the statement of profit and loss in the period in which they become receivable.

9 Leasing

Company as lessee:

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

10 Foreign Currencies

a) Functional and presentation currency
Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates (i.e. 'the functional currency'). The financial statements are presented in Indian Rupee (INR/ Rs.), the national currency of India, which is the Company's functional and presentation currency.

b) Transaction and balances
Transactions in foreign currencies are recorded on initial recognition at the exchange rate prevailing on the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in the statement of profit and loss in the period in which they arise.

11 Inventories

Inventories are valued at cost or net realisable value, whichever is lower. The basis of determining the cost for various categories of inventory are as follows:

(a) Raw materials and stores & spares - Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis. Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

(b) Stock in trade, work in process and finished goods- Direct cost plus appropriate share of overheads. Fixed production overheads are allocated on the basis of normal capacity of production facilities.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

12 Provisions and Contingent Liabilities

Provisions

The Company recognises a provision when there is a present obligation (legal or constructive) as a result of past event and it is probable that the Company will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursements will be received and the amount of receivable can be measured reliably.

Provision for Warranties:
A provision is estimated for expected warranty claims in respect of products sold during the year on the basis of past experience regarding failure trends of products and costs of rectification or replacement. It is expected that most of this cost will be incurred over the next one year as per warranty terms. Management estimates the provision based on historical warranty claim information and any recent trends that may suggest future claims could differ from historical amounts.

Contingent liability
A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

13 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amount disclosed as revenue are net of returns, sales incentive, goods & services tax.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities, as described below. The Company bases its estimate of return on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue recognised from major business activities:

a) Sale of goods
Revenue from sale of goods is recognised as and when the Company satisfied performance obligations by transferring control of the promised goods to its customers which in case of domestic sales of goods takes place on delivery of goods to customer, and in case of export sales of goods, it takes place on dispatch of goods from the customs port.

b) Rendering of services
Revenue from a contract to provide services is recognised over the period of rendering of services.

c) Interest income
Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

14 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

a) Current tax
The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated accordance with the Income-tax Act, 1961, using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities.

Current tax is recognised in the statement of profit and loss, except when it relates to items that are recognised in other comprehensive income or directly in equity, in which case, the current tax is also recognised in other comprehensive income or directly in equity respectively.

b) Deferred tax
Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be

available against which the temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised in the statement of profit and loss, except when it relates to items that are recognised in other comprehensive income or directly in equity, in which case, the deferred tax is also recognised in other comprehensive income or directly in equity respectively.

c) Minimum Alternate Tax (MAT)

Minimum Alternate Tax (MAT) paid in a year, in accordance with the tax laws, is charged to the Statement of Profit and Loss as current tax. The Company recognizes MAT credit available as an asset only to the extent there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT Credit is allowed to be carried forward. The Company reviews the "MAT Credit Entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

d) Current and deferred tax for the year

Current and deferred tax are recognised in the statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

15 Employee benefits

Short-term employee benefits

All short-term employee benefits such as salaries, wages, bonus, medical benefits, etc. which fall within 12 months of the period in which the employee renders related services which entitles them to avail such benefits and non-accumulating compensated absences are recognised on an undiscounted basis and charged to the statement of profit and loss.

Defined contribution plan

Provident fund, superannuation fund and employee's state insurance are the defined contribution schemes offered by the Company. The contributions to these schemes are charged to statement of profit and loss of the year in which contribution to such schemes becomes due on the basis of services rendered by the employees.

Defined benefit plan

Charge for the year in respect of unfunded defined benefit plan in the form of gratuity has been ascertained based on actuarial valuation carried out by an independent actuary as at the year end using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans is based on the market yields on Government securities as at the valuation date having maturity periods approximating to the terms of related obligations. Actuarial gains and losses are recognised immediately in Other Comprehensive Income. Remeasurement recognised in other comprehensive income is reflected in retained earnings and is not reclassified to the statement of profit and loss.

Compensated absences

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as an actuarially determined liability at the present value of the defined benefit obligation at the balance sheet date.

16 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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

17 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

18 Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially recognised at fair value. Transaction costs that are directly attributable to financial assets and liabilities [other than financial assets and liabilities measured at fair value through profit and loss (FVTPL)] are added to or deducted from the fair value of the financial assets or liabilities, as appropriate on initial recognition. Transaction costs directly attributable to acquisition of financial assets or liabilities measured at FVTPL are recognised immediately in the statement of profit and loss.

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in market place.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of financial assets.

(a) Classification of financial assets

i. Financial assets at amortised cost

A financial asset is measured at amortised cost if both of the following conditions are met:

a. the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and;

b. the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Effective interest method:

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets. Interest income is recognised in the statement of profit and loss and is included in the 'Other income' line item.

ii. Investments in equity instruments at Fair Value Through Other Comprehensive Income (FVTOCI)

On initial recognition, the Company can make an irrevocable election (on an instrument-by instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to the statement of profit and loss on disposal of the investment.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

Currently, the Company does not have any investments in equity instruments which are held for trading and therefore none of the instruments are designated FVTOCI.

iii. Investments in equity instruments at Fair Value Through Profit or loss (FVTPL)

Investments in equity instruments are

classified at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

A financial asset that meets the amortised cost criteria may be designated at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in statement of profit and loss. The net gain or loss recognised in the statement of profit and loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

(b) Impairment of financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through statement of profit or loss.

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in provision matrix and Company's historical experience for customers. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to life time ECL.

For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in the statement of profit and loss.

(c) Derecognition of financial assets

A financial asset is derecognised only when:

- The Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

When the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. When the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(d) Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in statement of profit and loss except for those which are designated as hedging instruments in a hedging relationship. For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in the statement of profit and loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income.

Financial Liabilities including equity instruments

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

(a) Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

(b) Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

i. Financial liabilities at FVTPL

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in statement of profit and loss. The net gain or loss recognised in statement of profit and loss incorporates any interest paid on the financial liability and is included in the 'Other income' or 'Other expenses' line item.

ii. Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

(c) Compound financial instruments

The component parts of compound financial instruments (preference shares) issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. The repayment of the preference shares will be settled by the exchange of a fixed amount of cash is liability component.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar instruments. This amount is recognised as a liability on an amortised cost basis using the effective interest method until extinguished upon repayment.

The dividend portion classified as equity is determined by deducting the amount of the liability component from the fair value of the compound financial instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the dividend portion classified as equity will remain in equity until repaid, in which case, the balance recognised in equity will be transferred to other component of equity. Refer note 1.C.(i).(b)

(d) Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in the statement of profit and loss.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in the statement of profit and loss.

(e) Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

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. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

19 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:

a) In the principal market for the asset or liability, or

b) 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:

a) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

b) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

c) 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.

20 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, 2019 notifies new standard or amendments to the standards. There is no such new notification which would be applicable from April 1, 2021

C Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures. Actual results may differ from the estimates.

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The Company continually evaluates these estimates and assumptions based on the most recently available information. Revisions to accounting estimates are recognized prospectively in the Statement of Profit and Loss in the period in which the estimates are revised and in any future periods affected.

(i) Significant accounting judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the significant effect on the amounts recognised in the financial statements:

(a) Contingent Liabilities

In ordinary course of business, the Company faces claims by various parties. The Company assesses such claims and monitors the legal environment on an ongoing basis, with the assistance of external legal counsel, wherever necessary. The Company records a liability for any claims where a potential loss probable and capable of being estimated and discloses such matters in its financial statements, if material. For potential losses that are considered possible, but not probable, the Company provides disclosures in the financial statements but does not record a liability in its financial statements unless the loss becomes probable.

(b) Preference shares:

To consider accounting of preference shares as equity or liability depends on the conditions if the Company has a valid expectation of redemption of such preference share capital at the time of issue of these preference shares.

The Company has evaluated its operations, performance and expected cash flows at the time of infusion of such share capital to consider its ability to repay the preference share capital. The Company cumulatively never had significant cash flows/ profits to enable it to redeem the preference shares and considering this, at the time of issue of these preference shares, there was no valid expectations of this amount being repaid, as such the entire preference share capital is classified as equity in these Ind AS Financial Statements.

(ii) Significant estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(a) Defined benefit plans/ Other Long term employee benefits

The cost of the defined benefit plans and other long term employee benefit plans are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. The management considers the interest rates of government securities based on expected settlement period of various plans. Further details about various employee benefit obligations are given in Note 28.

(b) Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws and the amount and timing of future taxable income. The Company establishes provision, based on reasonable estimates. The amount of such provisions is based on various factors such as experience of previous tax audits and differing interpretations of tax regulation by the taxable entity and the responsible tax authority. Such differences in interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective domicile of the Companies.

In assessing the recoverability of deferred tax assets, management considers whether it is probable that taxable profit will be available against which the losses can be utilised. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible.

Deferred tax assets have not been recognised in the financials, as per the management there is absence of reasonable certainty that sufficient taxable income in near future will be available against which such deferred tax assets can be realised.

Minimum Alternate Tax (MAT) paid in a year, in accordance with the tax laws, is charged to the Statement of Profit and Loss as current tax. The Company recognizes MAT credit available as an asset only to the extent there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT Credit is allowed to be carried forward. The Company reviews the “MAT Credit Entitlement” asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

(c) Leases

Effective April 01, 2019, the Company adopted the new lease standard (Ind AS 116) using the modified retrospective method applied to lease arrangements that were in place on the transition date. Ind AS 116 requires the Company to recognize a right-of-use lease asset and lease liability for operating and finance leases. The right-of-use asset is measured as the sum of the lease liability, prepaid or accrued lease payments, any initial direct costs incurred and any other applicable amounts.

The calculation of the lease liability requires the Company to make certain assumptions for each lease, including lease term and discount rate implicit in each lease, which could significantly impact the gross lease liability, the duration and the present value of the lease liability. When calculating the lease term, the Company considers the renewal, cancellation and termination rights available to the Company and the lessor. The Company determines the discount rate by calculating the incremental borrowing rate.

The Company has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-assets and align with the Company’s business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised and accordingly records the right of use assets and lease liability for those assets.

Notes forming part of the financial statements for the year ended March 31, 2021

(All amounts in Rs. Lakhs, unless otherwise stated)

2 PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK IN PROGRESS

	As at March 31, 2021	As at March 31, 2020
Buildings	180	191
Leasehold improvements	83	94
Plant and Machinery	169	200
Furniture and Fixtures	64	79
Computers Equipment	84	131
Office Equipment	37	35
	617	**730**
CAPITAL WORK-IN-PROGRESS	-	-

	Buildings*	Leasehold improvements	Plant and machinery	Furniture and fixtures	Computer equipments	Office equipments	Total
Cost or Deemed Cost							
Balance at March 31, 2019	**235**	**110**	**298**	**80**	**249**	**43**	**1,015**
Additions	-	-	11	44	48	23	126
Disposals	-	-	0#	(6)	(4)	(1)	(11)
Balance at March 31, 2020	**235**	**110**	**309**	**118**	**293**	**65**	**1,130**
Additions	-	-	3	5	-	12	20
Disposals	-	-	(11)	(19)	(10)	-	(40)
Balance at March 31, 2021	**235**	**110**	**301**	**104**	**283**	**77**	**1,110**
Accumulated depreciation							
Balance at March 31, 2019	**33**	**4**	**80**	**25**	**116**	**21**	**279**
Depreciation expense	11	12	29	20	49	10	131
Disposals / adjustments	-	-	0#	(6)	(3)	(1)	(10)
Balance at March 31, 2020	**44**	**16**	**109**	**39**	**162**	**30**	**400**
Depreciation expense	11	11	29	19	46	10	126
Disposals / adjustments	-	-	(6)	(18)	(9)	-	(33)
Balance at March 31, 2021	**55**	**27**	**132**	**40**	**199**	**40**	**493**
Carrying Amount							
Balance at March 31, 2019	**202**	**106**	**218**	**55**	**133**	**22**	**736**
Additions	-	-	11	44	48	23	126
Disposals	-	-	-	-	(1)	-	(1)
Depreciation expenses	(11)	(12)	(29)	(20)	(49)	(10)	(131)
Balance at March 31, 2020	**191**	**94**	**200**	**79**	**131**	**35**	**730**
Additions	-	-	3	5	-	12	20
Disposals	-	-	(5)	(1)	(1)	-	(7)
Depreciation expenses	(11)	(11)	(29)	(19)	(46)	(10)	(126)
Balance at March 31, 2021	**180**	**83**	**169**	**64**	**84**	**37**	**617**

Amount is below rounding off threshold adopted by the Company

* Buildings are constructed on leasehold land

Note: The Company has opted to use the carrying value under previous GAAP as deemed cost for its property, plant and equipment. Refer Note 1.B.4 for accounting policy.

CAPITAL WORK-IN-PROGRESS

Particulars	As at March 31, 2021	As at March 31, 2020
Balance at the beginning of the year	-	-
Additions	-	-
Transfer to property, plant and equipment	-	-
Balance at the end of the year	-	-

Notes forming part of the financial statements for the year ended March 31, 2021

(All amounts in Rs. Lakhs, unless otherwise stated)

3 INTANGIBLE ASSETS

	As at March 31, 2021	As at March 31, 2020
Computer software	83	122
	83	**122**

Particulars	**Computer Software**
Cost or Deemed Cost	
Balance at March 31, 2019	**229**
Additions / Adjustments	60
Disposals	(51)
Balance at March 31, 2020	**238**
Additions / Adjustments	
Disposals	
Balance at March 31, 2021	**238**
Accumulated amortisation and impairment	
Balance at March 31, 2019	**128**
Amortisation expenses	39
Disposals	(51)
Balance at March 31, 2020	**116**
Amortisation expenses	39
Disposals	-
Balance at March 31, 2021	**155**
Carrying Amount	
Balance at March 31, 2019	**101**
Additions	60
Disposals	-
Amortisation expenses	39
Balance at March 31, 2020	**122**
Additions	-
Disposals	-
Amortisation expenses	39
Balance at March 31, 2021	**83**

Note: The Company has opted to use the carrying value under previous GAAP as deemed cost for its intangible assets. Refer Note 1.B.5 for accounting policy.

Notes forming part of the financial statements for the year ended March 31, 2021
(All amounts in Rs. Lakhs, unless otherwise stated)

4 OTHER FINANCIAL ASSETS
(unsecured and considered good, unless otherwise stated)

	As at March 31, 2021	As at March 31, 2020
Non-current		
Security deposits	72	91
	72	**91**
Current		
Security deposits	41	32
Interest accrued on fixed deposits with banks	0#	0#
	41	**32**

Amount is below rounding off threshold adopted by the Company

5 TAX ASSETS AND LIABILITIES

	As at March 31, 2021	As at March 31, 2020
Tax assets		
Taxes paid (net)	3	42
	3	**42**
Tax liabilities		
Income tax payable (net)	-	-
	-	**-**

6 OTHER ASSETS
(unsecured and considered good, unless otherwise stated)

	As at March 31, 2021	As at March 31, 2020
Non-Current		
Sales tax receivable	21	21
	21	**21**
Current		
Prepaid expenses	43	48
Goods and service tax receivable	447	585
Advance to suppliers	235	112
Advances to employees	16	23
Right to return goods asset*	456	496
Others**	15	23
	1,212	**1,287**

* The right to return goods asset represents the Company's right to recover products from customers where customers exercise their right of return. The Company uses its accumulated historical experience to estimate the amount of returns using the expected value method.

** Includes 657 numbers of silver coins and 2,983 numbers of gold coins worth of Rs. 15 lakhs (2020: Includes 2,277 numbers of silver coins and 3,574 numbers of gold coins worth of Rs. 23 lakhs) which are procured for sales promotion activity.

Notes forming part of the financial statements for the year ended March 31, 2021
(All amounts in Rs. Lakhs, unless otherwise stated)

7 INVENTORIES
(Lower of cost and net realisable value)

	As at March 31, 2021	As at March 31, 2020
Raw material	1,365	1,865
Work-in-progress	-	198
Finished goods	1,363	1,421
Stock-in-trade	599	772
	3,327	**4,256**
Included in above, goods-in-transit:		
Raw material	155	31
Finished goods	3	117
Stock-in-trade	83	-
	241	**148**

Notes

(i) The cost of inventories recognised as an expense during the year is Rs. 8,662 lakhs (2020: Rs. 15,282 lakhs)

(ii) The cost of inventories recognised as an expense includes Rs.221 lakhs (2020: Rs. 245 lakhs) in respect of write-downs of inventory or to bring the valuation of inventory to net realisable value.

(iii) The method of valuation of inventories has been stated in note 1.B.11.

8 TRADE RECEIVABLES

	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good	1,700	6,360
Unsecured, significant increase in credit risk	2,132	124
Unsecured, credit impaired	425	388
Less: Allowance for doubtful debts	(457)	(602)
	3,800	**6,270**

The Company uses expected credit loss model to assess the impairment loss or gain. The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in provision matrix and Company's historical experience for customers.

Notes

(i) The credit period allowed generally varies on sales, on case to case basis, channel to channel and on market conditions.

(ii) Age of receivables:

	As at March 31, 2021	As at March 31, 2020
Within credit period	3,227	3,109
Past due 180 days	459	2,742
Past due 181 to 365 days	163	639
Past due more than 365 days	408	382
	4,257	**6,872**

Notes forming part of the financial statements for the year ended March 31, 2021

(All amounts in Rs. Lakhs, unless otherwise stated)

(iii) There are no customers as at March 31, 2021 representing more than 10% of the total balance of trade receivables. In previous year, there were two customers as at March 31, 2020 with balance of Rs. 1,609 lakhs representing more than 10% of the total balance of trade receivables.

(iv) Movement in expected credit loss allowance:

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Balance at the beginning of the year	602	415
Provided during the year	70	187
Utilised during the year	(51)	-
Reversed during the year	(164)	-
Balance at the end of the year	**457**	**602**

(v) The concentration of credit risk is limited due to the fact that the customer base is large and unrelated.

9 CASH AND CASH EQUIVALENTS

	As at March 31, 2021	As at March 31, 2020
Balances with Banks		
- In current accounts	53	3
Cheques, drafts on hand	78	13
Cash on hand	0#	1
	131	**17**

10 OTHER BANK BALANCES

	As at March 31, 2021	As at March 31, 2020
Deposit accounts with maturity beyond three months upto twelve months*	2	2
	2	**2**

* Pledged with bank as security for guarantee issued on behalf of the Company

Amount is below rounding off threshold adopted by the Company

11 SHARE CAPITAL

	As at March 31, 2021	As at March 31, 2020
A. Equity Share Capital		
Authorised equity share capital:		
90,00,00,000 equity shares of Re. 1 (absolute amount) each	9,000	9,000
	9,000	**9,000**
Issued, subscribed and fully paid up equity share capital		
10,09,50,000 equity shares of Re. 1 (absolute amount) each	1,010	1,010
	1,010	**1,010**

Notes forming part of the financial statements for the year ended March 31, 2021
(All amounts in Rs. Lakhs, unless otherwise stated)

(i) Reconciliation of authorised equity share capital

	Number of shares	Amount
Balance at March 31, 2019	90,00,00,000	9,000
Add / Less: Movement during the year	-	-
Balance at March 31, 2020	90,00,00,000	9,000
Add / Less: Movement during the year	-	-
Balance at March 31, 2021	**90,00,00,000**	**9,000**

(ii) Reconciliation of issued, subscribed and fully paid up equity share capital

	Number of shares	Amount
Balance at March 31, 2019	10,09,50,000	1,010
Add / Less: Movement during the year	-	-
Balance at March 31, 2020	10,09,50,000	1,010
Add / Less: Movement during the year	-	-
Balance at March 31, 2021	**10,09,50,000**	**1,010**

The Company has bought back Nil equity shares in aggregate in the last five financial years.

Terms/ rights attached to equity shares :

The Company has only one class of equity shares having a par value of Re. 1 (absolute amount) per share. Each holder of equity shares is entitled to one vote per share. All equity shareholders rank equally with regard to dividends and share in the Company's residual assets. The equity shareholders are entitled to receive dividend as declared by the Company subject to payment of dividend to preference shareholders.

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iii) Details of equity shares held by the holding company:

	Number of fully paid shares	% holding in the shares
As at March 31, 2021		
Timex Group Luxury Watches B.V., the Holding Company	7,56,45,100	74.93%
As at March 31, 2020		
Timex Group Luxury Watches B.V., the Holding Company	7,56,45,100	74.93%

(iv) Details of equity shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at March 31, 2021		As at March 31, 2020	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Fully paid equity shares				
Timex Group Luxury Watches B.V.	7,56,45,100	74.93%	7,56,45,100	74.93%

(v) Also refer note no 36.

Notes forming part of the financial statements for the year ended March 31, 2021
(All amounts in Rs. Lakhs, unless otherwise stated)

	As at March 31, 2021	As at March 31, 2020
B. Non-convertible preference share capital		
Authorised preference share capital		
8,00,00,000 preference shares of Rs. 10 (absolute amount) each	8,000	8,000
	8,000	**8,000**
Issued, subscribed and fully paid up preference share capital		
7,61,00,000 preference shares of Rs. 10 (absolute amount) each	7,610	7,610
	7,610	**7,610**

(i) Equity component of redeemable preference share capital

	Number of shares	Amount
Balance at March 31, 2019	7,61,00,000	7,610
Add / Less: Movement during the year	-	-
Balance at March 31, 2020	7,61,00,000	7,610
Add / Less: Movement during the year	-	-
Balance at March 31, 2021	**7,61,00,000**	**7,610**

(ii) Details of preference shares held by the holding company:

	Number of fully paid shares	% holding in the shares by the holding company
As at March 31, 2021		
Timex Group Luxury Watches B.V., the Holding Company		
0.1% (2020: 0.1%) non cumulative redeemable non convertible preference shares of Rs. 10 (absolute amount) each fully paid up	25,00,000	100%
13.88%(2020:13.88%) cumulative redeemable non convertible preference shares of Rs. 10 (absolute amount) each fully paid up	1,57,00,000	100%
13.88%(2020:13.88%) cumulative redeemable non convertible preference shares of Rs. 10 (absolute amount) each fully paid up	2,29,00,000	100%
5%(2020:5%) cumulative redeemable non convertible preference shares of Rs. 10 each (absolute amount) fully paid up	3,50,00,000	100%
	7,61,00,000	**100%**
As at March 31, 2020		
Timex Group Luxury Watches B.V., the Holding Company		
0.1% (2019: 0.1%) non cumulative redeemable non convertible preference shares of Rs. 10 (absolute amount) each fully paid up	25,00,000	100%
13.88% (2019:13.88%) cumulative redeemable non convertible preference shares of Rs. 10 (absolute amount) each fully paid up	1,57,00,000	100%
13.88%(2019:13.88%) cumulative redeemable non convertible preference shares of Rs. 10 (absolute amount) each fully paid up	2,29,00,000	100%
5%(2019:5%) cumulative redeemable non convertible preference shares of Rs. 10 (absolute amount) each fully paid up	3,50,00,000	100%
	7,61,00,000	**100%**

Notes forming part of the financial statements for the year ended March 31, 2021

(All amounts in Rs. Lakhs, unless otherwise stated)

(iii) Details of preference shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at March 31, 2021		As at March 31, 2020	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Fully paid preference shares				
Timex Group Luxury Watches B.V.				
0.1% (2020:0.1%) non cumulative redeemable non convertible preference shares of Rs. 10 (absolute amount) each fully paid up	25,00,000	100%	25,00,000	100%
13.88%(2020:13.88%) cumulative redeemable non convertible preference shares of Rs. 10 (absolute amount) each fully paid up	1,57,00,000	100%	1,57,00,000	100%
13.88%(2020:13.88%) cumulative redeemable non convertible preference shares of Rs. 10 (absolute amount) each fully paid up	2,29,00,000	100%	2,29,00,000	100%
5%(2020:5%) cumulative redeemable non convertible preference shares of Rs. 10 (absolute amount) each fully paid up	3,50,00,000	100%	3,50,00,000	100%

Terms/ rights attached to issued preference shares:

25,00,000 (2020:25,00,000) 0.10%(2020:0.10%) Non-cumulative redeemable non-convertible preference shares shall be entitled to dividend at the rate of 0.1% per annum. In case of insufficiency of profits /no profits, the dividend on preference shares shall not be declared and distributed and the dividend liability on the preference shares for the respective year shall lapse.

1,57,00,000 (2020:1,57,00,000) 13.88% (2020:13.88%) cumulative redeemable non-convertible preference shares shall be entitled to dividend at the rate of 13.88% per annum. In case of insufficiency of profits /no profits, the dividend on preference shares shall not be declared and distributed in the respective year but the dividend liability on the preference shares for that respective year shall be cumulated and paid to the holders of the preference shares.

2,29,00,000 (2020:2,29,00,000) 13.88% (2020:13.88%) cumulative redeemable non-convertible preference shares shall be entitled to dividend at the rate of 13.88% per annum. In case of insufficiency of profits /no profits, the dividend on preference shares shall not be declared and distributed in the respective year but the dividend liability on the preference shares for that respective year shall be cumulated and paid to the holders of the preference shares.

3,50,00,000 (2020: 3,50,00,000) 5% (2020: 5%) cumulative redeemable non-convertible preference shares shall be entitled to dividend at the rate of 5% per annum. In case of insufficiency of profits /no profits, the dividend on preference shares shall not be declared and distributed in the respective year but the dividend liability on the preference shares for that respective year shall be cumulated and paid to the holders of the preference shares.

Preference shares of all classes carry a preferential right as to dividend over equity shares. Where dividend on cumulative preference shares is not declared for a financial year, the entitlement thereto is carried forward whereas in the case of non-cumulative preference shares, the entitlement for that year lapses. The preference shares are entitled to one vote per share at meetings of the Company on any resolutions of the Company directly affecting their rights. In the event of liquidation, preference shareholders have a preferential right over equity shareholders to be repaid to the extent of capital paid-up and dividend in arrears on such shares.

Terms of redemption of preference shares

Maturity period for redemption of 0.1% preference shares amounting to Rs. 250 lakhs is till March 24, 2023. Original maturity was ten years from the date of allotment i.e. March 25, 2003, with an option to the Company of an earlier redemption after March 24, 2005. The shares were due for redemption on March 24, 2013 which pursuant to the provisions of section 106 of the Companies Act, 1956 was extended by the Company with the consent of preference shareholders by five years, i.e. till March 24, 2018 and were further extended by another five years, i.e till March 24, 2023.

Maturity period for redemption of 13.88% (2020:13.88%) preference shares amounting to Rs. 1,570 lakhs is till March 26, 2024. Original maturity was ten years from the date of allotment i.e. March 27, 2004, with an option to the Company of an earlier redemption after March 27, 2006. The shares were due for redemption on March 26, 2014 which pursuant to the provisions of Section 106 of the Companies Act, 1956 was extended by the Company with the consent of preference shareholders by five years i.e. till March 26, 2019 and were further extended by another five years, i.e till March 26, 2024.

Maturity period for redemption of 13.88% (2020:13.88%) preference shares amounting to Rs. 2,290 lakhs is till March 20, 2026. Original maturity was ten years from the date of allotment i.e. March 21, 2006, with an option to the Company of an earlier redemption after March 21, 2008. The shares were due for redemption on March 20, 2016 which pursuant to the provisions of Section 106 of the Companies Act, 1956 was extended by the Company with the consent of preference shareholders by five years i.e. till March 20, 2021 and were further extended by another five years, i.e till March 20, 2026.

Maturity period for redemption of 5% (2020: 5%) preference shares amounting to Rs. 3,500 lakhs is till February 15, 2027, with an option to the Company of an earlier redemption after February 15, 2022.

The preference shareholders, vide their letter dated March 31, 2020, have relinquished their voting rights accrued/accruing on the preference shares in terms of second proviso to section 47(2) of the Companies Act, 2013 due to non-payment of dividend till date or during the remaining tenure of preference shares.

During the previous year 2017-2018, the holders of preference share capital had waived off the dividend for the financial years 2016-17 and 2017-2018. The Company had obtained relevant approval from the holders of preference shares and regulatory authority for the waiver of dividend upto FY 2017-18 and extension of maturity of above preference shares.

Also refer note 26(b)

12 OTHER EQUITY

	As at March 31, 2021	As at March 31, 2020
Retained earnings	(7,716)	(6,903)
Securities premium	351	351
Equity component of compound financial instrument		
- Preference share capital (refer note 1.C.(i).(b) and 11.B)	7,610	7,610
	245	**1,058**

12.1 Retained earnings

	As at March 31, 2021	As at March 31, 2020
Balance at beginning of the year	(6,903)	(6,723)
Profit /(loss) for the year	(801)	(180)
Other comprehensive income arising from remeasurement of defined benefit obligation	(12)	0#
Balance at end of the year	**(7,716)**	**(6,903)**

Amount is below rounding off threshold adopted by the Company

Notes forming part of the financial statements for the year ended March 31, 2021
(All amounts in Rs. Lakhs, unless otherwise stated)

12.2 Securities premium

	As at March 31, 2021	As at March 31, 2020
Balance at beginning of the year	351	351
Movement during the year	-	-
Balance at end of the year	**351**	**351**

12.3 Equity component of compound financial instrument- Preference share

	As at March 31, 2021	As at March 31, 2020
Balance at beginning of the year	7,610	7,610
Movement during the year	-	-
Balance at end of the year	**7,610**	**7,610**

13 PROVISIONS

	As at March 31, 2021	As at March 31, 2020
Non-current		
Provision for employee benefits		
Provision for gratuity (refer note 28.2)	514	485
Provision for compensated absences(refer note 28.3)	243	233
	757	**718**
Current		
Provision for employee benefits		
Provision for gratuity (refer note 28.2)	90	65
Provision for compensated absences(refer note 28.3)	51	38
Others		
Provision for warranties (refer note 1.B.12)	123	150
	264	**253**

Movement in other provisions are as follows:

	Provision for warranties
As at March 31, 2020	150
Provision created/(reversed) during the year	124
Provision utilised during the year	(151)
As at March 31, 2021	**123**

Notes forming part of the financial statements for the year ended March 31, 2021
(All amounts in Rs. Lakhs, unless otherwise stated)

14 OTHER LIABILITIES

	As at March 31, 2021	As at March 31, 2020
Non-Current		
Deferred government grant*	-	6
	-	**6**
Current		
Advances received from customers (contract liability)^	60	57
Deferred government grant*	6	6
Statutory dues payable	87	405
Others	15	15
	168	**483**

* The Company has received a capital investment subsidy under Central Capital Investment Subsidy Scheme, 2003 from the Government of Himachal Pradesh for cost incurred for construction of its manufacturing facility located at Baddi, Himachal Pradesh. There is no unfulfilled conditions or contingencies attached to this grant.

^ Advance from customers is recognised when payment is received before the related performance obligation is satisfied.

Particulars	As at March 31, 2021	As at March 31, 2020
As at the beginning of the year	57	46
Advances received / (Revenue recognised) (net)	3	11
As at the end of the year	**60**	**57**

15 BORROWINGS

	As at March 31, 2021	As at March 31, 2020
Current		
Unsecured - at amortised cost		
Loan repayable on demand from banks*		
- Cash credit from banks	291	2,042
	291	**2,042**
Amount undrawn from cash credit as on the balance sheet date	3,268	1,517

* Cash credit facilities from banks carry interest ranging between 6.10% to 11.10% p.a (PY: 7.60% to 11.40% p.a)., computed on a monthly basis on actual amount utilised, and are repayable on demand. The cash credit facilities are guaranteed by Tanager Group B.V. (formerly known as Timex Group B.V.), an intermediate holding company.

16 TRADE PAYABLES

	As at March 31, 2021	As at March 31, 2020
Total outstanding dues of micro enterprises and small enterprises	410	240
Others*	5,351	6,343
	5,761	**6,583**

Notes forming part of the financial statements for the year ended March 31, 2021

(All amounts in Rs. Lakhs, unless otherwise stated)

Dues To micro enterprises and small enterprises

Trade payables include the following dues to micro and small enterprises covered under "The Micro, Small and Medium Enterprises Development Act, 2006" (MSMED) to the extent such parties have been identified on the basis of intimation received from the "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006.

	As at March 31, 2021	As at March 31, 2020
Amounts due to micro and small enterprises under MSMED based on the information available with the Company and the confirmation received from the creditors till the year end.		
a) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year:		
- Principal amount	410	240
- Interest due thereon	-	-
b) The amount of interest paid by the buyer under the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year :		
- Principal amount adjusted during the year	-	-
c) The amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid).	-	-
d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act,2006.	-	-

* The above payables includes outstanding foreign currency payable to its group entities for more than 3 years amounting Rs. 1,828 lakhs (Previous year : Rs. 1,881 lakhs) for which the company has submitted applications to Reserve Bank of India to allow to remit the fund. The Company has received RBI approval for outstanding invoices against import of services delayed beyond three years through letter dated November 20, 2020 via reference number FED. NDRO. PCD. No. 911/02.02.003/Nov20/2020-21 and is in the process of making arrangement of necessary funds to remit dues outstanding against the above approvals.

17 OTHER FINANCIAL LIABILITIES

	As at March 31, 2021	As at March 31, 2020
Current		
Refund liability*	841	838
	841	**838**

* The refund liability relates to customers' right to return products upon exercising their right of return. At the point of sale, a refund liability and a corresponding adjustment to revenue is recognised for those products expected to be returned. The Company uses its accumulated historical experience to estimate the amount of returns using the expected value method.

Notes forming part of the financial statements for the year ended March 31, 2021
(All amounts in Rs. Lakhs, unless otherwise stated)

18 REVENUE FROM OPERATIONS

	Year ended March 31, 2021	Year ended March 31, 2020
Sale of products		
Manufactured goods		
Watches	9,528	20,672
Components and others	258	603
Traded goods		
Watches	3,975	3,589
	13,761	**24,864**
Income from services provided		
Support services	215	288
Customer Services	20	34
	235	**322**
Other operating revenues		
Liabilities /provisions no longer required written back	94	4
	94	**4**
	14,090	**25,190**

	Year ended March 31, 2021	Year ended March 31, 2020
Reconciliation of revenue recognised with contract price:		
A. Contract price	15,450	28,527
B. Adjustments for:		
Discount & Incentives as per contract/schemes	2,070	3,588
Right to Return with customers	(381)	75
C. Revenue From Operations	**13,761**	**24,864**

19 OTHER INCOME

	Year ended March 31, 2021	Year ended March 31, 2020
Interest income on financial assets carried at amortized cost		
- on bank deposits	0#	0#
- on income tax refund	2	24
- on others	1	6
Net foreign exchange gains	99	-
Grant Income	6	6
Miscellaneous income	13	3
	121	**39**

Amount is below rounding off threshold adopted by the Company

Notes forming part of the financial statements for the year ended March 31, 2021

(All amounts in Rs. Lakhs, unless otherwise stated)

20 COST OF MATERIALS CONSUMED

	Year ended March 31, 2021	Year ended March 31, 2020
Opening stock of raw materials	1,865	2,236
Add: Purchases of raw materials	5,092	10,317
	6,957	12,553
Less: Closing stock of raw materials	1,365	1,865
Cost of materials consumed	**5,592**	**10,688**

20.1 PURCHASES OF STOCK IN TRADE

	Year ended March 31, 2021	Year ended March 31, 2020
Watches	1,791	3,387
	1,791	**3,387**

20.2 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE

	Year ended March 31, 2021	Year ended March 31, 2020
Inventories at the end of the year:		
Work-in-progress	-	198
Finished goods	1,363	1,421
Stock-in-trade	599	772
	1,962	**2,391**
Inventories at the beginning of the year:		
Work-in-progress	198	-
Finished goods	1,421	1,827
Stock-in-trade	772	485
	2,391	**2,312**
(Increase)/decrease in inventories :		
Work-in-progress	198	(198)
Finished goods	58	406
Stock-in-trade	173	(287)
Net (Increase)/decrease in inventories	**429**	**(79)**

21 EMPLOYEE BENEFITS EXPENSE

	Year ended March 31, 2021	Year ended March 31, 2020
Salaries and wages, including bonus and gratuity	2,368	2,789
Contribution to provident and other funds (refer note 28)	136	162
Compensated absences (refer note 28)	68	55
Workmen and staff welfare expenses	73	142
	2,645	**3,148**

Notes forming part of the financial statements for the year ended March 31, 2021
(All amounts in Rs. Lakhs, unless otherwise stated)

22 FINANCE COSTS

	Year ended March 31, 2021	Year ended March 31, 2020
Interest expense on borrowings	103	201
Interest expense on others	-	2
Interest on lease liability (refer note 32)	116	77
	219	**280**

23 DEPRECIATION AND AMORTISATION EXPENSE

	Year ended March 31, 2021	Year ended March 31, 2020
Depreciation of property, plant and equipment (refer note 2)	128	131
Amortisation of intangible assets (refer note 3)	39	39
Depreciation on ROU assets (refer note 32)	187	127
	354	**297**

24 OTHER EXPENSES

	Year ended March 31, 2021	Year ended March 31, 2020
Stores and spares consumed	26	93
Power and fuel	51	67
Selling and distribution expenses	356	496
Rent	147	223
Repairs and maintenance:		
- Buildings	72	83
- Plant and machinery	23	26
- Others	11	10
Insurance	82	88
Rates and taxes	13	20
Advertising	462	972
Sales promotion	540	2,027
Minimum guarantee expenses	60	87
Professional and legal charges	126	244
Travel	304	590
Directors’ sitting fees	5	11
Provision for doubtful debts	-	187
Bad debts written off	-	-
Loss on sale of property, plant and equipment (net)	-	0#
Property, plant and equipment written off	7	1
Bank charges	4	5
Communication expenses	65	114
Warranty	124	306
Meeting and conference	4	94
Purchased services	808	1,308
Support & Service Charges	473	364
Auditor remuneration:		
- Audit fees	19	19

Notes forming part of the financial statements for the year ended March 31, 2021

(All amounts in Rs. Lakhs, unless otherwise stated)

24 OTHER EXPENSES *(Contd.)*

	Year ended March 31, 2021	Year ended March 31, 2020
- For limited review of unaudited financial results	9	9
- For tax audit	2	2
- For other services/certificates	-	-
- Reimbursement of out of pocket expenses	1	2
Exchange currency fluctuation (net)	-	58
Miscellaneous expenses*	198	182
	3,992	**7,688**

* Does not include any item of expenditure with a value of more than 1% of the revenue from operations

Amount is below rounding off threshold adopted by the Company

25 INCOME TAXES

25.1 The income tax expenses for the year can be reconciled to the accounting profits as follows:

	Year ended March 31, 2021	Year ended March 31, 2020
Profit / (loss) before tax including comprehensive income	**(813)**	**(180)**
Income-tax expense / (credit) @ 25.168% (2020: 25.168%)	(205)	(45)
Tax charged as per provisions of Minimum Alternate Tax	-	-
Effect of unused tax offsets and losses not recognised as deferred tax assets	880	(116)
Effect of adjustments related to assessment	(685)	(229)
Effect of changes in tax rates	-	390
Income tax expenses recognised in profit and loss	**(10)**	**-**

The tax rate used for the current year reconciliation above is the corporate tax rate of 25.168% (2020: 25.168%) payable by corporate entities in India on taxable profits under the Indian tax law.

25.2 Tax effects of unrecognised deductible temporary, unused tax losses and unused tax credits:

	As at March 31, 2021	As at March 31, 2020
Deferred tax liabilities	**-**	**-**
Deferred tax assets		
Provision for gratuity	152	138
Provision for compensated absences	74	68
Provision for doubtful debts and advances	115	152
Deferred government grant	1	3
Property, plant and equipment and intangible assets	47	41
Business Loss carry forward	1,270	801
Unabsorbed depreciation	1,506	1,084
Others	97	95
	3,262	**2,382**
Deferred tax asset recognised (to the extent of deferred tax liability recognised above)	-	-
Net deferred tax asset/(liability)	**-**	**-**

(All amounts in Rs. Lakhs, unless otherwise stated)

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Deferred tax assets have not been recognised in the financials, as per the management there is absence of reasonable certainty that sufficient taxable income in near future will be available against which such deferred tax assets can be realised.

Business losses upto financial year March 31, 2017 would expire upto financial year ending March 31, 2025. The unrecognised tax credits pertaining to MAT Credit as at March 31, 2019 has expired as the company has opted for New Tax Regime effective from April 1, 2019.

On 20th September 2019 the government of India vide the Taxation Laws (Amendment) Ordinance 2019, inserted Section 115BAA in the Income Tax Act, 1961, which provides domestic companies an option to pay income tax at reduced rate effective April 1, 2019, subject to certain conditions. The expenses for the year ended March 31, 2020 have been provided for at reduced tax rate.

On 29th November 2019 the Company has signed Unilateral Advance Pricing Agreement (APA) with the Central Board of Direct Taxes, Department of Revenue, Ministry of Finance, Government of India wherein the Company has agreed on the methodology to be followed for determining the Arm's Length Price of the transactions covered by the agreement. The Company has complied with the details mentioned in the agreement and has filed compliance report with the authorities on 26th February 2020. The above disclosure has been considered after effect of APA, however the compliance report filed by the Company are yet to be audited / verified by the authorities.

26 CONTINGENT LIABILITIES AND COMMITMENTS

		As at March 31, 2021	As at March 31, 2020
a.	Claims against the Company not acknowledged as debts:		
	Sales tax	1,444	195
	Others	159	177
b.	Dividend on cumulative preference shares*		
	2012-13 to 2017-18	-	-
	2018-19	711	711
	2019-20	711	711
	2020-21	711	-
	Corporate dividend tax on cumulative preference shares*		
	2012-13 to 2017-18	-	-
	2018-19	146	146
	2019-20	146	146
	2020-21	146	-

* The dividend liability on 15,700,000 2.9% cumulative redeemable non-convertible preference shares of Rs. 10 each and 22,900,000 5.4% cumulative redeemable non-convertible preference shares of Rs. 10 each, payable until 31 March 2009, was waived off as per the consent of the holders of these preference shares vide their letter dated 15 March 2009. The coupon rate applicable to these series of preference shares was revised to 7.1% effective 1 April 2009 till the date of maturity. The holders of these preference shares have further waived the dividend for the years 2012-13, 2013-14, 2014-15 and 2015-16, subject to the condition that the coupon rate for these series shall be revised from 7.1% to 13.88%. During the financial year 2016-17, the Company obtained relevant approvals from the regulatory authorities and the coupon rate applicable to these series of preference shares was revised to 13.88% effective 1 April 2016 till the date of maturity. Further, the holders of these preference shares have waived the dividend for the financial years 2016-17 and 2017-18. The dividend liability on 35,700,000 5% cumulative redeemable non-convertible preference shares of Rs. 10 each payable until 31 March 2018, was waived off as per the consent of the holders of these preference shares vide their letter dated 22 February 2018. Thus there is no outstanding dividend on cumulative preference shares as at March 31, 2018. Also refer Note 11.B

Notes forming part of the financial statements for the year ended March 31, 2021
(All amounts in Rs. Lakhs, unless otherwise stated)

c. The amounts shown above represents the best possible estimates arrived at on the basis of available information. The uncertainties and possible reimbursements are dependent on the outcome of the different legal processes which have been invoked by the Company or the claimants as the case may be and therefore cannot be predicted accurately or relate to a present obligations that arise from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate cannot be made. The Company engages reputed professional advisors to protect its interests and has been advised that it has strong legal positions against such disputes.

d. The estimated amount of contracts remaining to be executed on capital account and not provided for is Rs. Nil (2020: Rs. Nil).

e. The Company has other commitments, for purchases / sales orders which are issued after considering requirements as per operating cycle for purchase / sale of goods and services, employee benefits. The Company does not have any long term contracts including derivative contracts for which there will be any material foreseeable losses.

f. There are no amount due for payment to the Investor Education and Protection Fund under Section 125(1) of the Companies Act, 2013

g. The Hon'ble Supreme Court has passed a judgement on the definition and scope of "Basic Wages" under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952. As a matter of caution, the Company has made a provision on prospective basis from the date of such ruling, i.e. March 1, 2019. The Company will update its provision on receiving further clarity on this matter.

27 RELATED PARTY TRANSACTIONS

27.1 Description of related parties

A	**Ultimate Holding Company**	Eagleville Group B.V. (upto December 20, 2020)* BP Horological Group L.L.C (from December 21, 2020)*
	Intermediate Holding Companies	BP Horological Holdings L.L.C (from December 21, 2020)* Tanager Group B.V. (formerly known as Timex Group B.V.)* Timex Nederland B.V.
	Holding Company	Timex Group Luxury Watches B.V.*
B	**Fellow Subsidiary Companies** (Only with whom the Company had transactions during the current year and previous year)	TMX Limited N.V. Timex Group USA, Inc. Timex Group Canada, Inc. Tiempo, S.A. de C.V. Timex (Shanghai) Trading CO.LTD. Vertime B.V. Fralsen Horlogerie SA
C	**Key Managerial Personnel**	Mr. David Thomas Payne * Mr. Sylvain Ernest Louis Tatu (from March 26, 2021)* Ms. Sharmila Sahai Mr. Anil Malhotra (upto November 25, 2020)* Ms. Gagan Singh Mr. Pradeep Mukerjee Mr. Bijou Kurien Mr. Amit Jain Mr. Dhiraj Kumar Maggo
D	**Post Employment Benefits Plan**	Timex Watches Provident Fund Trust Timex Watches Superannuation Fund

* No transactions during the current year and previous year

Notes forming part of the financial statements for the year ended March 31, 2021
(All amounts in Rs. Lakhs, unless otherwise stated)

27.2 Disclosure of transactions between the Company and related parties

Nature of transaction	Related Party	Year ended March 31, 2021	Year ended March 31, 2020
Sale of goods	Timex Group USA, Inc.		1
	TMX Limited N.V.	-	478
	Timex Nederland B.V.	76	740
	Tiempo, S.A. de C.V.	-	126
	Timex Group Canada, Inc.	-	2
	Timex (Shanghai) Trading CO.LTD.	-	3
		76	**1,350**
Reimbursement of expenses(received)	Timex Group USA, Inc.	-	32
	Vertime B.V.@	11	90
		11	**122**
Reimbursement of expenses(paid)	Timex Group USA, Inc.	-	5
	Fralsen Horlogerie SA	-	0#
		-	**5**
Purchase of goods	TMX Limited N.V.	-	884
	Vertime B.V.	377	694
	Timex Nederland B.V.	440	271
	Timex Group USA, Inc.	-	6
		817	**1,855**
Purchase of Capital goods	Timex Group USA, Inc.	-	40
		-	**40**
Service income	Timex Group USA, Inc.	121	82
	TMX Limited N.V.	93	166
	Timex Nederland B.V.	-	39
		214	**287**
Service charges paid @	Timex Group USA, Inc.	569	557
	TMX Limited N.V.	-	18
	Timex Nederland B.V.	113	75
		682	**650**
Advances given	Mr. Amit Jain	-	5
		-	**5**
Advances repaid	Mr. Amit Jain	-	5
		-	**5**
Key management personnel compensation	Short-term benefits [includes sitting fees]	249	322
	Post-employment benefits	8	6
	Other long-term benefits	4	3
		261	**331**

Notes forming part of the financial statements for the year ended March 31, 2021
(All amounts in Rs. Lakhs, unless otherwise stated)

Nature of transaction	Related Party	Year ended March 31, 2021	Year ended March 31, 2020
	Ms. Sharmila Sahai	85	147
	Ms. Gagan Singh	2	4
	Mr. Pradeep Mukerjee	2	4
	Mr. Bijou Kurien	2	3
	Mr. Amit Jain	96	99
	Mr. Dhiraj Maggo	74	74
		261	**331**
Employee Benefits Expense	Timex Watches Provident Fund Trust	73	86
	Timex Watches Superannuation Fund	4	4
		77	**90**

@ Included in sales promotion expense

27.3 Disclosure of outstanding balances as at the year end between the Company and related parties

Outstanding balances	Related Party	As at March 31, 2021	As at March 31, 2020
Receivable	Timex Group USA, Inc.	105	114
	TMX Limited N.V.	-	427
	Timex Nederland B.V.	165	839
	Timex Group Canada, Inc.	-	1
		270	**1,381**
Payable	Timex Group USA, Inc.	1,609	1,399
	TMX Limited N.V.	-	376
	Timex Nederland B.V.	1,257	1,072
	Vertime B.V.	215	205
		3,081	**3,052**

Amount is below rounding off threshold adopted by the Company

Foot notes :

1. Sale and purchase of goods and services to and from related parties and other transactions with related parties were made at arms length price.
2. All outstanding balances are unsecured and are repayable in cash. No expense has been recognised in the current or prior years for bad and doubtful debts in respect of amounts owed by related parties.
3. Tanager Group B.V. (formerly known as Timex Group B.V.), an intermediate holding company, has provided bank guarantee amounting to Rs. 3,580 lakhs (2020: Rs. 3,580 lakhs) (including unfunded limit) to the bankers of the Company for use of cash credit and overdraft facilities (including working capital loans).

(All amounts in Rs. Lakhs, unless otherwise stated)

28 EMPLOYEE BENEFITS

28.1 Defined contribution plans:

	Year ended March 31, 2021	Year ended March 31, 2020
Superannuation fund (Refer to note (i) below)	4	4
Provident fund (Refer to note (ii) below)	122	150
Employees' State Insurance Corporation (Refer to note (iii) below)	7	8
	133	**162**

The expenses incurred on account of the above defined contribution plans have been included in Note 21 "Employee Benefits Expenses" under the head "Contribution to provident and other funds"

(i) Superannuation fund

The Company's contribution paid/ payable under the scheme to the Superannuation Fund Trust, as administered by the Company is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service. The trustees of the scheme have entrusted the administration of the trust scheme to Life Corporation of India Limited (LIC).

(ii) Provident fund

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund. The contributions are charged to the statement of Profit and Loss as they accrue.

(iii) Employee State Insurance fund

The Company's contribution paid/ payable under the scheme to the Employee State Insurance is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

28.2 Defined benefit plans

Gratuity- The Company provides for gratuity for employees as per the Payment of Gratuity Act 1972. The Company operates a post-employment defined benefit plan that provides for gratuity. The gratuity plan entitles an employee, who has rendered at least five years of continuous service, to receive one-half month's salary for each year of completed service at the time of retirement/exit. The Scheme is not funded by plan assets.

(i) These plans typically expose the company to actuarial risks such as investment risk, interest rate risk, longevity risk and salary risk.

Investment Risk

The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

Salary Risk

The present value of defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in rate of increase in salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

Interest Risk

The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in value of the liability.

Longevity Risk

The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after employment. An increase in the life expectancy of the plan participants will increase the plans liability.

Notes forming part of the financial statements for the year ended March 31, 2021
(All amounts in Rs. Lakhs, unless otherwise stated)

(ii) The principal assumption used for the purpose of the actuarial valuation were as follows:

	As at March 31, 2021	As at March 31, 2020
Discount rate (p.a)	6.20%	6.30%
Salary increase rate (p.a)	10.00%	10.00%
Retirement age (years)	58	58
Mortality rates	IALM(2012-14)	IALM(2012-14)
Withdrawal rate		
Up to 30 years	25.00%	25.00%
31 to 44 years	10.00%	10.00%
Above 44 years	15.00%	15.00%

The cost of the defined benefit plans and other long term benefits are determined using actuarial valuations. An actuarial valuations involves making various assumptions that may differ from actual developments in the future. These includes the determination of the discount rate, future salary increases and mortality rate. Due to these complexity involved in the valuation it is highly sensitive to the changes in these assumptions. All assumptions are reviewed at each reporting date. The present value of the defined benefit obligation and the related current service cost and planned service cost were measured using the projected unit cost method.

(iii) Amounts recognised in statement of profit and loss in respect of Gratuity benefit plan is as follows:

	Year ended March 31, 2021	Year ended March 31, 2020
Current Service cost	63	56
Net Interest Cost / (Income) on the Net Defined Benefit Liability / (Asset)	35	35
	98	**91**

These amounts for the year are included in Note 21 "Employee Benefits Expenses".

(iv) Amounts recognised in Other Comprehensive Income:

	Year ended March 31, 2021	Year ended March 31, 2020
Actuarial (gain)/losses arising from change in demographic assumptions	-	0#
Actuarial (gain)/losses arising from changes in financial assumptions	4	31
Actuarial (gain)/losses arising from changes in experience adjustments	8	(32)
	12	**0#**

Amount is below rounding off threshold adopted by the company

(v) The amount included in balance sheet arising from the entity's obligation in respect of its defined benefit plan is as follows:

	As at March 31, 2021	As at March 31, 2020
Present value of defined benefit obligation	604	550
Fair Value of Plan Assets	-	-
Surplus / (Deficit)	**(604)**	**(550)**
Effect of asset ceiling, if any	-	-
Net assets / (liability)	**(604)**	**(550)**

Notes forming part of the financial statements for the year ended March 31, 2021

(All amounts in Rs. Lakhs, unless otherwise stated)

(vi) Movements in the present value of defined benefit obligation are as follows:

	Year ended March 31, 2021	Year ended March 31, 2020
Opening defined benefit obligation	550	482
Current Service Cost	63	56
Interest Cost	35	35
Actuarial (gain)/losses arising from change in demographic assumptions	-	0#
Actuarial (gain)/losses arising from changes in financial assumptions	4	31
Actuarial (gain)/losses arising from changes in experience adjustments	8	(32)
Benefits paid	(55)	(22)
Closing defined benefit obligation	**605**	**550**

Amount is below rounding off threshold adopted by the Company

(vii) Classification into non-current and current:

Gratuity	As at March 31, 2021	As at March 31, 2020
Non-current	514	485
Current	90	65
	604	**550**

(viii) The average duration of the defined benefit obligation is 6 years. The expected cash out flow during the next financial year is Rs. 90 Lakhs.

(ix) Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of reporting period, while holding all other assumptions constant.

	As at March 31, 2021		As at March 31, 2020	
	Discount Rate	Salary escalation rate	Discount Rate	Salary escalation rate
Defined benefit obligation on plus 100 basis points	567	644	515	587
Defined benefit obligation on minus 100 basis points	646	568	589	516

28.3 Other long-term employee benefit

Amounts recognized in the statement of profit and loss in note 21 " Employee Benefits expense"	Year ended March 31, 2021	Year ended March 31, 2020
Compensated absences expenses	68	55
	68	**55**

The defined benefit obligation which are provided for but not funded are as under:

	As at March 31, 2021	As at March 31, 2020
Compensated absences liability:		
Non-Current	243	233
Current	51	38
	294	**271**

Notes forming part of the financial statements for the year ended March 31, 2021
(All amounts in Rs. Lakhs, unless otherwise stated)

29 SEGMENT REPORTING

The Company is primarily in the business of manufacturing and trading of watches and rendering of related after sales service ("Watches"). The other activities of the Company comprises of providing information & technology support services to the group companies. The income from these other activities is not material in financial terms. The Managing Director of the Company, who has been identified as being the chief operating decision maker (CODM), evaluates the Company's performance, allocate resources based on the analysis of the various performance indicators of the Company as a single unit. Therefore there is no reportable segment of the Company.

Entity wide disclosure

Revenue from operations	**Year ended March 31, 2021**	**Year ended March 31, 2020**
- Domestic	13,703	23,444
- Overseas	387	1,746
	14,090	**25,190**

Non current segment assets	**As at March 31, 2021**	**As at March 31, 2020**
- Within India	1,982	2,278
- Outside India	-	-
	1,982	**2,278**

Domestic information includes sales and services to customers located in India.

Overseas information includes sales and services rendered to customers located outside India.

Non-current segment assets includes property, plant and equipments, right of use assets, capital work in progress, intangible assets and other non current assets.

There is only one customer representing more than 10% of the total company's revenue for the financial year 2020-21. No single customer contributed 10% or more to the company's revenue for the financial year 2019-20.

30 EARNINGS PER SHARE

	Year ended March 31, 2021	**Year ended March 31, 2020**
Profit / (Loss) after tax	(801)	(180)
Less: Preference share dividend and tax thereon (refer note 11.B.(iii))	(857)	(857)
Profit attributable to the equity holders of the Company used in calculating basic earning per share and diluted earning per share	(1,658)	(1,037)
Weighted average number of equity shares for the purpose of calculating basic earnings per shares and diluted earnings per share	10,09,50,000	10,09,50,000
Basic Earnings per share (Rs.)	(1.64)	(1.03)
Diluted Earnings per share (Rs.)	(1.64)	(1.03)

31 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

31.1 Capital Management

The Company manages its capital to ensure that it will be able to continue as a going concern and provide reasonable return to the shareholders through maintaining reasonable balance between debt and equity. The capital structure of the Company consists of net debt (borrowings net of cash and cash equivalents) and total equity of the Company. Holding Company has infused capital by way of preference shares as and when needed. The Company's management reviews the capital structure of the Company on a periodic basis. As part of review, the management considers the cost of capital and risk associated with each class of capital.(refer note 1.B.3)

(All amounts in Rs. Lakhs, unless otherwise stated)

The following table provides detail of the debt and equity at the end of the reporting period:

	As at March 31, 2021	As at March 31, 2020
Debt	291	2,042
Cash & cash equivalents	131	17
Net Debt	160	2,025
Total Equity	1,255	2,068
Net debt to equity ratio	**0.13**	**0.98**

31.2 Financial instruments by category

	As at March 31, 2021	As at March 31, 2020
Financial Assets		
Measured at amortised cost^		
(a) Trade Receivables	3,800	6,270
(b) Cash and cash equivalents	131	17
(c) Bank balances other than above	2	2
(d) Other financial assets	113	123
	4,046	**6,412**

	As at March 31, 2021	As at March 31, 2020
Financial Liabilities		
Measured at amortised cost^		
(a) Borrowings	291	2,042
(b) Lease liabilities	127	93
(b) Trade Payables	5,761	6,583
(c) Other financial liabilities	841	838
	7,020	**9,556**

^ Carrying value of the financial assets and liabilities designated at amortised cost approximates its fair value.

31.3 Financial Risk Management

The Board of directors has approved risk management policy which provides framework to identify, evaluate business risk and challenges across the company. The company has constituted risk management committee of senior management team. These policies and guidelines cover foreign currency risk, credit risk and liquidity risk. The objective of financial risk management is to contain, where deemed appropriate, exposures on net basis to the various types of financial risks mentioned above in order to limit any negative impact on the Company's results and financial position.

31.3.1 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. The company is exposed to foreign exchange risk arising through its sales and purchases denominated in various foreign currencies.

Notes forming part of the financial statements for the year ended March 31, 2021
(All amounts in Rs. Lakhs, unless otherwise stated)

Foreign Currency Risk Management

Foreign currency risk also known as Exchange Currency Risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. Foreign currency risk in the Company is attributable to Company's operating activities and financing activities.

In the operating activities, the Company's exchange rate risk primarily arises when revenue / costs are generated in a currency that is different from the reporting currency (transaction risk). The information is monitored by the Audit committee and the Board of Directors on a quarterly basis. This foreign currency risk exposure of the Company are mainly in U.S. Dollar (USD). The Company's exposure to foreign currency changes for all other currencies is not material.

Foreign currency risk exposure

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting periods expressed in Rs., are as follows:

Particulars		As at March 31, 2021		As at March 31, 2020	
	Original currency	(Original currency in lakhs)	(Rs. in lakhs)	(Original currency in lakhs)	(Rs. in lakhs)
Trade receivables	USD	4	269	19	1,394
Trade payables	USD	39	2,862	42	3,140
	EURO	0#	24	0#	20
	HKD	2	15	8	73
	CHF	3	215	3	205
	JPY	12	8	55	39

The Company does not enter into or trade financial instrument including derivative financial instruments for speculative purpose

Amount is below rounding off threshold adopted by the Company

Foreign currency sensitivity analysis

The Company is mainly exposed to USD.

The following table details the Company's sensitivity to a 1% increase and decrease in the Rs. against the relevant foreign currency. The sensitivity analysis includes only outstanding foreign currency denominated monetary items as tabulated above and adjusts their translation at the period end for 1% change in foreign currency rates. A positive number below indicates an increase in profit before tax or vice-versa.

	Year ended March 31, 2021		Year ended March 31, 2020	
	Rs. strengthens by 1%	Rs. weakens by 1%	Rs. strengthens by 1%	Rs. weakens by 1%
Impact on profit /(loss) for the year				
USD	26	(26)	17	(17)

31.3.2 Credit Risk Management

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

Credit risk has always been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in normal course of business. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss. Refer note 8 for the disclosures for trade receivables.

Notes forming part of the financial statements for the year ended March 31, 2021

(All amounts in Rs. Lakhs, unless otherwise stated)

Financial assets for which loss allowance is measured:

	Note No.	As at March 31, 2021	As at March 31, 2020
Trade receivables	8	457	602
		457	**602**
Balance at the beginning		**602**	**415**
Provided during the year		70	187
Utilised during the year		(51)	-
Reversed during the year		(164)	-
Balance at the end		**457**	**602**

Other than financial assets mentioned above, none of the Company's financial assets are either impaired or past due, and there were no indications that defaults in payment obligations would occur.

31.3.3 Liquidity Risk Management

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and by matching the maturity profiles and realisation of financial assets with the liabilities. The company expects to meet its other obligations from operating cash flows and proceeds of maturing financial assets.

The table below analyses the Company's financial liabilities into relevant maturity groupings based on their contractual maturities:

As at March 31, 2021	<1 year	1 to 5 years	>5 years	Total	Carrying Value
Borrowings	291	-	-	291	**291**
Lease liabilities	225	919	573	1,717	**127**
Trade payables	5,761	-	-	5,761	**5,761**
Other financial liabilities	841	-	-	841	**841**
	7,118	**919**	**573**	**8,610**	**7,020**

As at March 31, 2020	<1 year	1 to 5 years	>5 years	Total	Carrying Value
Borrowings	2,042	-	-	2,042	**2,042**
Lease liabilities	208	1,094	573	1,875	**93**
Trade payables	6,583	-	-	6,583	**6,583**
Other financial liabilities	838	-	-	838	**838**
	9,671	**1,094**	**573**	**11,338**	**9,556**

32 Leases

The Company has adopted Ind AS 116- leases beginning from April 1, 2019 using the modified retrospective approach method along with the transition option to recognise Right-of-Use asset (ROU) at an amount equal to the lease liability. Accordingly, comparatives for the year ended March 31, 2019 have not been retrospectively adjusted.

Notes forming part of the financial statements for the year ended March 31, 2021

(All amounts in Rs. Lakhs, unless otherwise stated)

Disclosures as required under Ind AS 116:

The Company has entered into various lease agreements for acquiring space to do its day to day operations. Such lease contracts include monthly fixed payments for rentals. The lease contracts are generally cancellable at the option of lessee during the lease tenure. The Company also have a renewal option after the expiry of contract terms. There are no significant restrictions imposed under the lease contracts.

The Company has entered into a lease agreement of 95 years for its factory land located in Baddi which is operational. The lease contract amount is fully paid and there are no significant restrictions imposed under the lease contracts. Earlier these contracts were recorded as operating lease and now these have been accounted as Right of Use assets under Ind AS 116.

Right of use assets

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2021:

Movement in right-of-use assets: **(Rs. in lakhs)**

Particulars	Lease of Office/ Warehouse Space	Lease of Land	Total
Balance as of April 1, 2020 (on account of adoption of Ind AS 116)	1,274	131	1,405
Additions	44		44
Deletions	1	-	1
Depreciation	185	2	187
Balance as of March 31, 2021	**1,132**	**129**	**1,261**

The following is the movement in lease liabilities during the year ended March 31, 2021: **(Rs. in lakhs)**

Lease Liability	Total
As at April 1, 2020	1,284
Additions made during the year	44
Deletions during the year	(1)
Finance cost accrued during the year	116
Payment of lease liabilities	(210)
Balance as of March 31, 2021	**1,233**

The following is the break-up of current and non-current lease liabilities as of March 31, 2021 **(Rs. in lakhs)**

Lease Liability	Total
Non - current	1,106
Current	127
As at March 31, 2021	**1,233**

Following amount has been recognised in statement of profit and loss account

Particulars	Lease of Office/ Warehouse Space	Lease of Land	Total
Depreciation on right to use asset	185	2	187
Finance cost	116		116
Total amount recognised in statement of profit and loss account			**303**

Lease commitments

Where the Company is a lessee/licensee

The Company has entered into various lease/license agreements for leased/licensed premises, which expire at various dates over the next nine years. There are no contingent lease/license fees payments. The details of the contractual maturities of lease liabilities as at March 31, 2021 on an undiscounted basis are as follows :

Particulars	March 31, 2021
(i) not later than one year	225
(ii) later than one year and not later than five years	919
(iii) later than five years	573
	1,717

Expense relating to short term leases with lease term of more than one month during the financial year is Rs. NIL.

Expense relating to low value assets with long term lease period during the financial year is Rs. NIL.

There are no sale and lease back transactions. There are no sub leases of right of use assets

33 Transfer Pricing

The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing regulation under sections 92-92F of the Income-Tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company continuously updates its documentation for the international transactions entered into with the associated enterprises during the financial year and expects such records to be in existence latest by such date as required under law. The management is of the opinion that its international transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

34 The prescribed CSR expenditure required to be spent in the year 2020-21 as per the Companies Act, 2013 is Rs. Nil (Rs. 8.42 lacs for the year ended March 31, 2020), in view of average net profits of the Company being Rs. Nil (under section 198 of the Act) for last three financial years.

35 The Code on Social Security 2020 has been notified in the Official Gazette on September 29, 2020. The effective date from which the changes are applicable is yet to be notified and the rules are yet to be framed. Impact if any of the change will be assessed and accounted in the period in which said Code becomes effective and the rules framed thereunder are published.

36 BP Horological Holdings, L.L.C. (PAC 2), along with BP Horological Group, L.L.C., had entered into a Stock Purchase Agreement with Eagleville Group B.V., Fred. Dessen & Company Limited and Petruvius Limited (collectively, "Sellers"), dated November 18, 2020 ("SPA"), pursuant to which PAC 2 acquired from Sellers 65% of the issued share capital of Tanager Group B.V. (PAC 3).

Simultaneously with the execution of the SPA, BP Horological Investors, L.L.C. (PAC 1) entered into a senior secured note purchase agreement with PAC 3(along with certain subsidiaries of PAC 3 acting as guarantors), Sellers and Wilmington Trust, National Association (as collateral agent), dated November 18, 2020 ("NPA"), pursuant to which, subject to the terms and conditions set out in the NPA, PAC 3 issued and sold to PAC 1 certain Series A-1 Senior Secured Notes, due on November 15, 2021, in an aggregate principal amount of USD 30,000,000 (US Dollars thirty million) and PAC 3 issued and sold to PAC 1 and Sellers on December 21, 2020 certain Series A-2 Senior Secured Notes in an aggregate principal amount of USD 55,000,000 (US Dollars fifty five million), and Series B Senior Secured Notes in an aggregate principal amount of USD 5,000,000, (US Dollars five million) respectively, due on November 18, 2025 ("Notes").

Further, BP Horological Group, L.L.C., Sellers, PAC 2 and PAC 3 had executed a shareholders' agreement on December 21, 2020 ("SHA") in relation to the terms of the participation of PAC 2 and Sellers in PAC 3, their relationship as holders of shares in PAC 3, and the governance and management of PAC 3. The SHA sets out certain governance rights in relation to the subsidiaries of PAC 3, including the Timex Group Luxury Watches B.V. and Timex Group India Limited (TGIL). Pursuant to the SHA, PAC 2 has the right to appoint a majority of the members of the supervisory board of PAC 3, which entitles PAC 2 to control the supervisory board's actions with respect to PAC 3 (subject to the specific rights of the Sellers to consent to certain actions as described in the SHA). Further, any material actions taken by PAC 3 or its subsidiaries require the prior written approval of a majority in interest of the outstanding ordinary shares, which PAC 2 controls by virtue of holding 65% of the outstanding shares of PAC 3. In addition, certain identified corporate actions in the SHA require the prior written consent at the general meeting of PAC 3, which in effect is determined by PAC 2 by virtue of holding 65% of the outstanding shares of PAC 3.

PAC 3 holds 100% of the issued share capital of Timex Nederland B.V. which holds 100% of the issued share capital of the Timex Group Luxury Watches B.V., the Holding Company of TGIL.

Completion of transaction contemplated in SPA and NPA on December 21, 2020 resulted in an indirect acquisition of majority of the voting rights in and control over TGIL by PAC 2. Accordingly, Timex Group Luxury Watches B.V. (“Acquirer”), along with the persons acting in concert viz. PAC1, PAC 2 and PAC 3 (collectively PACs), had issued an Open Offer to the shareholders of TGIL for acquisition of 25.07% of its paid up equity share capital at a price of Rs. 24.54. This Offer was a mandatory offer made in compliance with Regulation 3(1), Regulation 4 read with Regulation 5(1) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

Subsequent to the year end on April 5, 2021, the Open Offer has been completed and the Acquirer has acquired 400 equity shares from public shareholders under this offer thereby increasing its total shareholding in TGIL to 75,645,500 equity shares constituting 74.93% of the total Equity Share Capital of TGIL.

For and on behalf of the Board of Directors

Sd/-
David Thomas Payne
Chairman
(DIN - 07504820)
Place : Connecticut, USA
Date : June 30, 2021

Sd/-
Sharmila Sahai
Managing Director
(DIN - 00893750)
Place : Noida
Date : June 30, 2021

Sd/-
Dhiraj Kumar Maggo
Vice President – Legal,
HR & Company Secretary
(Membership No.:F7609)
Place : Noida
Date : June 30, 2021

Sd/-
Amit Jain
Chief Financial Officer
Place : Noida
Date : June 30, 2021

TIMEX

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