

**Resilient Now for a  
Sustainable Future**



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# Corporate Information

## Board of Directors

Mr. Hari Nair	Chairman, Non-Executive Director	DIN: 00471889
Mr. Jignesh Raval	Managing Director	DIN: 01591000
Mr. Bernd Badurek	Non-Executive Director	DIN: 09143201
Mr. Madan Godse	Independent Director	DIN: 06987767
Mr. Dara Kalyaniwala	Independent Director	DIN: 03311200
Mrs. Madhavi Pandarangi	Independent Director	DIN: 08841155

## Chief Financial Officer

Mr. Pankaj Bhatawadekar

## Company Secretary & Compliance Officer

Ms. Anuja Joshi

## Auditor

M/S. Kirtane & Pandit LLP,  
Chartered Accountants

## Secretarial Auditor

Kanj & Co LLP  
Company Secretaries

## Audit Committee

Mr. Madan Godse	Chairman
Mrs. Madhavi Pandrangi	Member
Mr. Jignesh Raval	Member

## Corporate Social Responsibility Committee

Mrs. Madhavi Pandrangi	Chairman
Mr. Hari Nair	Member
Mr. Jignesh Raval	Member

## Nomination and Remuneration Committee

Mr. Dara Kalyaniwala	Chairman
Mr. Hari Nair	Member
Mr. Madan Godse	Member

## Stakeholder Relationship Committee

Mr. Hari Nair	Chairman
Mr. Dara Kalyaniwala	Member
Mr. Jignesh Raval	Member



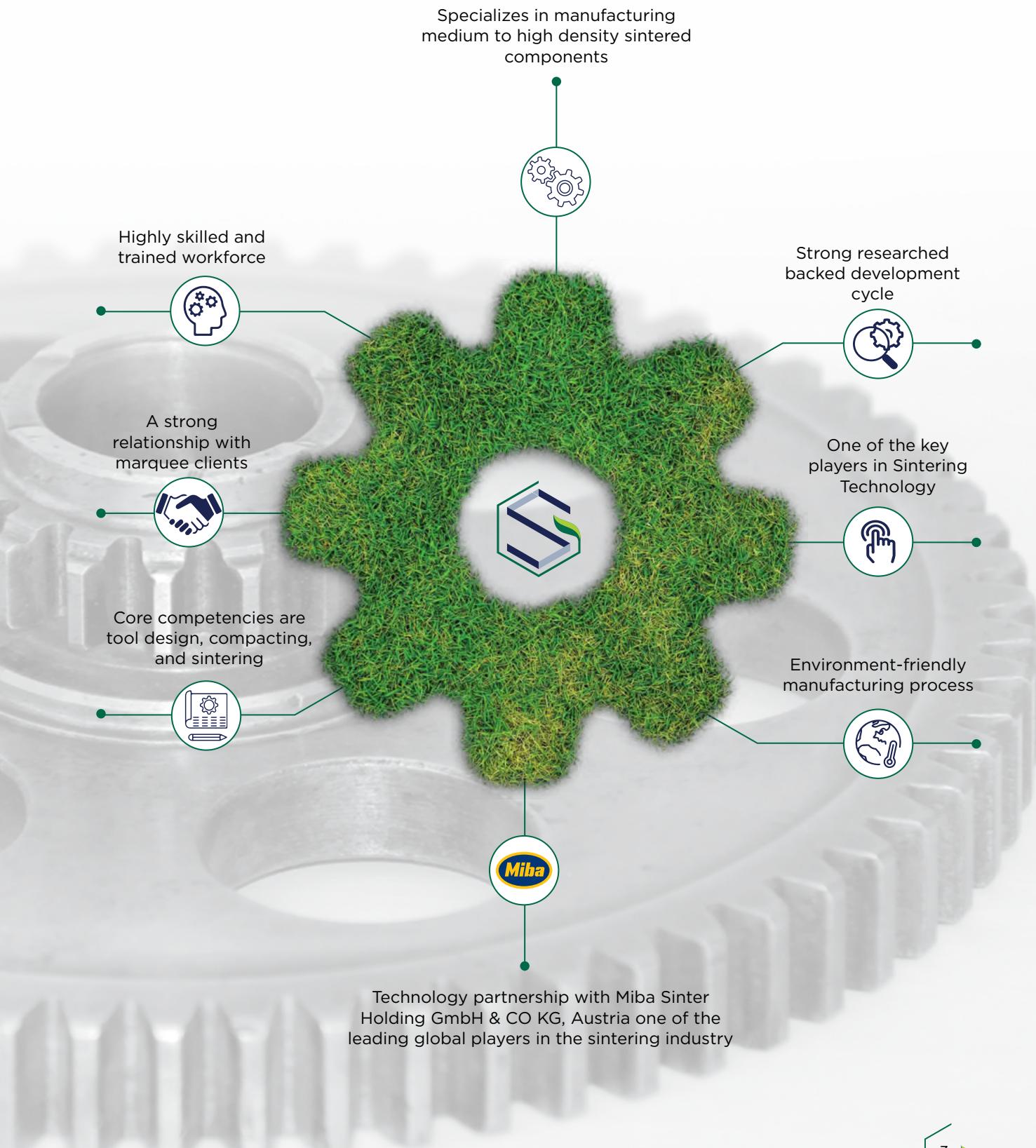
# Resilient now for a Sustainable Future

The Financial Year 2021 will be earmarked in history by the great disruption unleashed by the Covid-19 pandemic that hit the world economy very hard. The pandemic spread like a forest fire, reaching every corner of the world. Lives and businesses were faced with extremely challenging circumstances. The auto sector was one of the worst hit in the pandemic era, and during this time, Sintercom India Ltd was able to showcase resilience like never before to emerge stronger than ever before.

As India moves towards green mobility and stricter emission norms, Sintercom is well positioned to monetize on this growing trend through its expertise in developing light weight sintered components that will enable fuel efficiency for a Sustainable Future. With a strong focus on technology, a marquee list of clientele and providing customized quality products, the company's future growth potential is very exciting and bright. The company is also diversifying its product offering to other segments than auto and with its global JV partner, Miba, having further infusing capital into the company in one of the most challenging years, further enhances their confidence in Sintercom's future growth potential.



# » A Snapshot



# Company Overview

Sintercom India Ltd. was established in the year 2007 and started commercial production in the year 2010. The manufacturing facility is strategically located in Talegaon, Pune. The company's products consist of medium to high-density sintered components for automotive engines, powertrains, and exhaust systems. They find usage in two-wheelers, commercial and passenger vehicles.

With the in-house dedicated Research & Development team, we can develop new products in engine, transmission, and body/chassis for OEMs and Tier-1 clients. We started our business by manufacturing and selling Hego Bosses to our Tier-1 automotive exhaust system manufacturing companies in India and globally. We cater to all the major domestic OEM buyers in the automotive segment.

Our Company is promoted by Mr. Jignesh Raval, BRN Industries Limited; and Miba Sinter Holding GmbH & CO KG. One of our Body Corporate Promoter, MIBA Sinter Holding GmbH & CO KG, which is part of MIBA group, it is based out of Austria and it has a track record of more than five decades in sintered technology. The global presence and competitiveness of Miba Sinter give us the ability to extend our reach into existing and new markets.

The company believes in adding value to its customer's business and always puts their needs in focus.

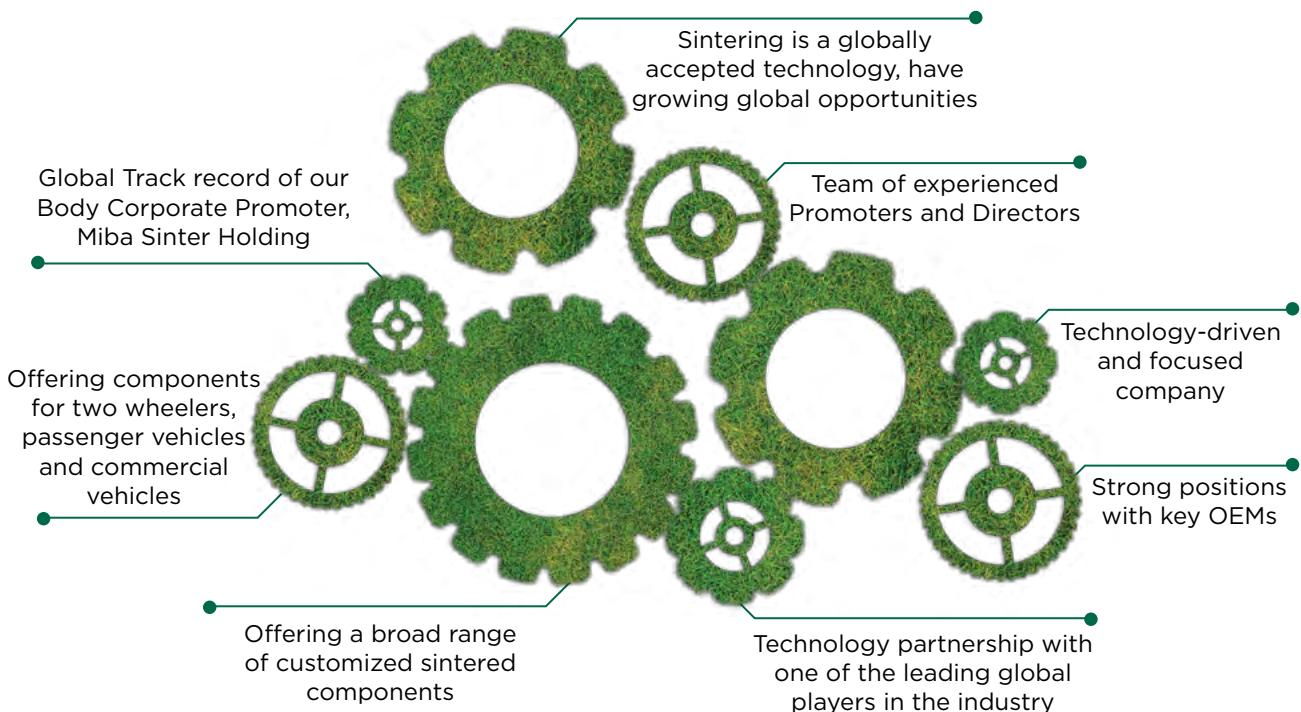
## » Vision

Our Vision is to be a global leader in sintering business by providing innovative technology solutions and increase sintered components up to 10kgs per vehicle for better efficiency.

## » Mission

Our Mission is to improve awareness about the sintering technology in Indian manufacturing industries and to improve material yield using sintering technology.

## » Our Strength



 **Milestones****2021**

Successfully developed zero backlash gear

**2020**

Managing Director Mr. Jignesh Raval has won "Male Entrepreneur of the Year Award" by IPF Industrial Excellence Awards 2020

**2019**

Appreciation from Maruti for VAVE & received Make in India Award

**2018**

The company got listed on NSE Emerge

**2016**

Received Certificate of Appreciation from Bajaj Auto Limited, 15th Manager Kaizen Competition

**2015**

Received an appreciation from Maruti Suzuki India Limited for superior performance in the field of Design and Development

**2013**

Started supplying to Mahindra and Mahindra, Maruti Suzuki India Ltd.

**2011**

Established a Joint Venture with the Miba Sinter Holding for Equity and Technology transfer

**2010**

Commencement of commercial production

**2007**

Incorporated as a joint venture between BRN industries and Maxtech Manufacturing Inc. as Maxtech Sintered Product Private Limited

# Key Clientele

## OEM Clients



# Recent Award and Accolades



Mr. Jignesh Raval has won  
“Male Entrepreneur of the Year Award”  
by IPF Industrial Excellence Awards 2020



Appreciation from  
Maruti Suzuki for VAVE



Business Excellence Award for  
“Best Supplier - Make in India” awarded  
by Dun & Bradstreet during the year  
2019-20.



Appreciation from Bajaj Auto Ltd. for  
Best Kaizen



Appreciation from Maruti Suzuki for  
Design & Development

# » Business Portfolio

## » Sintering Technology

Sintering is a heat treatment commonly used to increase the strength and structural integrity of a given material. The temperature used for sintering is below the melting point of the major constituent of the Powder Metallurgy material. After compaction, the neighboring powder particles are held together by cold welds, which give the compact sufficient “green strength” to be handled. At sintering temperature, diffusion processes cause necks to form and grow at these contact points by which a powder compact is transformed to a strong, dense ceramic body upon heating.

It is different from the traditional metal forming processes wherein a solid mass of raw material is shaped into a final shape using chipping, pressing, heating and melting. At the start of the sintering process, highly complex tools are used to compress metal powder mixes.

Compared with other production processes, sinter technology allows maximum material utilization with the lowest possible energy use. Whether in engines, transmissions, steering systems or for electrification – the properties of sintered components make them ideal for high-quality mechanical components and for systems. The porous spaces between the material's particles are minimized during the sintering process as the material is squeezed together under high temperature and pressure

## » Product Portfolio

Sintercom has been providing superior quality products, engineered with precision.

The product portfolio of our company includes the components for Engine, Transmission and Body/Chassis. We are manufacturing sintered auto components with the help of powder metallurgy process, using sintering.



## » Engine

For engine components, we cover a range from 10 to 120 horsepower, and supplies components to leading engine manufacturers and automotive companies. Our engine product portfolio includes engine drive gears, chain sprockets, belt pulleys, and engine shaft bearing caps.

Metal powders and sintering processes with multi-stage heat treatments are used to formulate these products for superior strength and wear resistance. An engine built using these products is lightweight, energy-efficient, and environmentally friendly. Expertise in highly dynamic drives and engine systems.

### Products

Bearing Cap, Cam to Cam Back Lash Gears, Chain Sprockets, Belt Pulleys, Mass Balancer Assembly.



## » Transmission

We manufacture a broad range of components for transmissions for 2-wheelers as well as four-wheelers. Our product line includes synchronizer hubs, dog rings, and drive train gears. As a result of the company's engineering prowess and technology, high-precision sintered transmission components can replace high-strength forged components. By improving performance and reducing weight of the drivetrain, these components provide superior value to leading automotive customers by providing light weight components with improved design.

### Products

Synchroniser Hubs, Interlock Finger, Drive Train Gears, Synchro Ring.



## » Body/Chassis

The company is one of the leading manufacturers of stainless-steel sintered parts for the automotive sector in India. We manufacture exhaust systems, sensor bosses, and sensor parts, such as ABS rings, for a wide range of vehicles. With powder metal, it is possible to contour and mold angles without the use of costly secondary machining procedures. Almost no material is wasted when creating these designs.

### Products

Oxygen Sensor Boss, Flange Type Sensor Boss



## » Industrial Goods Segments

We are happy to announce that with the experience in sintering process, we are catering to the need for the industrial goods segment as well. Sintering technology facilitates lighter and more efficient solutions. The application of powder metal for parts requiring both geometric complexity and economy is ideal

### Products

Liquid Dispensing Metering Parts, Synchro Rings



## » Growing with the time - Electric Vehicle

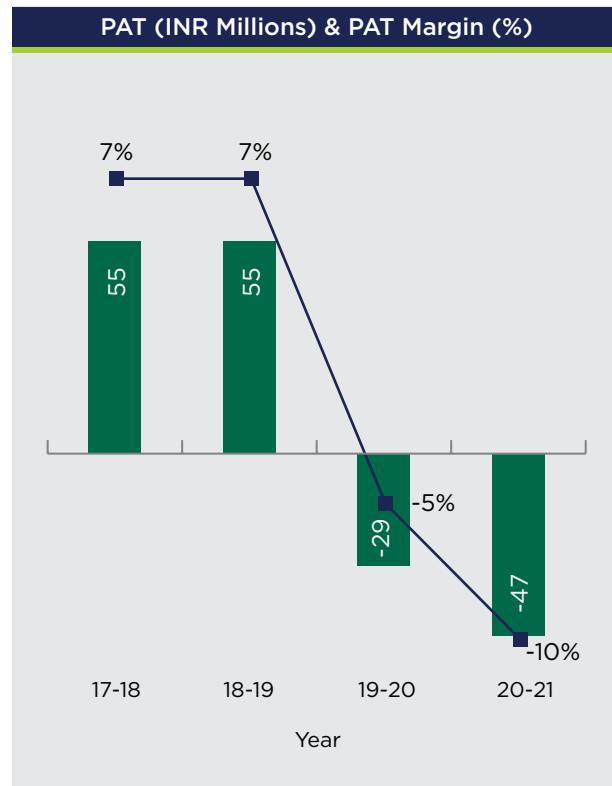
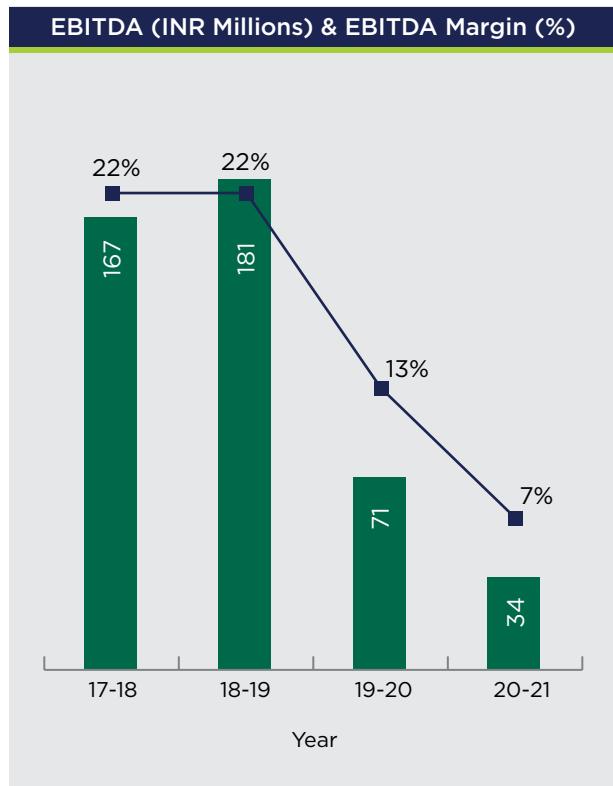
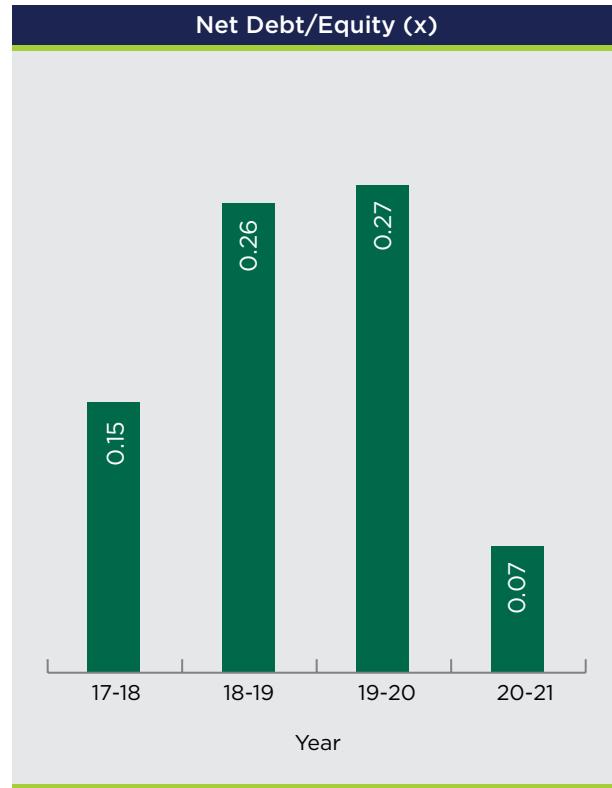
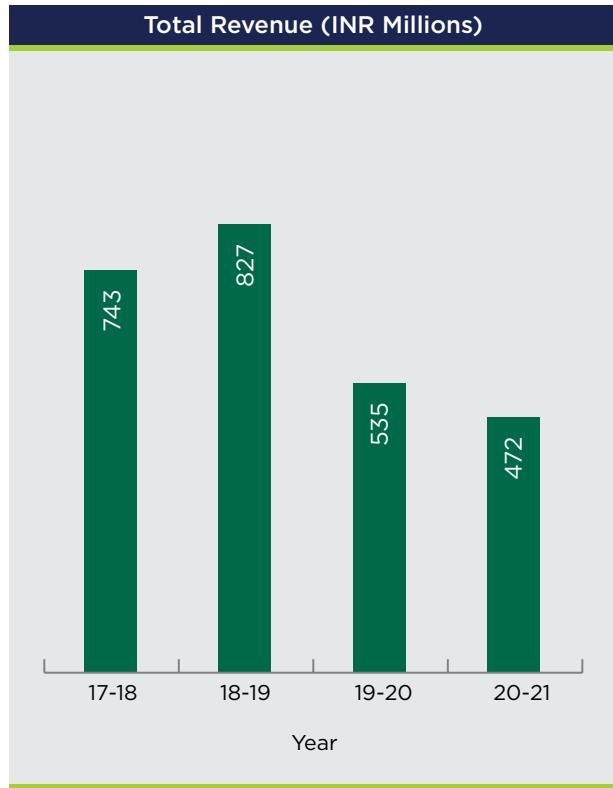
We are currently in the development stage of manufacturing parts needed for an electric vehicle. We also offer soft magnetic composite components (SMC) and assemblies for modern electric motor applications, as well as powder metal components for sensors. We can provide solutions for every sector, from parts for vehicle electrification to manufacture of parts for fully electric vehicles.

### Products

Electric Power Steering, Soft Magnetic Compositers



# Financial Highlights





# Board of Directors

## » **Mr. Hari Nair - Chairman**

Mr. Hari Nair is the Non-Executive Director and Chairman of our Company. He has been on the Board of Directors of our Company since September, 2015. He received a bachelor's degree in engineering from Bradley University, a master's degree in business administration from the University of Notre Dame and completed the Advanced-Management Program at Harvard Business School. He has over 3 decades of work experience in various organizations and companies. Previously, he served as the Chief Operating Officer of Tenneco Inc., a global automotive supplier, from 2010 until his retirement in early 2015. Prior to being appointed Chief Operating Officer, he was President of Tenneco's International Group, where he was responsible for managing operations in Europe, Africa, Middle East, South America, Asia and Australia. He offers the board with extensive manufacturing experience, global business experience, strategic planning and executive leadership skills.

## » **Mr. Jignesh Raval - Managing Director**

Mr. Jignesh Raval is the Promoter and Managing Director of our Company. He has been on the Board of Directors of our Company since June, 2007. He holds a degree in Bachelor of Engineering (Production) from Shivaji University. He has around 20+ years of work experience in automotive industry which includes 9 years of work experience at Tenneco Automotive India Private Limited as an Executive Director-GSCM. He is currently responsible for developing and executing the Company's business strategies and overseeing the Company's financial performance, investments and other business ventures.

## » **Mr. Bernd Badurek - Non-Executive Director**

Mr. Bernd Badurek joined as an additional Non-Executive Director. He is a member of the executive committee of Miba AG and Managing Director & Chief Sales Officer of Miba Sinter Group. He has more than 20 years of international experience in sales and marketing. He holds a university degree in business administration.

## » **Mr. Madan Godse - Independent Director**

Mr. Madan Godse is an Independent Director of our Company. He has been on Board of our Company since November, 2017. He received a master's degree in commerce from University of Poona and a master's degree in arts from Tilak Maharashtra University. He also obtained Certificate of Membership from the Institute of Company Secretaries of India. He further obtained bachelor's degree in law from University of Pune and has been enrolled with Bar Council of Maharashtra & Goa. He has over 30 years of work experience in secretarial compliance and law. He has been associated with Cummins India Limited and its subsidiary Cummins Diesel Sales and Service (India) Limited as from November, 1984 to September, 2005 as Company Secretary, Head of Legal Department and subsequently as Vice President – Legal and Company Secretary. He is a practicing advocate and regularly appears before National Company Law Tribunal, Mumbai.

## » **Mr. Dara Kalyaniwala - Independent Director**

Mr. Dara Kalyaniwala Joined as an Independent Director. He has worked as Deputy General Manager Corporate Finance & Taxation with Grindwell Norton Limited, Mumbai for a decade. He has 27 years' experience in Equity Capital Market, consulted various companies in formulating Business Strategies and managed M&A's, Buybacks, Takeovers & Delisting. He worked as Head- Investment Banking with PL Capital Markets Private Limited (Prabhudas Lilladher Group), Mumbai- as an employee from January 2008 to April 2016 and as a contracted professional from April 2016 till date. He is also a visiting faculty at the Institute of Chartered Accountants of India, The Institute of Company Secretaries of India; ICFAI Institute, National Institute of Capital Markets, Indo-German Training Institute, and some Trade Organizations.

## » **Ms. Madhavi Pandrangi - Independent Director**

Ms. Madhavi Pandrangi is the member of The Institute of Chartered Accountants of India. She has over 20 years of work experience in valuation and business advisory. She was a Director in the Valuation team at PwC for around 15 years. Prior to PwC she was the financial advisory services team in Deloitte, specializing in valuation and deals. A Chartered Accountant and also Certified Public Accountancy from State of Colorado & Certified Information Systems Audit, currently practicing professional advising clients on various fields.

# Message from the Chairman



**Hari Nair, Chairman**



“ Our company also continues to strengthen its relations with its investor and technology partner MIBA Sinter Austria. MIBA’s recent investment in our company during the year further demonstrates its strong commitment to Sintercom and the potential they see in the Indian and global markets. ”

## ***Dear Shareholders,***

As we are all well aware, this past year presented us with unprecedented challenges but despite all the pain and suffering the entire world has and continues to endure, the unbreakable human spirit shines through, in large and small acts of kindness, empathy and compassion all around us.

The world has faced many crises in the past and without fail, we have overcome our challenges by adapting to bounce back and move forward. This time, however, we had to adapt in many new and unique ways by leveraging the use of technology rapidly and by challenging ourselves to significantly transform our working environment and style, rapidly and creatively.

Our team at Sintercom rose boldly to face its challenges, demonstrating tremendous resilience throughout, while remaining focused on managing effectively through a difficult and dynamic environment. Their adaptability was further tested as work practices changed almost overnight and they remained committed to supporting all our stakeholders. Now, when I look back at the past year, I am proud to say that our team has learned and adapted to successfully navigate multiple headwinds across all areas of our business, to remain focused on the health and safety of our employees and to ensure business continuity and stability.

An unforeseen crisis of this magnitude is a true test of the character of an organization. Our response to the pandemic has been truly inspirational and a clear testament to the strength of our collective purpose, values, and culture. We responded at an early stage of the crisis across our facilities and implemented several effective countermeasures. Our top priority was, and still is, to protect the health and safety of our people. While our employees faced many pressures during the pandemic, they remained flexible, focused and strong. Assuring our customers, vendors and suppliers of our support was a top priority and as the team went above and beyond their normal requirements, we have seen our relationships strengthen across all dimensions.

I am proud to inform you, our shareholders, that despite these unprecedented challenges, Sintercom has been able to further expand its client base and

product portfolio during this past year by entering into the industrial goods segment for the first time. At Sintercom we strive for diversity in all areas including products, customers, industry sectors and market geographies. The entire management team is aligned and committed towards these goals as we continue to develop and make steady progress.

Our company also continues to strengthen its relations with its investor and technology partner MIBA Sinter Austria. MIBA's recent investment in our company during the year further demonstrates its strong commitment to Sintercom and the potential they see in the Indian and global markets. We look forward to further leverage the experience and expertise of MIBA Sinter to introduce new state of the art technologies to Sintercom as we target more new business opportunities together. We will continue to work together as partners to further develop our global strategy to identify and target incremental value creation opportunities.

Sintercom continues to make progress on the environmental front. We recently commissioned a solar power plant to reduce our carbon emission footprint and will continue to increase our application of renewable energy sources in our operations.

The level of excitement in the auto industry continues to grow globally about the adoption of electric and other alternate powertrains for future mobility applications. Western markets are leading this initiative but as the industry evolves in this direction globally, we can expect to see these developments in India as well in the coming years. Recent incentives announced by the Indian Government are likely to accelerate this journey. We have clear strategies in place to remain well engaged with all future mobility manufacturers to support their increasingly complex requirements with our leading edge product and technology offerings.

We at Sintercom truly appreciate the support we have received from all our valued stakeholders. We are also fortunate to have the wealth of experience and strategic guidance provided by our Board members to support Sintercom through this challenging phase as we continue to deploy world class levels of Governance practices at our company.

We remain committed to engage with all our stakeholders to create superior value as we proceed on a very exciting journey together!

My best wishes to everyone to remain safe and healthy,

**Hari Nair**  
Chairman

# Message from the Managing Director



**Jignesh Raval, Managing Director**



“ We are moving in right direction of diversification of different segments. I am proud to inform you that Sintercom has won business in the field of industrial goods and we see good opportunities in this segment. We have won additional business in Off-road equipment's and commercial segments and are making good progress in the segment. ”

## **Dear Shareholders,**

The past year has been challenging for everyone, despite the ferocity of third wave, we are now in a better position as we exit FY 2021 than we were at the beginning. My heart goes out to everyone out there who has suffered the loss of loved ones. I am confident we will eventually get it under control, but until then, I urge you to stay safe, follow covid discipline, get vaccinated if you are eligible and keep your spirits up.

With the gradual unlocking, the country witnessed a steep V-shape recovery from the second quarter of 2020-21 onwards on the back of positive sentiments and improvement in consumption. The Government's 'Atmanirbhar Bharat' campaign to make India a self-reliant country, further boosted the prospects of the businesses. In addition, several fiscal and monetary measures further supported this economic recovery.

## **Our Performance**

Our business performance in the year gone by is also a reflection of that innate resilience and adaptability.

Thanks to the resilience of the organization, the impact of this disruption was limited only to the first quarter. Thereafter we were able to recover some of the lost ground owing to strong economic recovery and recorded revenue of Rs. 472 million in 2020-21 which inspite of losing 1/4th of the year was only about 12% less than 2019-20. The strong recovery was largely due to pent-up demand buoyed by the festive season as well as several other factors like recovery in the infrastructure segment that helped boost up the demand for Medium and Heavy Commercial Vehicles, liquidity in the rural and semi-urban markets and most importantly, the rise in preference for personal mobility in urban centres.

We reported EBIDTA margins of 7% for the full year, however our EBITDA for Q4 was 15% owing to our internal initiative focused on cost reduction across every aspect of business and higher utilization of our capacities due to the strong demand.

Further, during the year, Company completed the

raising of funds on a preferential private placement basis in the form of equity shares and compulsory convertible debentures (CCD's) from one of its promoters Miba Sinter Holding GmbH & CO KG (Miba), for an aggregate amount of approximately INR 222 million, after taking the necessary approvals from the Board, shareholders and other regulatory bodies. We expect to draw on the experience and expertise of Miba Sinter to bring in new technologies and business opportunities to Sintercom and further its efforts of creating value for all its shareholders. Miba will support us in identifying value creation opportunities, long term strategy to build and create long term sustainable value. Their investment in the Company will only enhance their commitment to help and support us at Sintercom in this endeavor.

### **New Business Wins**

We are moving in right direction of diversification of different segments. I am proud to inform you that Sintercom has won business in the field of industrial goods and we see good opportunities in this segment. We have won additional business in Off-road equipment's and commercial segments and are making good progress in the segment. Further, our efforts in exploring various global opportunities are heading in positive direction which will offer significant growth for our existing product range with its inherent competitive advantages versus traditional offerings.

### **Outlook**

The overall outlook for the industry remains cautiously optimistic owing to the uncertainty of the recurrence and impact of the next waves of the pandemic. However, with the strong vaccination drive nationwide as well as within your company and increasing awareness about the COVID-appropriate behavior, we remain confident about the safety of our employees. On the business front, the need for private vehicles coupled with multiple launches of a wide range of new vehicle models will drive good domestic demand for our products. Strong demand for our products has registered a growth of 168% in Q4 of 20-21 w.r.t Q4 of 19-20 and we are confident of the trend continuing as we will add new products in the serial production quarter over quarter in the fiscal year 2021-22.

I sincerely thank the Chairperson and Board Members for their astute guidance and encouragement during these tough times. Additionally, I take this opportunity to thank our dear shareholders for their continuous support. Lastly, I would like to specially thank all the employees for their exemplary efforts during the year to ensure business continuity despite seemingly impossible situations.

We stand committed to delivering sustainable growth and creating value for all our stakeholders.

Stay safe, Stay healthy, Take care!!

**Jignesh Raval**  
Managing Director

# AGM Notice

Notice is hereby given that the 14<sup>th</sup> Annual General Meeting of the members of Sintercom India Limited will be held on **Thursday, 23<sup>rd</sup> September, 2021 at 04.00 pm (IST)** to be held through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") to transact following business:

## **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2021 together with Reports of Board of Directors and Auditors thereon and if thought fit, pass the following resolution as an **Ordinary Resolution**, with or without modification(s):

**"RESOLVED THAT** the audited financial statement of the Company for the financial year ended 31<sup>st</sup> March, 2021 and the reports of the Board of Directors and Auditors thereon, as circulated to members, be and are hereby considered and adopted."

2. To appoint Mr. Hari Nair (DIN 00471889), who retire by rotation as a director and being eligible, offer himself for re-appointment as a director and in this regard to consider and if thought fit, pass the following resolution as an **Ordinary Resolution**, with or without modification(s):

**"RESOLVED THAT** in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Hari Nair (DIN 00471889), who retires by rotation at this meeting, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

## **SPECIAL BUSINESS:**

3. To consider the appointment of Mr. Bernd Badurek (DIN: 09143201) as a Non-Executive Non-Independent Director on the Board of the Company and if thought fit, pass the following resolution as an **Ordinary Resolution**, with or without modification(s):

**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 (the "Act") and the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Bernd Badurek (DIN: 09143201), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 27<sup>th</sup> May, 2021 as per Section 161(1) of the Companies Act, 2013 and who holds office only upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as Non-Executive Director of the Company, whose office is liable to retire by rotation.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (which includes a Committee, constituted for the time being in force) be and is hereby authorized to do all such acts, deeds and things, to enter into such agreement(s), deed(s) of amendment(s) or any such document(s), as the Board may, in its absolute discretion, consider necessary, expedient or desirable including power to sub-delegate, in order to give effect to this resolution or as otherwise considered by the Board to be in the best interest of the Company, as it may deem fit."

4. To consider and approve the remuneration of Mr. Jignesh Raval, Managing Director of the Company and if thought fit, pass the following resolution as a **Special Resolution**, with or without modification(s):

**"RESOLVED THAT** pursuant to the provisions of section 197, 198 and 203 read with other applicable provisions and Schedule V of the Companies Act, 2013 and the provisions of Articles of Association of the Company and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or reenactment(s) thereof, for the time being in force)

and based on the recommendation of Nomination and Remuneration committee & the Board and subject to such other approvals as may be necessary, the approval of the Members be and hereby accorded for payment of remuneration to Mr. Jignesh Raval (DIN: 01591000), Managing Director for the remaining period of two financial years 2021-2022 and 2022-2023 as mentioned hereunder:

**a. Annual Salary: (Amount in Rs.)**

Year	2021-2022	2022-2023
Salary	17,194,272	19,552,121
Incentive	4,000,000	5,000,000
<b>Total</b>	<b>21,194,272</b>	<b>24,552,121</b>

**b. Perquisites:**

- Company provided car for official use with Driver;
- Personal Accident Policy for the Managing Director & his family;
- Group Mediclaim policy for Managing Director and his family;
- Contribution to Provident Fund, superannuation fund or annuity fund
- Gratuity as per applicable laws;

**RESOLVED FURTHER THAT** where in any financial year during the tenure of the said Managing Director, the Company has no profits or profits are inadequate, the aforesaid remuneration or remuneration as may be approved by the Board of Directors of the Company from time to time shall be paid as minimum remuneration.

**RESOLVED FURTHER THAT** any of the Directors or the Company Secretary or the Chief Financial Officer of the Company, be and are hereby severally authorized to execute all such agreements, documents, instruments and writings as deemed necessary, with power to settle all questions, difficulties or doubts that may arise in this regards as it may in its sole and absolute discretion deem fit and to do all such acts, deeds, matters and things as it may consider necessary and desirable and to delegate all or any of its power herein conferred to any officer(s) of the Company, to give effect to this resolution.

5. To note and take on record the Corrigendum to the EGM Notice dated 02<sup>nd</sup> March, 2021 and special resolutions approved at the 1<sup>st</sup> Extra-Ordinary General Meeting held on 24<sup>th</sup> February, 2021 and if thought fit, pass the following resolution as a Special Resolution, with or without modification(s):

**RESOLVED THAT** the Corrigendum dated 02<sup>nd</sup> March, 2021 to the Notice of the 01<sup>st</sup> Extra Ordinary General Meeting of the Company of the Financial Year 2020-2021 held on 24<sup>th</sup> February, 2021, ("Corrigendum") a copy of which is annexed to the Notice and Explanatory Statement for this Annual General Meeting be and is hereby noted and taken on record and shall be deemed to have formed an integral part of the Notice of the said Extra Ordinary General Meeting.

**RESOLVED FURTHER THAT** the special resolutions approved by the members of the Company at the 1<sup>st</sup> Extra-Ordinary General Meeting of the Company for the Financial Year 2020-2021 held on 24<sup>th</sup> February, 2021, and all corporate actions taken by the Company in furtherance of the special resolution be and are hereby noted and taken on record.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, Mr. Jignesh Raval Managing Director or Mr. Pankaj Bhatawadekar Chief Financial Officer, or Ms. Anuja Joshi Company Secretary and or any committee of the Board be and are hereby severally authorized to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary and desirable for such purpose, including without limitation, preparing, signing, executing, and filing applications with the relevant authorities for obtaining requisite approvals etc., resolving any difficulties, effecting any

modifications, changes, variation, alterations, additions and/or deletions to the foregoing conditions as may be required by any relevant authority, including agreeing to and accepting all such condition(s), modification(s) and alteration(s) as may be stipulated by the relevant authorities."

**By Order of the Board of Directors**

**Anuja Joshi**  
Company Secretary & Compliance Officer

Pune, 10<sup>th</sup> August, 2021

**Registered Office:**

Gat No.127,  
At Post Mangrul,  
Taluka Maval Talegaon Dabhade,  
Pune 410507  
CIN: L29299PN2007PLC129627  
Website: [www.sintercom.co.in](http://www.sintercom.co.in)  
E-mail: [investor@sintercom.co.in](mailto:investor@sintercom.co.in)  
Tel: +91 20 4852 2679  
Fax: +91 20 4852 2698

**Notes:**

1. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") continued allowing conducting Annual General Meeting (AGM) through video conferencing (VC) or other audio-visual means (OAVM) vide its Circular No. 02/2021 dated January 13, 2021 read with Circular No. 20/2020 dated May 05, 2020, Circular No. 17/2020 dated April 13, 2020 and Circular No. 14/2020 dated April 08, 2020 (collectively referred as "MCA Circulars") prescribing the procedures and manner of conducting the Annual General Meeting through VC/OAVM and Securities and Exchange Board of India ("SEBI") vide its Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 read with Circular no. SEBI/ HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 (collectively referred as "SEBI Circulars") permitted the holding of AGM, without physical presence of the Members at a common venue.
2. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
3. In compliance with the said MCA and SEBI Circulars, the 14<sup>th</sup> AGM of the Members will be held through video conferencing (VC) or other audio-visual means (OAVM). The Members can attend and participate in the AGM through VC/OAVM only. National Securities Depository Limited ('NSDL') will be providing facility for voting through remote e-Voting for participation in the AGM through VC / OAVM facility and e-Voting during the AGM. The detailed procedure for participating in the meeting through VC/ OAVM forms a part of this Notice. The registered office of the company shall be deemed to be the venue of the AGM.
4. The relevant details pursuant to Regulations 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM is annexed.

The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of the Special Business to be transacted at the Meeting is also annexed hereto.

5. Generally, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. Since this AGM is being held through VC / OAVM pursuant to the MCA Circulars, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed hereto.
6. Since the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto.
7. Institutional/Corporate members are requested to send a duly certified copy of the Board Resolution authorizing their representative to attend AGM through VC/OVAM on its behalf and vote through e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to [sunil.nanal@kanjcs.com](mailto:sunil.nanal@kanjcs.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
8. Members are requested to contact the Company's Registrar & Share Transfer Agent (RTA), Link Intime India Pvt. Ltd, Address at Block No. 202, 2<sup>nd</sup> Floor, Akshay Complex, Near Ganesh Temple, Off Dhole Patil Road, Pune - 411001 (Phone No. 020 - 2616 1629 / 2616 0084 ; Fax No. 020 - 2616 3503; email id: [pune@linkintime.co.in](mailto:pune@linkintime.co.in)) for reply to their queries/ redressal of complaints, if any, or contact Ms. Anuja Joshi at the registered office of the Company (Phone +91 20 4852 2679 , Email: [investor@sintercom.co.in](mailto:investor@sintercom.co.in)).
9. SEBI has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their depository participant(s). *\*All the Shares of the Company are held in dematerialized form.*
10. Members holding shares in single name are advised to avail the facility of nomination in respect of shares held by them pursuant to the provisions of Section 72 of the Act. Members holding shares in electronic mode may contact their respective Depository Participants for availing this facility.
11. Members can submit questions in advance with regard to the financial statements or any other matter to be placed at the 14<sup>th</sup> AGM, from their registered email address, mentioning their name, DP ID & Client ID number /folio number and mobile number, to reach the Company's email address at [investor@sintercom.co.in](mailto:investor@sintercom.co.in) on or before Thursday 16<sup>th</sup> September, 2021. Such questions by the Members shall be taken up during the meeting and replied by the Company suitably.
12. All the documents referred to in the accompanying Notice and Explanatory Statements will be available for inspection in electronic mode from date of circulation of this Notice up to the date of AGM. Members can inspect the same by sending an email to [investor@sintercom.co.in](mailto:investor@sintercom.co.in).

#### **Dispatch of Annual Report through Electronic Mode:**

13. In compliance with the MCA Circulars and SEBI Circular dated 15<sup>th</sup> January, 2021 read with Circular dated 12<sup>th</sup> May, 2020, Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose e-mail address is registered with the Company/ Depository Participants.

Members may note that the Notice and Annual Report 2020-2021 will also be available on the Company's website [www.sintercom.co.in](http://www.sintercom.co.in), websites of the Stock Exchanges, i.e., National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com) and Notice is also available on the website of NSDL i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com)

For receiving all communication (including Annual Report) from the Company electronically: Members holding shares in dematerialized mode are requested to register / update their email addresses with the relevant Depository Participants. \* In case of any queries / difficulties in registering the e-mail address, members may write to [investor@sintercom.co.in](mailto:investor@sintercom.co.in)

*\*All the Shares of the Company are held in dematerialized form.*

**Procedure for Inspection of Documents:**

14. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, and the relevant documents referred to in the Notice will be available upon login at NSDL e-voting system at <https://www.evoting.nsdl.com> during the AGM.

All documents referred to in the Notice will also be available electronically for inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to [investor@sintercom.co.in](mailto:investor@sintercom.co.in)

15. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before Thursday 16<sup>th</sup> September, 2021 through email on [investor@sintercom.co.in](mailto:investor@sintercom.co.in) The same will be replied by the Company suitably.

**Instructions for Members for Attending the AGM through VC/OAVM are as under:**

16. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system which will open 30 minutes before the scheduled time of the AGM. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members 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. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.

17. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

- A) Members can participate in the AGM through their desktops / smartphones / laptops etc. However, for better experience and smooth participation, it is advisable to join the meeting through desktops / laptops with high-speed internet connectivity.
- B) 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.
- C) 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 No., PAN, mobile number at [investor@sintercom.co.in](mailto:investor@sintercom.co.in) . Such request must reach the Company till 5.00 p.m. on or before Thursday, 16<sup>th</sup> September 2021. Those Members who have registered themselves as a speaker by 16<sup>th</sup> September 2021 and have provided adequate details as mentioned above will only be allowed to express their views/ask questions during the AGM. Speakers are requested to submit their questions at the time of registration, to enable the Company to respond appropriately. The Company reserves the right to restrict the

number of questions and number of speakers, as appropriate, to ensure the smooth conduct of the AGM. In the interest of time, each Speaker is requested to express his / her views in 2 minutes.

**Procedure for Remote E-voting and E-voting at the AGM:**

18. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Regulation 44 of SEBI Listing Regulations (as amended) and the MCA Circulars and in terms of SEBI vide circular no. SEBI/HO/ CFD/CMD/CIR/P/2020/242 dated December 09, 2020, the Company is pleased to provide the facility to Members to exercise their right to vote on the resolutions proposed to be passed at AGM by electronic means.

**The remote e-voting period commences on Saturday, 18<sup>th</sup> September 2021 (9.00 a.m. IST) and ends on Wednesday, 22<sup>nd</sup> September 2021 (5.00 p.m. IST).** During this period, members as on cut-off date, i.e. as on Thursday, 16<sup>th</sup> September 2021 may cast their votes electronically. The remote e-voting module will be disabled by NSDL for voting thereafter. A member will not be allowed to vote again on any resolution on which vote has already been cast. The voting rights of members shall be proportionate to their share of the paid-up equity share capital of the Company as on the cut-off date, i.e. as on Thursday, 16<sup>th</sup> September 2021. A person who is not a member as on the cut-off date should treat this Notice of AGM for information purpose only.

In addition, the facility for voting through electronic voting system shall also be made available during the AGM. Members attending the AGM who have not cast their vote by remote e-voting shall be eligible to cast their vote through e-voting during the AGM. Members who have voted through remote e-voting shall be eligible to attend the AGM, however, they shall not be eligible to vote at the meeting.

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, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto: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.

Mr. Sunil Nanal (Membership No. F5977, C.P. No: 2809), Partner M/s. Kanj & Co. LLP, Practicing Company Secretaries (email id: [sunil.nanal@kanjcs.com](mailto:sunil.nanal@kanjcs.com)) of Aishwarya Sankul, Near Joshi Railway Museum Kothrud, Pune- 411038 has been appointed as Scrutinizer to scrutinize the entire e-voting in a fair and transparent manner.

The results on the resolutions will be declared not later than 48 hours of conclusion of the AGM i.e. or any adjournment thereof. The declared results along with the Scrutinizer's Report will be available on the Company's website at [www.sintercom.co.in](http://www.sintercom.co.in) and on the website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com) and will also be forwarded to the National Stock Exchange of India where the Company's shares are listed. Subject to receipt of requisite number of votes, the resolutions set out in the Notice shall be deemed to be passed on the date of the AGM i.e. 23<sup>rd</sup> September, 2021

The Members desiring to vote through remote e-voting are requested to refer to the detailed procedure given herein below. Members whose email ids are not registered with the depositories for procuring user id and password and registration of email-ids for e-voting for the resolutions are requested to refer the instructions provided below:

**I. Procedure for remote e-voting:**

**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**

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

### **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 09, 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	<p><b>A. NSDL IDeAS facility</b></p> <ol style="list-style-type: none"> <li>1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com/">https://eservices.nsdl.com/</a> either on a Personal Computer or on a mobile.</li> <li>2. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under “IDeAS” section.</li> <li>3. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services.</li> <li>4. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page.</li> <li>5. Click on options available against company name or e-Voting service provider - NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol> <p><b>If the user is not registered for IDeAS e-Services, follow below steps:</b></p> <ol style="list-style-type: none"> <li>1. Option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a></li> <li>2. Select “Register Online for IDeAS” Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/ideasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/ideasDirectReg.jsp</a></li> <li>3. Please follow steps given from Point 1 to 5</li> </ol>

Type of shareholders	Login Method
	<p><b>B. e-Voting website of NSDL</b></p> <ol style="list-style-type: none"> <li>1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile.</li> <li>2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.</li> <li>3. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.</li> <li>4. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or <b>e-Voting service provider - NSDL</b> 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 &amp; voting during the meeting.</li> </ol>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>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 <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>2. After successful login of Easi/Easiest the user will also be 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.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their depository participants	<ol style="list-style-type: none"> <li>1. You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility.</li> <li>2. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature.</li> <li>3. Click on options available against company name or e-Voting service provider- NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>

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 <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
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 <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 022-23058542/43

**B) Login method for shareholders other than Individual shareholders holding securities in demat mode.**

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

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

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL)	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****

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 instructions mentioned below in this notice

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](http://www.evoting.nsdl.com).
  - b) Physical User Reset Password?” (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://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](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

**Step 2: Cast your vote electronically and join Annual General Meeting on NSDL e-Voting system.**

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of SINTERCOM INDIA LIMITED which is 117148 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. 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?”
2. In case of any query / grievance with respect to Remote e-Voting, members may refer to the Frequently Asked Questions (FAQs) for Shareholders and Remote e-Voting User Manual for Shareholders available under the Downloads section of NSDL’s e-Voting website or contact Mr Amit Vishal, Senior Manager / Ms Pallavi Mhatre, Manager, NSDL, Trade World, “A” Wing, 4<sup>th</sup> Floor, Kamala Mills Compound, Lower Parel, Mumbai 400 013 at telephone no. 022 – 24994360 / 022 – 24994545 or toll free no. 1800 1020 990/ 1800 22 44 30 or at E-mail ID : [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**Process for procuring user ID and password for e-Voting for those shareholders whose email IDs are not registered with the depositories / Company.**

Shareholders may sent a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user ID and password for e-Voting.

1. 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)
2. If you are an Individual shareholder 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.

**Instructions for Members for e-Voting on the day of the AGM are as under: -**

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

**By Order of the Board**

**Anuja Joshi**

**Company Secretary & Compliance Officer**

Place: Pune

Date: 10<sup>th</sup> August, 2021

### **The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013**

The following Statement sets out all material facts relating to the Special Business mentioned in the Notice:

#### **Item 3:**

The Board of Directors of the Company at its Meeting held on 27<sup>th</sup> May, 2021, on the recommendation of the Nomination & Remuneration Committee ('the Committee'), approved the appointment of Mr. Bernd Badurek (DIN: 09143201) as an Additional Director designated as Non-Executive Non-Independent Director of the Company in terms of Provisions of Companies Act, 2013.

Mr. Bernd Badurek (DIN: 09143201) as Non-Executive Non-Independent Director of the Company, is liable to retire by rotation. Mr. Bernd Badurek is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director.

In the opinion of the Board, Mr. Bernd Badurek fulfils the conditions for appointment as Non-Executive Non-Independent Director as specified in the Act.

#### **Brief Profile of Mr. Bernd Badurek:**

Mr. Bernd Badurek is Member of the Executive Committee Miba AG and General Manager of Miba Sinter Group. He holds a university degree in business administration. Mr. Badurek has more than 20 years of international experience in sales & marketing.

As on the date of notice Mr. Bernd Badurek hold NIL Equity Shares in the Company.

A brief profile of Mr. Bernd Badurek and other requisite details pursuant Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India are annexed to this statement.

Mr. Bernd Badurek is interested in the Ordinary Resolution set out at Item No. 3 with respect to his appointment.

The relative(s) of Mr. Bernd Badurek may be deemed to be interested in the said Resolution to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary resolution set out at Item No. 3 of the Notice.

The Board recommends the ordinary resolution set out at Item no. 3 to the Notice for approval of Members.

#### **Item No. 4**

#### **To approve remuneration of Mr. Jignesh Raval, Managing Director**

The Board of Directors at its meeting held on 29<sup>th</sup> November, 2017 re-appointed Mr. Jignesh Raval (DIN 01591000) as Managing Director of the Company with effect from 01<sup>st</sup> January, 2018 for a period of five years subject to approval of the shareholders and an agreement has been entered into by the Company with each of the Managing Directors on 29<sup>th</sup> November, 2017. Further the remuneration was fixed only for the period of first three years. Hence this resolution is proposed to fix the remuneration for financial 2021-2022 and 2022-2023.

Further, this is to inform to the members that due to market scenario the Company has not given an increment to Mr. Jignesh Raval as per agreement and even he has forfeited certain percentage of his salary. For the year 2021-2022 there is no increment proposed in the salary and performance incentive, these proposed amounts are same which were in the year 2018-19. And for the year 2022-2023 there will be nominal increment by 10% on fix remuneration and increment in incentive to the managing director in order to give encouragement to drive growth of the Company.

Pursuant to the provisions of Section 196 and 197 of the Companies Act, 2013 and Section II of Part II of Schedule V, where in any financial year during the tenure of managing director, a company has no profits or its profits are inadequate, it may, without Central government approval, pay remuneration to its managerial personnel not exceeding Rs. 84 Lakh where the effective capital is Rs. 5 crore and above but less than Rs. 100 crore, provided further that the remuneration in excess of the above limits may be paid if a special resolution is passed in the General Meeting.

The Nomination and Remuneration Committee and the Board of Directors at their meeting held on 28<sup>th</sup> July, 2021 and 10<sup>th</sup> August, 2021 have approved a revised total remuneration of Rs. 21,194,272 and Rs. 24,552,121 (excluding perquisites) for the financial year 2021-2022 and 2022-2023.

In view of the aforesaid provision of the Companies Act, 2013, it is proposed to obtain approval from the shareholders by passing special resolution for payment of remuneration to Mr. Jignesh Raval in excess of limits specified under Schedule V.

The Board recommends passing of the resolution as set out in Item No. 4 of this Notice.

The following additional detailed information as per Section - II of Schedule V is as follows:

<b>I. General Information:</b>	
a) Nature of industry	Manufacturing Sector
b) Date or expected date of commencement of commercial production.	01 <sup>st</sup> August, 2009
c) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	Not Applicable
d) Financial performance based on given indicators	FY 20-21 Gross Revenue: INR. 476.74 Million Loss after Tax: INR. 47.04 Million
e) Foreign investments or collaborators, if any	Technology Transfer Agreements dated January 19, 2011 and dated July 20, 2018 entered with Miba Sinter Austria GmbH
<b>II. Information about the appointee:</b>	
a) Background Details	Jignesh Raval, aged 50 years, an Indian inhabitant, residing at of The Balmoral Estate, Flat No B-901 Sr. No. 117/P/118/1, 118/2, 118/3/5, Baner Pune 411045, Maharashtra, India, is the Promoter and Managing Director of our Company. He has been on the Board of Directors of our Company since June, 2007. He holds a degree in Bachelor of Engineering (Production) from Shivaji University. He has around 20 years of work experience in automotive industry which includes 9 years of work experience at Tenneco Automotive India Private Limited as an Executive Director-GSCM. He is currently responsible for developing and executing Company's business strategies and overseeing the Company's financial performance, investments and other business ventures.
b) Past remuneration	Rs. 11.84* million per annum <i>*Considering the pandemic situation and the performance of the Company, Mr. Jignesh Raval has forfeited certain percentage of his salary and incentives during the year.</i>
c) Recognition or awards	Mr. Jignesh Raval has won "Male Entrepreneur of the Year Award" by IPF Industrial Excellence Awards 2020

d) Job profile and his suitability	He is the Managing Director of the Company and devotes whole time attention to the management of the affairs of the Company and exercises powers under the supervision and superintendence of the Board of the Company.
e) Remuneration proposed	As mentioned in the resolution stated above
f) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person	Considering the responsibility shouldered by him of the enhanced business activities of the Company, proposed remuneration is Commensurate with Industry standards and Board level positions held in similar sized and similarly positioned businesses
g) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any	<ol style="list-style-type: none"> <li>1. Remuneration drawn as Managing Director;</li> <li>2. Jignesh Raval has extended his personal guarantees for securing the repayment of certain bank loans obtained by our Company;</li> </ol>
<b>III. Other information:</b>	
a) Reasons of loss or inadequate profits	This was mainly due to the pandemic and effected supply chain during the start of the year resulting in lower capacity utilization during the year.
b) Steps taken or proposed to be taken for improvement	The key growth driver during the year was mainly due to the new program getting into the serial production.
c) Expected increase in productivity and profits in measurable terms	Based on the above-mentioned steps taken for improvement the Company will increase the productivity and profitability. Assuming market stability we expect growth of 10% in productivity and profit

It is hereby confirmed that, the company has not committed any default in payment of dues to any bank or public financial institution or non-convertible debenture holders or any other secured creditor. Requisite certificate as required under law are availed by the Company.

Except Mr. Jignesh Raval none of the other Directors or key managerial personnel of the Company or their relatives are concerned or interested, financially or otherwise in these Resolutions.

The Board recommends the special resolution set out at Item no. 4 to the Notice for approval of Members.

#### Item No 5.

**To note and take on record the corrigendum to the EGM Notice dated 02<sup>nd</sup> March, 2021 and special resolutions already approved by the members of the company at the 1<sup>st</sup> extra-ordinary general meeting held on 24<sup>th</sup> February, 2021 for issue of equity shares and compulsorily convertible debentures on a preferential basis**

The Company in Financial Year 2020-2021 had proposed raising funds via preferential allotment of 1,350,000 (one million three hundred and fifty thousand) equity shares having face value of Rs. 10 (Rupees Ten only) each ("Equity Shares") for a per share price of Rs. 67 (Rupees Sixty-Seven only) and a preferential allotment of 1,975,000 compulsorily convertible debentures of Rs. 67/- (Rupees Sixty-Seven) ("CCDs") at a price of Rs. 67/- (Rupees Sixty-Seven only) to one of its promoters Miba Sinter Holding GmbH & Co KG ("Miba"). The CCDs would stand converted into Equity Shares in accordance with the CCD terms and conditions. For offer issue and allotment of the Equity Shares and CCDs, the Company was required to obtain the prior approval of its members at a general meeting. The Company therefore called, convened and conducted an extra ordinary general meeting of its members seeking approval of its members to the abovementioned proposed issue of the Equity Shares and CCDs to Miba and the subsequent conversion of the CCDs into Equity Shares. For the purposes of calling the abovementioned extra ordinary general meeting of its members, the Company issued a Notice of 01<sup>st</sup> Extra Ordinary General Meeting of the Financial year 2020-2021 to be held on 24<sup>th</sup> February, 2021 ("EGM Notice"). The EGM Notice was duly issued in compliance with the applicable provisions of the Companies Act, 2013, Rules made thereunder and the Secretarial Standards.

The said EGM was duly conducted on 24<sup>th</sup> February 2021 and the special resolution was duly approved by requisite majority. In furtherance of the said special resolution, on 03<sup>rd</sup> March, 2021, on the basis of approval granted by the members of the Company in relation to the aforesaid issue of Equity Shares and CCDs, the Company completed the issue and allotment of 1,350,000 Equity Shares and 1,975,000 CCDs to Miba in accordance with applicable laws. On 16<sup>th</sup> March, 2021, the National Stock Exchange of India granted listing approval in relation to the aforesaid Equity Shares, and on 19<sup>th</sup> March, 2021, the National Stock Exchange of India granted trading approval in relation to the aforesaid Equity Shares. Accordingly, all the 1,350,000 Equity Shares and 1,975,000 CCDs have already been duly issued and allotted to Miba in compliance with applicable laws.

Whilst the Explanatory Statement forming part of the EGM Notice contained an illustration of the shareholding pattern of the Company after issuance of the 1,350,000 Equity Shares and the 1,975,000 CCDs, such Explanatory Statement did not specifically contain a separate illustration for the shareholding pattern of the Company highlighting only the shareholding pattern post conversion of the 19,75,000 CCDs. It is clarified that the Explanatory Statement forming part of the EGM Notice already contained an illustration of the shareholding pattern of the Company after issuance of the 1,350,000 Equity Shares and the 1,975,000 CCDs. However, as a matter of good governance and abundant caution, the Company issued a Corrigendum to the Notice of 01<sup>st</sup> Extra Ordinary General Meeting of the Financial year 2020-2021 held on 24<sup>th</sup> February, 2021 ("Corrigendum") expressly highlighting only the shareholding pattern of the Company post conversion of the 19,75,000 CCDs, which is available on the website: <https://www.sintercom.co.in/images/pdf/announcements/corrigendum-to-the-notice-of-01st-extra-ordinary-general-meeting-of-sintercom-india-limited.pdf>. The Corrigendum was also published in the following newspapers:

(i) Business Standard (English language newspapers) (ii) Kesari (Marathi language newspaper).

As the Corrigendum was issued after the holding of the Extra Ordinary General Meeting on 24<sup>th</sup> February, 2021, and as a matter of good practice and governance the Company has decided, to place the Corrigendum and special resolutions already approved at the 1<sup>st</sup> Extra-Ordinary General Meeting on 24<sup>th</sup> February, 2021 before the members of the Company for them to note and take on record the Corrigendum and the special resolution approved by the members at the EGM. It is clarified that there is no change to the special resolutions already approved by the members of the Company at the 1<sup>st</sup> Extra-Ordinary General Meeting on 24<sup>th</sup> February, 2021, and the Corrigendum only intends to highlight an additional illustration of the shareholding pattern of the Company post conversion of the 19,75,000 CCDs in the Explanatory Statement forming part of the EGM Notice (in addition to the already included illustration of the shareholding pattern of the Company after issuance of the 1,350,000 Equity Shares and the 1,975,000 CCDs). Taking on record together the Corrigendum and special resolutions already approved at the 1<sup>st</sup> Extra-Ordinary General Meeting on 24<sup>th</sup> February, 2021 shall in effect result in taking note, confirming and/or ratifying the Corrigendum and special resolutions already approved at the 1<sup>st</sup> Extra-Ordinary General Meeting on 24<sup>th</sup> February, 2021 and all corporate actions undertaken by the Company in pursuance of the resolutions passed at the EGM. The Company therefore recommends and proposes to its members to take on record the Corrigendum and the special resolutions already approved by the members of the Company at the 1<sup>st</sup> Extra-Ordinary General Meeting held on 24<sup>th</sup> February, 2021 and approve the resolution mentioned in Item no. 5.

Further, the Corrigendum shall form an integral part of the EGM Notice and henceforth, the EGM Notice shall always be read in conjunction with the Corrigendum.

The percentage of post preferential offer capital as well as the shareholding pattern of the Company post conversion of CCDs into Equity Shares as set forth in the Corrigendum are detailed below:

Name of the Allottee	Pre-Preferential Holding		No. of Equity shares to be allotted	Post-Preferential Holding	
	No. of Shares	% of Holding		No. of Shares	% of Holding
Miba Sinter Holding Gmbh And Co Kg	49,89,085	20.61%	13,50,000	63,39,085	24.81%

Name of the Allottee	Tranche	Pre-Preferential Holding		No. of Equity shares to be allotted on Conversion	Post-Preferential Holding (assuming conversion of CCD's)*	
		No. of Shares	% of Holding		No. of Shares	% of Holding
Miba Sinter Holding Gmbh And Co Kg	50% from April 2021 - March 2022	63,39,085	24.81	9,87,500	73,26,585	27.61
Miba Sinter Holding Gmbh And Co Kg	50% from April 2022 - within 18 months from the date of allotment	73,26,585	27.61	9,87,500	83,14,085	30.20

\*Assuming 100% of conversion of 19,75,000 CCD's in two equal tranches within the overall period of 18 months from the date of allotment, as per the terms of CCD as aforesaid mentioned.

The shareholding pattern of the Company before and after the allotment of the Subscription Securities under the Preferential Issue

Sr No	Category	Pre-issue		Post-issue	
		No of shares held	% of share holding	No of shares held	% of share holding
A	<b>Promoters' holding</b>				
1	<b>Indian</b>				
	Individual	11,33,035	4.68	11,33,035	4.12
	Bodies corporate	0	0	0	0
	Sub-total	11,33,035	4.68	11,33,035	4.12
2	<b>Foreign promoters</b>				
	Individual	0	0	0	0
	Bodies corporate	1,45,41,785	60.08	17,866,785	64.90
	Sub-total	1,45,41,785	60.08	17,866,785	64.90
	<b>sub-total (A)</b>	1,56,74,820	64.76	18,999,820	69.02
B	<b>Non-promoters' holding</b>				
1	<b>Institutional investors</b>	10,000	0.04	10,000	0.04
2	<b>Non-institution</b>				
	Private corporate bodies	26,01,357	10.75	26,01,357	9.45
	Directors and relatives	2,04,002	0.84	2,04,002	0.74
	Indian public	41,98,000	17.35	41,98,000	15.25
	others (including NRIs)	15,14,643	6.26	15,14,643	5.50
	<b>Sub-total (B)</b>	85,28,002	35.24	85,28,002	30.98
	<b>GRAND TOTAL</b>	2,42,02,822	100	27,527,822	100

\*Assuming 100% of conversion of 19,75,000 CCD's in two equal tranches within the overall period of 18 months from the date of allotment, as per the terms of CCD as aforesaid mentioned.

**Annexure to the Notice dated 10<sup>th</sup> August, 2021**

The details of director's appointment or re-appointment as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings ("SS-2") issued by Institute of Company Secretaries of India is as below:

Name of Director	Mr. Hari Nair (DIN: 00471889)	Mr. Bernd Badurek (DIN: 09143201)
Date of Birth	01-01-1960 (Age: 61)	14-12-1974 (Age: 47)
Date of Appointment on current position	01-10-2015	27-05-2021
Qualification	<ul style="list-style-type: none"> <li>Bachelor's degree in engineering from Bradley University</li> <li>Master's degree in business administration from the University of Notre Dame</li> <li>Advanced-Management Program at Harvard Business School</li> </ul>	<ul style="list-style-type: none"> <li>University degree in business administration</li> </ul>
Expertise in Specific functional areas	30 plus years of experience in Global Auto Industry. Please refer Company's website <a href="http://www.sintercom.co.in">www.sintercom.co.in</a> for detailed profile	He is a member of the executive committee of Miba AG and Managing Director & Chief Sales Officer of Miba Sinter Group. He has more than 20 years of international experience in sales and marketing. Please refer Company's website <a href="http://www.sintercom.co.in">www.sintercom.co.in</a> for detailed profile
Terms and Condition of appointment/ Re-appointment	Non-Executive Director liable to retire by rotation	Non-Executive Director liable to retire by rotation
Details of remuneration last Drawn (FY 2020-21)	NIL	NIL
Details of Proposed remuneration	NIL	NIL
List of other Companies in which directorship is held as on 31 <sup>st</sup> March, 2021	<ul style="list-style-type: none"> <li>Anitar Investments LLC</li> <li>BRN Industries Ltd</li> <li>Owens Illinois</li> <li>Musashi Seimitsu Industry Co. Ltd (Japan)</li> <li>REE Auto (Israel)</li> </ul>	NIL
Chairperson / Membership of the Statutory Committee(s) of Board of Directors of the Company as on March 31, 2021	NIL	NIL
No. of Shares Held	NIL	NIL
Disclosure of relationship with Directors/ KMP's	NA	NA
No of Meetings of the Board attended during the year	6	0 (Date of Appointment is 27 <sup>th</sup> May, 2021)

**By Order of the Board of Directors**

**Anuja Joshi**  
Company Secretary & Compliance Officer

Pune, 10<sup>th</sup> August, 2021



# Boards' Report

Dear Members,

Your Board of Directors is pleased to present the Fourteenth Annual Report of Sintercom India Limited ("Sintercom" or "Company") together with the audited financial statements for financial year ended on 31<sup>st</sup> March 2021. Further, in compliance with the Companies Act, 2013 the Company has made all requisite disclosures in the Board Report with the objective of accountability and transparency in its operations and to make you aware about its performance and future perspective.

## 1. Financial Results:

The Financial performance of the Company during the financial year ended 31<sup>st</sup> March 2021 as compared to the previous financial year is summarized in the following table:

(Figures in Rs.)

Particulars	For the year ended on 31 <sup>st</sup> March, 2021	For the year ended on 31 <sup>st</sup> March, 2020
Net Revenue	471,986,697	535,232,499
Profit before Interest and depreciation	39,035,407	71,541,003
Finance Charges	38,658,586	37,792,195
Provision for Depreciation	62,300,253	68,097,746
Profit / (Loss) before Taxation (PBT)	(61,923,431)	(34,348,938)
Tax adjustments	14,877,534	5,648,665
Balance of (Loss)/Profit brought forward	(47,045,896)	(28,700,274)
Balance available for appropriation	(46,877,121)	(28,502,971)
Proposed Dividend on Equity Shares	-	-
Tax on proposed Dividend	-	-
Transfer to General Reserve	-	-
Amount carried to Balance Sheet	(46,877,121)	(28,502,971)

## 2. Operational Performance of the Company:

The outbreak of COVID-19 pandemic globally and in India has caused a significant social and economic disruption. Your Company has diligently followed all the Government issued guidelines including adoption of social distancing norms at workplace and necessary precautions for all employees on an ongoing basis.

The operations of your Company which were temporarily suspended from 23<sup>rd</sup> March, 2020 due to stringent lockdown announced by the government of India resumed in a phased manner starting mid-May, 2020 however, with utilization at sub-optimal levels. In these difficult times, your Company continued to fulfill customer's demands while also ensuring the safety and well-being of its employees. Your Company is well positioned and committed to further strengthen financial performance in future.

Your Company's strategic initiatives have helped it to put in place strong and effective mitigating actions in response to COVID-19's impact on the business. It has taken effective measures to ensure that core, support and strategic risks are effectively mitigated.

The continued deceleration in the automotive sector and the standstill in the economy brought about by the lockdown during the first quarter of the year, has adversely impacted your Company's production and capacity utilization. In this difficult period, your Company focused hard on cost optimization, employees training across all functions including the shop floor and a heightened focus on customers and new product development.

In the financial year 2020-2021, your Company recorded net sales of Rs. 471.99 million as against Rs. 535.23 million in the previous year and thereby recorded decrease of 10.93% in the net sale.

For the financial year 2020-2021, the Company incurred loss before tax of Rs. 61.92 million as against loss of Rs. 34.35 million for previous financial year. This was mainly due to the pandemic and effected supply chain during the start of the year. The loss was offset partially due to our immediate reductions in all variable costs related to lower production volumes. These actions included reductions in the production's shifts, planned production shut down of certain lines etc. In addition, we also took action to reduce our fixed costs structure in the areas of management and employee costs.

During the financial year 2020-2021, your Company completed the raising of funds on a preferential private placement basis in the form of equity shares and compulsory convertible debentures (CCD's) from one of its promoters Miba Sinter Holding GmbH & CO KG (Miba), for an aggregate amount of approximately INR 222 million, after taking the necessary approvals from the Board, shareholders and other regulatory bodies. The proceeds of the Preferential Issue will be used to help facilitate the Company with additional funds necessary for working capital management, acquisition of capital goods and machinery, operation and management of the Company.

### **3. Industry Update & Future Outlook:**

It is expected that there will be a robust growth in domestic automotive industry. The increase in investment in infrastructure, growth in working population & in income of middleclass population, will drive growth in the automotive market. With the Self-Reliant India mission, the auto industry is looking to reduce by half its present Rs 1 trillion (USD 13.6 billion) worth of auto component imports over the next 4-5 years. This will provide significant opportunities for existing and new auto components players to scale up. Competitive advantage will facilitate the emergence of outsourcing hub, followed by a technological shift in product manufacturing and focus on R&D.

Policy support will emerge as a key growth driver. Initiatives such as 'Make in India', 'Automotive Mission Plan 2026', and 'National Electric Mobility Mission Plan 2020' (NEMMP 2020) will give a huge boost to the sector. In Union Budget 2021-22, the government introduced the voluntary vehicle scrappage policy, which, when implemented, is likely to boost demand for new vehicles after removing old unfit vehicles currently plying on the Indian roads. To install electric vehicle supply equipment (EVSE) infrastructure for EVs, various public sector firms, ministries and railways have come together to create infrastructure and manufacturing of components.

#### **The Automotive Mission Plan 2016-26 (AMP 2026) -**

It targets a four-fold growth in the automobile sector in India which include manufacturers of automobiles, auto components & tractors over the next 10 years. The plan is a mutual initiative by the Government of India and Indian Automotive Industry to lay down the roadmap for development of the industry as the Government aims to develop India as a global manufacturing center.

#### **Production-linked incentive (PLI) SCHEME -**

On November 11, 2020, the Union Cabinet approved production-linked incentive (PLI) scheme across 10 key sectors (including automobiles & auto components) to boost India's manufacturing capabilities, exports and promote the 'Atmanirbhar Bharat' initiative. The Union Cabinet has provided for an outlay of Rs 57,042 crore (USD 7.81 billion) for automobiles & auto components sector under the Department of Heavy Industries.

#### **Faster Adoption and Manufacturing of Hybrid and Electric Vehicle (FAME) -**

The Government approved FAME and plans to cover all vehicle segments and all forms of hybrid & pure EVs. FAME-I scheme started in 2019 was supposed to end by 2022. In June 2021 the scheme was extended until March 31, 2024. In February 2019, the Government of India approved FAME-II scheme with a fund requirement of Rs 10,000 crore (USD 1.39 billion) for FY20-22.

#### **Other growth drivers -**

Dept. of Heavy Industries & Public Enterprises created a USD 200 million fund to modernize the auto components industry by providing interest subsidy on loans & investments in new plants & equipment. This also provided export benefits to intermediate suppliers of auto components against Duty-free Replenishment Certificate (DFRC).

India has significant cost advantages. Auto firms save 10-25% on operations vis-a-vis Europe and Latin America. The industry has witnessed a cumulative FDI inflow of about USD 25.40 billion in the automobile sector between April 2000 and December 2020. The Government of India expects

automobile sector to attract USD 8-10 billion in local and foreign investments by 2023. The vision of NEMMP 2020 is for faster adoption of EVs and their manufacturing in the country.

Source: *IBEF report- Auto Components*

#### **4. Quality and Information Security:**

The Company's focus on quality, productivity and innovations has helped us deliver increased value to our customers. The Company is certified for IATF 16949: 2016 & ISO 14001: 2015 & ISO 45001: 2018 (Quality Management Systems)

#### **5. Dividend:**

In view of the losses for the current financial year, your directors have decided not to recommend any dividend for the period under review.

#### **6. Details of Subsidiaries, Joint Ventures (JV) or Associate Companies (AC):**

The Company has no subsidiary, joint venture or associate companies.

#### **7. Amounts proposed to be carried to any Reserves:**

During the year under review, the company does not propose to transfer any amount to the reserves.

#### **8. Listing Information**

The Equity Shares in the Company have been migrated to main board of National Stock Exchange of India w.e.f. 07<sup>th</sup> October, 2020. The Listing Fee has been paid to the National Stock Exchange for the year 2021-22. The ISIN No. of the Company for equity shares is INE129Z01016 and for compulsory convertible debentures is INE129Z08011.

#### **9. Change in nature of business, if any, Details of significant orders passed by Regulators and Material Changes if any between the end of the financial year 31<sup>st</sup> March, 2021 of the Company and the date of the report:**

There are no adverse material changes or commitments occurred after 31<sup>st</sup> March, 2021 which may affect the financial position of the Company or may require disclosure.

#### **10. Material events during the year under review:**

Besides the outbreak of COVID-19 pandemic globally and in India the impact of which has been noted in para 2 above, during the year under review, the Company issued and allotted the following securities to Miba Sinter Holding GmbH & Co KG ("Miba"), promoter of the Company, by way of preferential allotment:

1,350,000 (One Million Three Hundred Fifty Thousand Only) equity shares ("Equity Shares") having a face value of Rs. 10 (Rupees Ten only) issued at a price of Rs. 67/- (Rupees Sixty-Seven only) per share amounting to Rs. 90,450,000 (Rupees Ninety million four hundred fifty thousand only) ; and

1,975,000 (One Million Nine Hundred Seventy-Five Thousand Only) 4% unsecured compulsorily convertible debentures ("CCDs") having a face value of Rs. 67 (Rupees Sixty-Seven only) per CCD issued at a price of Rs. 67 (Rupees Sixty- Seven only) per CCD amounting to Rs. 132,325,000/- (One hundred thirty-two million three hundred twenty-five thousand only)

The funds raised by the Company through preferential allotment will be used for working capital requirements and to help facilitate the Company with additional funds necessary for acquisition of capital goods and machinery, operation and management of the Company provided that an amount equal to INR 90,000,000 (Indian Rupees Ninety Million only) from the proceeds to be allocated towards the acquisition of capital goods & machinery by the Company". As on the date of the Board's report there has been no deviation in utilization of fund.

#### **Share Capital**

Details of changes in Authorized share capital during the year under review as under: -

(in. Rs.)

At the beginning of the year i.e. as on 01 <sup>st</sup> April, 2020	250,000,000
Increase in Capital	26,000,000
At the end of the year i.e. as on 31 <sup>st</sup> March, 2021	276,000,000

\*Increase in authorized capital on account of issue of Equity shares and Compulsory convertible debentures

Details of changes in paid-up share capital during the year under review as under: -

(in. Rs.)

At the beginning of the year i.e. as on 01 <sup>st</sup> April, 2020	242,028,220
Preferential Issue of Equity Shares	13,500,000
At the end of the year i.e. as on 31 <sup>st</sup> March, 2021	255,528,220

The EOGM was conducted on 24<sup>th</sup> February 2021 and the special resolution was duly approved by requisite majority. In furtherance of the said special resolution, on 03<sup>rd</sup> March, 2021, on the basis of approval granted by the members of the Company in relation to the aforesaid, the company issued preferential allotment of 1,350,000 (one million three hundred and fifty thousand) equity shares having face value of Rs. 10 (Rupees Ten only) each ("Equity Shares") for a per share price of Rs. 67 (Rupees Sixty-Seven only) and a preferential allotment of 1,975,000 4% unsecured compulsorily convertible debentures of Rs. 67/- (Rupees Sixty-Seven) ("CCDs") at a price of Rs. 67/- (Rupees Sixty-Seven only) to one of its promoters Miba Sinter Holding GmbH & Co KG ("Miba"). The CCDs would stand converted into 1,975,000 Equity Shares at the price of 67/- (Rupees Sixty-Seven only) equity shares having face value of Rs. 10 (Rupees Ten only) each in accordance with the CCD terms and conditions.

#### 11. Directors and Key Managerial Personnel:

The Board of the Company comprises an optimum combination of executive and non-executive independent directors.

As on the date of this report, Board of Directors of the Company comprises of total six directors. The Composition of the Board of Directors is as under:

Name of Director	Category and Designation
Mr. Hari Nair	Chairman Non-Executive Non-Independent Director
Mr. Jignesh Raval	Managing Director
Mr. Bernd Badurek*	Non-Executive Non-Independent Director
Mr. Madan Godse	Non- Executive Independent Director
Mr. Dara Kalyaniwala*	Non- Executive Independent Director
Ms. Madhavi Pandrangi*	Non- Executive Independent Director

Further, this is to inform that Ms. Preeti Ramdasi resigned from the position of Independent Director on 26<sup>th</sup> June 2020 and Mr. Harald Neubert resigned from the position of Non-Executive Director on 27<sup>th</sup> May, 2021 due to personal reason.

\*Mr. Dara Kalyaniwala and Ms. Madhavi Pandrangi were each appointed as Independent Director w.e.f. 02<sup>nd</sup> September, 2020. Mr. Bernd Badurek was appointed as Non-Executive Non-Independent Director w.e.f. 27<sup>th</sup> May, 2021

Pursuant to Section 149, 152 and other applicable provisions of the Companies Act, 2013 1/3<sup>rd</sup> of the Directors are liable to retire by rotation and if eligible, offer themselves for re-appointment. In the ensuing Annual General Meeting Mr. Hari Nair, Director of the Company is liable to retire by rotation and being eligible offers himself for re-appointment.

In pursuant to provisions of Section 203 of the Companies Act, 2013 read with the applicable rules and other applicable provisions of the Companies Act, 2013, the designated Key Managerial Personnel (KMP) of the Company as on 31<sup>st</sup> March, 2021 are as follows:

Name of KMP	Category and Designation
Mr. Jignesh Raval	Managing Director
Mr. Pankaj Bhatawadekar	Chief Financial Officer
Ms. Anuja Joshi	Company Secretary and Compliance Officer

#### 12. Board Meetings & Committee Meetings:

The Board meets at regular intervals to discuss and decide on Company/business policy and strategy apart from other items of business. The Board exhibits strong operational oversight with regular presentations by business heads to the Board. The Board and committee meetings are prescheduled,

and a tentative annual calendar of Board and committee meetings is circulated to the directors well in advance to help them plan their schedule and to ensure meaningful participation at the meetings.

Total 6 (six) Board Meetings were held during the financial year 2020-21 as required u/s 173 (1) of the Companies Act, 2013 and rules made thereunder. The intervening gap between two board meetings was within the period prescribed under the Companies Act, 2013 and as per Secretarial Standard-1. The details of meetings of the Board of Directors are provided in the Report on Corporate Governance that forms part of this Annual Report.

**Committees:**

Presently, the Board has four (4) Committees i.e. Audit Committee, Nomination & Remuneration Committee, Stakeholder Relationship Committee, and Corporate Social Responsibility Committee which have been established as a part of better corporate governance practices and is in compliance with the requirements of the relevant provisions of applicable laws and statutes. The details of meetings of committees are provided in the Report on Corporate Governance that forms part of this Annual Report.

**Audit Committee:**

The Audit Committee was constituted in compliance with the provision of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015.

During the year under review, 4 (Four) Audit Committee meetings were held.

The details of meetings of the Audit Committee are provided in the Report on Corporate Governance that forms part of this Annual Report.

**Nomination and Remuneration Committee:**

The Nomination and Remuneration Committee was constituted in compliance with the provision of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015.

During the year under review, 1 (One) meeting of Nomination and Remuneration Committee meeting was held the details of which are provided in the Report on corporate Governance that forms part of this Annual report.

The salient features of the policy of the Nomination & Remuneration Committee same have been disclosed under **Annexure VI**.

The policy is available on <https://www.sintercom.co.in/about-us/corporate-policies.html>

**Stakeholder Relationship Committee:**

The Stakeholder Relationship Committee was constituted in compliance with the provision of Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015.

During the year under review, 1 (One) meeting of Stakeholder Relationship Committee meeting was held the details of which are provided in the Report on corporate Governance that forms part of this Annual report.

**Corporate Social Responsibility Committee:**

The Corporate Social Responsibility Committee was constituted in compliance with the provision of Section 135 of the Companies Act, 2013.

During the year under review, there was no meeting of the Corporate Social Responsibility Committee.

**Meeting of Independent Directors:**

Additionally, during the financial year ended 31<sup>st</sup> March, 2021 the Independent Directors held a separate meeting on 19<sup>th</sup> February, 2021 in Compliance with the requirement of Schedule IV of the Companies Act, 2013 and Regulation 25 (3) of the SEBI (Listing Obligations & Disclosure Requirements). The said meeting was attended by all the Independent Directors.

**13. Evaluation of Board of Directors, Committees, and Individual Director:**

The Nomination & Remuneration Committee has set up a formal mechanism to evaluate the performance of the Board of Directors as well as that of its Committee's and individual Directors, including Chairman of the Board, Key Managerial Personnel/ Senior Management, etc. The exercise was carried out through an evaluation process covering aspects such as the composition of the Board, experience competencies, government issues, attendances, specific duties, etc.

The performance of each of the non-independent directors (including the chairman) was also evaluated by the independent directors at the separate meeting held of the Independent Directors of the Company.

**14. Familiarisation Programme:**

The Company regularly provides orientation and business overview to its directors by way of detailed presentations by the various business and functional heads at Board meetings and through other interactive programs. Such meetings/programs include briefings on domestic and global business of the Company. Besides this, the Directors are regularly updated about Company's new projects, R&D initiatives, changes in regulatory environment and strategic direction.

The Board members are also provided relevant documents, reports and internal policies to facilitate familiarization with the Company's procedures and practices, from time to time.

The details of programmes for familiarisation for Independent Directors are posted on the website of the Company and can be accessed at

<https://www.sintercom.co.in/images/pdf/corporate-policies/details-of-familiarisation-programme-for-independent-directors-of-sintercom.pdf>

**15. Disclosure by Directors:**

The Board of Directors have submitted a notice of interest in Form MBP 1 under Section 184(1) as well as intimation by directors in Form DIR 8 under Section 164(2) and declaration as to compliance with the Code of Conduct of the Company.

**16. Declaration from Independent Directors:**

During the year under review, all Independent Directors have given declaration that they meet the criteria of independence as laid down under Section 149 of the Companies Act, 2013 that the Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Act and Regulation 16 & 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Further, the Company has received confirmation from Mr. Madan Godse, Mr. Dara Kalyaniwala, and Ms. Madhavi Pandrangi, Independent Director that they have registered their name in the Independent Director's Database.

Ms. Preeti Ramdasi, Independent Director has not registered under the Independent Director's Database and she has resigned from the position of Independent Director w.e.f. 26<sup>th</sup> June 2020 due to personal reasons.

None of the Independent Directors serve as an Independent Director in more than the maximum permissible limit on the number of directorships as an Independent Director and also has not crossed the maximum tenure of Independent Director. The Board confirms that all the Independent directors are proficient and performing their duties with integrity.

**17. Code of Conduct for Prohibition of Insider Trading:**

Based on the requirements under SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, the code of conduct for prevention of insider trading and the code for corporate disclosures ("Code"), as approved by the Board from time to time, are in force at the Company. The objective of this Code is to protect the interest of shareholders at large, to prevent misuse of any price-sensitive information, and to prevent any insider trading activity by dealing in shares of the Company by its Directors, designated employees, connected persons, and other employees. The Company also adopts the concept of Trading Window Closure, to prevent its Directors, Officers, designated employees, connected persons and other employees from trading in the shares of the company at the time when there is unpublished price sensitive information.

The Policy is available on the website of the Company <https://www.sintercom.co.in/about-us/corporate-policies.html>

**18. Corporate Governance:**

The Company is committed to maintaining the highest standards of Corporate Governance and adheres to the Corporate Governance requirements set out by the Securities and Exchange Board of India ("SEBI"). The Company has also implemented several best governance practices. The report on Corporate Governance as stipulated under the Listing Regulations forms part of the Annual Report. Certificate from the Auditors of the Company confirming compliance with the conditions of Corporate Governance is attached to the report on Corporate Governance. For sake of brevity, the items covered in Board's Report are not repeated in the Corporate Governance Report and vice versa.

The Corporate Governance Report is annexed as **Annexure II**.

**19. Management Discussion and Analysis Report:**

Management Discussion & Analysis report for the year under review as stipulated under Regulation 34(2) (e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed as **Annexure I** hereto and forms part of this Report. For sake of brevity the items covered in Board's Report are not repeated in the Management Discussion and Analysis Report and vice versa.

**20. Code of Conduct:**

The Board has also laid down a Code of Conduct for Independent Directors pursuant to Section 149(8) and Schedule IV to the Companies Act, 2013 via terms and conditions for appointment of Independent Directors, which is a guide to professional conduct for Independent Directors and has been uploaded on the website of the Company at following web link:

<http://www.sintercom.co.in/investor-financial/corporate-governance.html>

**21. Particulars of Employee and Remuneration**

Disclosures of the ratio of the remuneration of each director to the median employee's remuneration and other details as required pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time, are provided as "**Annexure V**".

The information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in respect of employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the Report and financial statements are being sent to Members and others entitled thereto, excluding the information on employees' particulars which will be available for inspection in electronic mode up to the date of AGM. Members can inspect the same by sending an email to [investor@sintercom.co.in](mailto:investor@sintercom.co.in).

During the financial year 2020-2021, no employee, whether employed for whole or part of the year, was drawing remuneration exceeding the limits mentioned under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**22. Risk Management:**

The Company is a supplier of various automobile parts and is therefore exposed to risks associated with the automotive industry in particulars. The Company has in place a mechanism to identify, assess, monitor, and mitigate various risks to key business set for the Company. As a part of Risk Management policy, the relevant parameters for the protection of the environment, the safety of operations and the health of people at work are monitored regularly.

The successful management of opportunities and risks is part of operating a business and is the primary task of all management personnel. During the regular management meetings at all management levels, opportunities, risks and optimization measures are reviewed in detail. Any exceptional situations having potential risks are identified and treated at the early stage to minimize their impact on financial and income positions.

**23. Deposits:**

The Company has not accepted any deposits under the provisions of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposit) Rules, 2014 as amended from time to time, during the year under review and therefore details mentioned in Rule 8(5) (v) & (vi) of Companies (Accounts) Rules, 2014 relating to deposits, covered under Chapter V of the Act is not required to be given.

As on March 31, 2021, the Company has an outstanding unsecured loan including interest thereon of Rs. 15.38 million from Mr. Jignesh Raval, Managing Director and he has given declaration that the amount is not being given out of funds acquired by him by borrowing or accepting loans or deposits from others. This borrowing is exempted deposit as per Rule 2 (c) (viii) Companies (Acceptance of Deposits) Rules, 2014.

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

Information required under section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is given herein below:

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

There is constant focus at all level in the organization to conserve energy and use it efficiently. This is also key to financial success, as energy is one of the important cost element of conversion cost. Your Company has been implementing short- and long-term actions to improve the energy efficiency as its commitment towards minimizing the effects of factors of climate change. It has grounded mechanism to excel in this area. Regular review is conducted for evaluating the progress and effectiveness of various ongoing initiatives to reduce the energy consumption.

##### **Energizing Low Carbon, Sustainable Operations**

Sintercom has tied up with M/s RMK Infrastructure and has successfully commissioned captive solar power projects in Village Mangrul, Tal Maval, Pune with plant capacity of 1 MW power generation. This project is generating around 2 million kWh of electricity per year helping to reduce Sintercom's carbon footprint by approx. 1900 tonnes of CO<sub>2</sub> emission per year.

##### **B. Technology Absorption**

The Company has entered into Joint Venture agreement with M/s MIBA Sinter Holding GmbH & Co KG, Austria. The Company has also entered into technology agreements with MIBA Austria. Under these agreements, MIBA has transferred technology for development of high strength sinter hardened Synchro hub, Cam to Cam gears and Cam to Cam Backlash Gears. The plant has been designed to suit the said technology. The products using these technologies have demand in the Indian market. The Company continuously runs inhouse programs for product improvement, cost reduction, product development or import substitutions. The Company also takes help of external consultants whenever required on these aspects. During the year under review, the Company incurred an amount of Rs. 918,444 on research and development.

##### **C. Foreign Exchange Earnings & Outgo**

Foreign exchange earned in terms of actual inflows during the year and the foreign exchange outgo during the year in terms of actual outflows.

Amount in Rs.

Particulars	2020-2021	2019-20
Foreign Exchange Earnings in terms of actual inflows	-	77,850
Foreign Exchange Outgo in terms of actual outflows	-	1,433,397
CIF Value of Imports	313,729	1,669,639

*Note: The above amount does not include the foreign exchange received from Miba Sinter Holding GmbH & CO KG against allotment of equity shares and compulsory convertible debenture, as it is mentioned in the report earlier.*

#### **25. Corporate Social Responsibility (CSR):**

The report as per Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 is attached as **Annexure VII**.

Policy is available on company's website:

<https://www.sintercom.co.in/pdf/corporate-policies/csr-policy.pdf>

#### **26. Auditors:**

##### **Statutory Auditor:**

The Company at its Annual General Meeting held in the year 2017-18 appointed M/s. Kirtane & Pandit LLP, Chartered Accountants (Firm Registration Number 105215W) as Statutory Auditors of the Company for five years.

The Notes on financial statements referred to in the Auditors Report are self-explanatory and do not call for any further comments. The Auditors Report does not contain any qualification, reservation, or adverse remark.

There is no incident of fraud requiring reporting by the Auditors under Section 143(12) of the Companies Act, 2013.

**Secretarial Auditor:**

Pursuant to Section 204 of Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Kanj & Co LLP, Practicing Company Secretary, Pune to undertake the Secretarial Audit of the Company. The Secretarial Audit Report in Form MR-3 issued by Secretarial Auditor for the financial year ended on 31<sup>st</sup> March 2021 is enclosed to this Report as "**Annexure III**".

The Secretarial Audit Report contains qualification and the Company has given its comments on Auditors qualified opinion, the details are mentioned hereunder.

**Qualified Opinion (1)**

Due to the unprecedented pandemic of COVID-19 which resulted in persistent lockdowns your Company was unable conduct the meeting for the approval of the projects as planned, the Company has identified projects under the CSR. The said projects were recommended and approved by the CSR committee in the meeting held on 01<sup>st</sup> May, 2021.

**Qualified Opinion (2)**

The Explanatory Statement forming part of the EGM Notice contained an illustration of the shareholding pattern of the Company after issuance of the 1,350,000 Equity Shares and the 1,975,000 CCDs, such Explanatory Statement did not specifically contain a separate illustration for the shareholding pattern of the Company highlighting only the shareholding pattern post conversion of the 19,75,000 CCDs. It is clarified that the Explanatory Statement forming part of the EGM Notice already contained an illustration of the shareholding pattern of the Company after issuance of the 1,350,000 Equity Shares and the 1,975,000 CCDs. However, as a matter of good governance and abundant caution, the Company issued a Corrigendum to the Notice of 01<sup>st</sup> Extra Ordinary General Meeting of the Financial year 2020-2021 held on 24<sup>th</sup> February, 2021 ("Corrigendum") expressly highlighting only the shareholding pattern of the Company post conversion of the 19,75,000 CCDs. As the Corrigendum was issued after the holding of the Extra Ordinary General Meeting on 24<sup>th</sup> February, 2021, and as a matter of good practice and governance the Company has decided, to place the Corrigendum and special resolutions already approved at the 1<sup>st</sup> Extra-Ordinary General Meeting on 24<sup>th</sup> February, 2021 before the members of the Company for them to note and take on record the Corrigendum and the special resolution approved by the members at the EGM.

**Internal Auditor:**

In accordance with the provision of Section 138 of the Companies Act, 2013 and Rules made thereunder, your Company has appointed Ms. Anuja Joshi as the Internal Auditor of the Company for Financial Year 2020-21 and takes her suggestions and recommendation to improve and strengthen the internal control system.

**27. Compliance with Secretarial Standard:**

The Company has generally complied with all the applicable Secretarial Standards in the Financial Year 2020-21.

**28. Directors Responsibility Statement:**

Pursuant to the requirement of section 134(5) of the Companies Act, 2013, the Directors state that:

1. in the preparation of the Annual Accounts for the year 31<sup>st</sup> March 2021, the applicable Accounting Standards read with requirements set out under Schedule III to the Act have been followed and there are no material departures from the same;
2. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year ended on that date;

3. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. the annual financial statements have been prepared on a going concern basis.
5. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively and.
6. they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively.

**29. Finance and Accounts:**

Financial Statement has been prepared in accordance with accounting standards as issued by the Institute of Chartered Accountants of India and as specified in Section 133 of the Companies act, 2013 and the relevant rules thereof and in accordance with Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. IND AS is applicable to the Company. The estimates and judgments relating to the Financial Statements are made on a prudent basis, so as to reflect in a true and fair manner, the form and substance of transactions and reasonably present the Company's financial position.

**30. Fraud Reporting:**

There have been no frauds reported by the Auditors of the Company to the Audit Committee or the Board of Directors under sub-Section (12) of Section 143 of the Companies Act, 2013 during the financial year.

**31. Extract of Annual Return:**

In accordance with Sections 92(3) read with 134(3)(a) of the Act, the Annual Return of the Company as on March 31, 2021 is available on the website of the Company at <https://www.sintercom.co.in/investor-financial/overview.html>

**32. Particulars of Loans, Guarantees and Investments:**

The Company has not given any loan or guarantee or security or made investment under Section 186 of the Companies Act, 2013 during the financial year.

**33. Particulars of Related Party Transactions:**

During the year under review, contract or arrangements entered into with related party as defined under Section 2(76) of the Companies Act, 2013 were in ordinary course of business on arm's length basis. Details pursuant to the transactions to compliance of section 134(3) (h) of the Companies Act, 2013 and Rule 8 (2) of the Companies (Accounts) Rules, 2014 are annexed herewith as per prescribed Form AOC-2 -Annexure IV.

The Company has formulated a policy on materiality of Related Party Transactions and dealing with Related Party Transactions which has been uploaded on the Company's website <https://www.sintercom.co.in/pdf/corporate-policies/materiality-policy.pdf>

**34. Internal Financial Control System:**

The Company has a proper and adequate system of internal controls. This ensures that all transactions are authorized, recorded and reported correctly, and assets are safeguarded and protected against loss from unauthorized use or disposition. In addition, there are operational controls and fraud risk controls, covering the entire spectrum of internal financial controls. An extensive program of internal audits and management reviews supplements the process of internal financial control framework. Properly documented policies, guidelines and procedures are laid down for this purpose. The internal financial control framework has been designed to ensure that the financial and other records are reliable for preparing financial and other statements and for maintaining accountability of assets. In addition, the Company has identified and documented the risks and controls for each process that has a relationship to the financial operations and reporting.

The Company also has an Audit Committee to interact with the Statutory Auditors, Internal Auditors and Management in dealing with manner within its terms of reference. This Committee mainly deals with accounting matters, financial reporting and internal controls.

**35. Disclosure under the Sexual Harassment of Women at Workplace (prevention, prohibition and Redressal), Act 2013:**

As per the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 a committee called Internal Complaints Committee has been established to provide a mechanism to redress grievances pertaining to sexual harassment at workplace and Gender Equality of working women. During the year Company has not received any complaint pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

**36. Vigil Mechanism / Whistle Blower:**

The Company has adopted a Vigil Mechanism Policy through a Whistle Blower Policy, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company have been denied access to the Audit Committee.

The Whistle Blower Policy is disclosed on website of the Company <https://www.sintercom.co.in/pdf/corporate-policies/whistleblower-policy.pdf>

**37. Non-Disqualification of Directors:**

All the directors of the Company are non- disqualified and certificate for the same from the Practicing Company Secretary in annexed as **Annexure VIII**.

**38. Policy of preservation of Documents:**

Pursuant to Regulation 9 of SEBI (LODR), 2015 the Company has maintained the policy of preservation of documents as per Regulation 9 (a) & 9 (b) of SEBI (LODR), 2015 and the same has been uploaded on the website of the Company on <https://www.sintercom.co.in/images/pdf/corporate-policies/SILpreservation-and-archival-policy.pdf>

**39. Details of significant and material order passed by the regulators or courts or tribunals:**

There were no significant and material orders issued against the Company by any regulating authority or court or tribunal that could affect the going concern status and Company's operations in future.

**40. Order of SEBI & NSE**

There are no orders received by the Company from SEBI and NSE Limited which would impact the listing of the Company's shares.

**41. Cost Records:**

The provisions of section 148(1) of the Companies Act, 2013 and other applicable rules and provisions do not apply to the company. Therefore, no cost record has been maintained by the Company.

**42. Credit Rating:**

As on the date of this report, the credit rating is as below,

Type	Rating
Long Term Rating	CRISIL BB+/Negative (Reaffirmed)
Short Term Rating	CRISIL A4+ (Reaffirmed)

**43. Investor Education and Protection Fund (IEPF):**

During the year under review, the provision of Section 125(2) of Companies Act, 2013 does not apply as the company was not required to transfer any amount to the Investor Education Protection Fund (IEPF) established by Central Government of India.

**44. Unpaid and Unclaimed amount of Dividend and Share Application Money:**

There is no unpaid Dividend is pending to be paid to the investors and shareholders till 31<sup>st</sup> March 2021.

Further, during the financial year 2020-2021, your Company has raised funds on a preferential private placement basis in the form of equity shares and compulsory convertible debentures (CCD's) from one of its promoters Miba Sinter Holding GmbH & CO KG (Miba), for an aggregate amount of approximately INR 222 million. Of this, Rs. 3.41 million was pending towards excess application money as on 31<sup>st</sup> March 2021. The same was returned to the Miba Sinter Holding GmbH & CO KG on 3<sup>rd</sup> May 2021.

**45. Insurance**

Our Company generally maintains insurance covering our inventories/ stock at such levels that we believe to be appropriate. The insurance policy covers stock lying in the premises, stock in transit and the stock which is in our custody and specified person like warehouse or vendors locations.

**46. Business Responsibility Report:**

Your Company does not fall under Top 1000 listed entities as per Market Capitalization. Hence, the Business Responsibility Report for the financial year, as stipulated under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not enclosed to this Annual Report.

**47. Registrar and Share transfer Agent Information:**

Link Intime India Pvt. Ltd  
Block No. 202,  
2<sup>nd</sup> Floor, Akshay Complex,  
Near Ganesh Temple,  
Off Dhole Patil Road,  
Pune - 411001  
Tel: 020 - 2616 1629 / 2616 0084  
Email: [pune@linkintime.co.in](mailto:pune@linkintime.co.in)

Fax: 020 - 2616 3503  
Website: <https://www.linkintime.co.in>

**48. Event Based Disclosures:**

Your Directors state that no disclosure or reporting is required in respect of the following matters as there were no transactions on these items during the year under review:

- the Company has neither issued shares with differential voting rights as to dividend or otherwise. nor has granted any stock options or sweat equity to the employee of the Company. As on March 31, 2021, none of the Directors of the company hold instruments convertible into equity shares of the Company.
- The Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustee for the benefit of employees.

**49. Acknowledgements:**

Your directors would like to place on record their appreciation and gratitude for the support to the Company received from the Employees, Clients, Customers and Shareholders of the Company for their trust and patronage, as well as to the Bankers, Securities and Exchange Board of India, National Stock Exchange, Government of India and other Regulatory Authorities for their continued co-operation, support and guidance.

**FOR AND ON BEHALF OF THE BOARD  
SINTERCOM INDIA LIMITED**

**Hari Nair**  
Chairman  
DIN: 00471889

Place: Chicago, USA  
Date: 10<sup>th</sup> August, 2021

# Annexure I - Management Discussion and Analysis Report

## FORWARD LOOKING STATEMENT

The report contains forward-looking statements, identified by words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' and so on. All statements that address expectations or projections about the future, but not limited to the Company's strategy for growth, product development, market position, expenditures and financial results, are forward-looking statements. Since these are based on certain assumptions and expectations of future events, the Company cannot guarantee that these are accurate or will be realized. The Company's actual results, performance or achievements could thus differ from those projected in any forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any such statements on the basis of subsequent developments, information or events. The Company disclaims any obligation to update these forward-looking statements, except as may be required by law.

## GLOBAL ECONOMY OVERVIEW

The calendar year 2020 was a great disruption unleashed by a viral pandemic that hit the world economy very hard. The pandemic spread like a forest fire, reaching every corner of the world, infecting more than 90 million and killing close to 2.8 million people worldwide (as of January 2021). For several months, uncertainties and panic paralysed most economic activities in both developed and developing economies. The pandemic has exposed the systemic vulnerability of the world economy. Building economic, social and environmental resilience must guide the recovery from the crisis.

World gross product fell by an estimated 4.3 percent in 2020, the sharpest contraction of global output since the Great Depression. The pandemic hit the developed economies the hardest, given the strict lockdown measures that many countries in Europe and several states of the United States of America imposed early on during the outbreak. The developing countries experienced a relatively less severe contraction, with output shrinking by 2.5 percent in 2020. Their economies are projected to grow by 5.7 percent in 2021.

Activity is expected to strengthen in the second half of this year and firm further next year, as improved COVID-19 management aided by ongoing vaccination allows for an easing of pandemic control measures. Global economic output is expected to expand 4 percent in 2021 but still remain more than 5 percent below pre-pandemic projections. Global growth is projected to moderate to 3.8 percent in 2022, weighed down by the pandemic's lasting damage to potential growth. The global recovery, which has been dampened in the near term by a resurgence of COVID-19 cases, is expected to strengthen over the forecast horizon as confidence, consumption, and trade gradually improve, supported by ongoing vaccination.

Sources: *World Economic Situation and Prospects report by United Nations, World Bank report*

## INDIAN ECONOMY OVERVIEW

Financial Year 2020-21 started with a Nation-wide lockdown in India although India emerged as the fastest-growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years, backed by its robust democracy and strong partnerships. The Economic Survey has projected that the economy will grow at 11 percent, up from an estimated historic decline of 7.7 percent 1 in 2020-21, on account of the COVID-19 pandemic. Also, the vaccination drive is expected to provide an impetus for the restoration of contact-intensive sectors and a leading edge to the Indian pharma industry in the global market.

The fundamental of the economy remains strong as gradual scaling back lockdowns along with astute support of Atmanirbhar Bharat Mission have placed the economy on the path of revival. V-shaped economic recovery due to mega vaccination drive, robust recovery in the services sector and robust growth in consumption and investment. V-shaped recovery is mainly on account of resurgence in high frequency indicators such as demand of power, rail freight, e-way bills, GST collection, steel consumption, etc.

As per the Government's vision for Atmanirbhar India, the PLI scheme is expected to incentivize global and domestic manufacturers to engage in high-volume, high-value production hereby increasing self-reliance and also, increasing exports.

The Government of India, under its Make in India initiative, is trying to boost the contribution made by the manufacturing sector with an aim to take it to 25% of the GDP from the current 17%. Besides, the Government has also come up with the Digital India initiative, which focuses on three core components: the creation of digital infrastructure, delivering services digitally and increasing digital literacy. India's Index of Industrial Production (IIP) for October 2020 stood at 128.5 2, against 123.2 for September 2020. Consumer Food Price Index (CFPI) – combined inflation was 9.43% 2 in November 2020, against 11.07% in October 2020. Consumer Price Index (CPI) – combined inflation was 6.93% 2 in November 2020, against 7.61% in October 2020.

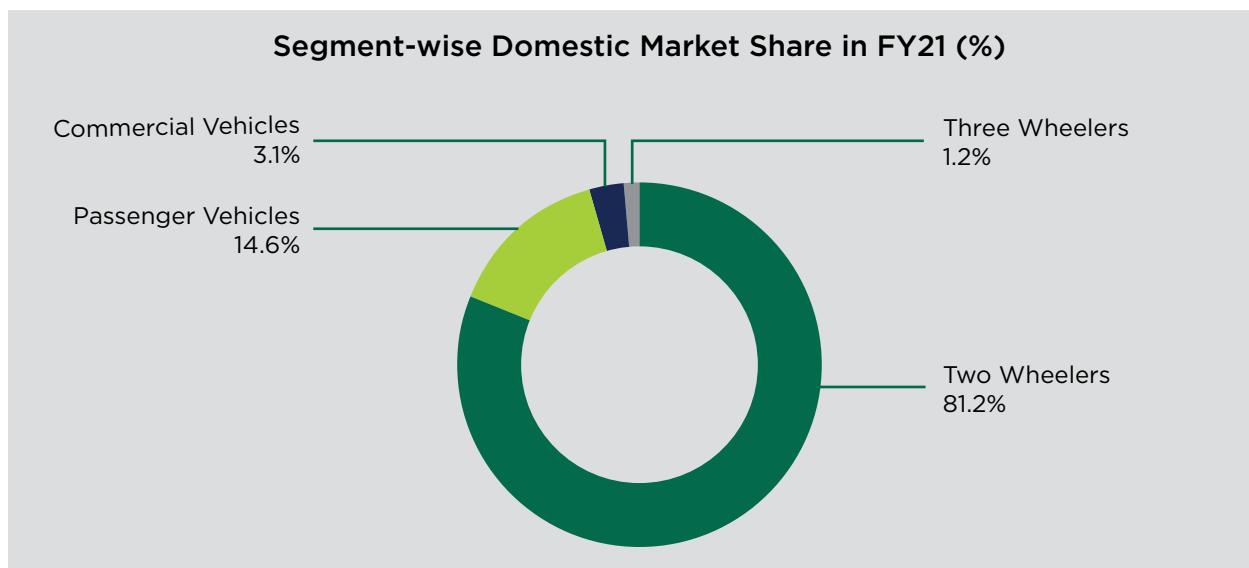
The government has the ambition of making India a USD 5 trillion economy by 2024 for which various initiatives have been undertaken in the last few years to improve ease of doing business, encourage Make in India, invite foreign companies to India with schemes like PLI (production-linked incentive) and tweak the legacy labour laws, Agri policies, etc.

With the shift in sentiment to reduce dependence on a single country i.e., China, we are seeing increasing interest from international companies wanting to invest in India. Interest is largely from Asia led by Japan, Korea and Thailand although we are also seeing interest from Europe. Some of these enquiries are in sectors such as agrochemicals, building products, logistics, packaging, and new-age technology including electronics, sectors where we have not seen significant interest in the past.

Sources: *Economic Times, IBEF report*

## SECTOR OVERVIEW

### AUTOMOBILE SECTOR INDUSTRY -



Source: IBEF report- Automobiles

### AUTO COMPONENTS INDUSTRY -

India's domestic market for auto components was worth USD 49.30 billion in FY20 and is expected to reach USD 200 billion by FY26. Exports will account for 26% of the market by 2021. Both domestic and export markets are almost similar in terms of potential share by different product types. Engine and Exhaust components along with Body & Structural parts are expected to make up nearly 50% of the potential domestic sales as well as export in 2020. A cumulative investment of ~Rs 12.5 trillion (USD 180 billion) in vehicle production and charging infrastructure would be required until 2030 to meet India's electric vehicle (EV) ambitions. This is likely to boost the demand of auto components from local manufacturers. This industry saw FDI inflows in the automotive sector which stood at USD 25.39 billion from April 2000 to December 2020. With the "Make in India" initiative, the Government is expected to vitalize substantial investment in the auto components sector. In addition, Top private equity (PE) firms such as Temasek, Blackstone, Goldman Sachs, Samara Capital, and Baring Private Equity Asia are actively exploring investment opportunities in India's auto parts manufacturing sector.

Turnover of the automotive components industry stood at Rs 1.19 lakh crore (USD 15.9 billion) from April to September 2020, registering a decline of 34% over the first-half of the previous year. The domestic OEM supplies contributed ~56% to the industry turnover, followed by exports and domestic aftermarket at ~25% and 20%, respectively, in FY21. The export of automobile components from India in FY21 stood at Rs 39,003 crore (USD 5.2 billion). As per the Automobile Component Manufacturers Association (ACMA) forecast, automobile component exports from India are expected to reach USD 80 billion by 2026.

## **RECENT TRENDS**

### **Global components sourcing hub -**

Major global OEMs have made India a component sourcing hub for their global operations. Several global Tier-I suppliers have also announced plans to increase procurement from their Indian subsidiaries. India is also emerging as a sourcing hub for engine components with OEMs increasingly setting up engine manufacturing units in the country. For companies like Ford, Fiat, Suzuki and General Motors (GM), India has established itself as a global hub for small engines.

### **Improving product-development capabilities -**

Increased investments in setting-up R&D operations & laboratories to conduct activities such as analysis, simulation & engineering animations. The growth of global OEM sourcing from India & increased indigenization of global OEMs is turning the country into a preferred designing & manufacturing base. Faurecia, a global automotive equipment leader, has partnered with the Indian Institute of Science (IISc) to develop new technologies and solutions in three areas - online air quality monitoring, data analysis and algorithms for driver behavior and artificial intelligence for industrial design. In July 2020, Bridgestone, a tyre maker, partnered with Microsoft to develop tyre damage detecting system on a real-time basis.

## **OUTLOOK GOING AHEAD -**

It is expected that there will be a robust growth in domestic automotive industry. The increase in investment in infrastructure, growth in working population & in income of middleclass population, will drive growth in the automotive market. With the Self-Reliant India mission, the auto industry is looking to reduce by half its present Rs 1 trillion (USD 13.6 billion) worth of auto component imports over the next 4-5 years. This will provide significant opportunities for existing and new auto components players to scale up. Competitive advantage will facilitate the emergence of outsourcing hub, followed by a technological shift in product manufacturing and focus on R&D.

Policy support will emerge as a key growth driver. Initiatives such as 'Make in India', 'Automotive Mission Plan 2026', and 'National Electric Mobility Mission Plan 2020' (NEMMP 2020) will give a huge boost to the sector. In Union Budget 2021-22, the government introduced the voluntary vehicle scrappage policy, which, when implemented, is likely to boost demand for new vehicles after removing old unfit vehicles currently plying on the Indian roads. To install electric vehicle supply equipment (EVSE) infrastructure for EVs, various public sector firms, ministries and railways have come together to create infrastructure and manufacturing of components.

### **The Automotive Mission Plan 2016-26 (AMP 2026) -**

It targets a four-fold growth in the automobile sector in India which include manufacturers of automobiles, auto components & tractors over the next 10 years. The plan is a mutual initiative by the Government of India and Indian Automotive Industry to lay down the roadmap for development of the industry as the Government aims to develop India as a global manufacturing center.

### **Production-linked incentive (PLI) SCHEME -**

On November 11, 2020, the Union Cabinet approved production-linked incentive (PLI) scheme across 10 key sectors (including automobiles & auto components) to boost India's manufacturing capabilities, exports and promote the 'Atmanirbhar Bharat' initiative. The Union Cabinet has provided for an outlay of Rs 57,042 crore (USD 7.81 billion) for automobiles & auto components sector under the Department of Heavy Industries.

### **Faster Adoption and Manufacturing of Hybrid and Electric Vehicle (FAME) -**

The Government approved FAME and plans to cover all vehicle segments and all forms of hybrid & pure EVs. FAME-I scheme started in 2019 was supposed to end by 2022. In June 2021 the scheme was extended until March 31, 2024. In February 2019, the Government of India approved FAME-II scheme with a fund requirement of Rs 10,000 crore (USD 1.39 billion) for FY20-22.

#### **Other growth drivers -**

Dept. of Heavy Industries & Public Enterprises created a USD 200 million fund to modernize the auto components industry by providing interest subsidy on loans & investments in new plants & equipment. This also provided export benefits to intermediate suppliers of auto components against Duty-free Replenishment Certificate (DFRC).

India has significant cost advantages. Auto firms save 10- 25% on operations vis-a-vis Europe and Latin America. The industry has witnessed a cumulative FDI inflow of about USD 25.40 billion in the automobile sector between April 2000 and December 2020. The Government of India expects automobile sector to attract USD 8-10 billion in local and foreign investments by 2023. The vision of National Electric Mobility Mission Plan (NEMMP) 2020 is for faster adoption of EVs and their manufacturing in the country; aims at achieving sales of 6-7 million units of hybrid and EVs by 2020.

*Source: IBEF report - Auto Components*

#### **COMPANY AND PERFORMANCE OVERVIEW:**

Your Company mainly caters to the domestic OEM buyers in automotive segment like Maruti Suzuki Limited, Mahindra & Mahindra Limited, Bajaj Auto Limited and Fiat India Automobiles Private Limited. We have an in-house dedicated Research & Development team and have been developing new products in engines, transmission systems and body chassis for OEMs and Tier-1 customers. The main product line of the Company is manufacturing of high strength structural sintered components of Engine and Transmissions. One of our Body Corporate Promoter, MIBA Sinter Holding GmbH & CO KG, which is part of MIBA group, has track record of more than five decades in sintered technology.

Company has been awarded various new programs as under –

- DANA Graziano for the sintered synchro rings. This is strategically important for us as it makes our entry into Off Highway segment and opens big opportunity for us in near future.
- PSA/AVTEC for the mass balancer assembly can now be confirmed as awarded. This begins our journey with the PSA group and plays an important role as this supply is for their global engine Euro 6 & Euro 7 and opens opportunities for us to access the European market.
- Saleri Italo group, has awarded pulley for the VW MQB India 2.0 platform.

In the financial year 2020-2021, your Company recorded net sales of Rs. 471.99 million as against Rs. 535.23 million in the previous year and thereby recorded decrease of 10.93% in the net sale.

For the financial year 2020-2021, the Company incurred loss before tax of Rs. 61.92 million as against loss of Rs. 34.35 million for previous financial year. This was mainly due to the pandemic and effected supply chain during the start of the year. The loss was offset partially due to our immediate reductions in all variable costs related to lower production volumes. These actions included reductions in the production's shifts, planned production shut down of certain lines etc. In addition, we also took action to reduce our fixed costs structure in the areas of management and employee costs.

During the fiscal year 2020-2021, your Company completed the raising of funds on a preferential private placement basis in the form of equity shares and compulsory convertible debentures (CCD's) from one of its promoters Miba Sinter Holding GmbH & CO KG (Miba), for an aggregate amount of approximately INR 222 million, after taking the necessary approvals from the Board, shareholders and other regulatory bodies. The proceeds of the Preferential Issue will be used to help facilitate the Company with additional funds necessary for working capital management, acquisition of capital goods and machinery, operation and management of the Company.

#### **OPPORTUNITIES AND THREATS:**

##### **a) Opportunities**

- With the introduction of new BS VI models, there could be an increase in production, leading to an increased demand for automotive parts.
- Increasing demand for lightweight sintered components in vehicles to meet BS VI - II standards
- De-risking of global supply chain from one geographical country to multiple countries could open up further opportunities in Global market.

### b) Threats

- The lockdown due to the pandemic could affect all business aspects including manufacturing, exports, raw material procurement, distribution network etc.
- An ensuing negative consumer sentiment could moderate spending due to lockdown.

### RISKS AND CONCERNs:

In accordance with the SEBI Listing Regulations, the Board of Directors of the Company is responsible for framing, implementing and monitoring the risk management plans of the Company. The Company does identify risks associated with the Company, assess its impact and take appropriate corrective steps to minimize the risks that may threaten the existence of the Company from time to time.

Annual risk assessment exercise is conducted in line with the framework, existing risks, their mitigation actions are evaluated and new risks are identified. The Audit Committee has additional oversight over financial risks and controls. During the year under review, the Directors reviewed the potential impact of COVID-19 on the Company's critical areas of operations like health & safety, customer, supplier, manufacturing, liquidity risk, etc. It also reviewed the mitigating factor and action initiated by the management to minimize the impact on the Company.

### Risk Mitigation

To mitigate various risks significant to its business, your Company took several strategic initiatives during the year, such as:

- Implementing effective COVID-19 guidelines for all its employees, vendors, customers
- Putting in place monitoring and control mechanism to ensure availability of critical resources like manpower, material and power
- Focused on manufacturing cost reduction
- Implementation of S/4 HANA
- Formation of a special task force to develop alternative sources for its critical supplies

These initiatives have helped minimize the impact of uncertainties and helped the Company achieve its planned business objectives during the year.

### SEGMENT WISE OR PRODUCT WISE PERFORMANCE

The Company works only in one segment i.e. manufacturing of sintered auto components.

**IN ACCORDANCE WITH THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS 2018) (AMENDMENT) REGULATIONS, 2018, THE COMPANY IS REQUIRED TO GIVE DETAILS OF SIGNIFICANT CHANGES (CHANGE OF 25% OR MORE AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR) IN KEY FINANCIAL RATIOS**

Sr. No	Key Financial Ratios	2021	2020	Remark
1	Debtors Turnover	1.96%	2.36%	No Material Change
2	Inventory Turnover	1.05%	1.29%	No Material Change
3	Interest Coverage Ratio	(0.60%)	0.10%	Due to loss incurred by the Company
4	Current Ratio	1.51%	1.05%	Due to funds raising of Rs. 222 million.
5	Debt Equity Ratio	0.20%	0.40%	Due to repayment of debt from the funds raised
6	Operating Profit Margin (%)	8%	13.00%	Due to lower volumes leading to underutilization of capacity.
7	Net Profit Margin (%)	(9.80%)	(5.30%)	Due to lower volumes leading to underutilization of capacity.
8	Return on Net Worth	(5.31%)	(4.00%)	Due to loss incurred by the Company

### MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED:

The Company believes and recognizes that its employees are important resource in its growth and to give competitive advantage in the present business scenario. Ensuring business operations, employee safety and welfare became the foremost concerns for the Company.

## 1. Initiatives for Safety and Welfare

Work from Home: The Company introduced the work from home policy that met both the objective of employee safety as well as business continuity. Use of virtual platform was made mandatory for all the meetings and interactions with employees. All external interactions were mandated to be conducted online to ensure safety and social distancing. Employee trainings and classes were moved to an online learning platform.

Safe Environment at Workplace: The Company followed a strict 'no visitor' policy keeping in mind the social distancing norms. Physical meetings or visitors in exceptional cases were allowed only with a negative RT-PCR report valid for 48 hours. For the safety of employees, 100% temperature screening and masks at each entry point of plant and office was installed along with daily monitoring of oxygen levels and pulse rates of each department. To maintain safe hygiene levels, employee transport vehicles, shop floor and canteen were disinfected multiple times in a shift while all its offices were disinfected daily. As per GOI norms RT-PCR tests were conducted on regular basis for all its employees and contract worker. Virtual trainings were conducted for prevention of COVID. Special trainings were given to the security staff regarding COVID-19 and the security procedures to be followed.

## 2. Online Training and Skill Enhancement

During the pandemic, the management of the Company precisely focused on online training and skill enhancement of its employees. Its primary focus was to deploy various trainings online which would lead to increase in competency level of our employees. Focused training was imparted pertaining to Manufacturing Engineering and powder metallurgy.

The Company leveraged online learning methodology to help employees understand advance engineering concept and transform their knowledge into day-to-day activity

Total 87 employees are on the payroll of the Company.

## INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has in place a well-framed internal control system that authorizes, records, and reports transactions to safeguard assets and protect against loss from unauthorized use or disposition. The internal controls ensure the reliability of data and financial information to maintain accountability of assets. These internal controls are supplemented by extensive internal audits, management review, and documented policies, guidelines, and procedures.

## DISCLOSURE OF ACCOUNTING TREATMENT

The Company has followed all the treatments in the Financial Statements as per the prescribed Accounting Standards.

### **Note:**

*For sake of brevity the items covered in Board's Report are not repeated in the Management Discussion and Analysis Report.*

### **Cautionary Statement:**

*Certain Statements in the Management Discussion and Analysis describing the company's objectives, projections, estimates and expectation or predictions may be forward looking statements within the meaning of applicable laws and regulations. It cannot be guaranteed that these assumptions and expectations are accurate or will be realized. Actual results could differ from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/supply and price conditions in the domestic markets, changes in the Government Regulations, tax laws and other statutes and incidental factors.*



# Annexure II - Report on Corporate Governance

## 1. Philosophy on Code of Governance:

Sintercom believes that effective Corporate Governance Practices constitute a strong foundation on which successful commercial enterprises are built to last. Company's philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behavior and fairness to all the stakeholders comprising of regulators, employees, customers, vendors, investors and the society at large.

Our corporate governance practices reflect our value system. Corporate Governance establishes procedures and systems to be fully compliant with the statutory requirements. Periodic review of the procedures and systems are done in order to ensure continued relevance, effectiveness and responsiveness to the needs of the Shareholders.

The Company discloses information regarding its financial position, performance and other vital matters with transparency, fairness and accountability on a timely basis.

## 2. Board of Directors

The Board meets at regular intervals to discuss and decide on strategies, policies and reviews the financial performance of the Company.

**Annual Calendar:** The meetings of the Board & Committees are pre-scheduled. A tentative annual calendar of the meetings is circulated to the Directors well in advance to facilitate them to plan their schedules.

**Meetings at shorter notice & Circular Resolutions:** In case of business exigencies, the Board's approval is taken either by holding meetings at shorter notice or through circular resolutions, which are noted at the subsequent meeting of the Board and/or Committees.

### Information placed / provided:

Following information is provided to the Board (including Committees thereof), adequately in advance, of its Meetings, as per regulatory timelines, to enable them to take well informed decisions:

1. The notice and detailed agenda along with relevant explanatory notes;
2. Material information, to the extent applicable and relevant;
3. Presentations on various functional and operational areas of the Company and other business development activities as well as on major projects, financial highlights, etc.

Any information which involves unpublished price sensitive information and in exceptional cases, certain additional matters are tabled at the meeting with the approval of the Chairman and the Board, more particularly the Independent Directors. An approval from the Board for circulating such information at a shorter notice is obtained every year, in terms of SS-1.

### Mode

The Board meets at regular intervals as per the pre-scheduled calendar to discuss and decide on strategies, policies and reviews the financial performance of the Company, through the Video-conferencing facility [to enable the directors travelling abroad or present at other locations to be able participate in the meetings].

### Paperless Meetings

In line with our sustainability vision and with a view to reducing paper consumption and leverage technology, a paperless mechanism of conducting Meetings was set-up by the Managing Director in the year 2020. Since then, the Company has been conducting all its meetings through a web-based application, as and when the need arises. The said application meets high standards of security.

The Chief Financial Officer, Senior Management Personnel of the Company are also invited to the Board/Committee meetings.

Your Company has provided an avenue to the Statutory Auditors to have a separate discussion with the Chairperson and members of the Audit Committee prior to declaration of the financial results, whenever requested.

### Composition

As on the date of this report, the Board of Directors of the Company consists of one (1) Executive Directors and five (5) Non-Executive Directors. The composition of the Board represents an optimal mix of professionalism, knowledge and experience in business, finance, audit, law, corporate governance, sales & marketing, engineering and corporate management, which enables the Board to discharge its responsibilities and provide effective leadership to the business. The skills and expertise available with the Board are adequate within the context and needs of the Company's business. The positions of the Chairman of the Board and the Chief Executive Officer of the Company are held by separate individuals, where the Chairman of the Board is a Non- executive Director. None of the directors of your Company is related to each other. The following are the details of each member of the Board along with the number of Directorship(s)/Committee Membership(s)/Chairmanship(s):

Composition and Directorship(s)/Committee Membership(s)/Chairmanship(s) as on March 31, 2021

In terms of the provisions of Section 165 and 184 of the Act and Regulation 17A and 26 of the SEBI Listing Regulations, the Directors provide necessary disclosures regarding positions held by them on the Board and/or Committees of other public and/or private companies in the first Meeting of the Board every financial year and post change in such disclosures, from time to time. The said disclosures are placed before the Board in its next Meeting (post receipt of disclosures) for noting.

Name of Director	Category of Directors	At Sintercom		No of other directorships held excluding Sintercom *	Committee memberships held in other Companies (**)		Directorships held in other Listed entities and category of As directorship
		Tenure (in-Yrs)	Shareholding		As directorship Member	As Chairperson	
Mr. Hari Nair	Non-Executive Chairman	6.3	-	0	0	0	0
Mr. Jignesh Raval	Managing Director	13.9	1,133,035	0	0	0	0
Mr. Bernd Badurek	Non-Executive	-	-	0	0	0	0
Mr. Dara Kalyaniwala	Independent Non-Executive Director	0.7	2,000	0	0	0	0
Mr. Madan Godse	Independent Non-Executive Director	3.4	-	0	0	0	0
Ms. Madhavi Pandrangi	Independent Non-Executive Director	0.7	-	0	0	0	0

\* Excludes directorships in Indian Private Limited companies, foreign companies, Companies u/s 8 of the Companies Act, 2013 and memberships of managing committees of various chambers/bodies and alternate directorships.

\*\* Committees include only Audit Committee and Stakeholder's Relationship Committee

Basis the disclosures received from the Directors as on March 31, 2021, we confirmed that none of the Directors are:

- (a) on the Board of more than:
  - i. 20 (twenty) companies;
  - ii. 10 (ten) public limited companies;
  - iii. 7 (seven) listed entities;

(b) a member in more than 10 (ten) Audit and/or Stakeholders Relationship Committees, across all public limited companies (incl. deemed public)

(c) a chairperson of more than 5 (five) Audit and/or Stakeholders Relationship Committees across all public limited companies (incl. deemed public); and

#### **Resignation/Appointment/Re-appointment of Directors**

Your Board of Directors wishes to record its sincere appreciation for the services rendered by Ms. Preeti Ramdasi and Mr. Harald Neubert during their association with the Company. Ms. Preeti Ramdasi resigned/ceased from Board w.e.f 26<sup>th</sup> June, 2020 and Mr. Harald Neubert resigned/ceased from the Board w.e.f 27<sup>th</sup> May, 2021, both of them resigned due to personal reasons and there were no other material reasons for their resignation other than those mentioned above.

Mr. Hari Nair (having DIN: 00471889), Non-executive Director, retires by rotation in accordance with the provisions of the Companies Act, 2013, and being eligible, offers himself for re-appointment at the ensuing Annual General Meeting. Mr. Hari Nair holds Nil Equity Shares in the Company, and details, as required under Regulation 36(3) of SEBI Listing Regulations, have been appended to the Notice of the Annual General Meeting circulated to the Members along with this report.

Mr. Bernd Badurek (DIN: 09143201), appointed as Additional Non-executive Non-Independent Director in the Board of Directors meeting held on 27<sup>th</sup> May, 2021, as per Section 161(1) of the Companies Act, 2013 and who holds office only upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, is hereby appointed as Non-Executive Non-Independent Director of the Company, whose office is liable to retire by rotation. Mr. Bernd Badurek holds Nil Equity Shares in the Company, and details, as required under Regulation 36(3) of SEBI Listing Regulations, have been appended to the Notice of the Annual General Meeting circulated to the Members along with this report.

Any person who becomes Director or Officer, including an employee acting in a managerial or supervisory capacity, is covered under Directors' and Officers' Liability Insurance Policy. The Company has provided insurance cover in respect of legal action brought against its directors and officers for alleged wrongful acts under the Directors' and Officers' Liability Insurance subject to certain terms and conditions.

#### **Meetings and Attendance**

During the financial year ended 31<sup>st</sup> March, 2021, six (6) board meetings were held on 26<sup>th</sup> June, 2020, 02<sup>nd</sup> September, 2020, 13<sup>th</sup> November, 2020, 28<sup>th</sup> January, 2021, 12<sup>th</sup> February, 2021 and 03<sup>rd</sup> March, 2021 respectively. The previous Annual General Meeting was held on 30<sup>th</sup> September, 2020. During the year Extra Ordinary meeting (EOGM) was held on 24<sup>th</sup> February 2021.

#### **Directors' attendance at Board Meetings and at Annual General Meeting (AGM):**

Name of Director	No. of Boards Meetings Attended	Attendance at last AGM	Attendance at last EOGM
Mr. Hari Nair	6	Yes	Yes
Mr. Jignesh Raval	6	Yes	Yes
Mr. Bernd Badurek*	-	-	-
Ms. Madhavi Pandrangi	4	Yes	Yes
Mr. Madan Godse	4	Yes	Yes
Mr. Dara Kalyaniwala	4	Yes	Yes
Mr. Harald Neubert*	3	-	-
Ms. Preeti Ramdasi*	-	-	-

- \*1. Ms. Preeti Ramdasi resigned from the position of Independent Director on 26<sup>th</sup> June 2020 and Mr. Harald Neubert resigned from the position of Non-Executive Director on 27<sup>th</sup> May, 2021 due to personal reasons.
- 2. Mr. Dara Kalyaniwala and Ms. Madhavi Pandrangi were each appointed as Independent Director w.e.f. 02<sup>nd</sup> September, 2020.

Mr. Bernd Badurek appointed as Non-Executive Non-Independent Director w.e.f. 27<sup>th</sup> May, 2021

### **Code of Conduct for Directors and Senior Management Personnel**

All Directors and members of the Senior Management have affirmed their compliance with the Code of Conduct for Board of Directors and Senior Management Personnel (SMP) as on 31<sup>st</sup> March, 2021 and a declaration to that effect, signed by the Managing Director & CEO is enclosed and forms part of this report. The Code of Conduct for Board of Directors and SMP has also been posted on the website of the Company at <https://www.sintercom.co.in/about-us/corporate-policies.html>

### **3. Committees of the Board**

The constitution, terms of reference and the functioning of the existing Committees of the Board is explained below. Each of these Committees demonstrates the highest levels of integrity and has the requisite expertise to handle issues relevant to their field.

#### **A. Audit Committee**

The Company has constituted Audit committee in line with provisions of Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Section 177 of the Companies Act, 2013.

The Audit Committee assists the Board in discharging of its responsibility to oversee the quality and integrity of the accounting, auditing and reporting practices of the Company and its compliance with the legal and regulatory requirements. The Committee's purpose is to oversee the accounting and financial reporting statements, the appointment, independence, performance and remuneration of the Statutory Auditors, the performance of Internal Auditors of the Company.

All the members of the Audit Committee possess accounting, economic, legal and financial management expertise.

#### **Meetings**

During the financial year ended 31<sup>st</sup> March, 2021, four (4) audit committee meetings were held on 26<sup>th</sup> June, 2020, 13<sup>th</sup> November, 2020, 28<sup>th</sup> January, 2021 and 12<sup>th</sup> February, 2021 respectively.

The Annual General Meeting (AGM) held on Wednesday, 30<sup>th</sup> September, 2020 was attended by the Chairman of the Committee, Mr. Madan Godse, to answer shareholders' queries, if any.

The Extra Ordinary General Meeting (EOGM) was held on Wednesday, 24<sup>th</sup> February, 2021 was attended by the Chairman of the Committee, Mr. Madan Godse, to answer shareholders' queries, if any.

The meetings of the Audit Committee are also attended by the Managing Director, Independent Directors, Chief Financial Officer, Statutory Auditors and Internal Auditor.

The Company Secretary acts as the Secretary to the Audit Committee.

#### **The composition and attendance of the Committee meetings are as follows:**

Name of the Director	Status in Committee	Meeting held	Meeting attended
Mr. Madan Godse (Independent Director)	Chairman	4	4
Mr. Jignesh Raval (Managing Director)	Member	4	4
Ms. Madhavi Pandrangi* (Independent Director)	Member	4	3

\* Ms. Madhavi Pandrangi appointed as Independent Director & Member of Audit Committee w.e.f. 02<sup>nd</sup> September, 2020 and Ms. Preeti Ramdasli resigned from the position of Independent Director & Member of Audit Committee w.e.f. 26<sup>th</sup> June 2020 due to personal reason.

The primary role/ responsibility of the Audit Committee:

- 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;

- b) Recommendation for appointment, remuneration and terms of appointment of Auditors of the Company;
- c) Approval of payment of remuneration to Statutory Auditors for any other services rendered by the Statutory Auditors;
- d) Reviewing, with the management, the Annual Financial Statements and Auditor's Report thereon before submission to the Board for approval; and
- e) Reviewing, with the management, the quarterly Financial Statements before submission to the Board for approval/ the statement of uses/application of funds raised through an issue/ Approval or any subsequent modification of transactions of the Company with related parties.

The role/terms of reference of the Audit Committee are in conformity with the SEBI Listing Regulations read in conjunction with Section 177 of the Companies Act, 2013.

#### **B. Nomination & Remuneration Committee**

The Company has constituted Nomination and Remuneration committee in line with the provisions of Regulation 19 of the Listing Regulations and Section 178 of the Act.

##### **Meetings**

During the financial year ended 31<sup>st</sup> March, 2021, one (1) nomination & remuneration committee was held on 30<sup>th</sup> March, 2021.

The Annual General Meeting (AGM) held on Wednesday, 30<sup>th</sup> September, 2020 was attended by the Chairman of the Committee, Mr. Dara Kalyaniwala, to answer shareholders' queries, if any.

The Extra Ordinary General Meeting (EOGM) held on Wednesday, 24<sup>th</sup> February, 2021 was attended by the Chairman of the Committee, Mr. Dara Kalyaniwala, to answer shareholders' queries, if any.

The Company Secretary acts as the Secretary to the Nomination & Remuneration Committee.

##### **The composition and attendance of the Committee meetings are as follows:**

Name of the Director	Status in Committee	Meeting held	Meeting attended
Mr. Dara Kalyaniwala* (Independent Director)	Chairman	1	1
Mr. Madan Godse (Independent Director)	Member	1	1
Mr. Hari Nair (Non-Executive Director)	Member	1	1

\* Mr. Dara Kalyaniwala appointed as Independent Director and Chairman of Nomination & Remuneration Committee w.e.f. 02<sup>nd</sup> September, 2020. Ms. Preeti Ramdasi resigned from the position of Independent Director on 26<sup>th</sup> June 2020

The primary role/ responsibilities of the Nomination and Remuneration Committee are:-

- a) To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a remuneration policy, for the Directors, Key Managerial Personnel and other employees;
- b) To identify qualified persons to become Directors and Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal and to carry out evaluation of every Director's performance;
- c) To extend or continue the term of appointment of the Independent Director based on the performance report of Independent Director;
- d) To formulate a criteria for evaluation of performance of the Independent Directors and Board of Directors; and
- e) To device a policy on diversity of Board of Directors.

### **Performance Evaluation Criteria for Directors**

The Nomination and Remuneration Committee has devised criteria for evaluation of the performance of the Directors including Independent Directors. The said criteria provide certain parameters like attendance, acquaintance with business, communicate inter se with board members, effective participation, compliance with Code of Conduct etc. which is compliance with applicable laws, regulations and guidelines.

### **Policy on Director's appointment and remuneration**

The Nomination and Remuneration Policy of the Company has been formulated in accordance with the Act and Listing Regulations. The Policy is designed to guide the Board in relation to appointment, removal of Directors, Key Managerial Personnel and Senior Management and recommend to the Board on remuneration payable to them. Policy enables the Company to retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

The current policy along with the terms of reference of the committee is available on Company's website: <https://www.sintercom.co.in/about-us/corporate-policies.html>

### **Remuneration of Directors**

**Details of Remuneration paid/payable to the Directors for the year ended 31<sup>st</sup> March, 2021, are as follows:**

Name of Director	Salary & Performance Bonus	Perquisites & Other benefits	Sitting Fees	Total
<b>Executive Director</b>				
Mr. Jignesh Raval	10,217,358	1,631,340	-	11,848,698
<b>Non-Executive Director</b>				
Mr. Hari Nair	-	-	-	-
Mr. Bernd Badurek*	-	-	-	-
Mr. Madan Godse	-	-	225,000	225,000
Mr. Dara Kalyaniwala*	-	-	150,000	150,000
Ms. Madhavi Pandrangi*	-	-	175,000	175,000
Mr. Harald Neubert*	-	-	-	-
Ms. Preeti Ramdasi*	-	-	-	-

*The sitting fee paid to the Non-executive Directors is towards attending the Board, Audit Committee meetings, Nomination & Remuneration Committee Meeting and Stakeholder Relationship Committee Meeting held during the year.*

*\* Ms. Preeti Ramdasi resigned from the position of Independent Director on 26<sup>th</sup> June 2020 and Mr. Harald Neubert resigned from the position of Non-Executive Director on 27<sup>th</sup> May, 2021 due to personal reason.*

*\* Mr. Dara Kalyaniwala and Ms. Madhavi Pandrangi were each appointed as Independent Director w.e.f. 02<sup>nd</sup> September, 2020. Mr. Bernd Badurek was appointed as Non-Executive Non-Independent Director w.e.f. 27<sup>th</sup> May, 2021*

### **Note:**

The Executive Directors of the Company have been appointed on a contractual basis. According to the contract, the notice period is three months.

Payment of remuneration to the Executive Directors of the Company is governed by the terms and conditions of their appointment as recommended by the Nomination and Remuneration Committee and approved by the Board, subject to the approval of the Shareholders.

The remunerations to Executive Directors are additionally evaluated against the Key Performance Indicators (hereinafter referred as 'KPIs') set at the beginning of the financial year, which, inter alia, includes both long-term and short-term financial performance parameters including inter-alia performance targets on revenue, EBITDA, PAT, cost reduction, market share, economy, etc.

Non-Executive/Independent Directors of the Company receive remuneration by way of fees for attending meetings of the Board or Committee thereof as approved by the Board from time to time within the prescribed limits.

#### **Shareholding of Non-executive Directors**

<b>Name of Director</b>	<b>No. of Shares held as on 31<sup>st</sup> March, 2021</b>
Mr. Dara Kalyaniwala	2000 Shares

Apart from the above, there was no pecuniary relationship or transactions between the Company and Non-executive Directors.

The performance criteria for the payment of remuneration to the Directors are in line with the Nomination and Remuneration Policy of the Company.

#### **Board Membership Criteria and list of core skills/ expertise/ competencies identified in the context of the business:**

<b>Areas of Expertise required</b>	<b>Description</b>
Leadership	Extended leadership experience for a significant enterprise, resulting in a practical understanding of organizations, processes, strategic planning, and risk management. Demonstrated strengths in developing talent, planning succession, and driving change and long-term growth
Strategy & Planning	Ability to think strategically; identify and critically assess strategic opportunities and threats. Develop effective strategies in the context of the strategic objectives of the Company, relevant policies and priorities.
Industry knowledge and Experience	Experience in Manufacturing, Quality, Safety, Project Management and knowledge of Corporate Research and Development pertaining to automotive/industrial battery and allied industries.
Governance and Risk Management	Experience in the application of Corporate Governance principles. Ability to identify key risks to the Company in a wide range of areas including legal and regulatory compliance.
Financial, Regulatory/ Legal & Risk Management	Understanding the financial statements, financial controls, risk management, mergers and acquisition, etc.
Sales and marketing	Experience in developing strategies to grow sales and market share, build brand awareness and equity and enhance enterprise reputation

In the table below, the specific areas of focus or expertise of individual Board members have been highlighted. However, the absence of a mark against a member's name does not necessarily mean the member does not possess the corresponding qualification or skill.

Name of Directors	Qualification or Skill					
	Leadership	Strategy & Planning	Industry knowledge and Experience	Governance and Risk Management	Financial, Regulatory/ Legal & Risk Management	Sales and marketing
Mr. Hari Nair	✓	✓	✓	✓	✓	✓
Mr. Jignesh Raval	✓	✓	✓	✓	✓	✓
Mr. Bernd Badurek	✓	✓	✓	✓		✓
Mr. Dara Kalyaniwala	✓	✓		✓	✓	
Mr. Madan Godse	✓	✓		✓	✓	
Ms. Madhavi Pandrangi	✓	✓		✓	✓	

#### STAKEHOLDERS RELATIONSHIP COMMITTEE

The Company has constituted Stakeholder's relationship committee in line with the provisions of Regulation 20 of the Listing Regulations and Section 178 of the Act.

##### Meetings

During the financial year ended 31<sup>st</sup> March, 2021, one (1) stakeholder relationship committee meeting was held on 30<sup>th</sup> March, 2021.

The Annual General Meeting (AGM) held on Wednesday, 30<sup>th</sup> September, 2020 was attended by the Chairman of the Committee, Mr. Hari Nair, to answer shareholders' queries, if any.

The Extra Ordinary General Meeting (EOGM) held on Wednesday, 24<sup>th</sup> February, 2021 was attended by the Chairman of the Committee, Mr. Hari Nair, to answer shareholders' queries, if any.

The Company Secretary & Compliance Officer Ms. Anuja Joshi acts as the Secretary to the Stakeholder's relationship committee.

##### The composition and attendance of the Committee meetings are as follows:

Name of the Director	Status in Committee	Meeting held	Meeting attended
Mr. Hari Nair (Non-executive Director)	Chairman	1	1
Mr. Jignesh Raval (Managing Director)	Member	1	1
Mr. Dara Kalyaniwala* (Independent Director)	Member	1	1

\* Mr. Dara Kalyaniwala appointed as Independent Director and Chairman of Nomination & Remuneration Committee w.e.f. 02<sup>nd</sup> September, 2020. Ms. Preeti Ramdasi resigned from the position of Independent Director on 26<sup>th</sup> June 2020

The terms of reference of the Stakeholders Relationship Committee includes, inter alia, the following:

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

- (b) Review of measures taken for the effective exercise of voting rights by shareholders;
- (c) Review of adherence to service standards adopted by the Company in respect of various services being rendered by R&TA;
- (d) 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.

#### **Investor Grievance Redressal Mechanism**

During the financial year ended 31<sup>st</sup> March, 2021, the Company has received **NIL** complaints from shareholders:

Number of complaints pending at the beginning of the financial year 2020-21	<b>NIL</b>
Number of complaints received during the financial year 2020-21	<b>NIL</b>
Number of complaints redressed during the financial year 2020-21	<b>NIL</b>
Number of complaints pending redressal at the end of the financial year 2020-21	<b>NIL</b>
Number of complaints not solved to the satisfaction of shareholders at the end of the financial year 2020-21	<b>NIL</b>
Number of pending share transfers as at March 31, 2021	<b>NIL</b>

#### **Risk Management Committee:**

Your Company does not fall under top 1000 listed entities as per Market Capitalization. Hence, requirements as mentioned under Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not applicable to the Company.

#### **Corporate Social Responsibility Committee**

The Company has constituted Corporate Social Responsibility Committee in line with the provisions of Section 135 of the Act.

#### **The composition and attendance of the Committee meetings are as follows:**

<b>Name of the Director</b>	<b>Status in Committee</b>	<b>Meeting held</b>	<b>Meeting attended</b>
Ms. Madhavi Pandrangi* (Director)	Chairman	0	0
Mr. Jignesh Raval (Managing Director)	Member	0	0
Mr. Hari Nair (Non-Executive Director)	Member	0	0

\* Ms. Madhavi Pandrangi appointed as Independent Director and Chairman of Nomination & Remuneration Committee w.e.f. 02<sup>nd</sup> September, 2020. Ms. Preeti Ramdasi and Mr. Harald Neubert resigned from the position of Independent Director on 26<sup>th</sup> June, 2020 and 27<sup>th</sup> May, 2021

The Corporate Social Responsibility (CSR) Committee is responsible for:

- (i) Formulating the CSR Policy and proposing revisions as and when required subject to the approval of the Board of Directors;
- (ii) Recommending CSR projects in appropriation with the thematic areas in pursuance and as specified in Schedule VII and investments to be incurred thereof;
- (iii) Identifying and recommending CSR project life cycle management process including identification and recommendation of appropriate implementation agency, as applicable;
- (iv) Institutionalizing transparent and effective monitoring mechanism;
- (v) Monitor progress of the CSR projects on a regular basis;
- (vi) Identify the need and review outcomes of such impact assessment studies;
- (vii) Formulate, recommend and modify/ alter whenever necessary, the Annual Action Plan;
- (viii) Report to the Board, the status of CSR activities and contributions made etc.; and
- (ix) Any other activity(ies)/functions, as may be assigned by the Board.

The CSR Policy is available on Company's website <https://www.sintercom.co.in/about-us/corporate-policies.html>

### **Independent Directors and Meeting of Independent Directors**

Independent Directors play a significant role in the governance processes of the Board by enriching the Board's decision making and also preventing possible conflicts of interest that may emerge in such decision making. The terms and conditions of appointment of the Independent Directors are disclosed on the website of the Company: <https://www.sintercom.co.in/images/pdf/corporate-policies/terms-and-conditions-for-appointment-as-an-independent-director-of-sintercom-india-limited.pdf>

The Company has appointed Independent Directors as per the requirements of the Companies Act, 2013 ("Act") and Securities & Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015, (hereinafter referred to as "SEBI Listing Regulations).

None of the existing Independent Directors serves as Independent Director in more than seven listed companies in line with the requirements of SEBI Listing Regulations. The said Independent Directors have also confirmed that they meet the criteria of independence as laid down in the Act and SEBI Listing Regulations, as amended and they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. In the opinion of the Board, the Independent Directors fulfill the conditions specified in the SEBI Listing Regulations and are independent of management.

In compliance with rule 6(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014, the Independent Directors have also registered themselves on the independent director's data bank maintained by the Indian Institute of Corporate Affairs.

During the year under review, the Independent Directors met once on 19<sup>th</sup> February, 2021, inter alia, to discuss:

1. Evaluation of the performance of Non-independent Directors and the Board of Directors as a whole.
2. Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-executive Directors;
3. Assess 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.

All the Independent Directors were present at the said meeting.

### **Familiarization Programmes:**

The Company regularly provides orientation and business overview to its directors by way of detailed presentations by the various business and functional heads at Board meetings and through other interactive programs. Such meetings/programs include briefings on the domestic and global business of the Company. Besides this, the Directors are regularly updated about Company's new projects, R&D initiatives, changes in the regulatory environment and strategic direction.

The Board members are also provided relevant documents, reports and internal policies to facilitate familiarization with the Company's procedures and practices, from time to time.

The details of programmes for familiarisation for Independent Directors are posted on the website of the Company and can be accessed at <https://www.sintercom.co.in/images/pdf/corporate-policies/details-of-familiarisation-programme-for-independent-directors-of-sintercom.pdf>

#### 4. General Body Meetings

Particulars of last three Annual General Meetings:

AGM	Year Ended	Venue	Date	Time
11 <sup>th</sup> AGM	31 <sup>st</sup> March, 2018	Hotel Orritel, Survey No.135, Opposite Talegaon MIDC Junction, Old Mumbai Pune Highway, Vadgaon, Pune, Maharashtra 412106	20 <sup>th</sup> July, 2018	04.00 p.m.
12 <sup>th</sup> AGM	31 <sup>st</sup> March, 2019	Hotel Orritel, Survey No.135, Opposite Talegaon MIDC Junction, Old Mumbai Pune Highway, Vadgaon, Pune, Maharashtra 412106	05 <sup>th</sup> September, 2019	04.30 p.m.
13 <sup>th</sup> AGM	31 <sup>st</sup> March, 2020	The Company conducted the meeting through VC/OAVM pursuant to MCA circular dated May 5, 2020	30 <sup>th</sup> September, 2020	04.00 p.m.

#### Special Resolutions

The details of the special resolutions passed by the Company at the last three Annual General Meetings (AGMs) are given herein below:

Date of AGM	Subject matter of the resolution	Triggering Section of the Companies Act
20 <sup>th</sup> July, 2018	-	-
05 <sup>th</sup> September, 2019	Ratification of remuneration of Mr. Jignesh Raval, Managing Director	Section 197
30 <sup>th</sup> September, 2020	-	-

#### Postal Ballot

During the year under review, no resolution was passed through postal ballot and as on the date of this report no special resolution is proposed to be conducted through postal ballot.

#### Extra Ordinary General Meeting

EGM	Year Ended	Venue	Date	Time
01 <sup>st</sup> EGM	31 <sup>st</sup> March, 2021	The Company conducted the meeting through VC/OAVM pursuant to MCA circular dated May 5, 2020	24 <sup>th</sup> February, 2021	04.00 p.m.

#### Special Resolutions

The details of the special resolutions passed by the Company at the last Extra Ordinary General Meetings (EGM) are given herein below:

Date of EGM	Subject matter of the resolution	Triggering Section of the Companies Act
24 <sup>th</sup> February, 2021	• Increase of Authorised Share Capital and Alteration in The Capital Clause of the Memorandum of Association of the Company	Section 61 and 64
	• Alteration of Articles of Association of the Company	Section 5 and 14
	• Issue of Equity Shares on a Preferential Basis and Issue of Unsecured Compulsorily Convertible Debentures on a Preferential Basis	Section 23, 42 and 62 (1) (c )

#### 5. Disclosures

##### a. Related-Party Transactions

All transactions entered with the related parties during the financial year ended March 31, 2021 were in the ordinary course of business and on an arm's length basis and without any conflict of interest in accordance with the provisions of the Companies Act, 2013 and SEBI Listing Regulations.

Moreover, there were no materially significant related party transactions entered into by the Company with promoters, directors, key managerial personnel or other persons which may have a potential conflict with the interest of the Company. Suitable disclosures as prescribed under the applicable Accounting Standard have been made in the notes to the Financial Statements.

The policy for related party transactions has been uploaded on the Company's website. The web-link is <https://www.sintercom.co.in/about-us/corporate-policies.html>

- b. Details of non-compliance by the Company, penalties, strictures imposed on the Company by the stock exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.**

There was no such instance of non-compliance during the last three years.

- c. Whistle-Blower Policy/Vigil Mechanism**

In accordance with the provisions of the Companies Act, 2013, read with the Companies (Meeting of Board and its Powers) Rules, 2014 and SEBI Listing Regulations, every listed Company is required to have a vigil mechanism for the directors, employees and stakeholders to report their genuine concerns and grievances. Sintercom has a whistle-blower policy in place, and it is available on the Company's website. The Audit Committee of Directors is entrusted with the responsibility to oversee the vigil mechanism. During the year, no person was denied access to the Audit Committee.

The Whistle-Blower Policy can be seen on the Company's website under the following web-link <https://www.sintercom.co.in/about-us/corporate-policies.html>

- d. Policy on Material Subsidiaries**

In accordance with the requirements of Regulation 16(1)(c) of SEBI Listing Regulations, this is to inform that the Company does not have subsidiary.

- e. As required under the provisions of the law, all other policies and disclosures are uploaded on the website of the Company at <https://www.sintercom.co.in/about-us/corporate-policies.html>**  
Investors are encouraged to visit the Company's website to access such documents.

- f. All mandatory requirements have been appropriately complied with and the non-mandatory requirements are dealt with at the end of the report.**

- g. Risk management:**

The Company is the supplier of various automobile parts and is therefore exposed to risks associated with the automotive industry in particulars. The Company has in place a mechanism to identify, assess, monitor, and mitigate various risks to key business set for the Company. As a part of Risk Management policy, the relevant parameters for the protection of the environment, the safety of operations and the health of people at work are monitored regularly.

The successful management of opportunities and risks is part of operating a business and is the primary task of all management personnel. During the regular management meetings at all management levels, opportunities, risks and optimization measures are reviewed in detail. Any exceptional situations having potential risks are identified and treated at the early stage to minimize their impact on financial and income positions.

- h. Commodity Price Risk/Foreign Exchange Risk and Hedging activities**

Foreign currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate. Company transacts business in its functional currency, INR and in different foreign currencies. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities, where revenue or expense is denominated in a foreign currency. As exposure to the foreign exchange risk is not significant, the Company has decided not to manage it separately.

- i. CEO/MD and CFO Certification**

The Managing Director and the Chief Financial Officer of the Company give annual certifications on financial reporting and internal controls to the Board in terms of Regulation 17 read with Part B of Schedule II of Listing Regulations. The said Certificate is annexed and forms part of the Annual Report. The Chairman and Managing Director and the Chief Financial Officer also give quarterly

certification on financial results, while placing the financial results before the Board in terms of Regulation 33(2) of the Listing Regulations, the same is annexed as **Annexure IX**.

**j. Certificate from Practicing Company Secretary**

The Company has obtained a Certificate from the Practicing Company Secretary stating 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 Securities and Exchange Board of India, Ministry of Corporate Affairs or any such Authority, the same is annexed as **Annexure VIII**.

**k. Code of Conduct**

The Company has adopted a Code of Conduct ("the Code") for Directors and Senior Management of the Company and the same is available on the Company's website at the link <https://www.sintercom.co.in/about-us/corporate-policies.html>

The Board members and Senior Management personnel have affirmed their compliance with the code. A declaration to this effect signed by the Chairman and Managing Director of the Company is contained in this Annual Report.

**l. Complaints pertaining to sexual harassment**

In relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has not received any complaints pertaining to sexual harassment during the financial year 2020-2021.

**m. Details of total fees paid to Statutory Auditors**

The total fees for all services paid by the Company to the Statutory Auditors is Rs. 9,65,308/-

**n.** It is confirmed that the disclosures on corporate governance as required under Regulation 17 to 27 and Clause (b) to (i) of sub regulation (2) of Regulation 46 of the Listing Regulations have been adhered and complied with.

**o. Procedure at Committee Meetings**

The Company's guidelines relating to the Board meetings are applicable to the Committee meetings. The composition and terms of reference of all the Committees are in compliance with the Companies Act, 2013 and the Listing Regulations, as applicable.

During the year, all the recommendations made by the respective Committees were accepted by the Board. Minutes of the proceedings of Committee meetings are circulated to the respective Committee members and placed before the Board meetings for noting. The composition of all the Committees is given in this Report.

**p. Utilisation of funds raised through issue of Preferential Issue of equity shares and Non-Convertible Debentures.**

During the year under review, the Company has issued and allotted the following securities to Miba Sinter Holding GmbH & Co KG ("Miba"), promoter of the Company, by way of preferential allotment:

(1) 1,350,000 (One Million Three Hundred Fifty Thousand Only) equity shares ("Equity Shares") having a face value of Rs. 10 (Rupees Ten only) for the per-share price of Rs. 67/- (Rupees Sixty-Seven only) amounting to Rs. 90,450,000 (Rupees Ninety million four hundred fifty thousand only) ; and

(2) 1,975,000 (One Million Nine Hundred Seventy-Five Thousand Only) 4% unsecured compulsorily convertible debentures ("CCDs") having a face value of Rs. 67 (Rupees Sixty-Seven only) for the per CCD price of Rs. 67 (Rupees Sixty- Seven only) amounting to Rs. 132,325,000/- (One hundred thirty-two million three hundred twenty-five thousand only)

The funds raised by the Company through preferential allotment were for the purpose of working capital, towards repayment of certain borrowings and future investments. As on the date of the Board's report the funds are not fully utilised by the Company.

The funds raised by the Company through preferential allotment were for the purpose of to be used for working capital requirements and to help facilitate the Company with additional funds necessary for acquisition of capital goods and machinery, operation and management of the Company provided that an amount equal to INR 90,000,000 (Indian Rupees Ninety Million only) from the proceeds is to be allocated towards the acquisition of capital goods & machinery by the Company". (Amount in million)

Mode	Object	Amount allocated	Amount utilised
Preferential issue of Equity shares and CCD's Issue	Working capital, towards repayment of certain borrowings and future investments	Rs. 222.78	Rs. 141.30

As on the date of this report there has been no deviation in the use of proceeds of the Preferential Issue from the objects stated in the Offer document as per Regulation 32 of SEBI Listing Regulations.

The Audit committee is reviewing on quarterly basis the utilisation of funds raised from Preferential Issue and same is filed with the Stock Exchange on a quarterly basis.

**q. Report on Corporate Governance**

As required under Regulation 27 of the SEBI Listing Regulations, your Company has submitted the quarterly compliance report in the prescribed format within the required timelines to the stock exchanges. The same are available on the website of the Company <https://www.sintercom.co.in/investor-financial/corporate-governance.html>

**6. Means of Communication:**

The Company puts-forth vital information about the Company and its performance, including quarterly results, official news releases and communication to investors and analysts on Company's website: [www.sintercom.co.in](http://www.sintercom.co.in), regularly for the benefit of the public at large.

During the year, the quarterly, half-yearly and annual results of the Company's performance have been published in leading newspapers, such as Business Standard/ Indian Express – English language newspapers and Kesari – Marathi language newspapers. News releases, Official news and media releases are sent to the Stock Exchanges.

**1. Website**

The Company's website contains a separate dedicated section titled "Investors". The basic information about the Company, as called for in terms of Regulation 46 of Listing Regulations, is provided on the Company's website: [www.sintercom.co.in](http://www.sintercom.co.in) and the same is updated from time-to-time. The Company also displays officials news releases on the Company's website.

**2. Presentations to Institutional Investors/Analysts**

Detailed presentations are made to Institutional Investors and Financial Analysts on the un-audited quarterly financial results as well as the annual audited financial results of the Company. A copy of the presentation is available on Company's website: [www.sintercom.co.in](http://www.sintercom.co.in).

**3. Filing with Stock Exchanges**

Information to Stock Exchanges is being filed online on NEAPS for NSE.

**4. Annual Report**

Annual Report containing, inter alia, Audited Financial Statements, Board's Report, Independent Auditor's Report and other important information, is circulated to members and others entitled thereto. The Management Discussion and Analysis (MDA) Report and Corporate Governance Report forms part of the Annual Report and is displayed on the Company's website: [www.sintercom.co.in](http://www.sintercom.co.in)

**7. General Shareholders Information**

**1. Company Registration Details**

The Company is registered in the State of Maharashtra, India. The Corporate Identity Number (CIN) allotted to the by the Ministry of Corporate Affairs (MCA) is: L29299PN2007PLC129627

## 2. Annual General Meeting

Date: 23<sup>rd</sup> September, 2021

Day: Thursday

Time: 04.00 p.m. (IST)

Venue: The meeting will be held through Video Conferencing (VC) or Other Audio-Visual Means (OAVM)

## 3. Financial Year

01<sup>st</sup> April, 2020 to 31<sup>st</sup> March, 2021

## 4. Dividend:

The Company has not declared Dividend for the financial year ended on 31<sup>st</sup> March, 2021

## 5. Listing on Stock Exchange

Equity Shares of Sintercom India Limited are listed on the National Stock Exchange of India Limited, Mumbai.

NSE Trading Symbol: SINTERCOM

Equity ISIN: INE129Z01016

Debt (CCD) ISIN: INE129Z08011 (un-listed)

Annual listing fees of National Stock Exchange due during the financial year have been paid.

## 6. Market Price Data

The details of the monthly high and low prices and volumes at NSE during the year 2020-21 is given in Table below

Months	High (Rs.)	Low (Rs.)	Volume (Nos.)
Apr-20	43.55	36.00	150,000
May-20	51.00	45.50	174,000
Jun-20	62.80	50.00	218,000
Jul-20	82.65	58.00	294,000
Aug-20	76.00	74.00	60,000
Sep-20	79.75	73.00	56,000
Oct-20	84.70	78.00	197,206
Nov-20	81.00	70.00	95,923
Dec-20	88.00	68.00	126,300
Jan-21	86.80	78.00	114,879
Feb-21	99.45	82.25	160,350
Mar-21	99.00	75.00	115,174

\* Price in Rs. per Equity Share

## 7. Stock Performance

Chart A plots the movement of Sintercom's equity shares adjusted closing prices compared to the NSE 250 small cap



#### 8. Registrar and Transfer Agents

The Company has engaged Link Intime India Pvt. Ltd., Block No. 202, 2<sup>nd</sup> Floor, Akshay Complex, Near Ganesh Temple, Off Dhole Patil Road, Pune - 411001 Tel: 020 - 2616 1629 / 2616 0084 Email: [pune@linkintime.co.in](mailto:pune@linkintime.co.in) Website: <https://www.linkintime.co.in>, a SEBI registered body as its Registrar and Share Transfer Agent for processing transfers, sub-division, consolidation, etc.

Since trading in Company's shares can now be done only in the dematerialized form, request for demat and remat should be sent directly to the Registrar through depository participants concerned.

#### 9. Share Transfer System

As stated above, the Company's shares are compulsorily traded in demat mode on the stock exchange. This is to further inform that all the shares of company are held in demat form.

The Company obtains from a Company Secretary in practice, a half-yearly certificate of compliance with the share transfer formalities as required under Regulation 40(9) of the SEBI Listing Regulations and files a copy of the said certificate with stock exchanges in compliance with regulation 40 of the Listing Regulations.

#### 10. Distribution of Shareholding as on 31<sup>st</sup> March, 2021

Range			NUMBER OF SHAREHOLDERS	% OF TOTAL	SHARE AMOUNT (INR)	% OF TOTAL SHARE AMOUNT
1	to	5000	197	23.79	166900.00	0.0653
5001	to	10000	21	2.54	173290.00	0.0678
10001	to	20000	264	31.88	5176460.00	2.0258
20001	to	30000	13	1.57	349790.00	0.1369
30001	to	40000	96	11.59	3804150.00	1.4887
40001	to	50000	7	0.85	324350.00	0.1269
50001	to	100000	93	11.23	6911360.00	2.7047
100001	&	above	137	16.55	238621920.00	93.3838
		Total	828	100.00	255528220.00	100.00

#### 11. Shareholding pattern of the Company as on March 31, 2021

Category	No of Shares	%-Issued Capital
Foreign Promoter Company	15,891,785	62.19
Promoters	1,335,037	5.22
Non-Resident Indians	974,200	3.81
Public	4,048,780	15.84
Other Bodies Corporate	2,716,004	10.62
Non-Resident (Non-Repatriable)	416,572	1.63
Hindu Undivided Family	111,501	0.43
Trusts	40,000	0.15
Foreign Portfolio Investors (Corporate)	10,000	0.03
Clearing Members	8,943	0.03
<b>TOTAL:</b>	<b>25,552,822</b>	<b>100.00</b>

#### 12. Dematerialization of Shares and Liquidity

The entire shareholding of the Company is in DEMAT form.

CSDL: 1,14,95,912

NSDL: 1,40,56,910

**13. Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity**

The Company has not issued any GDRs, ADRs, Warrants.

The Company in its meeting held on 03<sup>rd</sup> March, 2021 has allotted 19,75,000 4% Unsecured Compulsory Convertible Debentures (CCD's) to Miba Sinter Holding Gmbh And Co Kg. The CCD's will be converted to equity shares in two tranches as mentioned below:

Name of the Allottee	Tranch	Pre-Preferential Holding		No. of Equity shares to be allotted on Conversion	Post-Preferential Holding (assuming conversion of CCD's) *	
		No. of Shares	% of Holding		No. of Shares	% of Holding
Miba Sinter Holding Gmbh And Co Kg	50% from April 2021-March 2022	63,39,085	24.81	9,87,500	73,26,585	27.61
Miba Sinter Holding Gmbh And Co Kg	50% from April 2022-within 18 months from the date of allotment	73,26,585	27.61	9,87,500	83,14,085	30.20

Assuming 100% of conversion of 19,75,000 CCD's in two equal tranches within the overall period of 18 months from the date of allotment, as per the terms of CCD.

**14. Commodity Price risk or Foreign Exchange risk and Hedging activities**

Foreign currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate. Company transacts business in its functional currency, INR and in different foreign currencies. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities, where revenue or expense is denominated in a foreign currency. As exposure to the foreign exchange risk is not significant, the Company has decided not to hedge the currency risk.

**15. Plant Locations:** Gat No. 127 At Post : Mangrul, Tal : Maval, Talegaon Dabhade, Pune – 410507

**16. Address for Correspondence**

The Company's registered office is situated at  
Sintercom India Limited  
Gat No. 127 At Post : Mangrul,  
Tal : Maval, Talegaon Dabhade,  
Pune – 410507.

All Shareholders' correspondence should be addressed to:

Ms. Anuja Joshi  
Company Secretary & Compliance Officer  
Sintercom India Limited  
Gat No. 127 At post : Mangrul,  
Tal : Maval, Talegaon Dabhade,  
Pune – 410507  
Email: [investor@sintercom.co.in](mailto:investor@sintercom.co.in)

17. List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad.

Type	Rating
Long Term Rating	CRISIL BB+/Negative (Reaffirmed)
Short Term Rating	CRISIL A4+ (Reaffirmed)

**Status as regards adoption/non-adoption of discretionary requirements laid down in Part E of Schedule II of Regulation 27(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and forming part of the Report on Corporate Governance**

Particulars	Status
<b>The Board</b> A non-executive chairperson may be entitled to maintain a Chairperson's office at the expense of the Company and also allowed reimbursement of expenses incurred in performance of his duties.	Not adopted
<b>Shareholders Rights</b> A half-yearly declaration of financial performance including summary of the significant events in the last six months, may be sent to each household of shareholders.	Not adopted
Modified opinion (s) in audit report Company may move towards a regime of financial statements with unmodified audit opinion	Company's financial statements have unmodified audit opinion.
<b>Reporting of Internal Auditor</b> The Internal auditor may report directly to the Audit Committee	Adopted

18. Designated depository for the purpose of monitoring of Foreign Investment limits on behalf of the Company: Central Depository Services (India) Limited ("CDSL").

**19. Reconciliation of share capital audit:**

As stipulated under Regulation 76 of SEBI (Depositories and Participants) Regulations, 2018, as amended, M/s. Kanj & Co. LLP, Company Secretaries, carried out quarterly audit for the purpose of reconciliation of the total issued capital, listed capital and the capital held by the depositories in dematerialised form, the details of changes in the share capital during each quarter and the in-principle approval pending from stock exchanges with respect to such further issued capital, if any.

Further, an audit report issued in that regard is submitted to the stock exchanges

**As per Para (F) of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company do not have and is not required to have the Demat suspense account neither unclaimed suspense account.**

**Pursuant to Regulation 34(3) read with Schedule V of SEBI Listing Regulations, Compliance Certificate from the Statutory Auditors regarding compliance of conditions of Corporate Governance by the Company is annexed with the Directors' Report as Annexure IX.**

**On behalf of the Board of Directors**

**Mr. Hari Nair**

Chairman

(DIN: 00471889)

Place: Chicago, USA

**Mr. Jignesh Raval**

Managing Director

(DIN: 01591000)

Place: Pune

Date: 10<sup>th</sup> August, 2021



# Annexure III - Secretarial Audit Report

## FORM NO. MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> March 2021

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

To,  
**The Members,**  
**Sintercom India Limited**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Sintercom 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 my opinion thereon.

Based on our verification of Sintercom India Limited'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 31<sup>st</sup> 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 31<sup>st</sup> March, 2021 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 2018 and the Regulations and Bye-laws framed thereunder;
4. 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;
5. 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, 1992;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not Applicable)
  - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not Applicable)
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable)
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not Applicable)

- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not Applicable) and;
- i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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 subject to the following observations:

#### **1. COMPANIES ACT, 2013**

*In FY 2020-21, the Company has not convened its CSR Committee Meeting and to that extent it has not complied with Section 135(3)(b) of the Companies Act, 2013.*

#### **2. SEBI (ISSUE OF CAPITAL & DISCLOSURE REQUIREMENTS) REGULATIONS 2018**

*The Explanatory Statement of the Notice of Extra-Ordinary General Meeting held on 24<sup>th</sup> February 2021, does not contain disclosures pursuant to Regulation 163(1)(d) of SEBI (Issue of Capital & Disclosure Requirements) Regulations 2018 and to that extent the Company has not complied with provisions of Regulation 163(1)(d) of SEBI (Issue of Capital & Disclosure Requirements) Regulations 2018*

#### **We further report that subject to our observations:**

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

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

All decisions at Board Meetings and Committee Meetings were carried out unanimously. As per the records available in the said minutes there were no dissenting views expressed by any director in the meetings.

The Company has duly filled the E-Forms with the Registrar of Companies, Ministry of Corporate Affairs, except for a few instances, where the forms were filed beyond prescribed time with payment of additional fees.

#### **We further report that during the audit period:**

- 1. The Company, after obtaining approval of the Members vide Special Resolution passed in the Extra Ordinary General Meeting held on 24<sup>th</sup> February 2021, had made preferential allotment of 13,50,000 Equity Shares at an issue price of Rs. 67/- per security (including Face Value of Rs. 10/- and premium of Rs.57/-) and 19,75,000 Compulsory Convertible Debentures at an issue price of Rs. 67/- per security to MIBA Sinter Holding GmbH & Co KG.
- 2. During the audit period the company has not initiated any actions such as Public/Right of shares / debentures/sweat equity, etc., Redemption / buy-back of securities, decisions taken by the members in pursuance to section 180 of the Companies Act, 2013, Merger / amalgamation/ reconstruction, etc and Foreign technical collaborations having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above).

For **KANJ & Co. LLP**  
**Company Secretaries**

**Sunil Nanal**  
**Partner**  
**M. No: 5977**  
**CP. No: 2809**

Date: 24<sup>th</sup> August 2021  
UDIN: F005977C000824124  
Place: Pune



# Annexure IV

## FORM AOC-2

Particulars of contracts / arrangements made with related parties  
 [Pursuant to Clause (h) of Sub-section (3) of Section 134 of the Companies Act, 2013,  
 and Rule 8(2) of the Companies (Accounts) Rules, 2014]

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

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

There were no contracts or arrangements or transactions entered into by the Company during the year ended 31<sup>st</sup> March, 2021, which were not at arm's length basis.

**B] Details of material contracts or arrangement or transactions at arm's length basis**

Sr. No	Particulars	Details
1	Name(s) of the related party and nature of relationship	The Company had not entered into any contract/arrangement/transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions or which is required to be reported in Form No. AOC-2 in terms of Section 134(3) (h) read with Section 188 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.
2	Nature of contracts/arrangements/transactions	
3	Duration of the contracts / arrangements/transactions	
4	Salient terms of the contracts or arrangements or transactions including the value, if any	
5	Date(s) of approval by the Board	The Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions as approved by the Board is available on the Company's website and can be accessed at <a href="https://www.sintercom.co.in/pdf/corporate-policies/materiality-policy.pdf">https://www.sintercom.co.in/pdf/corporate-policies/materiality-policy.pdf</a>
6	Amount paid as advances, if any	Members may refer to Note 38 to the Financial Statement.



# Annexure V

**PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 134(3) (Q) OF THE COMPANIES ACT, 2013  
READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

Requirements of Rule 5(1)	Details
The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;	47.17
The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	<p><b>Director:</b> Mr. Jignesh Raval 0%</p> <p><b>Key Managerial Personnel:</b> Mr. Pankaj Bhatawadekar 0% Ms. Anuja Joshi 3%</p>
The percentage increase in the median remuneration of employees in the financial year	3.03%
The number of permanent employees on the rolls of Company	87 As on 31 <sup>st</sup> March, 2021
Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	<p>Average Salary increase of non-managerial employees is 9.32%</p> <p>Average Salary increase of managerial employees is 6.46%</p>
Affirmation that the remuneration is as per the remuneration policy of the Company	Remuneration paid during the year ended 31 <sup>st</sup> March, 2021 is as per the Remuneration Policy of the Company.



# Annexure VI

## REMUNERATION/COMPENSATION POLICY

In accordance with the provisions of Section 178(3) of the Act and the SEBI Listing Regulations, Sintercom has a Nomination & Remuneration policy in place.

**The objectives and key features of this Policy are:**

- (a) Formulation of the criteria for determining qualifications, positive attributes of directors, Key Managerial Personnel (KMP) and also independence of independent directors
- (b) Aligning the remuneration of directors and KMPs with the Company's financial position, remuneration paid by its industry peers, etc.
- (c) Performance evaluation of the board, its committees and directors including independent directors
- (d) Ensuring board diversity
- (e) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down
- (f) Directors' induction and continued training.

The Nomination & Remuneration Committee Meeting held on 28<sup>th</sup> July, 2021 adopted the new set of Remuneration/ Compensation Policy. The remuneration policy is in consonance with existing industry practice and the policy has been simplified and made easy for the members and the Company.

The Nomination & Remuneration Policy is available on the Company's website on <https://www.sintercom.co.in/about-us/corporate-policies.html>



# Annexure VII

## ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

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

**1. A brief outline of the CSR policy of the Company:**

At Sintercom, we attempt to constantly keep reshaping our Corporate Social Responsibility ("CSR") initiatives and realign ourselves to better suit the government's vision for social development. This belief in giving back has driven us to accomplish more every year, through our CSR efforts under the governance of our CSR Committee Leaders.

Our CSR policy aims to have a dedicated approach to the development of the community by expanding in the areas of Village/rural Development (works on major indicators like - livelihood, health, education, and internal roads), primary, secondary and tertiary education for the underprivileged children, skills development, health and hygiene, cleanliness, Swachh Bharat, women empowerment, and ecological protection.

The projects undertaken by the Company are within the broad framework of Schedule VII of the Companies Act, 2013 ("Act").

The detailed policy and gist of CSR activities can be viewed on the Company website: <https://www.sintercom.co.in/pdf/corporate-policies/csr-policy.pdf>

**2. Composition of CSR Committee:**

Name of the Director	Designation/ Nature of Directorship
Ms. Madhavi Pandrangi	Independent Director Chairman of CSR Committee
Mr. Hari Nair	Non-Executive Non-Independent Director Member of CSR Committee
Mr. Jignesh Raval	Managing Director Member of CSR Committee

Ms. Preeti Ramdasi and Mr. Harald Neubert members of the committee have resigned from the position of Chairman and Member of the Committee on 26<sup>th</sup> June, 2020 and 27<sup>th</sup> May, 2021. In the Board meeting held on 02<sup>nd</sup> September, 2020 Ms. Madhavi Pandrangi was appointed as Chairman of CSR Committee. During the year there were no meetings held of CSR Committee.

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

[http://www.sintercom.co.in/pdf/corporate-policies/csr-policy.pdf](https://www.sintercom.co.in/pdf/corporate-policies/csr-policy.pdf)

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

Pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014 CSR obligation of ten crore rupees or more in pursuance of subsection (5) of section 135 of the Act, in the three immediately preceding financial years, shall undertake impact assessment, through an independent agency: This provision does not apply to the Company for the Financial Year 2020-2021, as the CSR obligation for the year 2020-2021 is 0.72 million.

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sr. No	Financial Year	Amount available for set-off from preceding financial years	Amount required to be setoff for the financial year, if any
NIL			

6. Average net profit of the Company as per Section 135 (5): Rs. 36.09 million
7. a) Two percent of average net profit of the Company as per Section 135(5): Rs. 0.72 million
- b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.: NIL
- c) Amount required to be set off for the financial year: NIL
- d) Total CSR obligation for the financial year (7a+7b-7c): Rs. 0.72 million
8. a) Details of CSR spent during the financial year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
NIL	0.72 million	30 <sup>th</sup> April, 2021	-	NIL	-

\* The Company needs to mandatorily spend an amount of Rs. 0.72 million towards CSR activities during the financial year 2020-2021. However, due to the unprecedented pandemic of COVID-19 which resulted in persistent lockdowns and restrictions on mobility, your Company was unable to execute projects as planned. Hence, the unspent amount of Rs. 0.72 million to ongoing projects has been transferred to Unspent CSR Account and the total unspent amount of Rs. 2.45 million approx. is kept aside by the company, for the planned long-term projects of rural development.

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

Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project	Project duration	Amount allocated for the project (in Rs.)	Amount spent in the current financial Year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency
NIL									

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

Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No)	Location of the project	Amount spent for the project (in Rs.)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency
NIL						

- d) Amount spent in Administrative Overheads: NIL

- e) Amount spent on Impact Assessment, if applicable: NIL

- f) Total amount spent for the Financial Year (8b+8c+8d+8e): NIL
- g) Excess amount for set off, if any: NIL

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

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (in Rs.)
				Name of the Fund	Amount (in Rs)	Date of transfer	
1	2017-2018	-	206,082	-	-	-	-
2	2018-2019	638,694.91	-	CSR-Rural	638,694.91	30 <sup>th</sup> April, 2019	638,694.91
3	2019-2020	1,091,372.44	-	CSR-Rural	1,091,372.44	30 <sup>th</sup> April, 2020	1,091,372.44
<b>Total</b>		<b>1,730,067.35</b>			<b>1,730,067.35</b>		<b>1,730,067.35</b>

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

Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in Rs.)	Amount spent on the project in the reporting Financial Year (in Rs)	Cumulative amount spent at the end of reporting Financial Year (in Rs.)	Status of the project - Completed /Ongoing
NIL								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: Not Applicable

11. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per Section 135(5):

The Company needs to mandatorily spend an amount of Rs. 0.72 million towards CSR activities during the financial year 2020-2021. However, due to the unprecedented pandemic of COVID-19 which resulted in persistent lockdowns and restrictions on mobility, your Company was unable to execute projects as planned. Hence, the unspent amount of Rs. 0.72 million to ongoing projects has been transferred to Unspent CSR Account and the total unspent amount of Rs. 2.45 million approx. is kept aside by the company, for the planned long-term projects of rural development. Sintercom considers social responsibility as an integral part of its business activities and endeavors to utilize allocable CSR budgets for the benefit of society.

**Jignesh Raval**  
Managing Director  
DIN: 01591000  
Place: Pune

**Madhavi Pandrangi**  
Chairman, CSR Committee  
DIN: 08841155  
Place: Mumbai

Date: 10<sup>th</sup> August, 2021



# Annexure VIII

## CERTIFICATE ON NON-DISQUALIFICATIONS OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
**The Members of**  
**Sintercom India Limited**  
 Gat no.127, At Post Mangrul,  
 Taluka Maval, Talegaon Dabhade  
 Pune - 410507.

We have examined the relevant records, registers, forms, returns and disclosures received from the **Sintercom India Limited** (hereinafter referred to as "Company") and made available to us for the purpose of issuing this Certificate. In accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby certify that:

None of the following Directors of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Securities and Exchange Board of India or the Ministry of Corporate Affairs or any other statutory authority, for the period commencing from 1<sup>st</sup> April 2020 to 31<sup>st</sup> March 2021:

Sr. No.	Name of Director	DIN
1.	Hari Narayan Nair	00471889
2.	Jignesh Vasantrai Raval	01591000
3.	Madan Madhusudan Godse	06987767
4.	Dara Kalayniwala	03311200
5.	Madhavi Pandrangi	08841155
6.	Bernd Badurek	09143201

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these matters based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **KANJ & CO. LLP**,  
 Company Secretaries

CS **Sunil Nanal**  
 Partner  
 M. No. 5977  
 CP No. 2809

Date: 16<sup>th</sup> August 2021  
 UDIN: F005977C000789507

# Annexure IX

## Independent Auditor's Certificate on Corporate Governance

**The Members of  
Sintercom India Limited**

Gat No. 127, At Post Mangrul,  
Taq- Maval, Talegaon Dabhade  
Pune - 410507

1. We have examined the compliance of conditions of corporate governance by Sintercom India limited ('the Company') for the year ended 31<sup>st</sup> March, 2021 as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and Para C, D and E of schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations').
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations.
3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the ICAI.
6. Based on our examination of the relevant records and according to the best of our information and explanations provided to us, we certify that the Company has complied with the conditions of regulations of Corporate Governance as stipulated in the above-mentioned Listing Regulations.
7. 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 conducted the affairs of the Company.
8. The certificate is issued solely for the purpose of complying with the aforesaid SEBI Listing Regulations and may not be suitable for any other purpose.

**For Kirtane & Pandit LLP**  
Chartered Accountants  
Firm Registration No.105215W/W100057

**Parag Pansare**  
Partner  
Membership No.: 117309

UDIN: 21117309AAAAJI4994  
Pune, May 27, 2021

**TO THE BOARD OF DIRECTORS OF SINTERCOM INDIA LIMITED**  
**CERTIFICATE BY MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER**  
**CERTIFICATE OF THE COMPANY**

(Under Regulation 17 (8) read with Para B of Schedule II of SEBI (Listing Obligations and Disclosures Requirements), 2015

We, the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of Sintercom India Limited ("the Company") to the best of our knowledge and belief, certify that:

- A. We have reviewed the financial statements and the Cash flow statement for the year ended on 31<sup>st</sup> March, 2021, and to the best of our knowledge and belief:
  - 1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - 2. these statements together present a true and fair view of the Company's affairs and comply with existing accounting standards, applicable laws, and regulations;
- B. To the best of our knowledge and belief, no transactions entered into by the listed entity during the year are fraudulent, illegal, or violate the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit Committee that:
  - 1. there are no significant changes in internal control over financial reporting during the year;
  - 2. there are no significant changes in accounting policies during the year;
  - 3. there are no instances of significant fraud of which we have become aware;

**Jignesh Raval**  
**Managing Director**  
**DIN: 01591000**

**Pankaj Bhatawadekar**  
**Chief Financial Officer**

Pune, 10<sup>th</sup> August, 2021

**DECLARATION**

**To the Members of**  
**Sintercom India Limited**

I hereby declare that all the Directors and Senior Management Personnel of the Company have affirmed Compliance with the Code of Conduct for the year ended 31st March, 2021

**Jignesh Raval**  
**Managing Director**  
**DIN: 01591000**

Pune, 10<sup>th</sup> August, 2021

# Independent Auditor's Report

**TO THE MEMBERS OF  
SINTERCOM INDIA LIMITED  
Report on the Audit of the Financial Statements**

## **Opinion**

We have audited the accompanying financial statements of Sintercom India Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

## **Basis for Opinion**

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

## **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no 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 preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

### **Management's 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, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional 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 controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 Flow 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, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure A**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
2. 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 current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

3. 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.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- 4. 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 Kirtane & Pandit LLP**  
**Chartered Accountants**  
Firm Registration No.105215W/W100057

**Parag Pansare**  
**Partner**  
Membership No.: 117309  
UDIN: 21117309AAAAJH1147

Pune, May 27, 2021

# Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **SINTERCOM 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 **SINTERCOM INDIA LIMITED** ("the Company") as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

The Company's management and Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 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 internal financial controls system over financial reporting of the Company.

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

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

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

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

### **Opinion**

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

**For Kirtane & Pandit LLP**

**Chartered Accountants**

Firm Registration No.105215W/W100057

**Parag Pansare**

**Partner**

Membership No.: 117309

UDIN: 21117309AAAAJH1147

Pune, May 27, 2021

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

(Referred to in paragraph 4 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of SINTERCOM INDIA LIMITED of even date)

- i. In respect of the Company's fixed assets:
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) The Company has a program of verification to cover all the items of fixed assets in a phased manner over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii. As informed to us, the physical verification of inventory has been conducted by the management at reasonable intervals and the discrepancies noticed during such physical verification were not material. Stocks lying with third parties at the year-end have been confirmed.

The discrepancies noticed on physical verification of Inventory as compared to the book records have been properly dealt with the Books of Account.
- iii. 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. Accordingly, paragraph 3(iii) of the Order is not applicable.
- iv. In our opinion and according to the information and explanations given to us, the Company has not given loans, made investments, given guarantees and provided securities which are covered by the provisions of Section 185 and 186 of the Act. Accordingly, paragraph 3(iv) of the Order is not applicable.
- v. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2021 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company. No order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal for contravention of these sections or any other relevant provision(s) of the Act and the relevant rules.
- vi. The Central Government has specified maintenance of cost records under Sub-Section (1) of Section 148 of the Act and we are of the opinion that *prima facie* such accounts and records are made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- 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, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities except for Income Tax & Goods and Service Tax where we observed some delays in deposit.
  - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Customs Duty, 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 except for Income Tax & Goods and Service Tax.

## Statement of Arrears of Statutory Dues Outstanding for More than Six Months:

Name of the Statute	Nature of the Dues	Amount (Rs.)	Period to which the amount relates
Income tax	TDS under Various Sections	22,81,230	FY 2020-21
GST Act	GST on Goods and Services	52,53,451	FY 2019-20

- (c) According to the information and explanations given to us, there are no amounts of Excise Duty, Customs Duty, Value Added Tax, Service Tax, Income Tax, Goods and Services Tax and Provident fund which have not been deposited as at March 31, 2021 on account of dispute except as follows:

Name of the statute	Nature of the dues	Amount under dispute (Rs.)	Period(s) to which the amount relate	Forum where such dispute is pending
Income Tax Act 1961	Interest on TDS	7,11,843	2017-18	Office Of the Assistant Commissioner of Income Tax (It) Circle 1, Pune
Income Tax Act 1961	Late filing of return	1,46,922	2017-18	Office Of the Assistant Commissioner of Income Tax (It) Circle 1, Pune

- 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 financial institutions, banks and government and dues to debenture holders.
- ix. In our opinion and according to the information and explanations given to us, the term loans taken by the Company have been applied for the purpose for which they were raised. The Company had not raised money by way of initial public offer or further public offer (including debt instruments) during the current financial year.
- x. According to the information and explanations given to us, no fraud by the Company or 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 Act.
- xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- 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 as required by the applicable Indian accounting standards.
- xiv. During the year, the Company has made preferential allotment of 13,50,000 (Thirteen Lakhs-Fifty Thousands) fully paid-up Equity Shares at Share Subscription Price of Rs. 67 (Including Premium of Rs. 57) per Equity Share and 19,75,000 (Nineteen Lakhs Seventy-Five Thousand) Fully Paid Up Compulsorily Convertible Debentures of Rs. 67 (Including Premium of Rs. 57) per Debentures to M/s Miba Sinter Holding Gmbh & Co Kg through "Securities Subscription Agreement" dated 28 January 2021.

In respect of the above issues, we further report that:

- The requirements of Section 42 of the Companies act, 2013 as applicable, have been complied with; and
- The amounts raised have been applied by the Company during the year for the purpose for which the funds were raised.

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 persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

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

**For Kirtane & Pandit LLP**  
**Chartered Accountants**  
Firm Registration No.105215W/W100057

**Parag Pansare**  
**Partner**  
Membership No.: 117309  
UDIN: 21117309AAAAJH1147  
Pune, May 27, 2021



# Balance Sheet

as at 31<sup>st</sup> March 2021

(Figures in INR)

Sr. No.	Particulars	Notes	As at March 31, 2021 Audited	As at March 31, 2020 Audited	As at April 1, 2019 Audited
<b>(1)</b>	<b>ASSETS</b>				
	<b>Non-current assets</b>				
	(a) Property, Plant and Equipment	5(a)	740,366,472	797,943,352	836,077,423
	(b) Capital work-in-progress	5(a)	1,000,950	594,500	-
	(c) Other Intangible assets	5(b)	129,894,589	125,430,361	88,627,158
	(d) Intangible assets under development	5(b)	39,506,759	39,506,757	22,766,708
	(e) Financial Assets				
	(i) Trade receivables	6	-	-	-
	(ii) Loans	7	4,792,255	4,750,188	8,250,188
	(f) Other non-current assets	8	50,417,958	64,599,853	56,397,346
	<b>Total non current assets</b>		<b>965,978,983</b>	<b>1,032,825,011</b>	<b>1,012,118,823</b>
<b>(2)</b>	<b>Current Assets</b>				
	(a) Inventories	9	192,456,556	158,331,091	144,659,830
	(b) Financial Assets				
	(i) Trade receivables	10	211,532,339	187,134,611	248,067,441
	(ii) Cash and cash equivalents	11	82,351,210	7,899,709	8,787,534
	(iii) Bank balances other than (ii) above				
	(iv) Loans	12	1,680,236	2,264,130	1,761,890
	(v) Other Financial Assets				
	(c) Current Tax Assets (Net)				
	(d) Other Current Assets	13	64,772,841	85,821,822	83,575,831
	<b>Total current assets</b>		<b>552,793,181</b>	<b>441,451,363</b>	<b>486,852,527</b>
	<b>TOTAL ASSETS</b>		<b>1,518,772,165</b>	<b>1,474,276,374</b>	<b>1,498,971,350</b>
	<b>EQUITY AND LIABILITIES</b>				
	<b>Equity</b>				
	(a) Equity Share Capital	14	255,528,220	242,028,220	242,028,220
	(b) Other Equity	15	781,694,813	619,826,671	648,329,642
	<b>Total Equity</b>		<b>1,037,223,033</b>	<b>861,854,891</b>	<b>890,357,862</b>
	<b>LIABILITIES</b>				
<b>(1)</b>	<b>Non Current Liabilities</b>				
	(a) Financial Liabilities				
	(i) Borrowings	16	71,872,141	119,088,952	81,468,477
	(b) Provisions	17	22,416,845	35,057,859	22,241,191
	(c) Deferred Tax Liabilities (Net)	18	22,192,755	38,156,659	44,675,705
	<b>Total Non Current Liabilities</b>		<b>116,481,741</b>	<b>192,303,470</b>	<b>148,385,373</b>
<b>(2)</b>	<b>Current Liabilities</b>				
	(a) Financial Liabilities				
	(i) Borrowings	19	78,578,273	120,519,555	158,869,665
	(ii) Trade payables				
	- Total outstanding dues of micro enterprises and small enterprises	20	47,488,714	47,200,195	31,040,850
	- Total outstanding dues of creditors other than micro enterprises and small enterprises	20	55,859,628	81,765,699	75,683,711
	(iii) Other Financial Liabilities	21	63,906,080	41,961,518	42,847,247
	(b) Other Current Liabilities	22	118,854,507	128,351,112	135,921,045
	(c) Provisions	23	380,189	319,934	15,865,597
	<b>Total Current Liabilities</b>		<b>365,067,390</b>	<b>420,118,013</b>	<b>460,228,116</b>
	<b>TOTAL LIABILITIES</b>		<b>481,549,131</b>	<b>612,421,482</b>	<b>608,613,488</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,518,772,165</b>	<b>1,474,276,374</b>	<b>1,498,971,350</b>

The accompanying notes form an integral part of the financial statements

1 - 51

As per our report of even date attached.

For **M/s Kirtane & Pandit LLP**

Chartered Accountants

Firm Registration No. 105215W/W100057

**Parag Pansare**

Partner

Membership No. 117309

Place: Pune

Date: May 27, 2021

For and on behalf of the Board of Directors

**Jignesh Raval**

Managing Director

DIN: 01591000

Place: Pune

**Hari Nair**

Chairman

DIN: 00471889

Place: Chicago, USA

**Pankaj Bhatawadekar**

Chief Financial Officer

Place: Pune

Date: May 27, 2021

**Anuja Joshi**

Company Secretary

Membership No. A32971

Place: Pune



# Profit and loss statement

for the period ended 31<sup>st</sup> March, 2021

Particulars	Notes	31 <sup>st</sup> March, 2021 Rs.	31 <sup>st</sup> March, 2020 Rs.
I. Gross revenue from operations	24	471,986,697	535,232,499
II. Other income	25	4,759,198	909,694
<b>III. Total Revenue (I +II)</b>		<b>476,745,895</b>	<b>536,142,193</b>
<b>IV. Expenses:</b>			
Cost of materials consumed	26	190,662,463	170,446,155
Changes in inventory - work in progress	27	(13,976,092)	(191,440)
Other manufacturing expenses	28	102,065,338	110,290,939
Employee benefit expense	29	61,241,631	61,814,104
Finance costs	30	38,658,586	37,792,195
Depreciation and amortization expense	31	62,300,254	68,097,746
Other expenses	32	97,717,146	122,241,433
<b>Total expenses</b>		<b>538,669,327</b>	<b>570,491,131</b>
<b>V. Loss before tax (III - IV)</b>		<b>(61,923,432)</b>	<b>(34,348,938)</b>
<b>VI. Tax expense:</b>			
(1) Current tax		-	-
(2) Deferred tax		16,028,954	6,595,093
(3) Taxes related to previous period		(1,151,418)	(946,428)
<b>VII. Loss for the period (V -VI)</b>		<b>(47,045,896)</b>	<b>(28,700,274)</b>
<b>VIII. Other Comprehensive Income</b>			
A) (i) Items that will not be reclassified to profit or loss		233,825	273,349
(ii) Income tax relating to items that will not be reclassified to profit or loss			-
B) (i) Items that will be reclassified to profit or loss		(65,050)	(76,046)
(ii) Income tax relating to items that will be reclassified to profit or loss			
<b>Total Other Comprehensive Income</b>		<b>168,775</b>	<b>197,303</b>
<b>IX. Total Comprehensive Income [comprising Loss (after tax) and Other Comprehensive Income (after tax) for the period] (VII+VIII)</b>		<b>(46,877,121)</b>	<b>(28,502,971)</b>
<b>X. Earning per equity share:</b>			
Basic	40	(1.94)	(1.18)
Diluted		(1.79)	(1.18)

The accompanying notes form an integral part of the financial statements

As per our report of even date attached.

For M/s Kirtane & Pandit LLP  
Chartered Accountants  
Firm Registration No. 105215W/W100057

Parag Pansare  
Partner  
Membership No. 117309  
Place: Pune  
Date: May 27, 2021

For and on behalf of the Board of Directors

Jignesh Raval  
Managing Director  
DIN: 01591000  
Place: Pune

Pankaj Bhatawadekar  
Chief Financial Officer  
Place: Pune  
Date: May 27, 2021

Hari Nair  
Chairman  
DIN: 00471889  
Place: Chicago, USA

Anuja Joshi  
Company Secretary  
Membership No. A32971  
Place: Pune



# Cash Flow Statement

for the period ended March 31, 2021

Sr. No.	Particulars	March 31,2021 Rs.	March 31,2020 Rs.
<b>A.</b>	<b>Cash flow from operating activities</b>		
	<b>Net Loss before tax</b>	(61,923,432)	(34,348,938)
	<i>Adjusted for:</i>		
	Deferred Tax Adjustment	15,963,904	6,519,047
	Re-measurement of post employment benefit obligation	233,825	273,349
	Provision for tax	(1,151,418)	(946,428)
	MAT Credit entitlement	-	-
	Depreciation, amortisation and impairment	62,300,254	68,097,746
	Interest earned	(616,884)	(909,694)
	Interest charged	38,658,586	37,792,195
	<b>Operating profit/(loss) before working capital changes</b>	53,464,835	76,477,277
	<i>Changes in:</i>		
	(Increase)/decrease in sundry debtors	(24,397,727)	60,929,848
	(Increase)/decrease in inventories	(34,125,465)	(13,671,261)
	(Increase)/decrease in loans and advances	21,632,874	(2,748,229)
	Increase/(decrease) in current liabilities	(63,658,819)	4,540,610
	<b>CASH GENERATED FROM OPERATIONS</b>	<b>(47,084,302)</b>	<b>125,528,244</b>
<b>B.</b>	<b>Cash flow from investing activities</b>		
	Purchase of fixed assets and intangibles	9,594,054	84,101,426
	Changes in non current assets	(14,139,828)	4,702,507
	Interest received	616,884	909,694
	<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(5,162,658)</b>	<b>87,894,239</b>
<b>C.</b>	<b>Cash flow from financing activities</b>		
	Proceeds from issue of Shares	222,245,263	-
	Proceeds from / (Repayment of) long term loans & Borrowings	(67,213,532)	(729,635)
	Finance charges	(38,658,586)	(37,792,195)
	<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>116,373,145</b>	<b>(38,521,830)</b>
	<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>74,451,501</b>	<b>(887,824)</b>
	<b>Opening Balance of Cash or Cash equivalent</b>	<b>7,899,709</b>	<b>8,787,533</b>
	<b>Cash and cash equivalents at the end of the period</b>	<b>82,351,210</b>	<b>7,899,709</b>

For M/s Kirtane & Pandit LLP  
Chartered Accountants

Firm Registration No. 105215W/W100057

For and on behalf of the Board of Directors

**Jignesh Raval**  
Managing Director  
DIN: 01591000  
Place: Pune

**Hari Nair**  
Chairman  
DIN: 00471889  
Place: Chicago, USA

**Parag Pansare**

Partner

Membership No. 117309

Place: Pune

Date: May 27, 2021

**Pankaj Bhatawadekar**  
Chief Financial Officer

Place: Pune

Date: May 27, 2021

**Anuja Joshi**

Company Secretary

Membership No. A32971

Place: Pune

A. Equity Share Capital		No. of Shares	Amount (Rs.)	
Particulars				
<b>Equity Shares of Rs. 10 each issued, subscribed and fully paid</b>				
<b>Balance as on 1<sup>st</sup> April 2019</b>	24,202,822	242,028,220		
Changes in equity share capital during the year	-	-		
<b>Balance as on 31<sup>st</sup> March 2020</b>	<b>24,202,822</b>	<b>242,028,220</b>		
Changes in equity share capital during the year	1,350,000	13,500,000		
<b>Balance as on 31<sup>st</sup> March 2021</b>	<b>25,552,822</b>	<b>255,528,220</b>		
B. Other Equity		Reserves and Surplus	Total	
Particulars		Securities Premium	Retained Earnings	
		Revaluation Reserve	Equity Component - 4 % CCD	
		Share Application Money		
<b>Balance as on 1<sup>st</sup> April 2019</b>	45,4115,888	114,213,754 (28,502,971)	80,000,000 -	
Loss for the year 2019-20	-	-	-	-
Re-Measurement gains/(losses) on defined benefit plans, net of tax	-	-	-	-
<b>Adjustments</b>	<b>454,115,888</b>	<b>85,710,783</b>	<b>80,000,000</b>	<b>-</b>
<b>Balance as on 31<sup>st</sup> March 2020</b>	<b>73,010,263</b>	<b>(47,045,896)</b>	<b>-</b>	<b>619,826,671</b>
Loss for the year 2020-21	-	-	-	(47,045,896)
Adjustment during the year	-	-	-	208,745,263
Actuarial Gain/(Loss) on OCI	168,775	-	132,325,000	168,775
<b>Adjustments</b>	<b>527,126,151</b>	<b>38,833,662</b>	<b>80,000,000</b>	<b>-</b>
<b>Balance as on 31<sup>st</sup> March 2021</b>	<b>38,833,662</b>	<b>132,325,000</b>	<b>3,410,000</b>	<b>781,694,813</b>

Description of Components of the other equity

**Securities Premium:**

Premium received on equity shares are recognised in the securities premium.

**Retained Earnings:**

Retained earnings are profits that the Company has earned till date, less dividends other other distributions paid to shareholders. It also includes remeasurement gain/loss of defined benefit plan.

**Other Comprehensive Income (OCI):**

Actuarial gain/loss on the retirement benefits of employees are recorded in OCI.



# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March, 2021

(All amounts are in rupees unless otherwise stated)

## 1) THE CORPORATE OVERVIEW

Sintercom India Limited is engaged in manufacturing of sintered metal components and auto components. The Company is into manufacture of various auto components required in various automobile applications and is supplying to various Auto Original Equipment Manufacturers (OEM's). The Company has its manufacturing plant in Talegaon Dabhade.

## 2) BASIS OF PREPARATION

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 [the Companies (Indian Accounting Standards) Rules, 2015, as amended] and other relevant provisions of the Act.

The Financial Statements up to the year ended 31 March, 2020 were prepared in accordance with the Accounting Standards notified under the Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act ("Previous GAAP"). The financial statements for the year ended 31 March 2021 are the first financial statements of the Company prepared in accordance with Ind AS. An explanation of how the transition to Ind AS has affected the reported balance sheet, profit or loss and cash flows of the Company is provided in note 49.

### a) Statement of Compliance

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from April 1, 2017. The transition from Previous GAAP to Ind AS has been accounted for in accordance with Ind AS 101 "First Time Adoption of Indian Accounting Standards", with April 1, 2019 being the transition date.

In accordance with Ind AS 101 "First time adoption of Indian Accounting Standard", the Company has presented a reconciliation from the presentation of financial statements under accounting standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP") to Ind AS of total equity as at April 1, 2020 and reconciliation of profit as previously reported under Indian GAAP to Ind AS.

### b) Basis of measurement

The financial statements have been prepared on a historical cost basis, except for the following items, which are measured on an alternative basis on each reporting date.

- Certain financial assets and liabilities (including derivative instruments) are measured at fair value.
- Defined benefit plans - plan assets are measured at fair value.

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

### c) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current and non-current classification.

An asset is classified as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months from the reporting, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months from the date of reporting.

All other assets are classified as non-current.

A liability is classified as current when it is:

- Expected to be settled in normal operating cycle
- Held primarily for the purpose of trading
- Due to be settled within twelve months from the date of reporting, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months from the date of reporting.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

**d) Rounding of amounts**

All amounts disclosed in the Financial Statements including notes have been rounded off to the nearest Indian Rupee (INR) as per the requirements of Schedule III of the Companies Act, 2013; unless otherwise indicated.

**3) SIGNIFICANT ACCOUNTING POLICIES**

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

**a) Property, plant and equipment**

**• Recognition and measurement**

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Cost comprises of purchase price and any directly attributable costs of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Borrowing costs attributable to construction or acquisition of a qualifying asset for the period up to the date, the asset is ready for its intended use are included in the cost of the asset to which they relate.

Capital work-in-progress comprises of the cost of property, plant and equipment that are not yet ready for their intended use as at the balance sheet date.

Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting date are disclosed under "Other non-current assets".

**Transition to Ind AS**

The Company has elected to continue with the carrying value of all of its property, plant and equipment and capital work in progress, measured as per the Indian GAAP as at 31 March 2019 and use those carrying values as deemed cost as at the date of transition to Ind AS i.e 1 April 2019.

**• Subsequent costs**

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in the statement of profit and loss as incurred.

**• Derecognition**

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net and disclosed within other income or expenses in the statement of profit and loss.

- **Depreciation methods, estimated useful lives and residual value**

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value. Depreciation is recognised in the statement of profit and loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment as prescribed in Schedule II of the Companies Act 2013, as assessed by the management of the company based on technical evaluation except in the case of following assets:

Description	Useful life considered	Justification for deviation
Building	45 Years	Based on past history of usage and supported by technical evaluation report.
Plant & Machinery (Including electrical installations)	20 Years	
Office Equipment	10 years	

Freehold land is not depreciated.

**b) Intangible assets**

- **Recognition and measurement**

Intangible assets are recognised when the asset is identifiable, is within the control of the company, and is probable that the future economic benefits that are attributable to the asset will flow to the company and cost of the asset can be reliably measured.

Intangible assets acquired by the company that have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses.

- **Transition to Ind AS**

The Company has elected to continue with the carrying value of all of its intangible assets, measured as per the Indian GAAP as at 31 March 2019 and use those carrying values as deemed cost as at the date of transition to Ind AS i.e 1 April 2019.

- **Derecognition**

An item of intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposal of intangible asset are determined by comparing the proceeds from disposal with the carrying amount of intangible asset and are recognised net and disclosed within other income or expenses in the statement of profit and loss.

- **Amortisation**

Amortisation is calculated over the cost of the asset, or other amount substituted for cost. Amortisation is recognised in statement of profit and loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

**c) Leases**

- **Company as a lessee**

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item are classified as operating leases. Payments under operating leases are recognised in the statement of profit and loss generally on straight line basis.

- **Company as lessor**

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognised in the statement of profit and loss on straight line basis.

**d) Impairment of non-financial assets**

The Company assesses at each balance sheet date whether there is any indication that an asset or cash generating unit (CGU) may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. The recoverable amount is the higher of an

asset's or CGU's fair value less costs of disposal or its value in use. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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. In determining fair value less costs of disposal, recent market transactions are considered.

Impairment losses are recognised in the statement of profit and loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

- **Reversal of impairment loss**

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

**e) Inventories**

Raw materials, stores and spares are valued at lower of cost and net realizable value. Cost is determined using weighted average method.

Work in process and finished goods other than by-products are valued at lower of cost and net realizable value. Cost includes direct material and labour and a proportion of manufacturing overhead based on normal operating capacity. Cost is arrived at by absorption cost method.

By-products are valued at net realisable value.

Necessary provisions are made for obsolete and non-moving inventories as per the policy framed by the management and the value of inventory is net of such provision.

Net realizable 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.

**f) Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprise cash at banks and cash 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.

**g) Revenue recognition**

Revenue from sale of goods is recognised when all significant risks and rewards of ownership of the goods are passed on to the buyer, recovery of the consideration is probable, the associated costs can be estimated reliably, there is no continuing effective control over, or managerial involvement with, the goods, and the amount of revenue can be measured reliably. It excludes Goods and Service tax (GST). Sales are stated net of discounts, rebates and returns.

**h) Other income**

- **Interest income**

Interest income from debt instruments is recognised using Effective Interest Rate method (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability.

- **Any other incomes are accounted for on accrual basis.**

**i) Borrowing costs**

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset, are expensed in the period in which they are incurred.

**j) Foreign currency transactions and balances**

Transactions in foreign currency are recorded at exchange rates prevailing at the date of transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the statement of profit and loss of the year.

Monetary assets and liabilities denominated in foreign currencies which are outstanding, as at the reporting period are translated at the closing exchange rates and the resultant exchange differences are recognised in the statement of profit and loss.

Non-monetary assets and liabilities denominated in foreign currencies that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction.

**k) Employee Benefits****• Short-term employee benefits**

All employee benefits payable wholly within twelve months of rendering the services are classified as short-term employee benefits. Benefits such as salaries, wages, expected cost of bonus and short-term compensated absences, ex-gratia, performance pay etc. are recognised in the period in which the employee renders the related service.

**• Post-employment benefits****Defined contribution plans**

Provident fund scheme is a defined contribution plan. The company has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expenses when they are due. The Company has a policy of accounting gratuity on actuarial basis & leave encashment liability on actual basis.

**Defined benefit plans**

The Company do not have any Defined Benefit Obligation plan.

**l) Income tax**

Income tax expense comprises of current tax and deferred tax. It is recognised in the statement of profit and loss except to the extent that it relates to the items recognised directly in OCI.

**• Current income tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable profits computed for the current accounting period. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

**• Deferred tax**

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

Deferred tax liabilities are recognised for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

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

tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

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

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

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

**m) Provisions and contingencies**

A provision is recognised when the company has a present obligation (legal or constructive) as a result of a past event, and is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

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

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

Contingent assets are not recognised in financial statements, unless they are virtually certain. However, contingent assets are disclosed where inflow of economic benefits are probable.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

**n) Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

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

- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

For the purpose of fair value disclosures, the company has determined classes of assets and liabilities based on the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

#### o) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

- **Initial recognition and measurement**

Financial instruments are initially recognised when the entity becomes party to the contract.

Financial instruments are measured initially at fair value adjusted for transaction costs that are directly attributable to the origination of the financial instrument where financial instruments not classified at fair value through profit or loss. Transaction costs of financial instruments which are classified as fair value through profit or loss are expensed in the statement of profit and loss.

- **Subsequent measurement of financial assets**

For the purposes of subsequent measurement, the financial assets are classified in the following categories based on the company's business model for managing the financial assets and the contractual terms of cash flows:

- those to be measured subsequently at fair value; either through OCI or through profit or loss
- those measured at amortised cost

For assets measured at fair value, changes in fair value will either be recorded in the statement of profit and loss or OCI. For investments in debt instruments, this will depend on the business model in which investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for equity investment at fair value through OCI.

The company reclassifies debt investments when and only when its business model for managing those assets changes.

- **Debt instruments at amortised cost**

A 'debt instrument' is measured at the amortised cost if both the following conditions are satisfied:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- The contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of hedging relationship is recognised in the statement of profit and loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using effective interest rate (EIR) method.

#### **Debt instruments at fair value through other comprehensive income (FVTOCI)**

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent SPPI, are measured at FVTOCI. The movements in the carrying amount are recognised through OCI, except for the recognition of impairment gains and losses, interest revenue and foreign exchange gain or losses which are recognised in the statement of profit and loss. When the financial asset is derecognised, the cumulative gain or

loss previously recognised in OCI is reclassified from equity to the statement of profit and loss and recognised in other gains/ losses. Interest income from these financial assets is included in other income using EIR method.

#### **Debt instruments at fair value through profit or loss (FVTPL)**

Assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL. A gain or loss on debt instrument that is subsequently measured at FVTPL and is not a part of hedging relationship is recognised in the statement of profit and loss within other gains/ losses in the period in which it arises. Interest income from these financial assets is included in other income.

#### **Equity investments**

All equity investments in the scope of Ind AS 109 Financial Instruments are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the company may make an irrevocable election to recognise subsequent changes in the fair value in OCI. The company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in OCI. There is no recycling of the amounts from OCI to the statement of profit and loss, even on sale of equity instrument.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

- Subsequent measurement of financial liabilities**

For the purposes of subsequent measurement, the financial liabilities are classified in the following categories:

- those to be measured subsequently at fair value through profit or loss (FVTPL)
- those measured at amortised cost

Following financial liabilities will be classified under FVTPL:

- Financial liabilities held for trading
- Derivative financial liabilities
- Liability designated to be measured under FVTPL

All other financial liabilities are classified at amortised cost.

For financial liabilities measured at fair value, changes in fair value will be recorded in the statement of profit and loss except for the fair value changes on account of own credit risk are recognised in Other Comprehensive Income (OCI).

Interest expense on financial liabilities classified under amortised cost category are measured using effective interest rate (EIR) method and are recognised in statement of profit or loss.

- Derecognition of financial instruments**

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

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

- **Impairment of financial assets**

The company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the financial assets mentioned below:

- Financial assets that are debt instrument and are measured at amortised cost
- Financial assets that are debt instruments and are measured as at FVOCI
- Trade receivables under Ind AS 18

The impairment methodology applied depends on whether there has been a significant increase in credit risk. Details how the company determines whether there has been a significant increase in credit risk is explained in the respective notes.

For impairment of trade receivables, the company chooses to apply practical expedient of providing expected credit loss based on provision matrix and does not require the Company to track changes in credit risk. Percentage of ECL under provision matrix is determined based on historical data as well as futuristic information.

- **Derivative financial instruments**

**Initial measurement and subsequent measurement**

The company uses derivative financial instruments, such as forward currency contracts to hedge foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

**p) Cash dividend**

The company recognises a liability to make cash distributions to equity holders when the distribution is authorised and approved by the shareholders. A corresponding amount is recognised directly in equity.

**q) Earnings per share (EPS)**

Basic EPS is calculated by dividing the profit for the year attributable to equity holders of the company by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted EPS adjust the figures used in the determination of basic EPS to consider

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

**r) Operating reporting**

**Identification of Segments**

The Company's operating business predominantly relates to manufacture of iron castings.

**4) SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS**

The preparation of the financial statements in conformity with Ind AS, requires the management to make judgments, estimates and assumptions that affect the amounts of revenue, expenses, current assets, non-current assets, current liabilities, non-current liabilities, disclosure of the contingent liabilities and notes to accounts at the end of each reporting period. Actual results may differ from these estimates.

**Judgments**

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

**Operating segment**

Ind AS 108 Operating Segments requires Management to determine the reportable segments for the purpose of disclosure in financial statements based on the internal reporting reviewed by the

Managing Director being the Chief Operating Decision Maker (CODM) to assess performance and allocate resources. The standard also requires Management to make judgments with respect to recognition of segments. Accordingly, the Company recognizes Iron Castings as its sole Segment.

#### **Contingent liability**

The Company has received various orders and notices from different Government authorities and tax authorities in respect of direct taxes and indirect taxes. The outcome of these matters may have a material effect on the financial position, results of operations or cash flows. Management regularly analyses current information about these matters and discloses the information relating to contingent liability. In making the decision regarding the need for creating loss provision, management considers the degree of probability of an unfavorable outcome and the ability to make a sufficiently reliable estimate of the amount of loss. The filing of a suit or formal assertion of a claim against the Company or the disclosure of any such suit or assertions, does not automatically indicate that a provision of a loss may be appropriate.

#### **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. The Company based its estimates and assumptions on parameters available when the financial statements are prepared. Existing circumstances and assumptions about future developments, however, may change due to market conditions or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

#### **Deferred Tax**

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

Estimation and underlying assumptions are reviewed on ongoing basis. Revisions to estimates are recognised prospectively.

Particulars		5 (a) Property, Plant and Equipment						(Figures in Rs.)		
		Freehold Land	Building	Plant & Equipment (including Electrical Installation)	Furniture & Fixture	Office Equipment	Vehicles	Computer	Total	
<b>Gross Carrying Amount</b>										
Balance as at April 1, 2019		92,046,534	64,877,108 1,774,367	986,090,149 20,802,208	14,144,602 240,000	5,560,051	12,196,614	9,855,109 187,492	1,184,770,165 23,004,068	594,500
Additions		-	-	-	-	-	-	-	-	-
Disposals/Adjustments		-	-	-	-	-	-	-	-	-
<b>Balance as at March 31, 2020</b>		<b>92,046,534</b>	<b>66,651,475</b>	<b>1,006,892,357</b>	<b>14,384,602</b>	<b>5,560,051</b>	<b>12,196,614</b>	<b>10,042,601</b>	<b>1,207,774,233</b>	<b>594,500</b>
Additions		-	-	317,859	-	210,593	-	65,994	594,446	406,450
Disposals/Adjustments		-	-	75,000	-	-	-	-	75,000	-
<b>Balance as at March 31, 2021</b>		<b>92,046,534</b>	<b>66,651,475</b>	<b>1,007,135,216</b>	<b>14,384,602</b>	<b>5,770,644</b>	<b>12,196,614</b>	<b>9,855,886</b>	<b>1,208,044,970</b>	<b>1,000,950</b>
<b>Depreciation</b>										
Balance as at April 1, 2019		-	14,842,874 1,383,170	309,058,813 55,684,323	8,148,999 1,235,851	3,895,177 549,889	3,735,489 1,542,116	9,011,391 742,790	348,692,743 61,138,139	-
For the year		-	-	-	-	-	-	-	-	-
Disposals		-	-	-	-	-	-	-	-	-
<b>Balance as at March 31, 2020</b>		<b>16,226,044</b>	<b>364,743,136</b>	<b>9,384,850</b>	<b>4,445,066</b>	<b>5,277,605</b>	<b>9,754,181</b>	<b>409,830,882</b>	<b>57,847,616</b>	<b>-</b>
For the year		-	1,416,207	53,529,756	958,531	395,231	1,448,176	99,715	-	-
Disposals		-	-	-	-	-	-	-	-	-
<b>Balance as at March 31, 2021</b>		<b>17,642,251</b>	<b>418,272,892</b>	<b>10,343,380</b>	<b>4,840,297</b>	<b>6,725,782</b>	<b>9,853,896</b>	<b>467,678,498</b>	<b>-</b>	<b>-</b>
<b>NET CARRYING AMOUNT</b>										
Balance as at March 31, 2020		92,046,534	50,425,431	6,421,149,221	4,999,752	1,114,985	6,919,009	288,420	797,943,352	594,500
Balance as at March 31, 2021		92,046,534	49,009,224	588,862,324	4,041,221	930,347	5,470,832	5,990	740,366,472	1,000,950
<b>5(b) Other Intangible Assets</b>								(Figures in Rs.)		
Particulars		Sinter Technology	Software	Total	Intangible Under Development	Total	(Figures in Rs.)			
<b>Gross Carrying Amount</b>										
Balance as at April 1, 2019		150,187,646	-	150,187,646	39,506,757	39,506,757				
Additions		43,762,811	-	43,762,811	-	-				
Disposals/Adjustments		-	-	-	-	-				
<b>Balance as at March 31, 2020</b>		<b>193,950,457</b>		<b>193,950,457</b>	<b>39,506,757</b>	<b>39,506,757</b>				
Additions		-	8,668,155	8,668,155	-	-				
Disposals/Adjustments		-	-	-	-	-				
<b>Balance as at March 31, 2021</b>		<b>193,950,457</b>	<b>8,916,866</b>	<b>202,867,323</b>	<b>39,506,759</b>	<b>39,506,759</b>				
<b>Amortisation</b>										
Balance as at April 1, 2019		61,560,488	-	61,560,488	-	-				
For the year		6,959,608	-	6,959,608	-	-				
Disposals		-	-	-	-	-				
<b>Balance as at March 31, 2020</b>		<b>68,520,096</b>		<b>68,520,096</b>	<b>39,506,757</b>	<b>39,506,757</b>				
For the year		4,247,361	205,277	4,452,638	-	-				
Disposals		-	-	-	-	-				
<b>Balance as at March 31, 2021</b>		<b>72,767,457</b>	<b>205,277</b>	<b>72,972,734</b>	<b>-</b>	<b>-</b>				
<b>NET CARRYING AMOUNT</b>										
Balance as at March 31, 2020		125,430,361	-	125,430,361	39,506,757	39,506,757				
Balance as at March 31, 2021		121,183,000	8,711,589	129,894,589	39,506,759	39,506,759				

## 6 Non-Current Trade Receivables

Particulars	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020	1 <sup>st</sup> April, 2019
	Rs.	Rs.	Rs.
Trade Receivables - unsecured and considered good	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>

## 7 Non-Current Loans

Particulars	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020	1 <sup>st</sup> April, 2019
	Rs.	Rs.	Rs.
<b>Unsecured, considered good</b>			
Security deposits	3,258,296	3,216,229	3,216,229
<b>Others Loans:</b>			
Fixed deposits	1,533,959	1,533,959	5,033,959
<b>Total</b>	<b>4,792,255</b>	<b>4,750,188</b>	<b>8,250,188</b>

(The above fixed deposit is kept with Punjab National Bank (Erstwhile Oriental Bank of Commerce) as margin money for the bank guarantee issued to Customs department for clearance under EPCG scheme & MPCB)

## 8 Other Non Current Assets

Particulars	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020	1 <sup>st</sup> April, 2019
	Rs.	Rs.	Rs.
<b>Unsecured and Considered good.</b>			
<b>Others:</b>			
Advance Income Tax	14,188,132	28,185,652	19,942,520
MAT Credit Entitlement	36,229,826	36,229,826	36,229,826
Prepaid Expenses	-	184,375	225,000
<b>Total</b>	<b>50,417,958</b>	<b>64,599,853</b>	<b>56,397,346</b>

## 9 Inventories

Particulars	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020	1 <sup>st</sup> April, 2019
	Rs.	Rs.	Rs.
<b>(At lower of costs and net realisable value)</b>			
Raw materials	6,969,889	4,001,806	5,284,561
Work in progress	90,736,879	73,004,657	66,051,999
Loose tools	72,455,824	67,321,509	53,690,907
Stores & spares	18,730,459	8,308,907	7,176,933
Finished Goods in Transit	3,563,506	5,694,212	12,455,430
<b>(As taken, valued and certified by management)</b>			
<b>Total</b>	<b>192,456,556</b>	<b>158,331,091</b>	<b>144,659,830</b>

## 10 Current Trade receivables

Particulars	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020	1 <sup>st</sup> April, 2019
	Rs.	Rs.	Rs.
Trade Receivables - unsecured considered good	211,532,339	187,134,611	248,067,441
Less: Loss Allowance	-	-	-
<b>Total</b>	<b>211,532,339</b>	<b>187,134,611</b>	<b>248,067,441</b>

## 11 Cash and Cash Equivalents

Particulars	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020	1 <sup>st</sup> April, 2019
	Rs.	Rs.	Rs.
Cash in hand	252,646	226,963	113,903
<b>Bank Balances</b>			
Current accounts	75,426,174	1,198,343	2,482,949
	<b>75,678,819</b>	<b>1,425,306</b>	<b>2,596,852</b>
<b>Other bank balances</b>			
Margin money deposits	6,672,390	6,474,403	6,190,682
	<b>6,672,390</b>	<b>6,474,403</b>	<b>6,190,682</b>
<b>Total</b>	<b>82,351,210</b>	<b>7,899,709</b>	<b>8,787,534</b>

## 12 Loans and advances

Particulars	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020	1 <sup>st</sup> April, 2019
	Rs.	Rs.	Rs.
<b>Unsecured, considered good</b>			
Others:			
Employees Advances	1,680,236	2,264,130	1,761,890
<b>Total</b>	<b>1,680,236</b>	<b>2,264,130</b>	<b>1,761,890</b>

## 13 Other Current Assets

Particulars	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020	1 <sup>st</sup> April, 2019
	Rs.	Rs.	Rs.
<b>Unsecured, considered good</b>			
Supplier advances	14,475,578	9,980,047	13,813,073
Other current assets:-			
Interest accrued but not due on bank deposits	967,920	867,363	1,692,912
Advance income tax	7,504,861	7,308,378	6,755,807
Unbilled Revenue	34,305,021	64,645,625	57,773,191
Others	7,519,460	3,020,409	3,540,848
<b>Total</b>	<b>64,772,841</b>	<b>85,821,822</b>	<b>83,575,831</b>

14 **Equity Share Capital**

Particulars	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020	1 <sup>st</sup> April, 2019
	Rs.	Rs.	Rs.
<b>Authorised share capital</b>			
2,76,00,000 Equity shares of Rs. 10 each (Previous year - 2,50,00,000 Equity shares of Rs. 10 each)	276,000,000	250,000,000	250,000,000
<b>Issued</b>			
2,55,52,822 Equity shares of Rs. 10 each fully paid (Previous year - 2,42,02,822 Equity shares of Rs. 10 each fully paid)	255,528,220	242,028,220	242,028,220
<b>Subscribed &amp; paid up share capital</b>			
2,55,52,822 Equity Shares of Rs. 10 each fully paid (Previous Year - 2,42,02,822 Equity Shares of Rs. 10 each fully paid)	255,528,220	242,028,220	242,028,220

a **Reconciliation of the shares at the beginning and at the end of the reporting period.**

Particulars	Year ended 31 <sup>st</sup> March, 2021		Year ended 31 <sup>st</sup> March, 2020	
	Number	Rs.	Number	Rs.
Equity shares				
Balance at the beginning of the year	24,202,822	242,028,220	24,202,822	242,028,220
Shares issued during the year	1,350,000	13,500,000	-	-
Shares bought back during the year	-	-	-	-
<b>Balance at the end of the year</b>	<b>25,552,822</b>	<b>255,528,220</b>	<b>24,202,822</b>	<b>242,028,220</b>

b **Terms/rights attached to equity shares**

The Company has only one class of share having par value of Rs 10. Each holder of equity share is entitled to one vote per share. In the event of Liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company after distribution of preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

c **Details of shareholders holding more than 5% shares in the Company**

in company	31 <sup>st</sup> March, 2021		31 <sup>st</sup> March, 2020	
	No. of shares	Shareholding %	No. of shares	Shareholding %
<b>Equity Shares</b>				
BRN Industries Ltd	9,552,700	37.38%	9,552,700	39.47%
MIBA Sinter Holding GmbH & Co KG	6,339,085	24.81%	4,989,085	20.61%
KIFS International LLP	1,723,939	6.75%	1,066,000	4.40%

## 15 Other Equity

Particulars	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020	1 <sup>st</sup> April, 2019
	Rs.	Rs.	Rs.
<b>Securities premium account</b>	527,126,151	454,115,888	454,115,888
<b>Revaluation reserve</b>	80,000,000	80,000,000	80,000,000
<b>Equity Component - 4 % CCD</b>	132,325,000	-	-
<b>Share Application Money</b>	3,410,000	-	-
<b>Retained Earnings</b>			
Balance at the beginning of the year	85,710,783	114,213,754	59,221,134
Add: Surplus/(Deficit) for the year	(47,045,896)	(28,700,274)	54,992,620
Add: Other Comprehensive Income	168,775	197,303	
<b>Balance at the end of the year</b>	<b>38,833,662</b>	<b>85,710,783</b>	<b>114,213,754</b>
<b>Total</b>	<b>781,694,813</b>	<b>619,826,671</b>	<b>648,329,642</b>

## 16 Borrowings

Particulars	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020	1 <sup>st</sup> April, 2019
	Rs.	Rs.	Rs.
<b>Secured</b>			
Term loan from Banks	31,459,376	42,758,475	77,409,722
Vehicle loan	(0)	1,405,846	4,058,755
<b>Unsecured loans -</b>			
<b>From related parties -</b>			
- Directors	15,385,173	22,123,296	-
- Companies	-	-	-
<b>From others</b>	<b>25,027,592</b>	<b>52,801,335</b>	<b>-</b>
<b>Total</b>	<b>71,872,141</b>	<b>119,088,952</b>	<b>81,468,477</b>

## 17 Other Non Current Liabilities &amp; Provisions

Particulars	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020	1 <sup>st</sup> April, 2019
	Rs.	Rs.	Rs.
<b>Long Term Provisions</b>			
Provision for retirement benefits - Gratuity	5,342,182	4,536,544	3,884,539
<b>Others :</b>			
Provision for taxation	17,074,663	30,521,315	18,356,652
<b>Total</b>	<b>22,416,845</b>	<b>35,057,859</b>	<b>22,241,191</b>

18 **Deferred Tax Liability (Net)**

Particulars	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020	1 <sup>st</sup> April, 2019
	Rs.	Rs.	Rs.
<b>Deferred tax adjustment</b>			
Deferred tax asset	88,561,099	69,669,634	54,346,315
Deferred tax liabilities	110,753,855	107,826,292	99,022,019
<b>Total</b>	<b>22,192,755</b>	<b>38,156,659</b>	<b>44,675,705</b>

19 **Borrowings (Current)**

Particulars	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020	1 <sup>st</sup> April, 2019
	Rs.	Rs.	Rs.
<b>Working capital loans payable on demand from banks</b>			
HDFC Bank Ltd.	78,578,273	91,775,343	119,002,920
HDFC Bank Ltd. - L/C Limit	-	28,744,212	39,866,745
<b>Total</b>	<b>78,578,273</b>	<b>120,519,555</b>	<b>158,869,665</b>

Working Capital loans from the banks are secured by hypothecation of inventories, book debts and receivable. Further the above mentioned working capital limits are secured by personal guarantee of Mr. Jignesh Raval, Managing Director.

20 **Trade Payables**

Particulars	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020	1 <sup>st</sup> April, 2019
	Rs.	Rs.	Rs.
Total outstanding dues of micro enterprises and small enterprises	47,488,714	47,200,195	31,040,850
Total outstanding dues of creditors other than micro enterprises and small enterprises	55,859,628	81,765,699	75,683,711
<b>Total</b>	<b>103,348,342</b>	<b>128,965,894</b>	<b>106,724,561</b>

**Disclosure in respect of principal and interest pertaining to the “Micro, Small and Medium Enterprises Development Act 2006”. The information has been given in respect of such vendors on the basis of information available with the Company:**

Particulars	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020	1 <sup>st</sup> April, 2019
	Rs.	Rs.	Rs.
Principal amount due	47,488,714	47,200,195	31,040,850
Interest due on above	1,940,823	2,318,739	310,767
Amount of interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act 2006	-	-	
Amount of interest due and payable for the period of delay	1,940,823	2,318,739	310,767
Amount of interest accrued and remaining unpaid as at the year end	1,940,823	2,318,739	332,554
Amount of further interest remaining due and payable in the succeeding year	-	-	

## 21 Other Financial Liabilities

Particulars	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020	1 <sup>st</sup> April, 2019
	Rs.	Rs.	Rs.
Current maturities of long term borrowings	63,906,080	41,961,518	42,847,247
<b>Total</b>	<b>63,906,080</b>	<b>41,961,518</b>	<b>42,847,247</b>

## 22 Other Current Liabilities

Particulars	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020	1 <sup>st</sup> April, 2019
	Rs.	Rs.	Rs.
Capital Creditors	7,158,919	9,638,009	10,571,898
Other contractual liabilities	64,729,124	93,575,692	102,184,897
Duties & taxes	5,016,046	2,345,460	1,786,874
Dues payable to government authorities	25,561,195	7,872,315	7,782,748
Salary payable	4,810,955	5,368,793	5,508,382
Provision for other expenses	11,578,267	9,550,843	8,086,246
<b>Total</b>	<b>118,854,507</b>	<b>128,351,112</b>	<b>135,921,045</b>

## 23 Other Current Provisions

Particulars	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020	1 <sup>st</sup> April, 2019
	Rs.	Rs.	Rs.
Provision for retirement benefits - Gratuity	380,189	319,934	290,934
<b>Others:</b>			
Provision for taxation	-	-	15,574,663
<b>Total</b>	<b>380,189</b>	<b>319,934</b>	<b>15,865,597</b>

## 24 Revenue from Operations

Particulars	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
	Rs.	Rs.
<b>Revenue from Sale of Products</b>		
- Manufactured goods	448,244,073	507,669,907
<b>Other operating income</b>		
- Tooling Sales	22,055,225	24,893,273
- Scrap Sales	1,687,399	2,047,614
- Export Incentive	-	621,704
<b>Total</b>	<b>471,986,697</b>	<b>535,232,499</b>
<b>Revenue disaggregation is as follows:</b>		
<b>Disaggregation based on geography</b>		
India	471,986,697	531,888,040
Outside India	-	675,141

## 25 Other Income

Particulars	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
	Rs.	Rs.
Interest Income on Financial Assets carried at amortised costs	616,884	909,694
Foreign Exchange Gain	4,142,314	-
Insurance Claim received	-	-
<b>Total</b>	<b>4,759,198</b>	<b>909,694</b>

## 26 Cost of materials consumed

	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
	Rs.	Rs.
Opening Stock of Raw material	4,001,806	5,284,561
Add: Purchases during the period	193,630,546	169,163,400
Less: Closing Stock of Raw material	6,969,889	4,001,806
<b>Raw material consumed</b>	<b>190,662,463</b>	<b>170,446,155</b>

## 27 Changes in inventory of finished Goods and work in progress

	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
	Rs.	Rs.
Stock at the beginning of the year:		
Work in progress/FG in Transit	78,698,869	78,507,429
<b>Total (A)</b>	<b>78,698,869</b>	<b>78,507,429</b>
Stock at the end of the year:		
Work in progress/ FG in Transit	92,674,961	78,698,869
<b>Total (B)</b>	<b>92,674,961</b>	<b>78,698,869</b>
<b>Changes in inventories (A)-(B)</b>	<b>(13,976,092)</b>	<b>(191,440)</b>

## 28 Other Manufacturing Expenses

	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
	Rs.	Rs.
Machining charges	49,752,868	49,057,805
Power & fuel expenses	24,820,127	28,594,317
Gas consumption	10,904,129	11,404,611
Heat treatment expenses	11,405,612	16,812,235
Other manufacturing expenses	5,182,603	4,421,971
<b>Total</b>	<b>102,065,338</b>	<b>110,290,939</b>

## 29 Employee benefits expenses

	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
	Rs.	Rs.
Salaries, wages and incentives	50,022,416	44,670,856
Contribution to provident and other funds	3,683,375	4,552,256
Staff welfare expenses	7,535,839	12,317,643
<b>Total</b>	<b>61,241,631</b>	<b>61,540,755</b>

## 30 Finance costs

	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
	Rs.	Rs.
Interest expenses		
- on term loan	14,025,601	13,236,742
- on working capital facilities	16,406,859	9,738,188
Other borrowing costs	8,226,125	14,817,266
<b>Total</b>	<b>38,658,586</b>	<b>37,792,195</b>

## 31 Depreciation and amortization expenses

	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
	Rs.	Rs.
Depreciation on property, plant & equipment	57,791,983	61,138,138
Amortization on intangible assets	4,508,271	6,959,608
<b>Total</b>	<b>62,300,254</b>	<b>68,097,746</b>

## 32 Other expenses

	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
	Rs.	Rs.
Repairs & maintenance - electricals	447,810	1,398,036
Repairs & maintenance -machinery	4,457,070	10,284,460
CSR expenses	-	-
Consumable & spares	4,391,213	12,262,078
Contract labour charges	20,129,204	21,549,190
Royalty	-	-
Transportation & octroi	4,281,773	4,395,892
Freight outward	25,506,636	25,906,837
Rejection/rework costs	1,568,738	1,166,233
Packing expenses	6,799,413	9,623,788
Selling expenses	1,027,459	2,558,213
Foreign exchange loss	-	153,771
Payments to auditor		
(a) as auditor	830,600	700,000
(b) for taxation matter	-	25,000
(c) for other services	134,708	30,600
(d) for out of pocket expenses	-	-
Development cost	918,444	1,718,871
Insurance expenses	1,046,407	1,379,672
Legal, professional & consultancy charges	3,815,425	3,620,543
Directors sitting fees	547,500	325,000
Other expenses	6,158,518	4,828,231
Bank Charges	423,853	1,574,709
Other interest Costs	5,302,267	3,363,408
Postage & courier expenses	33,764	235,316
Rents, rates & taxes	2,131,182	1,940,969
Repairs & maintenance - building	211,973	315,817
Repairs & maintenance - others	458,665	1,032,950
Security & housekeeping expenses	4,527,242	5,332,799
Telephone & internet expenses	574,866	922,004
Travelling & conveyance expenses	1,686,710	4,614,171
Vehicle expenses	305,704	982,875
<b>Total</b>	<b>97,717,146</b>	<b>122,241,433</b>

## 33 Contingent Liabilities

	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
	Rs.	Rs.
Bank Guarantee	974,110	974,110
<b>Claims against the Company not acknowledged as debt</b>		
Income Tax	858,765	1,054,826
<b>Total</b>	<b>1,832,875</b>	<b>2,028,936</b>

The Company does not expect any payments in respect of the above contingent liabilities.

## 34 Capital commitments and other commitments

	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
	Rs.	Rs.
<b>Capital commitments</b>		
Estimated value of contracts on capital account remaining to be executed not provided for	33,662,734	-
<b>Total</b>	<b>33,662,734</b>	<b>-</b>

## 35 Other commitments

	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
	Rs.	Rs.
Counter guarantee given to bank for bank guarantee issued to customs department for clearance of capital goods under EPCG scheme	15,601,505	15,601,505
<b>Total</b>	<b>15,601,505</b>	<b>15,601,505</b>

## 36 C.I.F. value of imports and expenditure in foreign currencies:

	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
	Rs.	Rs.
<b>a CIF Value of Imports</b>		
Raw Material	313,729	-
Stores, Spares & Consumables	-	1,326,176
Capital goods	-	343,463
<b>Total CIF Value of Imports</b>	<b>313,729</b>	<b>1,669,639</b>
<b>b Expenditure in foreign currency</b>		
Traveling expenses	-	410,529
Repairs & Maintenance	-	1,022,868
Technology Fee	-	-
<b>Total expenditure in foreign currency</b>	<b>-</b>	<b>1,433,397</b>

**37 Remuneration to auditors**

	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
	Rs.	Rs.
Audit fees	830,600	700,000
For taxation matters	75,000	25,000
Other services	59,708	30,600
<b>Total</b>	<b>965,308</b>	<b>755,600</b>

**38 Related Party Disclosures****a Associate Companies**

BRN Industries Limited  
 Miba Sinter Holding GmbH & CO KG  
 Miba Sinter Austria GmbH  
 Miba Sinter Slovakia S.R.O.  
 AJ Fibertek India Pvt Ltd.  
 Unique Auto Sourcing Pvt. Ltd.

**b Key management personnel**

Mr. Jignesh Raval  
 Mr. Pankaj Bhatawadekar  
 Ms. Anuja Joshi

### 38 c) Related Party Disclosures

Sr. No.	Nature of Transaction	Transaction Description	For the year ended March 31, 2021	For the year ended March 31, 2021		For the year ended March 31, 2020
				Receivable	Payable	
1	<b>Sale</b> Unique Auto Sourcing Pvt. Ltd. AJ Fibertek India Pvt Ltd. MIBA Sinter Slovakia S.R.O.	Domestic Sales Domestic Sales Export sales	946,931	322,140	207,995	20,168
2	<b>Purchase/ Services</b> AJ Fibertek India Pvt Ltd. Unique Auto Sourcing Pvt. Ltd. MIBA Sinter Slovakia S.R.O.	Purchase Other payables	19,187 77,850	7,422	-	82,210
3	<b>Rebursements receivable</b> AJ Fibertek India Pvt Ltd. <b>Royalty / Technical Fees</b> Miba Sinter Austria GmbH	Purchase Reimbursement Royalty / Technical Fees	98,879	-	1,415,659	1,407,494
4			197,992	-	1,412,639	696,439
5	<b>Development Fees</b> Miba Sinter Austria GmbH	Reimbursement	55,478	410,529	-	410,529
6	<b>Remuneration Paid</b> To Managing Director To Other KMP's	Remuneration Remuneration	11,848,698 3,821,982	14,264,836 3,852,168	-	-
7	<b>Advances given</b> To Managing Director To Other KMP's	Advances Advances	45,000	-	410,424	429,454
8	<b>Loans Taken (Unsecured)</b> Jignesh V Raval	Loan	47,390,000	27,475,000	12,186,998	-
9	<b>Interest on loan taken</b> Jignesh Raval	Interest	4,175,866	993,605	3,198,174	767,096
10	<b>Issue Of Securities to Miba Sinter Holding GmbH &amp; Co Kg</b> Preferential Issue of Shares 4% Compulsorily Convertible Debentures Pending Application money to Miba Sinter Holding GmbH & Co Kg	Issue of Securities Issue of Securities Issue of Securities	90,450,000 132,325,000 3,410,000	- - - -	- - - -	3,410,000
11						

38 (d) Details of payment and provisions on account of remuneration to Managing Director & MDs included in the Statement of profit and loss is as under:-

30. Details of payment and provisions on account of remuneration to Managing Director & CFO's included in the statement of profit and loss is as under:-						
Sr. No.	Particulars	Managing Director			CFO	
		31 <sup>st</sup> March, 2021 Rs.	31 <sup>st</sup> March, 2020 Rs.	31 <sup>st</sup> March, 2021 Rs.	31 <sup>st</sup> March, 2020 Rs.	31 <sup>st</sup> March, 2020 Rs.
1	Salaries & allowances	10,093,758	11,208,856	2,653,605	2,699,240	728,098
2	Performance incentive	-	-	-	-	14,994
3	Perquisites	1,631,340	2,875,980	336,000	264,000	16,000
4	Contributions to provident fund	123,600	180,000	49,010	66,024	19,275
<b>Total</b>		<b>11,848,698</b>	<b>14,264,836</b>	<b>3,043,615</b>	<b>3,029,264</b>	<b>778,367</b>

**39 Disclosure pursuant to Ind-AS 19 Employee Benefits:**

**Defined contribution plans**

**Provident fund:-**

Contribution towards provident fund for certain employees is made to the regulatory authorities, same is in line with the Provident Fund and Miscellaneous Provisions Act, 1952. The plan guarantees interest at the rate notified by the provident fund authorities. The contribution by the employer and employee together with the interest accumulated thereon are payable to employees at the time of their separation from the Company or retirement, whichever is earlier. The benefits vest immediately on rendering of the services by the employee.

**Defined benefit plans**

**Gratuity:**

Under the plan every employee is entitled to a benefit equivalent to fifteen days salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972. The same is payable at the time of separation from the Company or retirement, whichever is earlier. The benefits vest after five years of continuous service.

The following table set out the status of the defined benefit plans as required under Ind AS 19:

	<b>31<sup>st</sup> March, 2021</b> Rs.	<b>31<sup>st</sup> March, 2020</b> Rs.
<b>(a) Assets and Liability (Balance Sheet Position)</b>		
Present Value of Obligation	5,722,371	4,856,478
Fair Value of Plan Assets	-	-
Surplus/ (Deficit)	5,722,371	4,856,478
Effects of Asset ceiling, if any	-	-
<b>Net Asset / (Liability)</b>	<b>5,722,371</b>	<b>4,856,478</b>
<b>(b) Expenses Recognized During the period</b>		
In income Statement	1,134,333	1,161,325
In Other Comprehensive Income/(Loss)	(233,825)	(273,349)
<b>Total Expenses Recognized During the Period</b>	<b>900,508</b>	<b>887,976</b>

		31 <sup>st</sup> March, 2021 Rs.	31 <sup>st</sup> March, 2020 Rs.
<b>(c) Change in the Present Value of Obligation</b>			
<b>Present Value of Obligation as at the beginning</b>	4,856,478	4,175,473	
Current Service Cost	843,983	855,926	
Interest Expenses or Cost	290,350	305,399	
Re-measurement ( or actuarial) ( Gain) / Loss arising from:	(233,825)	(273,349)	
-change in Demographic assumptions	-	-	
-change in Financial assumptions	-	-	
-experience Variance ( i.e., actual experience vs. assumptions	-	-	
Others	-	-	
Past Service Cost	-	-	
Effect of Change in Foreign exchange rates			
Benefits paid	(34,615)	(206,971)	
Acquisition Adjustment	-	-	
Effect of Business Combinations or Disposals			
<b>Present Value of Obligation as at the End</b>	<b>5,722,371</b>	<b>4,856,478</b>	
<b>(d) Bifurcation of Present Value of Obligation</b>			
Current Liability ( Short term)	380,189	319,934	
Non-Current Liability ( Long term)	5,342,182	4,536,544	
<b>Present Value of Obligation</b>	<b>5,722,371</b>	<b>4,856,478</b>	
<b>(e) Changes in Fair Value of Plan Assets</b>			
<b>Fair Value of Plan Assets as at the beginning</b>	-	-	
Investment income	-	-	
Employer's Contribution	-	-	
Employee's Contribution	-	-	
Benefit Paid	-	-	
Return on plan Assets, Excluding amount recognized in net interest expense	-	-	
Acquisition Adjustment	-	-	
<b>Fair Value of Plan Assets as at the End</b>	<b>-</b>	<b>-</b>	
<b>(f) Change in the Effect of asset Ceiling</b>			
<b>Effect of Asset Ceiling at the beginning</b>	-	-	
Interest Expense or cost (to the extent not recognized in net interest expense)	-	-	
Re-measurement (or Actuarial) (Gain)/loss arising because of Change in effect of asset ceiling	-	-	
<b>Effect of Asset Ceiling at the End</b>	<b>-</b>	<b>-</b>	

		31 <sup>st</sup> March, 2021 Rs.	31 <sup>st</sup> March, 2020 Rs.
<b>(g) Expenses Recognized in the income Statement</b>			
Current Service Cost	843,983	855,926	
Past Service Cost	-	-	
Loss/(Gain) on Settlement	-	-	
Net interest cost/ (Income) on the net Defined Benefit Liability / (Asset)	290,350	305,399	
<b>Expenses Recognized in the income Statement</b>	<b>1,134,333</b>	<b>1,161,325</b>	
<b>(h) Other Comprehensive income</b>			
Actuarial (gains) / losses			
-change in Demographic Assumptions	-	-	
-change in financial Assumptions	-	-	
- Experience variance (i.e. Actual experience vs. assumptions)	-	-	
-others	-	-	
Return on plan assets, excluding amount recognized in net interest expense	-	-	
Re-measurement (or Actuarial) (Gain)/loss arising because of Change in effect of asset ceiling	233,825	273,349	
<b>Components of defined benefit costs recognized in other comprehensive income (Loss)</b>	<b>233,825</b>	<b>273,349</b>	
<b>(i) Financial Assumptions</b>			
Discount Rate (per annum)	6.30%	6.00%	
Salary Growth rate (per annum)	10.00%	10.00%	
<b>(j) Demographic Assumptions</b>			
Mortality Rate (IALM 2012-14)	IALM (2012-14) ult	IALM (2012-14) ult	
Normal retirement age	58 Years	58 Years	
Attrition / Withdrawal rate (per annum)	10.00%	10.00%	
<b>(k) Expected Contribution during the next annual reporting period</b>			
The Company's best estimate of Contribution during the next year	-	-	
(The plan is unfunded as on the valuation date)			
<b>(l) Maturity Profile of defined benefit Obligation</b>			
Weighted Average duration ( Based on Discounted Cash flow )	12.82 Years	13.85 Years	

(m) **Sensitivity Analysis**

Particulars	Present Value Of Obligation			
	2020-21 (Rs.)	2020-21 (Rs.)	2019-20 (Rs.)	2019-20 (Rs.)
A) Impact of change in discount rate when base assumption is decreased/increased by 100 basis point	6,290,600 5.30%	5,235,964 7.30%	5,354,963 5.00%	4,431,553 7.00%
B) Impact of change in salary increase rate when base assumption is decreased/increased by 100 basis point	5,295,291 9.00%	6,203,336 11.00%	4,520,613 9.00%	5,286,035 11.00%
C) Impact of change in withdrawal rate when base assumption is decreased/increased by 100 basis point	5,856,626 9.00%	5,605,454 11.00%	4,980,834 9.00%	4,749,070 11.00%

(n) **Major category of Fair Value of Plan Assets at the end of period is as under:**

Particulars	Amount	Percent	Amount	Percent
	2020-21 (Rs.)		2019-20 (Rs.)	
In Government Securities	-	-	-	-
State Government Bonds	-	-	-	-
Balances in Current Accounts with scheduled Banks	-	-	-	-
Income Tax Authorities (TDS)	-	-	-	-
Funds with Life Insurance Corporation of India	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**40 Earnings per share**

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year. Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of 4% Compulsory Convertible Debentures.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
	Rs.	Rs.
a. Net Profit after tax considered for the calculation of EPS (Rs.)	(47,045,896)	(28,700,274)
b. Number of equity shares outstanding at the end of year	25,552,822	24,202,822
c. Weighted average number of equity shares used in computing earnings per equity share	24,310,082	24,202,822
d. Effects of dilution		-
4% compulsory convertible debentures	1,975,000	
e. Weighted average number of equity shares adjusted for the effect of dilution	26,285,082	24,202,822
f. Earnings per share		
Basic (Rs.)	(1.94)	(1.18)
Diluted (Rs.)	(1.79)	(1.18)
g. Face value per equity share (Rs.)	10.00	10.00

#### 41 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company has carried out preferential issue of 13,50,000 Equity Shares & 19,75,000 4% Compulsorily Convertible Debentures.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March, 2020 and 1 April 2019.

## 42 Fair value measurements

### Financial instruments by category as at 31 March 2021

Particulars	Amortised cost	FVTPL	FVTOCI
<b>Financial assets</b>			
Investments in unquoted equity shares	-	-	-
Loans	6,472,491	-	-
Trade receivables	211,532,339	-	-
Cash and cash equivalents	82,351,210	-	-
Other bank balances	-	-	-
Other financial assets excluding derivative assets	-	-	-
Derivative assets on forward exchange foreign contracts	-	-	-
<b>Total</b>	<b>300,356,039</b>	-	-
<b>Financial liabilities</b>			
Borrowings	150,450,414	-	-
Trade payables	103,348,342	-	-
Other financial liabilities	182,760,587	-	-
<b>Total</b>	<b>436,559,342</b>	-	-

### Financial instruments by category as at 31 March 2020

Particulars	Amortised cost	FVTPL	FVTOCI
<b>Financial assets</b>			
Investments in unquoted equity shares	-	-	-
Loans	7,014,318	-	-
Trade receivables	187,134,611	-	-
Cash and cash equivalents	7,899,709	-	-
Other bank balances	-	-	-
Other financial assets excluding derivative assets	-	-	-
<b>Total</b>	<b>202,048,638</b>	-	-
<b>Financial liabilities</b>			
Borrowings	239,608,507	-	-
Trade payables	128,965,894	-	-
Other financial liabilities	170,312,630	-	-
<b>Total</b>	<b>538,887,031</b>	-	-

**Financial instruments by category as at 1 April 2019**

Particulars	Amortised cost	FVTPL	FVTOCI
<b>Financial assets</b>			
Investments in unquoted equity shares	-	-	-
Loans	10,012,078	-	-
Trade receivables	248,067,441	-	-
Cash and cash equivalents	8,787,534	-	-
Other bank balances	-	-	-
Other financial assets excluding derivative assets	-	-	-
<b>Total</b>	<b>266,867,053</b>	-	-
<b>Financial liabilities</b>			
Borrowings	240,338,142	-	-
Trade payables	106,724,561	-	-
Other financial liabilities	178,768,292	-	-
<b>Total</b>	<b>525,830,995</b>	-	-

**Fair value hierarchy**

The following table presents the fair value measurement hierarchy of financial assets and liabilities measured at fair value on a recurring basis as at 31 March 2021, 31 March 2020 and 1 April 2019.

**Quantitative disclosures fair value measurement hierarchy for assets:**

Particulars	Amount	Fair value measurement using		
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Financial assets/(liability) measured at fair value through profit or loss</b>				
<b>Derivative Asset (Liability) on account of forward exchange contracts</b>				
Date of Valuation				
As at 31 March 2021		-	-	-
As at 31 March 2020		-	-	-
As at 1 April 2019		-	-	-

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

The management believes that the fair values of non-current financial assets (e.g. loans and others), current financial assets (e.g., cash and cash equivalents, trade receivables, loans) and current financial liabilities (e.g. trade payables and other payables) approximate their carrying amounts.

#### 43 Balance confirmations

In respect of the balance confirmations sought for by the Company from its debtors and creditors, few parties have responded to the request. As such, balances in the accounts of debtors, creditors, advances and deposits are taken as appearing in the accounts and subject to confirmation and reconciliations if any.

#### 44 MAT Credit Entitlement:-

Section 115JAA of the Income Tax Act, 1961 provides for tax credit in respect of MAT paid under section 115JA (hereinafter referred to as 'MAT Credit') which could be carried forward for set-off for fifteen succeeding years, in accordance with the provisions of the Income Tax Act 1961. The amount of MAT credit would be equal to the excess of MAT over normal income tax for the assessment year for which MAT is paid. The said MAT credit can be set off only in the year in which the Company is liable to pay tax as per the normal provisions of the act and such tax is in excess of MAT for that year.

The Company has paid MAT over and above normal tax assessment & such credit of Rs. 3,62,29,826 has been recognised as an asset in the books.

#### 45 Financial instruments risk management objectives and policies

The Company's activities expose it to market risks, credit risks and liquidity risks. This note explains the source of risk which the entity is exposed to and how entity manages the risk in the financial statements

Risk	Exposure arising from	Management
Credit risk	Cash and cash equivalents, trade receivables, derivative financial instruments, financial assets measured at amortised cost	Diversification of bank deposits, credit limits and letter of credits
Liquidity risk	Borrowings and other liabilities	Availability of funded and non funded borrowing facilities.
Market risk - Foreign exchange	Payables denominated in foreign currency, receivables denominated in foreign currency, firm commitments in foreign currency.	As exposure to the Foreign exchange risk is not significant, the Company has decided not to manage it separately.
Market risk - Interest rate risk	Borrowings	As exposure to the interest rate risk is not significant, the Company has decided not to manage it separately.

##### A. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk interest rate risk, currency risk and other price risk such as equity price risk and commodity risk. Financial instruments affected by market risk include borrowings, trade and other payables, security deposit, trade and other receivables, deposits with banks.

The sensitivity analysis in the following sections relate to the position as at 31 March 2021 and 31 March 2020. The sensitivity of the relevant income statement item is the effect of the assumed changes in respective market risks. The analyses exclude the impact of movements in market variables on: the carrying values of gratuity and other post retirement obligations and provisions.

Company's activities expose it to variety of market risks, including effect of changes in foreign currency exchange rate and interest rate.

## I) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. At the reporting date the interest rate profile of the Company's interest bearing financial instruments are follows:

Particulars	31 March 2021	31 March 2020	1 April 2019
<b>Fixed rate borrowings</b>			
Term loan from banks	120,393,049	138,927,174	124,315,724
<b>Variable rate borrowings</b>			
Loans repayable on demand	78,578,273	120,519,555	158,869,665

Particulars	31-Mar-21	31-Mar-20
Impact on profit before tax or equity		
Increase by 50 basis points	(392,891)	(602,598)
Decrease by 50 basis points	392,891	602,598

## II) Foreign currency risk

Foreign currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate. Company transacts business in its functional currency, INR and in different foreign currencies. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities, where revenue or expense is denominated in a foreign currency. As exposure to the Foreign exchange risk is not significant, the Company has decided not to manage it separately.

### Details of foreign currency exposures:

Particulars	31 <sup>st</sup> March, 2021		31 <sup>st</sup> March, 2020	
	Amount in FC	Amount in Rs.	Amount in FC	Amount in Rs
Outstanding Liability in foreign currency in respect of Creditors	€ 39,582.00	3,366,022	€ 38,956.86	3,203,643
Outstanding Liability in foreign currency in respect of Creditors	\$ (7,216.00)	(508,126)	\$ -	-
Outstanding Liability in foreign currency in respect of Creditors	AED 743.00	14,793	AED -	-
Outstanding receivable in foreign currency	€ 501,082.21	43,074,028	€ 17,464.00	1,435,715
Outstanding receivable in foreign currency	\$ 482,214.24	35,315,490	\$ -	-
Net impact due to exchange rates Receivable / (Payable) for \$	<b>489,430.24</b>	<b>35,823,616</b>	-	-
Net impact due to exchange rates Receivable / (Payable) for €	<b>461,500.21</b>	<b>39,708,006</b>	<b>(21,492)</b>	<b>(1,767,928)</b>
Net impact due to exchange rates Receivable / (Payable) for AED	<b>(743.00)</b>	<b>(14,793)</b>	-	-

### Foreign currency sensitivity on unhedged exposure

Financial Year	Foreign currency	Change in foreign currency rates	Effect on profit before tax	Effect on pre-tax equity
For 31 March 2021	USD	+5%	1,791,181	1,791,181
		-5%	-1,791,181	-1,791,181
		EUR	1,985,400	1,985,400
			-1,985,400	-1,985,400
	AED	+5%	740	740
		-5%	-740	-740
For 31 March 2020	USD	+5%	-	-
		-5%	-	-
		EUR	88,396	88,396
			-88,396	-88,396
	AED	+5%	-	-
		-5%	-	-

#### B. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities such as primarily trade receivables and from its investing activities, including deposits with banks and financial institutions, cash and cash equivalent and other financial instruments.

##### Trade receivables

Customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. Credit exposure risk is mainly influenced by class or type of customers, depending upon their characteristics. Credit risk is managed through credit approval process by establishing credit limits along with continuous monitoring of credit worthiness of customers to whom credit terms are granted. Outstanding customer receivables are regularly monitored.

##### Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company in accordance with Company's policy.

##### Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash flow and collateral obligations without incurring unacceptable losses. Company's objective is to, at all time maintain optimum levels of liquidity to meet its cash and collateral requirements. Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including overdraft & debt from domestic at optimised cost.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

Particulars	On demand	Less than 3 months	3 to 12 months	Above 1 year	Total
<b>Year ended 31 March 2021</b>					
Borrowings	-	-	-	-	214,356,494
Trade payables	-	-	-	-	103,348,342
Any other financial liabilities	-	-	-	-	118,854,507
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>436,559,342</b>
<b>Year ended 31 March 2020</b>					
Borrowings	-	-	-	-	281,570,025
Trade payables	-	-	-	-	128,965,894
Any other financial liabilities	-	-	-	-	170,312,630
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>580,848,549</b>
<b>Year ended 1 April 2019</b>					
Borrowings	-	-	-	-	283,185,389
Trade payables	-	-	-	-	106,724,561
Any other financial liabilities	-	-	-	-	135,921,045
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>525,830,995</b>

Note : Company is not expecting to prepay any of its liabilities.

#### 46 Details of unhedged foreign currency exposure -

a Derivative instruments outstanding as at year end: **Nil**

b Exposures in Foreign Currency which are not hedged by derivative Instrument or otherwise:

Particulars	31 <sup>st</sup> March, 2021		31 <sup>st</sup> March, 2020	
	Amount in FC	Amount in Rs.	Amount in FC	Amount in Rs
Outstanding Liability in foreign currency in respect of Creditors	€ 39,582.00	3,366,022	€ 38,956.86	3,203,643
Outstanding Liability in foreign currency in respect of Creditors	\$ (7,216.00)	(508,126)	\$ -	-
Outstanding Liability in foreign currency in respect of Creditors	AED 743.00	14,793	AED -	-
Outstanding receivable in foreign currency	€ 501,082.21	43,074,028	€ 17,464.00	1,435,715
Outstanding receivable in foreign currency	\$ 482,214.24	35,315,490	\$ -	-
Net impact due to exchange rates Receivable / (Payable) for \$	<b>489,430.24</b>	<b>35,823,616</b>	-	-
Net impact due to exchange rates Receivable / (Payable) for €	<b>461,500.21</b>	<b>39,708,006</b>	<b>(21,492)</b>	<b>(1,767,928)</b>
Net impact due to exchange rates Receivable / (Payable) for AED	<b>(743.00)</b>	<b>(14,793)</b>	-	-

## 47 CSR Schedule

Particulars	FY 20-21	FY 19-20	FY 18-19	FY 17-18
Previous Year Unspent CSR Amount	1,730,067	638,695	206,082	-
Current Year Amount to be Spent on CSR	721,757	1,091,372	638,695	206,082
Eligible CSR Expenditure	-	-	206,082	-
<b>Total Unspent Amount as at March 21</b>	<b>2,451,824</b>	<b>1,730,067</b>	<b>638,695</b>	<b>206,082</b>

## 48 Disclosure for computation of Deferred Tax Assets/Deferred Tax Liabilities as Per "Ind AS 12"

## (a) Major components of income tax expense as on 31 March 2020, 31 March 2021

Particulars	For the year ended		
	FY 20-21	FY 19-20	FY 18-19
<b>Statement of Profit &amp; Loss section</b>			
Current income tax	-	-	15,574,663
Short/(Excess) of earlier years	(1,151,418)	(946,428)	-
<b>MAT credit entitlement</b>	<b>-</b>	<b>-</b>	<b>(15,574,663)</b>
<b>Deferred Tax</b>			
Relating to obligation & reversal of temporary differences	16,028,954	6,595,093	21,395,520
<b>Income tax expense reported in Statement of Profit &amp; Loss</b>	<b>14,877,535</b>	<b>5,648,665</b>	<b>21,395,520</b>
<b>OCI section</b>			
Deferred tax related to items recognised in OCI during the year			
Deferred tax net (gain)/loss on actuarial gains & losses	65,050	76,046	60,064
<b>Income tax charged to OCI</b>	<b>65,050</b>	<b>76,046</b>	<b>60,064</b>

## (b) Reconciliation of actual income &amp; effective tax income

Particulars	For the year ended		
	FY 20-21	FY 19-20	FY 18-19
Accounting profit/(Loss) before tax	(61,923,432)	(34,348,938)	76,388,140
<b>Income Tax</b>	<b>-</b>	<b>-</b>	<b>15,574,663</b>
<b>Tax effects on adjustments which are not deductible/(Taxable) in calculating taxable income</b>			
Tax of earlier years	(1,151,418)	(946,428)	-
MAT credit entitlement	-	-	(15,574,663)
Items which are not deductible/(Taxable) in calculating taxable income	16,028,954	6,595,093	21,395,520
<b>Income tax expense reported</b>	<b>14,877,535</b>	<b>5,648,665</b>	<b>21,395,520</b>

## (c) Deferred tax related to following

Particulars	Deferred tax Asset/Liability		
	FY 20-21	FY 19-20	FY 18-19
Property plant & Equipment	(110,753,855)	(107,826,292)	(99,022,019)
Disallowances under Sec 43B of Income Tax Act	4,017,779	3,776,888	2,496,190
Unabsorbed losses	84,543,320	65,892,746	51,850,125
<b>Total</b>	<b>(22,192,755)</b>	<b>(38,156,659)</b>	<b>(44,675,705)</b>
<b>Movement in deferred tax</b>			
Property plant & Equipment	2,927,562	8,804,273	2,012,680
Disallowances under Sec 43B of Income Tax Act	240,891	(5,195,757)	1,338,389
Unabsorbed losses	18,650,574	14,042,621	(20,721,228)
<b>Total</b>	<b>21,819,027</b>	<b>17,651,138</b>	<b>(17,370,158)</b>

## Breakup of Movement in Deferred Tax Liability

Particulars	For the year ended		
	FY 20-21	FY 19-20	FY 18-19
<b>Opening balance</b>	(38,156,658)	(44,675,705)	(23,280,185)
Tax expense during the year recognised in statement of Profit & Loss	16,028,953	6,595,093	(21,335,456)
Tax expense during the year recognised in OCI	(65,050)	(76,046)	(60,064)
<b>Closing balance</b>	<b>(22,192,755)</b>	<b>(38,156,658)</b>	<b>(44,675,705)</b>

Company Offsets tax assets & tax liabilities if & only if has legally enforceable right to set off current tax assets & current tax liabilities & the deferred tax assets & deferred tax liabilities relate to income taxes levied by same tax authority

## Breakup of Movement in Deferred Tax Liability

Particulars	Tax Rate %
Income tax rate	25
Surcharge	1.75
Health & Education cess	1.07
<b>Effective</b>	<b>27.82</b>

The Company is certain to recover the DTA recognised against unabsorbed losses based on projected sales turnover over 5 years.

## 49 Transition To Ind AS

### Explanation of transition to Ind AS

These financial statements, for the year ended 31 March 2021, are the first financial statements, the Company has prepared in accordance with Ind AS. For periods up to and including the year ended 31 March 2020, the Company prepared its financial statements in accordance with Indian GAAP.

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending 31 March 2021, together with the comparative period data as at and for the year ended 31 March 2020, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening Balance Sheet was prepared as at 1 April 2019, the Company's date of transition to IndAS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the Balance Sheet as at 1 April 2019 and the financial statement as at and for the year ended 31 March 2020.

### Exemptions applied

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has elected to apply the following exemptions:

#### 1. Property, plant and equipment and intangible assets

The Company has elected to continue with the carrying value for all of its property, plant and equipment & intangible assets as recognised in its Indian GAAP financials as deemed cost at the transition date.

### Exceptions applied

#### 1. Estimates

Upon an assessment of the estimates made under Indian GAAP, the Company has concluded that there was no necessity to revise such estimates under Ind AS, except where estimates were required by Ind AS and not required by Indian GAAP.

#### 2. Derecognition of financial asset

The Company has applied the derecognition requirement for financial assets under Ind AS 109 "Financial Instruments", prospectively for transactions occurring on or after 1 April 2019.

### Explanation of transition to Ind AS

An explanation of how the transition from Indian GAAP to Ind AS has affected the Company's financial position, financial performance and cash flow is set out in the following tables and notes that accompany the tables. The reconciliations include-

- equity reconciliation as at 1 April 2019;
- equity reconciliation as at 31 March 2020;
- profit reconciliation for the year ended 31 March 2020; and

There are no material adjustments to the cash flow statements

In the reconciliations mentioned above, certain reclassifications have been made from Indian GAAP financial information to align with the Ind AS presentation.

## Reconciliation of equity as previously reported under Indian GAAP to Ind AS

Sr. No.	Particulars	As at March 31,2020 Indian GAAP	As at March 31,2020 IND AS Transition	As at March 31,2020 Ind AS	As at April 01,2019 Indian GAAP	As at April 01,2019 IND AS Transition	As at April 01,2019 IND AS Ind AS
<b>(1)</b>	<b>ASSETS</b>						
	<b>Non-current assets</b>						
	(a) Property, Plant and Equipment	797,943,352	-	797,943,352	836,077,423	-	836,077,423
	(b) Capital work-in-progress	40,101,257	(39,506,757)	594,500	22,766,708	(22,766,708)	-
	(c) Other Intangible assets	125,430,361	-	125,430,361	88,627,158	-	88,627,158
	(d) Intangible assets under development	-	39,506,757	39,506,757	-	22,766,708	22,766,708
	(e) Financial Assets	-	-	-	-	-	-
	(i) Trade receivables	4,750,188	-	4,750,188	8,250,188	-	8,250,188
	(ii) Loans	-	-	64,599,853	56,397,346	-	56,397,346
	(iii) Other Financial Assets	64,599,853	-	1,032,825,011	1,012,118,823	-	1,012,118,823
	<b>Total non current assets</b>	<b>1,032,825,011</b>					
	<b>Current Assets</b>						
	(a) Inventories	158,331,091	-	158,331,091	144,659,830	-	144,659,830
	(b) Financial Assets	187,134,611	-	187,134,611	248,067,441	-	248,067,441
	(i) Trade receivables	7,899,709	-	7,899,709	8,787,533	-	8,787,533
	(ii) Cash and cash equivalents	-	-	-	-	-	-
	(iii) Bank balances other than (ii) above	-	-	2,264,130	1,761,890	-	1,761,890
	(iv) Loans	-	-	-	-	-	-
	(v) Other Financial Assets	-	-	-	-	-	-
	(c) Current Tax Assets (Net)	-	-	-	-	-	-
	(d) Other Current Assets	85,821,822	-	85,821,822	83,575,831	-	83,575,831
	<b>Total current assets</b>	<b>441,451,363</b>		<b>441,451,363</b>	<b>486,852,526</b>		<b>486,852,526</b>
	<b>TOTAL ASSETS</b>	<b>1,474,276,374</b>		<b>1,474,276,374</b>	<b>1,498,971,350</b>		<b>1,498,971,350</b>
	<b>EQUITY AND LIABILITIES</b>						
	<b>Equity</b>						
	(a) Equity Share Capital	242,028,220	-	242,028,220	242,028,220	-	242,028,220
	(b) Other Equity	619,826,671	-	619,826,672	648,329,642	-	648,329,642
	<b>Total Equity</b>	<b>861,854,891</b>		<b>861,854,892</b>	<b>890,357,862</b>		<b>890,357,862</b>
	<b>Liabilities</b>						
	<b>(1)</b>						
	<b>Non Current Liabilities</b>						
	(a) Financial Liabilities	119,088,952	-	119,088,952	81,468,477	-	81,468,477
	(i) Borrowings	35,057,859	-	35,057,859	22,241,191	-	22,241,191
	(b) Provisions	38,156,659	-	38,156,658	44,675,705	-	44,675,705
	(c) Deferred Tax Liabilities (Net)	192,303,470	-	192,303,469	148,385,373	-	148,385,373
	<b>Total Non Current Liabilities</b>						
	<b>(2)</b>						
	<b>Current Liabilities</b>						
	(a) Financial Liabilities	120,519,555	-	120,519,555	158,869,665	-	158,869,665
	(i) Borrowings	-	-	47,200,195	31,040,850	-	31,040,850
	(ii) Trade payables	-	-	81,765,699	75,683,711	-	75,683,711
	- Total outstanding dues of micro enterprises and small enterprises	81,765,699	-	-	-	-	-
	- Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
	(iii) Other Financial Liabilities	41,961,518	-	41,961,518	42,847,247	-	42,847,247
	(b) Other Current Liabilities	128,351,112	-	128,351,112	135,921,045	-	135,921,045
	(c) Provisions	319,934	-	319,934	15,865,597	-	15,865,597
	<b>Total Current Liabilities</b>	<b>420,118,013</b>		<b>420,118,013</b>	<b>460,228,116</b>		<b>460,228,116</b>
	<b>TOTAL LIABILITIES</b>	<b>612,421,483</b>		<b>612,421,482</b>	<b>608,613,488</b>		<b>608,613,488</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,474,276,374</b>		<b>1,474,276,374</b>	<b>1,498,971,350</b>		<b>1,498,971,350</b>

Particulars	31 <sup>st</sup> March, 2020	31 <sup>st</sup> March, 2020	31 <sup>st</sup> March, 2020
	Indian GAAP	Effect of transition	Ind AS
<b>I. Gross revenue from operations</b>	535,232,499	-	535,232,499
<b>II. Other income</b>	755,923	-	755,923
<b>III. Total Revenue (I +II)</b>	<b>535,988,422</b>		<b>535,988,422</b>
<b>IV. Expenses:</b>			
Cost of materials consumed	170,446,155	-	170,446,155
Changes in inventory - work in progress & finished goods in transit	-191,440	-	-191,440
Other Manufacturing Expenses	110,290,939	-	110,290,939
Employee benefit expense	61,540,755	273,349	61,814,104
Finance costs	37,792,195	-	37,792,195
Depreciation and amortization expense	68,097,746	-	68,097,746
Other expenses	122,087,662	-	122,087,662
<b>Total expenses</b>	<b>570,064,012</b>		<b>570,337,361</b>
<b>V. Loss before tax (III - IV)</b>	<b>-34,075,589</b>		<b>-34,348,938</b>
<b>VI. Tax expense:</b>			
(1) Current tax	-	-	-
(2) Deferred tax	6,519,047	76,046	6,595,093
(3) MAT Credit Entitlement	-	-	-
(3) Taxes related to previous period	-946,428	-	-946,428
<b>VII. Loss for the period (V -VI)</b>	<b>-28,502,971</b>		<b>-28,700,273</b>
<b>VIII. Other Comprehensive Income</b>			
A) (i) Items that will not be reclassified to profit or loss	-	273,349	273,349
(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-
B) (i) Items that will be reclassified to profit or loss	-	76,046	-76,046
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-
<b>Total Other Comprehensive Income</b>	<b>-</b>		<b>197,303</b>
<b>IX. Total Comprehensive Income [comprising Loss (after tax) and Other Comprehensive Income (after tax) for the period] (VII+VIII)</b>	<b>-28,502,971</b>		<b>-28,502,970</b>

**Notes to the reconciliations:**

**(a) Employee benefit expenses - actuarial gains and losses and return on plan assets**

Under Indian GAAP, actuarial gains and losses and return on plan assets on post-employment defined benefit plans are recognised immediately in statement of profit and loss. Under Ind AS, remeasurements which comprise of actuarial gains and losses, return on plan assets and changes in the effect of asset ceiling, if any, with respect to post-employment defined benefit plans are recognised immediately in other comprehensive income (OCI). Further, remeasurements recognised in OCI are never reclassified to statement of profit and loss.

Actuarial gains and losses are recognised in other comprehensive income and transferred to retained earnings. Accordingly, this adjustment does not have any impact on equity.

**(b) Intangible asset under development**

Under Schedule III Division I, Intangible assets which are not capitalised are classified under Capital Work In Progress, however under Schedule III Division II, Intangible assets under development are shown separately.

**50 Information about business segments**

The Company is operating in one segment only i.e. Sintered Metal Components & Auto Components.

**51 Previous Year Figures**

The previous year figures have also been reclassified to conform to this year's classification.

**As per our attached Report of even date**

**For M/s Kirtane & Pandit LLP**

**Chartered Accountants**

Firm Registration No. 105215W/W100057

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

**Jignesh Raval**

**Managing Director**

**DIN: 01591000**

Place: Pune

**Hari Nair**

**Chairman**

**DIN: 00471889**

Place: Chicago, USA

**Parag Pansare**

**Partner**

Membership No. 117309

Place: Pune

Date: May 27, 2021

**Pankaj Bhatawadekar**

**Chief Financial Officer**

Place: Pune

Date: May 27, 2021

**Anuja Joshi**

**Company Secretary**

Membership No. A32971

Place: Pune



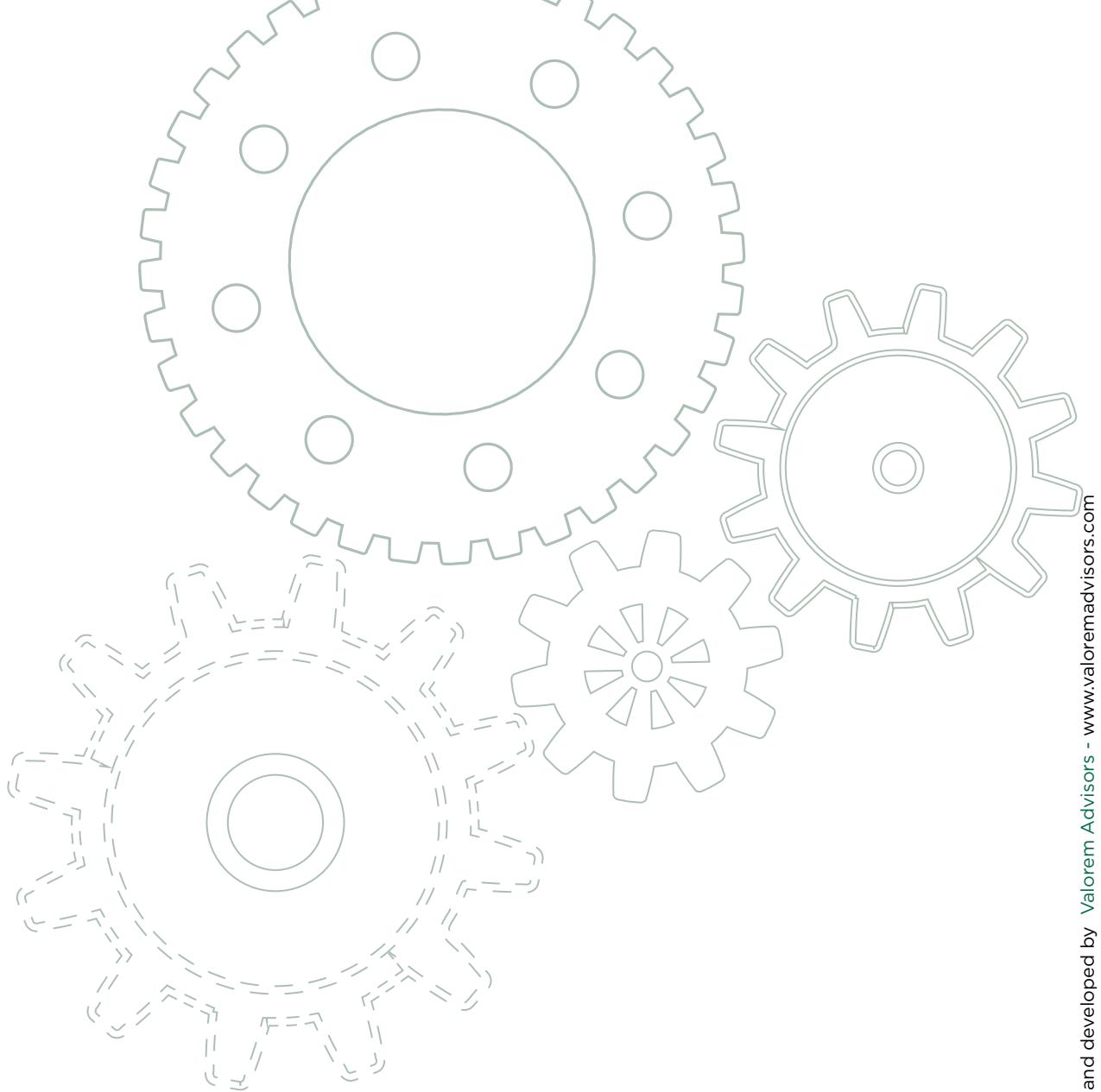
## Notes



## Notes



## Notes



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**SINTERCOM**  
India Ltd.

**SINTERCOM India Limited**

(Previously known as Sintercom India Private Limited)

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