



**RAJ OIL MILLS LTD.**

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# OIL

Taste in its  
Purest Form

**ANNUAL REPORT**

— 2022-23 —



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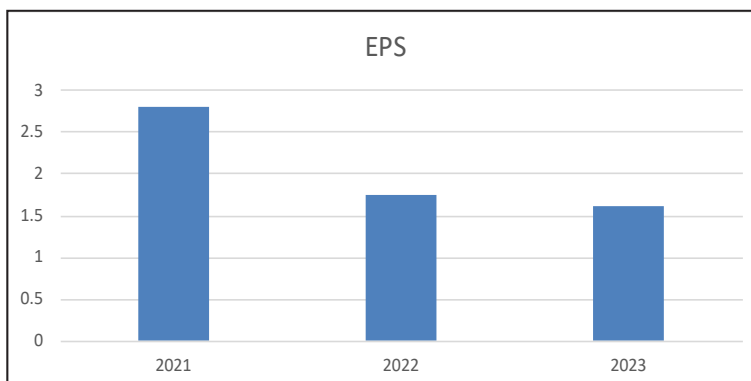
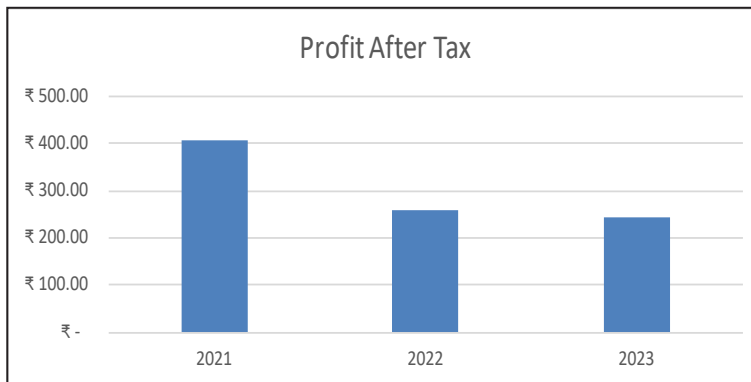
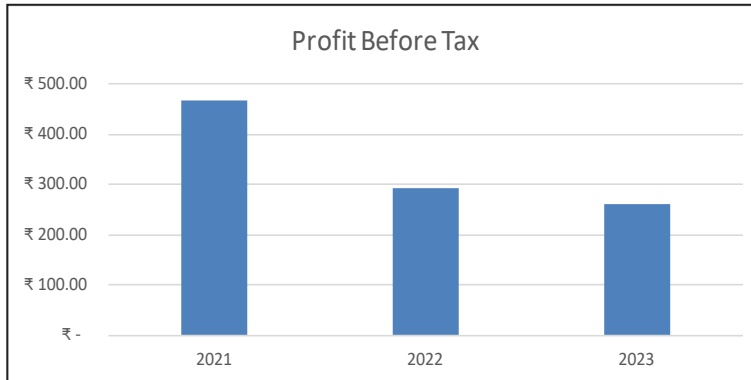
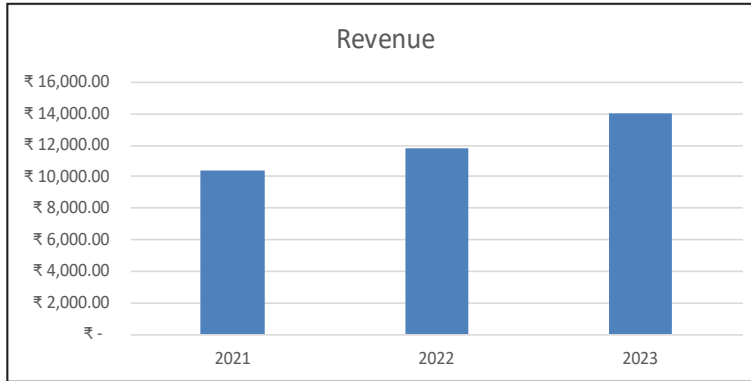


## CORPORATE INFORMATION

|   |  |  |
|---|--|--|
| <b>BOARD OF DIRECTORS</b>                         | Mr. Parvez Shafee Ahmed Shaikh<br>Mr. Atikurraheman Daudbhai Mukhi<br>Mr. Tabrez Shafiahmed Shaikh<br>Mrs. Needa Altaf Mukhi (w.e.f. June 30, 2022)<br>Mr. Mohammed Zahid Abdul Samad Mukhi (upto June 30, 2022)<br>Mr. Amir Atikurrehman Mukhi<br>Mr. Humayun Shafi Ahmed Shaikh<br>Mr. Huzefa Dawood Ghadiali<br>Mrs. Lucky Kulkarni (upto June 30, 2022)<br>Mr. Siraj Umar Furniturewala<br>Mrs. Kiran Raghavendra Awasthi<br>Mr. Rishang Sanjay Jain<br>Mr. Unmesh Breed<br>Mr. Arun Dash (w.e.f. June 30, 2022) | Executive Director and Chairman<br>Managing Director<br>Executive Director<br>Executive Director<br>Whole Time Director (Additional)<br><br>Executive Director<br>Executive Director<br>Independent Director<br>Independent Director<br>Independent Director<br>Independent Director<br>Independent Director<br>Independent Director |
| <b>SENIOR MANAGEMENT</b>                          | Mr. Sanjay K. Samantaray<br>Mr. Naresh Makhija (upto Dec 30, 2022)   | Chief Financial Officer<br>Vice President-Sales & Marketing  |
| <b>COMPANY SECRETARY &amp; COMPLIANCE OFFICER</b> | Mr. Jay Bhansali (upto May 20, 2022)<br>Ms. Khushbu Bohra (w.e.f. May 21, 2022)  |  |
| <b>COMMITTEES OF BOARD AUDIT COMMITTEE</b>        | Mr. Huzefa Dawood Ghadiali<br>Mrs. Lucky Kulkarni (upto June 30, 2022)<br>Mrs. Kiran Raghavendra Awasthi<br>Mr. Rishang Sanjay Jain<br>Mr. Humayun Shafi Ahmed Shaikh<br>Mr. Arun Dash (w.e.f. June 30, 2022)  | Chairman<br>Member<br>Member<br>Member<br>Member<br>Member   |
| <b>STAKEHOLDER RELATIONSHIP COMMITTEE</b>         | Mr. Siraj Umar Furniturewala<br>Mr. Parvez Shafee Ahmed Shaikh<br>Mrs. Lucky Kulkarni (upto June 30, 2022)<br>Mr. Rishang Sanjay Jain<br>Mr. Unmesh Breed<br>Mr. Arun Dash (w.e.f. June 30, 2022)  | Chairman<br>Member<br>Member<br>Member<br>Member Member  |
| <b>NOMINATION AND REMUNERATION COMMITTEE</b>      | Mrs. Lucky Kulkarni (upto June 30, 2022)<br>Mrs. Kiran Raghavendra Awasthi<br>Mr. Huzefa Dawood Ghadiali<br>Mr. Siraj Umar Furniturewala<br>Mr. Unmesh Breed<br>Mr. Arun Dash (w.e.f. June 30, 2022)   | Chairperson<br>Chairperson(w.e.f. June 30, 2022)<br>Member<br>Member<br>Member<br>Member   |
| <b>STATUTORY AUDITORS</b>                         | M/s. Kailash Chand Jain & Co.<br>Chartered Accountants   |  |
| <b>INTERNAL AUDITORS</b>                          | M/s. T. M. Dalal & Co.<br>Chartered Accountants  |  |
| <b>SECRETARIAL AUDITOR</b>                        | M/s. D. Maurya & Associates<br>Company Secretaries   |  |
| <b>REGISTERED OFFICE</b>                          | 224-230, Bellasis Road, Mumbai - 400 008   |  |
| <b>CORPORATE OFFICE</b>                           | 205, Raheja Center, 214, Free Press Journal Marg, Nariman Point, Mumbai 400021   |  |
| <b>CORPORATE IDENTITY NUMBER (CIN)</b>            | L15142MH2001PLC133714  |  |
| <b>PLANT LOCATION</b>                             | Ten Village (Manor), Palghar, Maharashtra- 401103  |  |
| <b>JOB WORK LOCATION</b>                          | A-239, F Road No. 6D. VKI Jaipur Rajasthan 302012  |  |
| <b>REGISTRAR AND TRANSFER AGENT</b>               | Bigshare Services Private Limited<br>E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (East), Mumbai – 400072   |  |
| <b>BANKERS</b>                                    | Kotak Bank, Bank of India, Bank of Baroda, Union Bank of India, Bank of Maharashtra  |  |



### Financial Highlights





## NOTICE

The 21st Annual General Meeting of Raj Oil Mills Limited (CIN: L15142MH2001PLC133714) will be held on Saturday, September 30, 2023, at 12:30 P.M. through Video Conferencing (VC) / Other Audio-Visual Means ("OAVM") to transact following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone Financial Statement of the Company for the financial year ended on March 31, 2023 and the Reports of the Board of Directors and the Auditor's thereon.
2. To appoint a Director in place of Mr. Humayun Ahmed Shafi Ahmed Shaikh (DIN: 00254836), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Amir Atikurrehman Mukhi (DIN: 08352099), who retires by rotation and being eligible, offers himself for re-appointment.

### SPECIAL BUSINESS:

4. To approve the remuneration of M/s. Vinod C. Subramaniam & Co., Cost Accountants, for the financial year ending March 31, 2024.

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

**"RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) M/s. Vinod C. Subramaniam & Co., Cost Accountants, appointed on recommendation of the Audit Committee by the Board of Directors of the Company as Cost Auditors under Section 148 of the Companies Act, 2013, to conduct the audit of the Cost Records of the Company for the financial year ending March 31, 2024 at the remuneration of Rs. 75,000/- (Rupees Seventy-Five Thousand Only) plus applicable taxes, be and is hereby approved.

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

5. Re-appointment of Statutory Auditors of the Company for a second term of 5 (five) years and to fix their remuneration.

To re-appoint Statutory Auditors for a second term of 5 (five) years and fix their remuneration and in this regard, pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as amended from time to time and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), M/s. Kailash Chand Jain & Co., Chartered Accountants, Mumbai (Firm Registration No. 112318W), be and are hereby re-appointed as Statutory Auditors of the Company for a second term of 5 (five) consecutive years commencing from the conclusion of this 21st (Twenty First) Annual General Meeting until the conclusion of the 26th (Twenty Sixth) Annual General Meeting of the Company, at such remuneration as recommended by the Audit Committee and approved by the Board of Directors of the Company.

**RESOLVED FURTHER THAT** any Director of the Company or the Company Secretary and Compliance Officer of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things and to execute all such documents as may be required to give effect to this Resolution."



6. To approve creation of charges on the assets of the Company under Section 180(1)(a) of the Companies Act, 2013 to secure the borrowings made/to be made under section 180(1)(c) of the Companies Act, 2013.

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

**“RESOLVED THAT** pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and as per the directions/guidelines issued by the Reserve Bank of India (“RBI”) or National Housing Bank (“NHB”) and relevant provisions of the Articles of Association of the Company, and all other applicable rules, laws and acts (if any) and subject to all other requisite approvals, permissions and sanctions and subject to such conditions as may be prescribed by any of the concerned authorities (if any), the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “the Board” which term shall be deemed to include any Committee of the Board, constituted/ to be constituted / reconstituted to exercise its powers including the powers conferred by this resolution) to create charge by way of mortgage(s) and/or hypothecation and/or lien or otherwise on any of movable and / or immovable properties / assets of the Company including receivables in the form of book debts, wherever situated both present and future and / or on whole or substantially the whole of the undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole of any such undertaking(s) wherever situated, on such terms and conditions at such time(s) and in such form and manner, and with such ranking in terms of priority, as the Board in its absolute discretion thinks fit, to or in favor of any bank(s) or Financial or other Institution(s), Mutual Fund(s), NonResident Indians (NRIs), Foreign Institutional Investors (FIIs) or Security Trustee(s) or body(ies) corporate or person(s), whether Securities holders of the Company or not, to secure the borrowing facility together with interest, cost, charges and expenses thereon for amount not exceeding ₹50 crore (Rupees Fifty Crore only) at any point of time (including the money(ies) already borrowed by the Company)

**RESOLVED FURTHER THAT** the securities to be created by the Company as aforesaid may rank exclusive/prior/pari-passu/ subsequent with/to the hypothecation/mortgages/lien and/or charges already created or to be created by the Company as may be agreed to between the concerned parties.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the aforesaid resolution, the Board of Directors be and is hereby authorised to delegate all or any of the powers conferred on it by or under this resolution to any Committee of Directors of the Company and to do all such acts, deeds and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard”.

**For and on behalf of the Board of Directors  
Of Raj Oil Mills Limited**

**Sd/-  
Parvez Shafee Ahmed Shaikh  
Chairman**

**Mumbai, September 06, 2023**

**NOTES**

1. The AGM will be held on Saturday, September 30, 2023 at 12:30 P.M. through Video Conferencing (VC)/Other Audio-Visual Means (OAVM) in compliance with the applicable provisions of the Companies Act, 2013 read with MCA General Circular No. 14/2020 dated 08th April, 2020, MCA General Circular No. 17/2020 dated 13th April, 2020, MCA General Circular No. 20/2020 dated 05th May, 2020, MCA General Circular No. 02/2021 dated 13th January, 2021, MCA General Circular No. 02/2022 dated 5th May, 2022, MCA General Circular No. 10/2022 dated 28th December, 2022, SEBI Circular dated 12th May, 2020, SEBI Circular dated 15th January, 2021, SEBI Circular dated 13th May, 2022 AND SEBI Circular dated 05th January, 2023.
2. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of 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.
3. 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.
4. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.rajoilmillsltd.com](http://www.rajoilmillsltd.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
5. The AGM of the Company is being held through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 ("Act") read with MCA Circular No. 14/2020 dated April 08, 2020, MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021, MCA Circular No. 02/2022 dated 5th May, 2022, MCA General Circular No. 10/2022 dated 28th December, 2022 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations")
6. A Membr entitled to attend and vote is entitled to appoint one or more proxies to attend and vote on a poll instead of himself / herself and the proxy need not be a Member of the Company. However, as this AGM is being conducted through VC/ OAVM, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
7. Institutional/Corporate Members (i.e., other than individuals/HUF, NRI, etc.) intending to send their authorized representative(s) to attend the Meeting through VC / OAVM, are requested to send a Certified True Copy of the relevant Board Resolution together with the specimen signature(s) of the representative(s) authorized under the said Board Resolution to attend and vote on their behalf at the Meeting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to [maurya.dhirendra@gmail.com](mailto:maurya.dhirendra@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
8. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
9. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e. September 30, 2023, Members seeking to inspect such documents can send an email to [cs@rajoilmillsltd.com](mailto:cs@rajoilmillsltd.com).
10. In compliance with the aforesaid MCA Circulars and SEBI, Notice of the AGM along with the Annual Report 2022-23 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories.





Members may note that the Notice and Annual Report 2022-23 will also be available on the Company's website [www.rajoilmillsltd.com](http://www.rajoilmillsltd.com) and websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively, and on the website of NSDL <https://www.evoting.nsdl.com>

11. The Register of Members and Share Transfer Books of the Company will remain closed from Sunday, September 24, 2023 to Saturday, September 30, 2023, (both days inclusive) for the purpose of the Meeting.
12. The information regarding the Director who is proposed to be appointed/re-appointed, as required to be provided under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Secretarial Standard on General Meetings issued, is annexed hereto to this Notice of AGM as "Annexure I".
13. An explanatory Statement setting out details relating to the special business to be transacted at the Annual General Meeting pursuant to Section 102(1) of the Companies Act, 2013, is annexed hereto.
14. Members who have not registered their e-mail addresses so far are requested to register the same for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
15. To support the "Green Initiative", Members who have not registered their e-mail addresses are requested to register the same with Bigshare Services Pvt. Ltd. /DP for receiving Annual Reports and other communications electronically from the Company in the future.
16. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
17. Updation of Members' Details

The format of the Register of Members prescribed by the Ministry of Corporate Affairs ('MCA') under the Act requires the Company/RTA to record additional details of members including their Permanent Account Number ('PAN'), e-mail address, bank details, etc. Further, the Securities and Exchange Board of India ('SEBI') has mandated the submission of PAN by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their details to their DPs with whom they are maintaining their Demat accounts. Members holding shares in physical form can submit their details to the Company's RTA.

18. During the Financial Year 2018-19, SEBI and MCA have mandated that existing Members of the Company who hold securities in physical form and intend to transfer their securities after April 1, 2019, can do so only in dematerialized form. Therefore, Members holding shares in physical form are requested to consider converting their shareholding to dematerialized form to eliminate all risks associated with physical shares for ease of portfolio management as well as for ease of transfer, if required. Shareholders can write to the Company at [cs@rajoilmillsltd.com](mailto:cs@rajoilmillsltd.com) or contact the Company's RTA - Bigshare Services Pvt. Ltd. at [investor@bigshareonline.com](mailto:investor@bigshareonline.com) ('RTA Email') and 022-62638200 ('RTA Number') for assistance in this regard.
19. As per the provisions of the Act, the facility for making nomination is available to the Members in respect of the shares held by them. Nomination forms can be obtained from the Company's RTA by Members holding shares in physical form. Members holding shares in electronic form may obtain Nomination forms from their respective DPs.
20. Members holding shares in single name are especially advised to make nomination in respect of their shareholding in the Company and for cancellation and variation of nomination, if they are desirous of doing so.
21. Members desiring any information as regards the Accounts are requested to write to the Company at an earlier date through email on [cs@rajoilmillsltd.com](mailto:cs@rajoilmillsltd.com). The same will be replied by the Company suitably.
22. Members who are holding physical shares in identical order of names in more than one folio are requested to send to the Company's RTA the details of such folios together with the share certificates for consolidating their holding in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.



- a. Change in their residential status on return to India for permanent settlement
  - b. Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
23. Members are requested to notify the Company/RTA of any change in address or demise of any Member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified.
24. Process and manner of Voting through Electronic Means;
- c. In compliance with the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, and Regulation 44 of the SEBI Listing Regulations, each as amended from time to time and Secretarial Standard on General Meetings ('SS-2') issued by the Institute of Company Secretaries of India, the Company is pleased to provide the facility to its Members to cast their votes electronically on resolutions set forth in this Notice. The Company has engaged the services of National Securities Depository Limited ('NSDL') as the Agency to provide e-voting facility. The Members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting') and the services will be provided by NSDL.
  - d. Instructions for remote e-voting (including process and manner of e-voting) are given herein below.
  - e. The Resolutions passed by remote e-voting shall be deemed to have been passed as if they have been passed at the AGM. The Notice of the AGM indicating the instructions of remote e-voting process can be downloaded from NSDL's website [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or the Company's website [www.rajoilmillsLtd.com](http://www.rajoilmillsLtd.com).
  - f. The Members who have cast their vote by remote e-voting prior to the Meeting may also attend the Meeting but shall not be entitled to cast their vote again. Members can opt for only one mode of voting i.e., remote e- voting or voting at the meeting. In case of voting by both the modes, vote cast through remote e-voting will be considered final and voting at the meeting will not be considered.
  - g. Members holding shares in physical form or dematerialized form as on Friday, September 22, 2023 ('Cut-Off Date') shall be eligible to cast their vote by remote e-voting.
  - h. The remote e-voting period commences on Wednesday, September 27, 2023 (IST) and ends on Friday September 29, 2023, (IST). During this period, the members of the Company holding shares either in physical form or in dematerialized form as on the Cut-Off Date, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting after 5:00 p.m. (IST) on Friday, September 29, 2023.
25. Any person(s) who acquires shares of the Company and becomes a Member(s) of the Company after dispatch of the Notice of AGM and holding shares as on the Friday, September 22, 2023 may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [admission@bigshareonline.com](mailto:admission@bigshareonline.com) However, if you are already registered with NSDL for remote e-voting then you can use your existing User ID and password for casting your vote. If you have forgotten your password, you can reset your password by using 'Forgot User Details/ Password' or 'Physical User Reset Password' option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following Toll Free No.: 1800-222-990 or e-mail at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
26. Please note, only a person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off Date shall be entitled to avail the facility of voting, either through remote e-voting or voting at the AGM.
27. The Board of Directors has appointed M/s. D. Maurya & Associates, (M. No. 22005, C.P.: 9594) Practicing Company Secretaries, as Scrutinizer to scrutinize the remote e-voting process as well as voting at the time of Meeting in a fair and transparent manner.



28. The Scrutinizer shall, immediately after the conclusion of voting at the Meeting, count the votes cast at the Meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least 2 witnesses not in the employment of the Company and shall within 48 hours of conclusion of the Meeting submit a consolidated Scrutinizer's Report of the total votes cast in favor of or against, if any, to the Chairman or any other person authorized by the Chairman in writing, who shall countersign the same.
29. The Chairman or any other person authorized by him in writing shall declare the result of voting forthwith.
30. The results declared along with Scrutinizer's Report, will be placed on the Company's website [www.rajoilmillsltd.com](http://www.rajoilmillsltd.com) and the website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com) immediately after the result is declared by Chairman or any other person authorized by the Chairman and the same shall simultaneously be communicated to BSE Limited and National Stock Exchange of India Limited where the Securities of the Company are listed.
31. In case of any grievances with respect to the facility for voting by electronic means, Members are requested to contact at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) (1800 222 990) or write to NSDL at NSDL, Trade World, 'A' wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013.

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

The remote e-voting period begins on Wednesday, September 27, 2023 (IST) and ends on Friday, September 29, 2023. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Friday, September 22, 2023 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being September 22, 2023.

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

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

**Step 1: Access to NSDL e-Voting system**




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

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

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

| Type of shareholders  | Login Method   |
|---|--|
| Individual Shareholders holding securities in demat mode with NSDL. | <ol style="list-style-type: none"> <li>1. Existing IDeAS user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS Portal" or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> </ol> |



|  |   |
|--|---|
|  | <p>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <div style="text-align: center;"> <p>NSDL Mobile App is available on</p>    </div>  |
| Individual Shareholders holding securities in demat mode with CDSL                                     | <p>1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then user your existing my easi username &amp; password.</p> <p>2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly.</p> <p>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</p> <p>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p> |
| Individual Shareholders (holding securities in demat mode) login through their depository participants | <p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>   |

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



**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. 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 022 - 4886 7000 and 022 - 2499 7000                    |
| 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 toll free no. 1800 22 55 33 |

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

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

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

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

4. Your User ID details are given below :

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

5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?



- (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
  - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
6. If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:
    - a) Click on “Forgot User Details/Password?”(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](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 General Meeting on NSDL e-Voting system.**

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

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

#### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [maurya.dhirendra@gmail.com](mailto:maurya.dhirendra@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on “Upload Board Resolution / Authority Letter” displayed under “e-Voting” tab in their login.



2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on.: 022 - 4886 7000 and 022 - 2499 7000 or send a request to Vice President at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

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

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

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

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

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

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.



2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at [cs@rajoilmillsltd.com](mailto:cs@rajoilmillsltd.com). The same will be replied by the company suitably.





**STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 (“the Act”)**

**Item No. 4**

The Board, on the recommendation of the Audit Committee, has approved the appointment of M/s. Vinod C. Subramaniam & Co., as Cost Auditor to conduct the audit of the Cost Records of the Company for the financial year ending March 31, 2024.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor has to be determined by the shareholders of the Company.

Accordingly, consent of the shareholders is sought for passing an Ordinary Resolution as set out in Item No.4 of the Notice for approval of the remuneration payable to the Cost Auditor for the financial year ending March 31, 2024.

None of the Directors/ Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution as set out at Item No.4 of the Notice.

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

**Item No. 5.**

Re-appointment of Statutory Auditors of the Company for a second term of 5 (five) years and to fix their remuneration.

At the 16th Annual General Meeting of the Company held on May 04, 2019, the members had approved the appointment of M/s. Kailash Chand Jain & Co., Chartered Accountants, Mumbai (Firm Registration No. 112318W), as the Statutory Auditors of the Company, to hold office till the conclusion of 21st Annual General Meeting of the Company to be held in the year 2023.

Considering the performance of Auditors during their present tenure, the Audit Committee of the Company, after due deliberations and discussions, recommended to the Board re-appointment of M/s. Kailash Chand Jain & Co. as statutory auditors of the Company for a second term of 5 (five) years to hold office from the conclusion of 21st Annual General Meeting till the conclusion of 26th Annual General Meeting of the Company to be held in year 2028.

Based on the recommendation of the Audit Committee, the Board of Directors at their meeting held on September 06, 2023, approved the re-appointment of M/s. Kailash Chand Jain & Co. as Statutory Auditors of the Company for a second term of 5 (five) years i.e. from the conclusion of 21st Annual General Meeting till the conclusion of 26th Annual General Meeting of the Company to be held in year 2028. The re-appointment is subject to approval of the members of the Company.

The Audit Committee and the Board of Directors considered the following factors in recommending the re-appointment of M/s. Kailash Chand Jain & Co. as Statutory Auditors of the Company:

- Performance of M/s. Kailash Chand Jain & Co. as Statutory Auditors of the Company during their present tenure
- Competence of the leadership and of the audit team of the firm in conducting the audit of the financial statements of the Company
- Ability of the firm to seamlessly scale and understand the Company's operations, systems and processes; and
- Geographical presence and ability of the firm in servicing the Company at multiple locations.

M/s. Kailash Chand Jain & Co. have consented to their appointment as Statutory Auditors and have confirmed that if appointed, their appointment will be in accordance with Section 139 read with Section 141 of the Act.

The remuneration to be paid to the Statutory Auditors shall be determined based on the recommendation of the Audit Committee and as approved by the Board of Directors of the Company.

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



None of the Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested in the Resolution set out at Item No. 5 of the Notice except to the extent of their shareholding in the Company, if any.

**Item No. 6.**

In order to facilitate securing the borrowing availed / to be availed by the Company or associates of Company, by way of loans, or any other securities or otherwise, in Indian rupees, it is proposed to obtain the approval of the shareholders by way of a Special Resolution under Section 180(1)(a) of the Companies Act, 2013, to create charge/ mortgage/ hypothecation /pledge on the Company's assets including tangible and intangible, both present and future, or provide other securities in favour of the Banks, Financial Institutions, any other Lender(s), Agent(s) and Trustee(s), from time to time up to the limits approved or as may be approved by the shareholders from time to time under Section 180(1)(c) of the Companies Act, 2013.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested in the passing of the Resolution.

The Board of Directors recommends resolution as set out in the notice for approval of the members of the Company by way of a Special Resolution.

**For and on behalf of the Board of Directors  
Of Raj Oil Mills Limited**

**Mumbai, September 06, 2023**

**Sd/-  
Parvez Shafee Ahmed Shaikh  
Chairman**



## Annexure – I

Pursuant to the Provisions of Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings (SS-2) details in respect of Director seeking Appointment/Re-appointment at the Annual General Meeting is furnished below:

| Name of Director  | Mr. Amir Atikurrehman Mukhi   | Mr. Humayun Shafi Ahmed Shaikh   |
|---|---|--|
| Date of Birth   | May 21, 1997  | March 23, 1978   |
| Age   | 26 years  | 45 years   |
| DIN   | 08352099  | 00254836   |
| Date of first appointment on the Board of the Company   | December 26, 2020   | December 26, 2020  |
| Qualification   | Bachelor of Commerce  | Bachelor of Arts   |
| Experience and expertise  | Expertise in management and operation of diverse nature of business. Mr. Amir Mukhi has an experience of around two years of working as a Director  | Mr. Shaikh associated with the Rubber-wala Housing & Infrastructure Ltd. he possesses several years of experience in the construction field, his expertise and innovative approach helps the company to focus on details and brings in quality practices to the company.   |
| Terms and Conditions of Appointment/ Reappointment  | In terms of section 152 of the Companies Act, 2013 Mr. Amir Atikurrehman Mukhi, who was appointed as Whole Time Director of the Company in the Board meeting held on December 26, 2020 and the appointment was regularized in the Annual General Meeting of the Company held on September 30, 2021, is liable to retire by rotation | In terms of section 152 of the Companies Act, 2013 Mr. Humayun Shafi Ahmed Shaikh, who was appointed as Whole Time Director of the Company in the Board meeting held on December 26, 2020 and the appointment was regularized in the Annual General Meeting of the Company held on September 30, 2021, is liable to retire by rotation |
| Remuneration last Drawn (including sitting fees, if any)  | For remuneration, please refer Corporate Governance Report  | For remuneration, please refer Corporate Governance Report   |
| Directorship held in other Listed Companies (As on March 31, 2023)  | NIL   | NIL  |
| Chairmanship/ Membership of Committees of the Board of Directors of other listed companies as on March 31, 2023 | NIL   | NIL  |
| Shareholding of Director in the Company (As on March 31, 2023)  | NIL   | NIL  |
| Relationship with other Director/ Key Managerial Personnel ("KMP")  | Related to Mr. Atikurraheman Daudbhai Mukhi, the Managing Director of the Company and Mrs. Needa Altaf Mukhi, the Whole-Time Director of the Company.   | Related to Mr. Parvez Shafee Ahmed Shaikh, Chairman & Whole-Time Director and Mr. Tabrez Shafiahmed Shaikh, the Whole-Time Director of the Company   |

For and on behalf of the Board of Directors  
Of Raj Oil Mills Limited

Mumbai, September 06, 2023

Sd/-  
Parvez Shafee Ahmed Shaikh  
Chairman



## DIRECTORS' REPORT

Dear Shareholders,

Your Directors are pleased to present 21st Annual Report on the affairs of the Company together with the Audited Statement of Accounts for the year ended March 31, 2023.

### 1. PERFORMANCE OF THE COMPANY

The Company's performance is summarized below:

#### FINANCIAL RESULTS

(Rs in Lakhs)

| Particulars                                | 2022-2023<br>(in Rs.) | 2021-2022<br>(in Rs.) |
|--|-----------------------|-----------------------|
| Revenue from Operations                    | 14,035.57             | 11,855.51             |
| Other Income                               | 98.41                 | 5.92                  |
| Total Income                               | 14,133.98             | 11,861.43             |
| Total Expenses*                            | 13,873.73             | 11,569.04             |
| Profit/(Loss) for the year before taxation | 260.25                | 292.39                |
| Tax Expenses                               |                       |                       |
| (a) Current Tax                            | -                     | -                     |
| (b) Deferred Tax                           | (17.76)               | (32.51)               |
| Profit/(Loss) after Tax                    | 242.48                | 259.88                |
| Earnings Per Share                         |                       |                       |
| Basic                                      | 1.62                  | 1.73                  |
| Diluted                                    | 1.62                  | 1.73                  |

\*Total Expenses includes the exceptional item of Rs. 47.73 Lakhs.

#### PERFORMANCE

Your Company's total income during the year under review was Rs. 14,133.98 Lakhs as compared to Rs. 11,861.43 Lakhs in the previous year. The Profit after tax was Rs. 242.48 Lakhs as compared to Rs. 259.88 Lakhs in the previous year.

### 2. STATE OF COMPANY'S AFFAIRS

Operating revenue is at Rs. 14,133.98 Lakhs in the Financial Year ended 2022-23 as compared to Rs. 11,861.43 Lakhs in Financial Year 2021-22. The Net profit after tax and depreciation during the FY 2022-23 is Rs. 242.48 Lakhs as compared to profits of Rs. 259.88 Lakhs during the last financial year.

### 3. DIVIDEND

Your Directors wish to conserve resources for future expansion and growth of the Company. Hence, no Dividend has been declared by the Directors during the Financial Year 2022-23.

### 4. SHARE CAPITAL

During the share capital of the Company is as follows:



The Authorized Share Capital of Company Rs. 160,00,00,000/-.

The paid-up Equity Share Capital of the Company as on 31st March, 2023 is Rs. 14,98,86,840/- divided into 1,49,88,684 shares of Rs. 10/- each.

## 5. TRANSFER TO RESERVES

During the year under review, your Company has no amount that is proposed to be transferred to the general reserves out of the net profits of the Company for the financial year 2022-23.

## 6. PUBLIC DEPOSITS

During the year under review, the Company has not accepted or renewed any deposits falling within the purview of provisions of Section 73 of the Companies Act, 2013 read with The Companies (Acceptance of Deposits) Rules, 2014.

Pursuant to the Resolution approved by the Hon'ble National Company Law Tribunal vide its Order dated April 19, 2018, the Company is making the payment of 100% of the principal amount due to fixed deposits holders who has submitted their claims upto an amount not exceeding Rs.5,36,00,000/- as originally approved under the approved Resolution Plan. Further, in compliance with approved resolution plan the outstanding Public Deposits as on March 31, 2023 is Rs. 65,32,262/-

However, there are certain Fixed Deposit holders who are not traceable and thus the Company has been not able to make payment for those Fixed Deposits Holder. The Company is in process of filing Petition in NCLT for obtaining clarification for the same.

## 7. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management discussion and Analysis Report for the year under review, as required under Regulation 34 read with Schedule V the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 (SEBI LODR 2015), is forming part of this Annual Report.

## 8. DIRECTORS' RESPONSIBILITY REPORT

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of its knowledge and ability, confirm that:

- a) in the preparation of the annual accounts, for the financial year ended March 31, 2023, the applicable accounting standards have been followed and that no material departures have been made from the same;
- b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profits of the Company for that period;
- c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) they have prepared the annual accounts on a going concern basis;
- e) they have laid down internal financial controls for the Company and such internal financial controls are adequate and operating effectively; and
- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.



## 9. CORPORATE GOVERNANCE

The Report on Corporate Governance as per the requirement of SEBI LODR 2015 forms part of this Annual Report. The requisite certificate from M/s. D Maurya Associates, Practicing Company Secretary, confirming the compliance with the conditions of Corporate Governance has been included in the said Report.

A Certificate from the Managing Director and CFO of the Company in terms of SEBI LODR 2015, inter alia, confirming the correctness of the Financial Statements and Cash Flow Statements, adequacy of the internal control for financial reporting, and reporting of matters to the Audit Committee, is also forming part of this Annual Report.

## 10. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

In accordance with the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, required information relating to the Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo is given as hereunder:

- **Conservation of Energy**

Company makes evaluation on a continuous basis to explore new technologies and techniques to make the operations of crushing and filtration more energy efficient. This includes regular maintenance of machineries and regular check-up of energy consuming devices. Total energy consumption and energy consumption per unit of production is prescribed in Form-A of Annexure-II to this report.

- **Technology Absorption**

Your Company has continuously adapted latest technology and best practices from the industry and efforts. Company has made efforts in developing new packaging and new products to make its products duplicate proof and tamper proof, which has yielded good response from the customers and will continue in future.

- **Foreign Exchange Earnings and Outgo**

| Particulars               | 31st March, 2023<br>(in Rs.) | 31st March, 2022<br>(in Rs.) |
|---------------------------|------------------------------|------------------------------|
| Foreign Exchange Earnings | Nil                          | Nil                          |
| Foreign Exchange Outgo    | Nil                          | Nil                          |

## 11. PARTICULARS OF EMPLOYEES AND OTHER DISCLOSURE

Disclosures relating to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed herewith as "Annexure III".

In terms of Section 136 of the Act, the Annual Report and Accounts are being sent to the Members, excluding the information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company during the business hours on working days of the Company. Any member interested in obtaining such particulars may write to the Company Secretary at the Registered Office of the Company.

## 12. DIRECTORS AND KEY MANAGERIAL PERSONNEL

### (a) Appointments during the year:

- The Board of Directors on recommendation of Nomination and Remuneration Committee approved the Appointment of Mrs. Needa Altaf Mukhi (DIN: 07664451) as the Additional Whole-Time Director of the Company for a period of 5 (five) years w.e.f. June 30, 2022 and Members have ratified her appointment as the Whole-Time Director in the Annual General Meeting held on August 02, 2022, for a period of 5 (five) years.



- The Board of Directors on recommendation of Nomination and Remuneration Committee approved the Appointment of Mr. Arun Dash (DIN: 09657537) as the Additional Non-Executive Independent Director of the Company for a period of 5 years w.e.f. June 30, 2022 and Members have ratified his appointment as the Non-Executive Independent Director in the Annual General Meeting held on August 02, 2022, for a period of 5 (five) years.
- Ms. Khushbu Bohra was appointed as Company Secretary & Compliance Officer of the Company w.e.f. May 21, 2022.

**(b) Resignations during the year:**

- Mr. Mohammed Zahid Abdul Samad Mukhi resigned as Additional Whole-Time Director of the Company w.e.f. June 30, 2022.
- Mrs. Lucky Kulkarni resigned as Non-Executive Independent Director of the Company w.e.f. June 30, 2022.
- Mr. Jay Bhansali resigned as Company Secretary & Compliance Officer of the Company w.e.f. May 20, 2022.

**(c) Change in Designations during the year:**

- The shareholders in the Annual General Meeting held on August 02, 2022 approved the following appointments:
  - i) Mr. Atikurraheman Daudbhai Mukhi was appointed as Managing Director for a period of 3 years w.e.f. November 12, 2021.
  - ii) Mrs. Needa Altaf Mukhi (DIN: 07664451) as Whole Time Director (Executive) of the Company for a period of 5 years w.e.f. June 30, 2020.
  - iii) Mr. Arun Dash (DIN: 09657537) as Non-Executive Independent Director of the Company for a term of 5 years w.e.f. June 30, 2022.

During the year under review and in the Board Meeting held on November 12, 2021, Mr. Atikurraheman Daudbhai Mukhi has been re-designated and elevated from Whole Time Director to Managing Director of the Company and Members have ratified his appointment as the Managing Director of the Company in the Annual General Meeting held on August 02, 2022 for a period of 3 (three) years w.e.f. November 12, 2021.

None of the Independent Directors had any pecuniary relationship or transactions with the Company during Financial Year 2022-23. In the opinion of the Board, they fulfill the conditions of independence as specified in the Companies Act, 2013 and Listing Regulations and are independent of the management.

In the opinion of the Board, the independent director appointed during the year possesses the required qualifications, integrity, expertise and experience (including proficiency) for the position.

They also bring in the required skill, competence and expertise that allow them to make effective contributions to the Board and its committees.

In terms of Section 203 of the Companies Act, 2013, the following are the Key Managerial Personnel of the Company:

- Mr. Parvez Shafee Ahmed Shaikh, Chairman & Whole Time Director
- Mr. Atikurraheman Daudbhai Mukhi, Managing Director
- Mr. Tabrez Shafi Ahmed Shaikh, Whole Time Director
- Mr. Humayun Ahmed Shafi Ahmed Shaikh, Whole Time Director
- Mrs. Needa Altaf Mukhi, Whole Time Director
- Mr. Amir Atikurrehman Mukhi, Whole Time Director
- Mr. Sanjay K. Samantaray, Chief Financial Officer
- Ms. Khushbu Bohra, Company Secretary & Compliance Officer



Pursuant to the provisions of Section 152(6) of the Companies Act, 2013 Mr. Humayun Ahmed Shafi Ahmed Shaikh Whole Time Director and Mr. Amir Atikurrehman Mukhi, Whole Time Director retires by rotation and being eligible, offers himself for reappointment at the ensuing Annual General Meeting.

As per the information available with the Company, None of the Directors of the Company are disqualified for being appointed as a Directors as specified in Section 164(2) of the Companies Act, 2013.

### 13. RIGHTS ISSUE

The Board of Directors of the Company at its meeting held on September 30, 2021, approved the issuance of fully paid-up equity shares of the Company by way of a rights issue to the existing equity shareholders of the Company upto an amount worth Rs 44.97 crores. Thereafter, on January 16, 2023, the Company submitted the draft letter of offer in connection with the proposed rights issue, framed in line with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, to the Securities and Exchange Board of India ('SEBI'), BSE and NSE, for requisite approvals. Further, the Rights Issue was withdrawn by the Rights Issue Committee of the Company on March 20, 2023 due to not meeting minimum eligibility criteria. The Company has provided necessary documents and clarification to both the exchanges and RE Holders that Rights Issue of the Company have been withdrawn due to poor market conditions, and market volatility and hence had not received minimum subscription during the offer period.

### 14. DECLARATION OF INDEPENDENCE

All Independent Directors have given declarations affirming that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI LODR 2015 and there has been no change in the circumstances which may affect their status as Independent Directors during the year. Further, all the Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV of the Companies Act, 2013 and the Code of Conduct for Directors and senior management.

### 15. DISCLOSURES RELATED TO BOARD, COMMITTEES AND POLICIES

#### a. BOARD MEETINGS

The Board met six times during the financial year. The meeting details are provided in the Corporate governance report that forms part of this Integrated Annual Report. The maximum interval between any two meetings did not exceed 120 days, as prescribed by the Companies Act, 2013.

#### b. PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and SEBI LODR 2015, the Nomination and Remuneration and Compensation Committee (NRC) has carried out Board Evaluation i.e. evaluation of the performance of: (i) the Board as a whole and its Committees, and (ii) individual directors (including independent directors).

The performance evaluation of the Independent Directors was carried out by the entire Board excluding the Directors being evaluated.

The performance evaluation of the Chairman, Non-Independent Directors and the Board as a whole was carried out by the Independent Directors at their separate meeting.

#### c. AUDIT COMMITTEE

The Board has well-qualified Audit Committee, the composition of which is in line with the requirements of Section 177 of the Companies Act, 2013 read with Regulation 18 of SEBI LODR 2015. All the Members, including the Chairman of the Audit Committee is Independent. They possess sound knowledge on Accounts, Audit, Finance, Taxation, Internal Controls etc. The details viz, Composition, number of meetings, dates of meetings and attendance of Directors at such meeting are included in the Corporate Governance Report.





The composition of the Committee was re-constituted on June 30, 2022 with the following members:

| Sr. No. | Name                           | Designation |
|---------|--------------------------------|-------------|
| 1.      | Mr. Huzefa Dawood Ghadiali     | Chairman    |
| 2.      | Mrs. Lucky Kulkarni *          | Member      |
| 3.      | Mrs. Kiran Raghavendra Awasthi | Member      |
| 4.      | Mr. Rishang Sanjay Jain        | Member      |
| 5.      | Mr. Humayun Shafi Ahmed Shaikh | Member      |
| 6.      | Mr. Arun Dash #                | Member      |

\* Ceased as a Member w.e.f. June 30, 2022

# Appointed as a Member w.e.f. June 30, 2022

During the year under review, the Board has accepted all the recommendations of the Audit Committee.

The Company Secretary of the Company acts as the Secretary of the Committee.

#### d. NOMINATION AND REMUNERATION COMMITTEE

The Company has duly constituted Nomination and Remuneration Committee as per the requirements prescribed under the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI LODR 2015.

The composition of the Committee was re-constituted on June 30, 2022 with the following members:

| Sr. No. | Name                           | Designation |
|---------|--------------------------------|-------------|
| 1.      | Mrs. Kiran Raghavendra Awasthi | Chairperson |
| 2.      | Mrs. Lucky Kulkarni *          | Chairperson |
| 3.      | Mr. Huzefa Dawood Ghadiali     | Member      |
| 4.      | Mr. Siraj Furniturewala        | Member      |
| 5.      | Mr. Unmesh Breed               | Member      |
| 6.      | Mr. Arun Dash #                | Member      |

\* Ceased as a Chairperson w.e.f. June 30, 2022

# Appointed as a Member w.e.f. June 30, 2022

The Board has framed a Nomination and Remuneration and Compensation Policy including fixation of criteria for selection and appointment of Directors, Key Managerial Personnel and Senior Management Personnel. The same has been annexed herewith as "Annexure IV". The Policy is also uploaded on the web-site of the Company at link: <https://rajoilmillsLtd.com/investor/policies-for-investor/>.

The details viz, Composition, number of meetings, dates of meetings and attendance of Directors at such meeting are given in the Corporate Governance Report.

#### e. STAKEHOLDERS RELATIONSHIP COMMITTEE

As per the requirements of Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI LODR 2015, the Company has constituted Stakeholders Relationship Committee.



The composition of the Committee was re-constituted on June 30, 2022 with the following members:

| Sr. No. | Name                           | Designation |
|---------|--------------------------------|-------------|
| 1.      | Mr. Siraj Furniturewala        | Chairman    |
| 2.      | Mrs. Lucky Kulkarni *          | Member      |
| 3.      | Mr. Rishang Sanjay Jain        | Member      |
| 4.      | Mr. Parvez Shafee Ahmed Shaikh | Member      |
| 5.      | Mr. Unmesh Breed               | Member      |
| 6.      | Mr. Arun Dash #                | Member      |

\* Ceased as a Chairperson w.e.f. June 30, 2022

# Appointed as a Member w.e.f. June 30, 2022

The details viz, Composition, number of meetings, dates of meetings and attendance of Directors at such meeting are given in the Corporate Governance Report.

## 16. AUDITORS AND REPORTS

The matters related to Auditors and their Reports are as under:

### Statutory Auditor

M/s. Kailash Chand Jain & Co., Chartered Accountants, Mumbai (Firm Regn. No.112318W) were appointed as the Statutory Auditors of the Company at the Annual General Meeting held on 04th May, 2019 for a period of 5 years i.e. from the conclusion of the said Annual General Meeting until the conclusion of Twenty First Annual General Meeting.

The Auditor's Report do not contain any qualifications, reservations, adverse remarks or disclaimer.

### Secretarial Auditor

M/s. D Maurya & Associates, Practicing Company Secretary, was appointed to conduct Secretarial Audit of the Company for the financial year 2022 - 2023 as required under Section 204 of the Companies Act, 2013 and the rules thereunder. The Secretarial Audit Report for the financial year ended March 31, 2023 is annexed herewith as "Annexure V" to this Report. The Secretarial Auditor's Report do not contain any qualifications, reservations, adverse remark or disclaimer.

### Cost Auditor

During the year, M/s. Vinod C. Subramaniam & Co., Cost Accountants was appointed as the Cost Auditor of the Company for the financial year 2022 – 2023 as required under Section 148(3) of the Companies Act, 2013 read with Rules of the Companies (Cost Records and Audit) Rules, 2014. Further, the Board hereby confirms that the cost records specified by the Central Government as per Section 148(1) of the Companies Act, 2013, and rules made thereunder, have been made and maintained.

## VIGIL MECHANISM / WHISTLE BLOWER POLICY

As per the provision of Section 177 (9) of the Companies Act, 2013, the Company is required to establish an effective Vigil Mechanism for Directors and Employees to report genuine concerns. In line with this, the Company has framed a Vigil Mechanism /Whistle Blower Policy through which the Directors and Employees, Franchisees, Business Partners, Vendors or any other third parties making a Protected Disclosure under this Policy may report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct & Ethics without fear of reprisal. 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 placed on the website of the Company at <https://rajoilmillsLtd.com/investor/policies-for-investor/>.

#### **17. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('Act') and rules made there under, your Company has adopted a Sexual Harassment Policy for women to ensure healthy working environment without fear of prejudice, gender bias and sexual harassment.

There were no incidences of sexual harassment reported during the year under review, in terms of the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

#### **18. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

No material changes and commitments affecting the financial position of the Company have occurred between the end of the Financial year of the Company to which the Financial Statement relate and the date of this report. There was no change in company's nature of business during the FY 2022 – 23.

#### **19. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

All the Related Party Transactions entered into during the financial year were on arm's length basis and were in ordinary course of business. The Detail of the related party entered between the Company and the related party are given in the Form AOC-2 as Annexure I, which is the part of this report, as required under Section 134(3) (h) of the Companies Act, 2013. The Board has approved a policy for related party transactions which has been uploaded on the Company's website. The web-link as required under SEBI Listing Regulations, 2015 is at <https://rajoilmillsLtd.com/investor/policies-for-investor/>.

#### **20. PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN OR SECURITIES PROVIDED BY THE COMPANY**

Particulars of Loans, Guarantees and Investments covered under provisions of section 186 of the Act, if any, are given in the notes to the Financial Statements.

#### **21. INTERNAL FINANCIAL CONTROL AND THEIR ADEQUACY**

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The internal control systems, comprising of policies and procedures are designed to ensure sound management of your Company's operations, safekeeping of its assets, optimal utilization of resources, reliability of its financial information and compliance. Based on the report of Internal Audit function, corrective actions are undertaken in the respective areas and thereby strengthen the controls.

The statutory auditors of the Company has audited the financial statements included in this annual report and has issued a report on our internal financial controls over financial reporting as defined in Section 143 of the Act.

#### **22. ANNUAL RETURN**

Pursuant to the provisions of Section 134(3)(a) of the Companies Act, 2013, the Annual Return for the financial year ended March 31, 2023 made under the provisions of Section 92(3) of the Companies Act, 2013 is placed at Company's website on [www.rajoilmillsLtd.com](http://www.rajoilmillsLtd.com).

#### **23. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

During the year under review, no significant and material orders were passed by the Regulators, Securities Exchange Board of India, Stock Exchanges, Tribunal or Courts which impact the going concern status and the Company's operations in future.



#### **24. HUMAN RESOURCES DEVELOPMENT AND INDUSTRIAL RELATIONS**

The Company takes pride in the commitment, competence and dedication shown by its employees in all areas of Business. The Company is committed to nurturing, enhancing and retaining top talent through superior Learning and Organizational Development. This is a part of Corporate HR function and is a critical pillar to support the Organisation's growth and its sustainability in the long run.

#### **25. CORPORATE SOCIAL RESPONSIBILITY (CSR)**

Social Welfare Activities has been an integral part of the Company since inception. The Company is committed to fulfill its social responsibility as a good corporate person. Section 135 of the Companies Act, 2013, has laid down the requirement for constitution of Corporate Social Responsibility Committee, which shall be responsible for laying down the CSR Policy, to a certain class or classes of Companies.

The compliance with Section 135 is applicable to specific class or classes of the Companies falling under the threshold mentioned under the Act and rules framed there under. However, our Company does not fall under the requisite threshold as mentioned under Section 135 during the financial year under review and thus the compliance with the relevant provision of the Companies Act, 2013 is not applicable.

#### **26. AFFIRMATION ON COMPLIANCE OF SECRETARIAL STANDARDS**

The Company hereby affirms that during the year under review, the Company has complied with all the applicable Secretarial Standards i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings' respectively (including any modifications or amendments thereto) issued by the Institute of Company Secretaries of India.

#### **27. REPORTING OF FRAUDS**

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and / or Board under Section 143(12) of the Act and the rules made thereunder.

#### **28. DISCLOSURE WITH RESPECT TO MAINTENANCE OF COST RECORDS**

As per Section 148 of the Companies Act, 2013, read with the Companies (Cost Records and Audit) Rules, 2014, your Company is required to maintain cost records and accordingly, such accounts and records are maintained.

#### **29. RISK MANAGEMENT**

The Company has a well-defined process to ensure the risks are identified and mitigation steps are put in place. The Company's Risk Management process focuses on ensuring that these risks are identified on a timely basis and reasonably addressed. The Audit Committee oversees financial risks and controls. Major risks are identified by the businesses and functions and these are systematically addressed through mitigating actions on continuing basis.

#### **30. ACKNOWLEDGEMENTS**

The members of the Board of Directors wish to place on record their sincere appreciation for the devoted services rendered by all the employees and the continued co-operation and confidence of shareholders. The Board expresses their sincere thanks to the Bankers, Government and Semi-Government Authorities, Esteemed Customers, Suppliers, Business Associates and all other well-wishers for their consistent contribution at all levels to ensure that the Company continues to grow and excel.

#### **31. CAUTIONARY STATEMENT**

The Board's Report and Management Discussion & Analysis may contain certain statements describing the Company's objectives, expectations or forecasts that appear to be forward-looking within the meaning of applicable securities laws and regulations while actual outcomes may differ materially from what is expressed herein. The Company is not obliged to update



any such forward-looking statements. Some important factors that could influence the Company's operations comprise economic developments, pricing and demand and supply conditions in global and domestic markets, changes in government regulations, tax laws, litigation and industrial relations.

**For and on behalf of the Board of Directors  
Of Raj Oil Mills Limited**

**Mumbai, September 06, 2023**

**Sd/-  
Parvez Shafee Ahmed Shaikh  
Chairman**



**ANNEXURE TO DIRECTOR'S REPORT**

**ANNEXURE- I  
Form No. AOC-2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act 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

**1. 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, which were not at arm's length basis.

**2. Details of material contracts or arrangements or transactions at arm's length basis**

| Sr. No. | Particulars  | Remark  |
|---------|--|---|
| 1.      | Name(s) of the related party and nature of relationship                                      | -M/s. Rubberwala Housing & Infrastructure Limited – Promoter Company<br>-M/s. Mukhi Industries Limited – Promoter Company<br>-Amir Atikurrehman Mukhi – Whole-Time Director<br>-Atikurraheman Daudbhai Mukhi – Whole-Time Director<br>-Humayun Ahmed Shafi Ahmed Shaikh – Whole-Time Director<br>-Parvez Shafee Ahmed Shaikh – Chairman & Whole-Time Director<br>-Tabrez Shafiahmed Shaikh - Whole-Time Director<br>Mr. Mohammed Zahid Abdul Samad Mukhi - Whole Time Director (Additional) |
| 2.      | Nature of contracts /arrangements/trans- actions   | Unsecured loan given to the Company   |
| 3.      | Duration of the transaction  | Financial Year 2022-23  |
| 4.      | Salient terms of the contracts or arrange- ments or transactions including the value, if any | Loan of Rs. 26,82,92,435/- has been obtained from the related party.  |

**For and on behalf of the Board of Directors  
Of Raj Oil Mills Limited**

**Sd/-  
Parvez Shafee Ahmed Shaikh  
Chairman**

**Mumbai, September 06, 2023**

**ANNEXURE-II  
FORM-A**

Information on Conservation of Energy and Technology Absorption as prescribed under Rule 8(3) of the Companies (Accounts) Rules, 2014 and forming part of the Directors' Report for the year ended March 31, 2023.

| <b>Sr . No.</b> | <b>Particulars</b>                      | <b>Financial Year Ended 31st March, 2023</b> | <b>Financial Year Ended 31st March, 2022</b> |
|-----------------|---|--|--|
| <b>1</b>        | <b>Electricity</b>                      |  |  |
|                 | Purchased                               |  |  |
|                 | Units (Lakhs)                           | 2.40   | 2.04   |
|                 | Total Amount (Rs. In Lakhs)             | 29.58  | 22.61  |
|                 | Rate per unit (Rs./ Unit)               | 12.34  | 11.08  |
|                 | Own Generation Through Diesel Generator |  |  |
|                 | Units                                   | 540.00                                       | 691  |
|                 | Total Amount Rs. in Lakhs               | 4.24   | 5.58   |
|                 | Cost per unit (Rs. / Unit)              | 785.07                                       | 807.16                                       |
| <b>2</b>        | <b>Furnace Oil/LSHS/LDO/HSD</b>         |  |  |
|                 | Qty (Ltrs)                              | 4,582.98                                     | 5658   |
|                 | Total Amount (Rs. In Lakhs)             | 4.26   | 5.23   |
|                 | Average Rate (Rs. / Ltrs)               | 92.95  | 92.48  |

**Note:**

1. Per unit rates of electricity includes other applicable charges.

**A. Consumption per unit of Production**

It is not feasible to maintain product category wise, energy & fuel consumption data, since the Company Manufacture/ pack a large range of products having different energy & fuel Requirements.

**For and on behalf of the Board of Directors  
Of Raj Oil Mills Limited**

Mumbai, September 06, 2023

**Sd/-  
Parvez Shafee Ahmed Shaikh  
Chairman**



## ANNEXURE-III

Disclosure under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

|   |   |   |
|---|---|---|
| 1 | The ratio of the remuneration of each Director to the median Remuneration of the employees of the company for the financial year;   | Executive Directors<br>Mr. Parvez Shafee Ahmed Shaikh (Chairman & Whole Time Director) – 25.75<br>Mr. Atikurraheman Daudbhai Mukhi (Managing Director) – 25.75<br>Mr. Tabrez Shafiahmed Shaikh (Whole Time Director) – 25.75<br>Mr. Humayun Ahmed Shafi Ahmed Shaikh (Whole Time Director) – 25.75<br>Mr. Amir Atikurrehman Mukhi (Whole Time Director) – 25.75<br>Mrs. Needa Altaf Mukhi (Additional - Whole Time Director) – 19.40<br>Mr. Mohammed Zahid Abdul Samad Mukhi (Additional - Whole Time Director) – 6.44  |
| 2 | The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;  | Mr. Parvez Shafee Ahmed Shaikh - Chairman & Whole Time Director – NIL<br>Mr. Atikurraheman Daudbhai Mukhi - Managing Director – NIL<br>Mr. Tabrez Shafiahmed Shaikh - Whole Time Director – NIL<br>Mr. Humayun Ahmed Shafi Ahmed Shaikh - Whole Time Director – NIL<br>Mr. Amir Atikurrehman Mukhi - Whole Time Director – NIL<br>Mrs. Needa Altaf Mukhi - Whole Time Director – NIL<br>Mr. Mohammed Zahid Abdul Samad Mukhi - Nil<br>Mr. Sanjay K. Samantaray – Chief Financial Officer – NIL<br>Ms. Khushbu Bohra – Company Secretary - NIL<br>Mr. Jay Bhansali – Company Secretary – NIL |
| 3 | The percentage increase in the median remuneration of Employees in the financial year;  | 0.42%   |
| 4 | The number of Permanent Employees on the rolls of the Company as on March 31, 2023  | 295   |
| 5 | 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; | 1) Increase made in the salaries of employees other than the managerial personnel – 0.42%<br>2) Increase in the managerial remuneration – NIL   |
| 6 | Affirmation that the remuneration is as per the remuneration policy of the Company.   | The Company affirms remuneration is as per the remuneration policy of the Company.  |

\*\*Non-Executive Directors of the Board were paid only sitting fees.

#Since the remuneration of the Director is only part of the year, the ratio of her remuneration to median remuneration is not comparable. Mrs. Needa Altaf Mukhi was appointed as Executive Whole Time Director w.e.f. June 30, 2022.

\* Mr. Mohammed Zahid Abdul Samad Mukhi has resigned on June 30, 2022.

\*Ms. Khushbu Bohra, Company Secretary has been appointed w.e.f. May 21, 2022 in the place of Mr. Jay Bhansali, Company Secretary who ceased the office of the Company w.e.f. May 20, 2022.





**ANNEXURE- IV**  
**Nomination & Remuneration Policy**  
**For The Financial Year Ended March 31, 2023 RAJ OIL MILLS LIMITED**  
**NOMINATION AND REMINUERATION POLICY**

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time. This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors.

**DEFINITIONS**

“Remuneration” means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961;

“Key Managerial Personnel” means:

1. Chief Executive Officer or the Managing Director or the Manager;
2. Company Secretary;
3. Whole-time Director;
4. Chief Financial Officer and;
5. Such other officer, not more than one level below the directors who is in whole- time employment, designated as key managerial personnel by the Board; and
6. Such other officer as may be prescribed;

Such other officer as may be prescribed “Senior Managerial Personnel” mean the officers / personnel of the company who are members of its core management team excluding Board of Directors and normally this shall comprise all members of management one level below the [“Chief Executive Officer/ Managing Director /Whole Time Director / Manager (including Chief Executive Officer / Manager, in case they are not the Part of the Board) and shall include Company Secretary and Chief Financial Officer.]

**OBJECTIVE**

The objective of the policy is to ensure that

1. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
2. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
3. Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

**NOMINATION AND REMINUERATION COMMITTEE**

| Sr. No. | Name of Director               | Designation |
|---------|--------------------------------|-------------|
| 1.      | Mrs. Kiran Raghavendra Awasthi | Chairperson |
| 2.      | Mr. Siraj Umar Furniturewala   | Member      |
| 3.      | Mr. Huzefa Dawood Ghadiali     | Member      |
| 4.      | Mr. Unmesh Breed               | Member      |
| 5.      | Mr. Arun Dash                  | Member      |



## ROLE OF THE COMMITTEE:

### The role of the NRC will be the following:

1. To formulate criteria for determining qualifications, positive attributes and independence of a director.
2. To formulate criteria for evaluation of Independent Directors and the Board.
3. To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
4. To carry out evaluation of Director's performance.
5. To recommend to the Board the appointment and removal of Directors and Senior Management.
6. To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
7. To devise a policy on Board diversity, composition, size.
8. Succession planning for replacing Key Executives and overseeing.
9. To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
10. To perform such other functions as may be necessary or appropriate for the performance of its duties.

## APPOINTMENT AND REMOVAL OF DIRECTOR, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

1. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend his / her appointment, as per Company's Policy.
2. A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position.
3. The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution.

## TERM / TENURE

1. Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive

Director for a term not exceeding five years at a time. No re- appointment shall be made earlier than one year before the expiry of term.

2. Independent Director:

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director, it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.



## **EVALUATION**

The Committee shall carry out evaluation of performance of Director, KMP and Senior Management Personnel early or at such intervals as may be considered necessary.

## **REMOVAL**

The Committee may recommend with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the Companies Act, 2013, rules and regulations and the policy of the Company.

## **RETIREMENT**

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

## **POLICY FOR REMUNERATION TO DIRECTORS/KMP/SENIOR MANAGEMENT PERSONNEL**

### **1. Remuneration to Managing Director / Whole-time Directors:**

- a) The Remuneration/ Commission etc. to be paid to Managing Director / Whole- time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.
- b) The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Whole-time Directors.

### **2. Remuneration to Non- Executive / Independent Directors:**

- a) The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.
- b) All the remuneration of the Non- Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.
- c) An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share-based payment schemes of the Company.
- d) Any remuneration paid to Non- Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:
  - i. The Services are rendered by such Director in his capacity as the professional; and
  - ii. In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.

### **3. Remuneration to Key Managerial Personnel and Senior Management:**

- a) The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.



- b) The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from to time.
- c) The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate

**IMPLEMENTATION**

1. The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.
2. The Committee may delegate any of its powers to one or more of its members.



**Form No. MR.3**  
**SECRETARIAL AUDIT REPORT**  
**for the Financial Year ended 31st March, 2023**  
**[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the**  
**Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

To,  
The Members,  
**Raj Oil Mills Limited**  
CIN: L15142MH2001PLC133714  
Regd. off: 224-230, Bellasis Road,  
Mumbai – 400008, Maharashtra, India

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to corporate practices by Raj Oil Mills Limited (CIN: L15142MH2001PLC133714) (hereinafter called “the company”). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on my verification of Raj Oil Mills Limited 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, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2023 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 Raj Oil Mills Limited for the financial year ended on 31st March, 2023 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, 1996 and the Regulations and Bye-laws, 1996 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; (During the period under review, the Company has not entered into any transaction requiring compliances 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, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; and amendments made from time to time. (Not applicable as company has not made any further issue of shares).
  - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, Now known as the Securities and Exchange Board of India (Share Based Employee Benefits) Regulation, 2014. During the period under review, the Company has not entered into any transaction requiring compliances with the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999).



- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (During the period under review, the Company has not entered into any transaction requiring compliances with the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008)
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and (Not Applicable as the Company has not delisted/propose to delist its Equity shares from any Stock Exchange during the Financial Year under review)
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and the Securities and Exchange Board of India (Buy-back of Securities) Regulation 2018; (Not Applicable as the Company has not bought back/propose to Buy back any of its securities during the Financial Year under review)
- i) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulation, 2015.

#### **OTHER APPLICABLE LAWS:**

With respect to the compliance system prevailing in the Company and on examination of the relevant documents and records on test check basis, following are the laws applicable to the Company:

1. Employees State Insurance Act, 1948
2. Employees Provident Fund and Miscellaneous Provisions Act, 1952
3. Indian Contract Act, 1872
4. Professional Tax, 1975
5. Food & Drug Act, 2006
6. Weights & Measures Act, 2009
7. Pollution Control Act, 1986
8. Factories Act, 1948 & the Maharashtra Factories Rules, 1963.
9. Income Tax Act, 1961 to the extent of Tax Deducted at Source under various Section and T.D.S. Returns filed.
10. Indirect Tax Laws relating to collections, deductions, wherever applicable, payments made and returns filed
11. Shops and Establishment Act.
12. Maharashtra Value Added Tax, 2002
13. Trade Marks Act, 1999
14. FCCBs and Ordinary Shares [Through Depository Receipt Mechanism] Scheme, 1993 or any amendment thereof.

We have relied on the representation made by the management in the relation to the compliance of the aforesaid laws and wish to state that the Company has complied with the applicable laws during the period under review.

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

- (i) Secretarial Standards as issued and implemented by The Institute of Company Secretaries of India, with respect to Board & General Meetings.
- (ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited, read with the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards made there under for all the above laws to the extent possible.



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

- (i) We have relied on the qualification / reservation / observation provided in report of internal as well as statutory auditors of the Company for compliance system relating to direct tax, indirect tax and other tax laws.
- (ii) During the period under review, there were no specific instances / actions in pursuance of the above referred Laws, Rules, Regulations, Guidelines etc., having major bearing on the Company's affairs.
- (iii) Securities Exchange Board of India (SEBI) has filed an appeal against the order of Securities Appellate Tribunal for imposed penalty of Rs 5,00,000/- (Rupees Five Lakhs) under Section 23(A)(a) of Securities Contract Regulation Act, 1956, with Hon'ble Supreme Court and the matter is still sub judice.
- (iv) During the year, the Company has taken relevant steps for repayment of the Public Fixed Deposits as per the Resolution Plan approved by the Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench. The Company has made the payment of Fixed Deposits holder as per the schedule approved by the Hon'ble NCLT, Mumbai Bench. However, there are certain Fixed Deposit holders who are not traceable and thus the Company has been not able to make payment for those Fixed Deposits Holder. However, the Company has filed an Application to the Hon'ble NCLT seeking directions for payments required to be made in relation to the outstanding amount standing in respect of such non traceable unsecured operational creditors and public fixed deposits in the books of accounts as on date vide letter dated September 30, 2022.
- (v) The Company has filed waiver application with both the Stock Exchanges and the National stock Exchange of India Limited (NSE) vide Letter dated March 17 2022, have waived off the fine with respect to non-compliance of Regulation 17 of SEBI (LODR), 2015. The Application for waiver of penalty is still pending with BSE Limited.

**We further report that:**

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

Adequate notice was given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda at least seven days in advance. However, 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 are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

**I further report that** pursuant to appointment of Compliance Officer, there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**For D. Maurya & Associates**

**Sd/-**

**Dhirendra Maurya**

**M. No.: 22005**

**C.P. No.: 9594**

**UDIN: A022005E000951021**

**Date : September 06, 2023**

**Place: Mumbai**



**Annexure A**

To,  
The Members,  
**Raj Oil Mills Limited**  
CIN: L15142MH2001PLC133714  
Regd. off: 224-230, Bellasis Road,  
Mumbai – 400008, Maharashtra, India

My Secretarial Audit Report for the financial Year ended March 31, 2023 of even date is to be read along with this letter.

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

**For D. Maurya & Associates**  
Sd/-  
**Dhirendra Maurya**  
M. No.: 22005  
C.P. No.: 9594  
UDIN: A022005E000951021

**Date : September 06, 2023**  
**Place: Mumbai**





## CORPORATE GOVERNANCE REPORT

### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

The Company strongly believes that establishing good corporate governance practices in each and every function of the organization leads to achievement of sustainable growth and enhances long term value for all the stakeholders. The Company always endeavors to carry its business operations in a fair, transparent and ethical manner also holds itself accountable and responsible to the society. The Company considers it imperative to abide by the laws and regulations of the land in letter and spirit and is committed to the highest standards of corporate behaviors. The company always strives to improve performance at all levels by adhering to corporate governance practices, such as managing its affairs with diligence, transparency, responsibility and accountability. We have, therefore, designed our systems and action plans to enhance performance and stakeholder's value in the long run. To create a culture of good governance, your Company has adopted practices that comprise of performance accountability, effective management control, constitution of Board Committees as a part of the internal control system, fair representation of non-executive and independent Directors on the Board, adequate and timely compliance, disclosure of information on performance, ownership and governance of the Company and payment of statutory dues.

The Company has complied with norms of Corporate Governance as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company understands that compliances of applicable legislations and timely disclosures enhance the image of the Company as a good corporate citizen of the Country.

Your Board of Directors present the Corporate Governance Report for the year 2022-23:

### 2. BOARD OF DIRECTORS

#### i. COMPOSITION:

The Board comprises of equal number of Independent Directors. It has a good mix of Executive and Non-Executive Directors including Independent Directors with fifty percent of the board comprising of non-executive Independent Directors. As on date of this Report, the Board consists of Twelve (12) Directors comprising of Six (6) Executive Directors and Six (6) Non-Executive Independent Directors (including one women director).

The profiles of the Directors can be found on <https://rajoilmillsLtd.com/about-us.html>. The composition of Board is in conformity with the SEBI LODR 2015.

None of the Director on the Board is a Member of more than ten Committees or Chairman of five Committees (committees being Audit Committee and Stakeholders Relationship Committee) across all the Indian public companies in which he/she is a Director. Necessary disclosures regarding their committee positions have been made by all the Directors.

None of the Directors hold office in more than ten public companies and seven Listed entities. None of the Independent Directors of the Company serve as an Independent Director in more than seven listed companies. All Directors are also in compliance with the limit on Independent Directorships of Listed Companies as prescribed under regulation 17A of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

None of the Whole-time Director/Managing Director is an Independent Director in any other listed companies.

Board is of the opinion that the Independent Directors fulfil the conditions specified in the SEBI LODR 2015 and are independent of the Management.

Chart / matrix setting out the skills/expertise/competence of the Board of Directors:-

The Board of Directors of the Company is highly structured to ensure a high degree of diversity by age, education/qualifications, professional background, sector expertise and special skills.



The following are the skills /expertise/competencies as identified by the Board:

| Skills /expertise/competencies as identified by the Board in the context of its businesses and sector's       | Name of Directors who have such skills / expertise / competence  |
|---|--|
| Finance, Law, Management, Administration, Corporate Governance related to the Company's business              | Mr. Parvez Shaikh, Mr. Atikurraheman Mukhi, Mr. Humayun Shaikh, Mr. Huzefa Ghadiali, Mr. Rishang Jain, Mrs. Kiran Awasthi, Mrs. Arun Dash, Mr. Unmesh Breed. |
| Management, Strategy, Sales, Marketing, Administration Technical Operations related to the Company's business | Mr. Parvez Shaikh, Mr. Atikurraheman Mukhi, Mr. Tabrez Shaikh, Mr. Amir Mukhi, Mr. Siraj Furniturewala, Mrs. Needa Altaf Mukhi.                              |

The Board consists of 12 directors. The details of the Board of Directors as on March 31, 2023 are given below:

| Name                                  | Category                   | Designation                    | Date of Appointment | No. of other Directorship held # | Directorship in other Listed Company and category of Directorship | Chairmanship in Committees of Boards of other companies\$ | Membership in Committees of Boards of other companies |
|---------------------------------------|----------------------------|--------------------------------|---------------------|----------------------------------|---|---|---|
| Mr. Parvez Shafee Ahmed Shaikh        | Executive                  | Chairman & Whole Time Director | 04/05/2018          | 1                                | NIL   | NIL   | NIL   |
| Mr. Atikurraheman Daudbhai Mukhi      | Executive                  | Managing Director              | 03/04/2019          | NIL                              | NIL   | NIL   | NIL   |
| Mr. Tabrez Shafiahmed Shaikh          | Executive                  | Whole Time Director            | 03/04/2019          | 1                                | NIL   | NIL   | NIL   |
| Mr. Mohammed Zahid Abdul Samad Mukhi* | Executive                  | Whole Time Director            | 12/11/2021          | NIL                              | NIL   | NIL   | NIL   |
| Mr. Amir Atikurrehman Mukhi           | Executive                  | Whole Time Director            | 26/12/2020          | 1                                | NIL   | NIL   | NIL   |
| Mr. Humayun Shafi Ahmed Shaikh        | Executive                  | Whole Time Director            | 26/12/2020          | 1                                | NIL   | NIL   | NIL   |
| Mrs. Needa Altaf Mukhi@               | Executive                  | Whole Time Director            | 30/06/2022          | 1                                | NIL   | NIL   | NIL   |
| Mr. Huzefa Dawood Ghadiali            | Non Executive, Independent | Director                       | 03/04/2019          | NIL                              | NIL   | NIL   | NIL   |
| Mrs. Lucky Kulkarni^                  | Non Executive, Independent | Director                       | 03/04/2019          | NIL                              | NIL   | NIL   | NIL   |
| Mr. Siraj Umar Furniturewala          | Non Executive, Independent | Director                       | 03/04/2019          | NIL                              | NIL   | NIL   | NIL   |
| Mrs. Kiran Raghavendra Awasthi        | Non Executive, Independent | Director                       | 13/02/2021          | NIL                              | NIL   | NIL   | NIL   |



| Name                    | Category                   | Designation | Date of Appointment | No. of other Directorship held # | Directorship in other Listed Company and category of Directorship | Chairmanship in Committees of Boards of other companies\$ | Membership in Committees of Boards of other companies |
|-------------------------|----------------------------|-------------|---------------------|----------------------------------|---|---|---|
| Mr. Rishang Sanjay Jain | Non Executive, Independent | Director    | 13/02/2021          | NIL                              | NIL   | NIL   | NIL   |
| Mr. Unmesh Breed        | Non Executive, Independent | Director    | 24/06/2021          | NIL                              | NIL   | NIL   | NIL   |
| Mr. Arun Dash**         | Non Executive, Independent | Director    | 30/06/2022          | NIL                              | NIL   | NIL   | NIL   |

\*With effect from June 30, 2022, Mr. Mohammed Zahid Abdul Samad Mukhi resigned as the Director of the Company.  
@With effect from June 30, 2022, the Board had appointed Mrs. Needa Altaf Mukhi as an Executive Director of the Company.

^With effect from June 20, 2022, Mrs. Lucky Kulkarni resigned as the Non-Executive Director of the Company.

\*\*With effect from June 30, 2022, the Board appointed had Mr. Arun Dash as the Non-Executive Director of the Company  
# Excludes alternate directorship and directorship in Foreign Companies, Private Companies and Companies governed by Section 8 of the Companies Act, 2013.

\$ for the purpose of calculating total membership and chairmanship, only Audit Committee and Stakeholders Relationship Committee in public limited companies, whether listed or not are considered as per Regulation 26(1) of the SEBI LODR 2015.

## ii. BOARD MEETINGS

During the financial year 2022-23, your Board met six times on 20/05/2022, 30/06/2022, 12/08/2022, 05/11/2022, 14/11/2022 and 14/02/2023 in compliance with SEBI Circular No. SEBI/HO/CFD/CMD1/ CIR/P/2020/38 dated March 19, 2020, SEBI Circular No. SEBI/ HO/CFD/CMD1/CIR/P/2020/110 dated June 26, 2020 and SEBI circular No. SEBI/HO/CFD/CMD1/P/ CIR/2021/556 dated April 29, 2021 and MCA Circular No. 11/2020 dated March 24, 2020 wherein relaxation of time gap between two Board meetings was granted. The necessary quorum was present for all the meetings. All the Board meetings were held at the Company's registered office at Mumbai, India.

**The attendance of the directors at the Board Meeting and Annual General Meeting (AGM) held during the year is given below:**

| Name of the Director                 | No. of meetings attended | Attended Last AGM | Shareholding in the Company as of March 31, 2023 (No. of Shares) |
|--------------------------------------|--------------------------|-------------------|--|
| Mr. Parvez Shafee Ahmed Shaikh       | 6                        | Yes               | 1325   |
| Mr. Atikurraheman Daudbhai Mukhi     | 6                        | Yes               | Nil  |
| Mr. Tabrez Shafiahmed Shaikh         | 6                        | Yes               | 1320   |
| Mr. Mohammed Zahid Abdul Samad Mukhi | 1                        | N.A.              | Nil  |
| Mr. Amir Atikurrehman Mukhi          | 6                        | Yes               | Nil  |
| Mr. Humayun Shafi Ahmed Shaikh       | 6                        | Yes               | 1330   |
| Mrs. Needa Altaf Mukhi               | 5                        | Yes               | Nil  |
| Mr. Huzefa Dawood Ghadiali           | 6                        | Yes               | Nil  |



| Name of the Director           | No. of meetings attended | Attended Last AGM | Shareholding in the Company as of March 31, 2023 (No. of Shares) |
|--------------------------------|--------------------------|-------------------|--|
| Mrs. Lucky Kulkarni            | 1                        | N.A.              | Nil  |
| Mr. Siraj Umar Furniturewala   | 5                        | Yes               | Nil  |
| Mrs. Kiran Raghavendra Awasthi | 6                        | Yes               | Nil  |
| Mr. Rishang Sanjay Jain        | 4                        | Yes               | Nil  |
| Mr. Unmesh Breed               | 6                        | Yes               | Nil  |
| Mr. Arun Dash                  | 5                        | Yes               | Nil  |

### iii. MEETING OF INDEPENDENT DIRECTORS

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and the SEBI LODR 2015, a separate meeting of the Independent Directors of the Company was held on June 30, 2022 to review the performance of Non-Independent Directors, Chairman and the Board as whole. The Independent Directors also reviewed the quality, quantity and timeliness of the flow of information between the Management and the Board and its Committees which is necessary to effectively and reasonably perform and discharge their duties.

### iv. INFORMATION PROVIDED TO THE BOARD

The Board has unrestricted access to all Company-related information. At Board/Committee meetings, departmental heads and representatives who can provide additional insights into the items being discussed are invited. The Company provides the following information inter alia to the Board, which is given either as part of the agenda or by way of presentations during the meetings, as deemed appropriate:

- a. Annual operating plans and budgets, capital budgets and other updates.
- b. Quarterly, half-yearly and annual financial results of the Company.
- c. Detailed presentations on business strategy, future outlook, capital budget of the Company.
- d. Minutes of meetings of committees of the Board.
- e. The information on recruitment and removal and remuneration of senior officers just below the Board level, including Chief Financial Officer and Company Secretary.
- f. Material show cause, demand, prosecution notices and penalty notices, if any;
- g. Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems, if any;
- h. Any material default in financial obligations to and by the Company.
- i. Any issue which involves possible public or product liability claims of substantial nature, if any;
- j. Status of compliance of any regulatory, statutory nature or listing requirements and shareholders' service;
- k. All proposals requiring strategic decisions;
- l. Regular business updates.

### v. CODE OF CONDUCT:

The Board of Directors of the Company has adopted Code of Business Conduct & Ethics. This Code is based on three fundamental principles, viz. good corporate governance, good corporate citizenship and exemplary conduct and is applicable to all the Directors and senior management personnel. The code of conduct is available on the website of the Company i.e., [www.rajoilmillsLtd.com](http://www.rajoilmillsLtd.com).

In terms of the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Code of Business Conduct & Ethics, as approved by the Board of Directors, has been displayed at the website of the company, All the members of the Board and senior management personnel have affirmed compliance with the Code for the year ended March 31, 2023 and a declaration to that effect signed by the CEO and Managing Director is attached and forms part of this report.

**vi. CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING:**

The Company has a Code of Conduct for Prevention of Insider Trading in the shares and securities of the Company as required under SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted Code of Conduct to Regulate, Monitor and Report Trading by Insiders and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information. All Directors, insiders and designated persons who could have access to the Unpublished Price Sensitive Information of the Company are governed by the Code. The Code of Conduct for Prevention of Insider Trading is available on the website of the Company i.e., [www.rajoilmillsltd.com](http://www.rajoilmillsltd.com).

**vii. COMMITTEES OF THE BOARD**

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas / activities as mandated by applicable regulation; which concern the Company and need a closer review. The Board has established the following Committees: -

**a. AUDIT COMMITTEE**

The constitution of Audit Committee is in compliance with the requirements of Section 177 of Companies Act, 2013 read with Regulation 18 of SEBI LODR 2015.

Terms and reference:

The Audit Committee assists the Board in its responsibility of overseeing the quality and integrity of the accounting, auditing and reporting practices of the Company and its compliance with the legal and regulatory requirements. The purpose of this Committee is to oversee the accounting and financial process of the Company, the audit of the Company's financial statements, the appointment, independence, performance and remuneration of the statutory auditors including the Cost auditors, the performance of internal auditors and the Company's risk management policies. The terms of reference of Audit Committee cover the areas mentioned under Part C of Schedule II of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 as well as Section 177 of the Companies Act, 2013.

**Composition**

The composition of Audit Committee as on March 31, 2023 is as follows:

| <b>Sr . No.</b> | <b>Name of the Director</b>    | <b>Designation</b>              |
|-----------------|--------------------------------|---------------------------------|
| 1.              | Mr. Huzefa Dawood Ghadiali     | Independent Director (Chairman) |
| 2.              | Mrs. Kiran Raghavendra Awasthi | Independent Director (Member)   |
| 3.              | Mr. Rishang Sanjay Jain        | Independent Director (Member)   |
| 4.              | Mr. Arun Dash                  | Independent Director (Member)   |
| 5.              | Mr. Humayun Shafi Ahmed Shaikh | Executive Director (Member)     |

**Meeting and Attendance during the year**

There were five meetings of the Audit Committee viz. May 20, 2022, June 30, 2022, August 12, 2022, November 05, 2023 and February 14, 2023 and following is the table showing attendance for the same. The Company Secretary acts as the Secretary of the Committee. The meetings were held in compliance with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/38 dated March 19, 2020, SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/110 dated June 26, 2020 and SEBI Circular No. SEBI/HO/CFD/CMD1/P/CIR/2021/556 dated April 29, 2021. The details of meeting attended by its members is as follows:



| Name of the Director           | Category                        | No. of Meet- ings held | No. of meet- ings attended |
|--------------------------------|---------------------------------|------------------------|----------------------------|
| Mr. Huzefa Dawood Ghadiali     | Independent Director (Chairman) | 5                      | 5                          |
| Mrs. Lucky Kulkarni*           | Independent Director            | 2                      | 1                          |
| Mrs. Kiran Raghavendra Awasthi | Independent Director            | 5                      | 5                          |
| Mr. Rishang Sanjay Jain        | Independent Director            | 5                      | 3                          |
| Mr. Humayun Shafi Ahmed Shaikh | Executive Director              | 5                      | 5                          |
| Mr. Arun Dash#                 | Independent Director            | 4                      | 4                          |

\*#The composition of the committee was re-constituted on June 30, 2022 and Mr. Arun Dash was appointed as Members of the Committee in place of Mrs. Lucky Kulkarni.

#### b. STAKEHOLDERS RELATIONSHIP COMMITTEE

As per the requirements of Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI LODR 2015, the Company has constituted Stakeholders Relationship Committee.

The composition of the Committee as on March 31, 2023 is as follows:

| Sr . No. | Name of the Director           | Designation                     |
|----------|--------------------------------|---------------------------------|
| 1.       | Mr. Siraj Umar Furniturewala   | Independent Director (Chairman) |
| 2.       | Mr. Parvez Shafee Ahmed Shaikh | Executive Director              |
| 3.       | Mr. Rishang Sanjay Jain        | Independent Director            |
| 4.       | Mr. Unmesh Breed               | Independent Director            |
| 5.       | Mr. Arun Dash                  | Independent Director            |

#### Terms and reference:

The terms of reference and the ambit of powers of Stakeholders Relationship Committee are as per the governing provisions of the Companies Act, 2013 (section 178) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (specified in Part D of Schedule II). The Committee considers and resolves the grievances of the shareholders of the Company, including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends, etc.

The Company Secretary of the Company shall act as a Secretary to this Committee.

During the financial year under review, 0 complaints were received from the shareholders. Hence, there were no pending complaints as on March 31, 2023.

The Company had no transfers pending at the close of 31.03.2023.

#### Meeting and Attendance during the year

During the financial year under review, two meetings of Stakeholders Relationship Committee was held on May 20, 2022 and June 30, 2022. The details of meeting attended by its members is as follows:



| Name of the Director           | Category                        | No. of Meeting held | No. of meeting attended |
|--------------------------------|---------------------------------|---------------------|-------------------------|
| Mr. Siraj Umar Furniturewala   | Independent Director (Chairman) | 2                   | 1                       |
| Mr. Parvez Shafee Ahmed Shaikh | Executive Director              | 2                   | 2                       |
| Mrs. Lucky Kulkarni*           | Independent Director            | 2                   | 1                       |
| Mr. Rishang Sanjay Jain        | Independent Director            | 2                   | 2                       |
| Mr. Unmesh Breed               | Independent Director            | 2                   | 2                       |
| Mr. Arun Dash#                 | Independent Director            | 1                   | 1                       |

\*#The composition of the committee was re-constituted on June 30, 2022 and Mr. Arun Dash was appointed as Members of the Committee in place of Mrs. Lucky Kulkarni.

**c. NOMINATION AND REMUNERATION COMMITTEE:**

The Nomination and Remuneration Committee of the Company consists of five non-executive Independent Directors and its composition is as per the requirements of Section 178 of the Companies Act, 2013 read with Regulation 19 of the SEBI LODR 2015. Its composition as on March 31, 2023 is as follows:

| Sr. No. | Name of the Director           | Designation                        |
|---------|--------------------------------|------------------------------------|
| 1.      | Mrs. Kiran Raghavendra Awasthi | Independent Director (Chairperson) |
| 2.      | Mr. Huzefa Dawood Ghadiali     | Independent Director               |
| 3.      | Mr. Siraj Umar Furniturewala   | Independent Director               |
| 4.      | Mr. Unmesh Breed               | Independent Director               |
| 5.      | Mr. Arun Dash                  | Independent Director               |

**Terms and reference:**

The Nomination and Remuneration Committee assist the Board in overseeing the method, criteria and quantum of compensation for directors and senior management based on their performance and defined assessment criteria. The Committee formulates the criteria for evaluation of the performance of Independent Directors & the Board of Directors; identifying the persons who are qualified to become directors, and who may be appointed in senior management and recommend to the Board their appointment and removal. The terms of the reference of Nomination and Remuneration Committee covers the areas mentioned under Part D of Schedule II of SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015 as well as section 178 of the Companies Act, 2013. The objectives of constituting of Nomination and Remuneration Committee are as follow:

- i. The Nomination and Remuneration Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- ii. The Nomination and Remuneration Committee shall, while formulating the above policy shall ensure that—
  - a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
  - b) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
  - c) Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.



### Meeting and Attendance during the year

During the year under review, total three meetings of the Nomination and Remuneration Committee were held on May 20, 2022 and June 30, 2022 and following is the table showing attendance for the same. The details of meeting attended by its members is as follows:

| Name of the Director           | Category                              | No. of meetings held | No. of meetings attended |
|--------------------------------|---------------------------------------|----------------------|--------------------------|
| Mrs. Lucky Kulkarni*           | Independent Director (Ex-Chairperson) | 2                    | 1                        |
| Mr. Huzefa Dawood Ghadiali     | Independent Director                  | 2                    | 2                        |
| Mr. Siraj Umar Furniturewala   | Independent Director                  | 2                    | 2                        |
| Mrs. Kiran Raghavendra Awasthi | Independent Director (Chairperson)    | 2                    | 2                        |
| Mr. Unmesh Breed               | Independent Director                  | 2                    | 2                        |
| Mr. Arun Dash#                 | Independent Director                  | 1                    | 1                        |

\*#The composition of the committee was re-constituted on June 30, 2022 and Mr. Arun Dash was appointed as Members of the Committee in place of Mrs. Lucky Kulkarni.

The Board of Directors has framed the Nomination and Remuneration and Compensation Policy on Nomination and remuneration of Directors, Key Managerial Personnel and Senior Management and the same is available on <https://rajoimills.com/investor/policies-for-investor/>. The remuneration paid to the Executive Directors is in accordance with the provisions of Section 197 and Part II of Schedule V of Companies Act, 2013.

Non-Executive Directors have been paid sitting fee as per the limit prescribed under the Companies Act, 2013 for attending Board Meetings and the meetings of the committees thereof.

### Performance Evaluation of Board of Directors

Pursuant to the provisions of the Companies Act, 2013 and SEBI LODR 2015, the Board has carried out an Annual Performance Evaluation of its own performance, the Directors individually as well as the evaluation of the working of its various Committees.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board excluding the Directors being evaluated. The performance evaluation of the Chairman and Non-Independent Directors was carried out by the Independent Directors at their separate meeting held on June 30, 2022.

### Remuneration of Directors

The details of remuneration paid to Directors during the financial year 2022-23 are as under:

#### (a) Non – Executive Directors

(Amount in ₹)

| Name of Directors              | Sitting Fees |
|--------------------------------|--------------|
| Mr. Huzefa Dawood Ghadiali     | 1,50,000     |
| Mr. Siraj Umar Furniturewala   | 1,25,000     |
| Mrs. Kiran Raghavendra Awasthi | 1,50,000     |





| Name of Directors    | Sitting Fees |
|----------------------|--------------|
| Mrs. Lucky Kulkarni* | 25,000       |
| Mr. Rishang Jain     | 1,00,000     |
| Mr. Unmesh Breed     | 1,50,000     |
| Mr. Arun Dash#       | 1,25,000     |

\*Resigned from June 30,2022.

#Appointed w.e.f. June 30, 2022.

Independent Directors are paid sitting fees of ₹ 25,000/- for attending each Meeting of the Board. Sitting Fees paid to Independent Directors are within the regulatory limits.

### (b) Executive Directors

(Amount in ₹)

| Particulars  | Mr. Parvez Shafee Ahmed Shaikh | Mr. Atikur-raheman Daudbhai Mukhi | Mr. Tabrez Shafiahmed Shaikh | Mr. Humayun Shafi Ahmed Shaikh | Mr. Amir Atikur-rehman Mukhi | Mr. Mohammed Zahid Abdul Samad Mukhi* | Mrs. Needa Altaf Mukhi* |
|--|--------------------------------|-----------------------------------|------------------------------|--------------------------------|------------------------------|---------------------------------------|-------------------------|
| Salary   | 31,96,800                      | 31,96,800                         | 31,96,800                    | 31,96,800                      | 31,96,800                    | 7,99,200                              | 24,07,293               |
| Contribution to Provident/ Pension and other funds | 43,200                         | 43,200                            | 43,200                       | 43,200                         | 43,200                       | 10,800                                | 33,646                  |
| Others perquisites and allowance                   | -                              | -                                 | -                            | -                              | -                            | -                                     | -                       |
| Performance linked incentives/Bonus                | -                              | -                                 | -                            | -                              | -                            | -                                     | -                       |
| <b>Total</b>                                       | <b>32,40,000</b>               | <b>32,40,000</b>                  | <b>32,40,000</b>             | <b>32,40,000</b>               | <b>32,40,000</b>             | <b>8,10,000</b>                       | <b>24,40,939</b>        |
| <b>Salary</b>                                      | <b>31,96,800</b>               | <b>31,96,800</b>                  | <b>31,96,800</b>             | <b>31,96,800</b>               | <b>31,96,800</b>             | <b>7,99,200</b>                       | <b>24,07,293</b>        |

\*Mr. Mohammed Zahid Abdul Samad Mukhi resigned as Whole Time Director of the Company from June 30, 2022 and Mrs Needa Altaf Mukhi was as Whole Time Director of the Company w.e.f. June 30, 2022.

## 3. DISCLOSURE AND COMPLIANCE

### i. RELATED PARTY TRANSACTIONS

All related party transactions entered into during the financial year 2022-23 were on an arm's length basis and in the ordinary course of the business of the Company and do not attract provisions of Section 188 of the Companies Act, 2013. There were no significant transactions with the related parties during the financial year which were in conflict with the interest of Company. Necessary disclosures as required under the Accounting Standards have been made in the Financial Statements.

### ii. COMPLIANCE WITH THE CAPITAL MARKET LAWS

- There has not been any material non-compliance on part of the Company on any matter related to Capital Markets or any laws framed there under during the year ended March 31, 2023.
- The company has followed accounting treatment as prescribed in Accounting Standards applicable to the Company.



### iii. OTHER DISCLOSURES:

- The Company has already put in place a system for employees to report to the management about concerns relating to unethical behavior, any fraud or violation of Company's Code of Conduct and the access has been provided up to the higher level of supervision including the Audit Committee.
- In the preparation of financial statements, the Company follows Accounting Standards as prescribed under related section of the Companies Act, 2013.
- The Company has complied with all the mandatory requirements and has disclosed information relating to extend of compliance with non-mandatory requirements.
- During the year under review, the Company did not raise any proceeds through a public issue, right issue and / or preferential issue.
- The details in respect of Directors seeking appointment/re-appointment as the case may be are provided in Notice convening the ensuing Annual General Meeting.

### iv. DISCLOSURE AS TO PUBLIC / RIGHTS /PREFERENTIAL ISSUES/BONUS ISSUE / SUBDIVISION ETC.

During the reporting year the Company has not issued any equity shares with differential voting rights or granted stock options or issued sweat equity or purchased its own shares and there were no other changes in the share capital of the Company by way of Public/ Rights/ Bonus/ buy back etc.

### v. GENERAL BODY MEETINGS

Date, Venue and Time for the last three Annual General Meetings.

| Date               | Venue   | Time       | Special Resolution passed |
|--------------------|---|------------|---------------------------|
| August 02, 2022    | Through Video Conferencing/Other Audio Visual Means at registered office of the Company | 11:00 A.M. | 2                         |
| September 30, 2021 | Through Video Conferencing/Other Audio Visual Means at registered office of the Company | 10.00 A.M. | 1                         |
| September 30, 2020 | Through Video Conferencing/Other Audio Visual Means at registered office of the Company | 10.00 A.M. | 0                         |

### RESOLUTION(S) PASSED THROUGH POSTAL BALLOT

No Postal Ballot was conducted during the financial year 2022-23. None of the businesses are proposed to be conducted through Postal Ballot.

### vi. CEO/CFO CERTIFICATION:

The Managing Director (MD) and Chief Financial Officer (CFO) have certified to the Board, inter-alia, the accuracy of Financial Statements and adequacy of Internal Controls for the financial reporting purpose as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the year ended March 31, 2023.

### vii. MEANS OF COMMUNICATION:

The Company communicates with the shareholders through its Annual Reports, Publication of quarterly Results, press releases and reports and returns filed with Stock Exchange (BSE and NSE) and Registrar of Companies etc.



The financial results are normally published in Free Press Journal and Nav Shakti. All information including business updates, product, process, financials such as Annual Reports, Quarterly results, Shareholding Pattern, different codes are also available on the Company's Website i.e., [www.rajoilmillsltd.com](http://www.rajoilmillsltd.com) and information about it is also given in the Annual Reports and publications made by the Company. The Investor Complaints are processed in a centralized web-based complaints redressal system on [www.scores.gov.in](http://www.scores.gov.in), a website maintained by SEBI (Securities and Exchange Board of India). The main feature of this system is central database of all complaints, online upload of Action Taken Reports (ATR s) by the concerned companies and online view by investors of action taken on complaints and its current status. The Company had disposed of all the pending complaints filed through scores.

#### **EQUITY SHARES IN THE SUSPENSE ACCOUNT**

As on March 31, 2023, no shares are lying in suspense account.

#### **viii. GENERAL SHAREHOLDERS INFORMATION Annual General Meeting**

The 21st Annual General Meeting (AGM) of the Company will be held on September 30, 2023 at 12.30 PM. The Company is conducting meeting through VC / OAVM pursuant to the MCA Circulars dated May 5, 2020 and January 13, 2021, MCA General Circular No. 02/2022 dated May 05, 2022, MCA General Circular No. 10/2022 dated December 28, 2022 and as such there is no requirement to have a venue for the AGM. For details please refer to the Notice of this AGM.

#### **Financial Year**

The financial year of the Company is April 1 to March 31.

#### **Financial Calendar for 2022-23**

| <b>Tentative Schedule</b>                                    | <b>Likely Board Meeting Schedule</b> |
|--|--------------------------------------|
| Financial reporting for the quarter ending June 30, 2023     | On August 11, 2023                   |
| Financial reporting for half year ended September 30, 2023   | On or before November 14, 2023       |
| Financial reporting for the quarter ending December 31, 2023 | On or before February 14, 2024       |
| Financial reporting for the year ended March 31, 2024        | On or before May 30, 2024            |
| Annual General Meeting for the year ending March 31, 2024    | On or before September 30, 2024      |

#### **ix. DATE OF BOOK CLOSURE:**

As mentioned in the notice of this AGM.

#### **x. DIVIDEND**

The Company did not declare any dividend during the period under review.

#### **xi. LISTING ON STOCK EXCHANGES**

Your company's securities are listed on the following stock exchanges.

##### **BSE Ltd.**

Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001

##### **National Stock Exchange of India Ltd.**

Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra East, Mumbai - 400 051.

Listing fees as applicable have been paid to the above Stock Exchanges.

**Stock Code**

| Stock Exchange                           | Code         |
|--|--------------|
| BSE Ltd.                                 | 533093       |
| National Stock Exchanges of India Ltd.   | ROML         |
| ISIN no. for Equity Shares (CDSL & NSDL) | INE294G01026 |

**xii. MARKET PRICE DATA:****Stock Market Data relating to Equity Shares listed in India:**

| Month (2022-23) | Price on BSE during each month |         |               | Price on NSE during each month |         |               |
|-----------------|--------------------------------|---------|---------------|--------------------------------|---------|---------------|
|                 | High (₹)                       | Low (₹) | Volume traded | High (₹)                       | Low (₹) | Volume traded |
| April           | 95.55                          | 65.00   | 4,42,990      | 95.75                          | 65.00   | 13,48,833     |
| May             | 86.00                          | 62.50   | 1,51,998      | 87.30                          | 62.00   | 4,09,582      |
| June            | 67.45                          | 57.10   | 42,318        | 65.55                          | 56.45   | 81,517        |
| July            | 65.90                          | 59.25   | 29,232        | 64.40                          | 59.60   | 52,824        |
| August          | 64.15                          | 59.30   | 60,267        | 63.00                          | 59.25   | 1,02,069      |
| September       | 65.90                          | 57.30   | 76,133        | 65.80                          | 57.05   | 1,76,957      |
| October         | 59.80                          | 54.75   | 26,894        | 59.70                          | 55.75   | 67,514        |
| November        | 63.00                          | 55.15   | 92,170        | 62.50                          | 54.10   | 1,05,175      |
| December        | 64.15                          | 56.75   | 1,05,306      | 62.95                          | 55.15   | 79,663        |
| January         | 61.95                          | 54.00   | 45,264        | 61.00                          | 53.55   | 55,358        |
| February        | 64.75                          | 45.10   | 57,296        | 64.10                          | 44.85   | 68,229        |
| March           | 45.70                          | 33.90   | 2,30,899      | 45.70                          | 34.05   | 4,28,981      |

**xiii. REGISTERED OFFICE OF THE COMPANY: Raj Oil Mills Limited**

224-230, Bellasis Road, Mumbai- 400008  
 Telephone No. 91-022-2302 1996-98  
 Fax No. 91-022-2301 5605  
 Email: [contact@rajoilmillsltd.com](mailto:contact@rajoilmillsltd.com) Website: [www.rajoilmillsltd.com](http://www.rajoilmillsltd.com)

**Plant Locations:**

Ten Village, Manor Palghar, Thane - 401 403

**Job Work Location:**

A-239, F Road No. 6D. VKI Jaipur Rajasthan 302012

**xiv. REGISTRAR AND SHARE TRANSFER AGENT:**

The Company has appointed M/s. Bigshare Services Private Limited as its Registrar and Share Transfer Agent. The Shareholders are advised to approach Bigshare Services Private Limited on the following address for any share and Demat related queries and problems:

**BIGSHARE SERVICES PRIVATE LIMITED**

E-2/3, Ansa Industrial Estate, Saki vihar Road, Saki Naka, Andheri (East), Mumbai – 400072.  
 Telephone No.: 022-62638200  
 Fax No.: 022-62638299  
 Email: [investor@bigshareonline.com](mailto:investor@bigshareonline.com) Website: [www.bigshareonline.com](http://www.bigshareonline.com)

**xv. SHARE TRANSFER SYSTEM:**

In terms of Regulation 40(1) of SEBI LODR 2015, as amended, securities can be transferred only in dematerialized form w.e.f. April 1, 2019, except in case of request received for transmission or transposition of securities. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company.

All requests for dematerialisation of shares are processed and the confirmation is given to respective Depositories i.e., National Securities Depository Limited and Central Depository Services (India) Limited, generally within 21 days.

The Company obtains yearly certificate from a Company Secretary in Practice to the effect that all certificates have been issued within thirty days of the date of lodgement of the transfer, sub division, consolidation and renewal as required under Regulation 40(9) of SEBI LODR 2015 and files a copy of the said certificate with the concerned Stock Exchanges.

**Distribution of shareholding as on March 31, 2023: - (Face Value Rs.10/- per share)**

| Category<br>(No. of Shares) | No. of shareholders | % of shareholders | No. of shares   | % of total equity |
|-----------------------------|---------------------|-------------------|-----------------|-------------------|
| 0-5000                      | 21641               | 95.7143           | 1176808         | 7.8513            |
| 5001-10000                  | 477                 | 2.1097            | 358753          | 2.3935            |
| 10001-20000                 | 251                 | 1.1101            | 353545          | 2.3567            |
| 20001-30000                 | 85                  | 0.3759            | 211318          | 1.4099            |
| 30001-40000                 | 44                  | 0.1946            | 156070          | 1.0413            |
| 40001-50000                 | 31                  | 0.1371            | 141966          | 0.9472            |
| 50001-100000                | 42                  | 0.1858            | 302416          | 2.0176            |
| 100001-above                | 39                  | 0.1725            | 12288108        | 81.9826           |
| <b>Total</b>                | <b>22610</b>        | <b>100</b>        | <b>14988684</b> | <b>100</b>        |

**Category wise Shareholding as on March 31, 2023**

| Category                 | No. of Shares   | %          |
|--------------------------|-----------------|------------|
| Promoters Holding        |                 |            |
| Promoters                | 11241488        | 75         |
| Public                   |                 |            |
| Institutional Investors  | 250             | 0          |
| Others                   | 0               | 0          |
| Private Bodies Corporate | 171105          | 1.14       |
| Individual Shareholders  | 3585523         | 22.91      |
| Others                   | 142963          | 0.95       |
| <b>Total</b>             | <b>14988684</b> | <b>100</b> |

**Dematerialization of Shares and Liquidity:**

The Company's shares are traded in dematerialized form and are available for trading with both the depositories, namely, National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).



| Mode of Holding       | No. of Shares<br>(as on March 31, 2023) | %          |
|-----------------------|---|------------|
| Held with NSDL        | 12781580                                | 85.27      |
| Held with CDSL        | 2204927                                 | 14.71      |
| Held in Physical Form | 2177                                    | 0.01       |
| <b>Total</b>          | <b>14988684</b>                         | <b>100</b> |

Outstanding GDRs, ADRs, warrants or any convertible instruments. The Company has not issued any GDRs/ADRs/Warrants.

Commodity Price Risks or Foreign Exchange Risks and Hedging Activities:  
The Company does not have Commodity Price Risks or Foreign Exchange Risks and Hedging Activities.

#### xvi. ADDRESSES FOR CORRESPONDENCE:

##### a) INVESTOR CORRESPONDENCE

- **FOR SHARE HELD IN PHYSICAL FORM BIGSHARE SERVICES PRIVATE LIMITED E-2/3, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (East), Mumbai – 400072.**  
Telephone No.: 022-62638200  
Fax No.: 022-62638299  
Email: investor@bigshareonline.com Website: www.bigshareonline.com
- **FOR SHARES HELD IN DEMAT FORM**  
Investors concerned Depository Participant / Bigshare Services Private Limited

##### b) FOR ANY QUERY Khushbu Bohra Company Secretary

224-230, Bellasis Road, Mumbai – 400 008 Telephone No.: 022-23021996/ 97/ 98 Email ID: cs@rajoilmillsLtd.com

##### Credit Ratings:

During the year under review, the Company has not obtained any credit ratings.

##### DISCLOSURES

Disclosure on materially significant Related Party Transactions with its Promoter, Directors or Management, their subsidiaries or relatives etc. that may have potential conflict with the interest of the Company at large.

During the year there were no material significant transactions with the related parties viz. Promoters, Directors and their relatives, their Subsidiaries, conflicting with the Company's interest. The policy as to

Related Party Transactions as approved by the Board, is available on the Company's website, <https://rajoilmillsLtd.com/investor/policies-for-investor/>.

Necessary disclosures as to Related Party Transactions, as required have been made in the standalone notes to accounts of the Annual Report

##### Vigil Mechanism / Whistle Blower

In line with the best Corporate Governance practices, Company has put in place a system through which the Directors and Employees, Franchisee, Business Partner, Vendor or any other third parties making a Protected Disclosure under this Policy may report concerns about unethical behavior, actual or suspected fraud or violation



of the Company's Code of Conduct & Ethics without fear of reprisal. The Employees and Directors may report to the Compliance Officer and no personnel has been denied direct access to the Chairman of the Audit Committee. The Whistle Blower Policy is placed on the website of the Company, <https://rajoilmillsLtd.com/investor/policies-for-investor/>.

#### **Compliance with Discretionary requirements of SEBI LODR 2015:**

The Company has complied with all the mandatory requirements of SEBI (LODR) 2015. The status of compliance with discretionary requirements under Regulation 27(1) and Part E Schedule II of SEBI (LODR), 2015 is provided below:

- Audit Qualifications: The Company's financial statement for the financial year 2022-23 does not contain any audit qualification.
- Reporting of Internal Auditor: The Internal Auditor of the Company directly reports to the Audit Committee.

#### **Material Subsidiaries**

During the year under review, the company do not have any material subsidiaries as stipulated under the SEBI LODR 2015.

#### **Raj Oil Mills Code for Preventing Insider Trading**

Raj Oil Mills Ltd has Policy for Prevention of Insider Trading in the shares of the Company which is in line with SEBI (Prohibition of Insider Trading) Regulations, 2015 and followed in spirit.

#### **Disclosure on Compliance:**

The Company is in Compliance with,

- The Corporate Governance Requirements as specified in regulation 17 to 27 and clauses (b) to (i) of sub regulation (2) of regulation 46.
- all the requirements mentioned in sub- paras (2) to (10) of section C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- During the year under review the Board has accepted all the recommendations of its Committees.
- The Company has obtained certificate from D Maurya & Associates, Practicing Company Secretary that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Companies by the Board/Ministry of Corporate Affairs or any such Statutory Authority.
- Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the Statutory Auditor and all entities in the network firm/network entity of which the Statutory Auditor is a part is given below:

| <b>Payment to Statutory Auditor</b> | <b>FY 2022 – 23 (Rs. In Lakhs)</b> |
|-------------------------------------|------------------------------------|
| Audit Fees                          | 7,50,000                           |
| Tax Audit Fees                      | 2,00,000                           |
| Other Services                      | 50,000                             |
| Reimbursement of Expenses           | Nil                                |
| <b>Total</b>                        | <b>10,00,000</b>                   |



- Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

|  |      |
|--|------|
| Number of complaints filed during the year 2022 - 23.        | NIL  |
| Number of complaints disposed off during the year 2022 - 23. | N.A. |
| Number of complaints pending as on 31 March 2023             | N.A. |

**Compliance Certificate:**

The Compliance Certificate issued by Mr. Dharendra Maurya proprietor of D. Maurya & Associates, Practicing Company Secretary on Compliance with the Corporate Governance requirements by the Company is annexed herewith.

I, hereby, confirm and declare that in terms of Regulation 26(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, all the Board members and Senior Management Personnel of the company have affirmed compliance with the “Code of Conduct for Board Members and Senior Officers”, for the financial year 2022-23.

**For and on behalf of the Board of Director  
Of Raj Oil Mills Limited**

**Sd/-  
Parvez Shafee Ahmed Shaikh  
Chairman**

**Mumbai, September 06, 2023**





## MANAGEMENT DISCUSSION AND ANALYSIS FORWARD-LOOKING STATEMENT

### CAUTIONARY STATEMENT:

This Management Discussion and Analysis statements of Annual Report has been included in adherence to the spirit enunciated in the code of corporate Governance approved by the Securities and Exchange Board of India, Statement in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectation may be "Forward-Looking Statement" within the meaning of applicable securities laws and regulation. These statements are subject to certain risks and uncertainties. Actual result may differ materially from those either expressed or implied in the statement depending on circumstances. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/supply and price conditions in the Government policies, economic development, political factors and such other factors beyond the control of the Company.

### GLOBAL ECONOMIC OVERVIEW

The global economic growth was estimated at a slower 3.2% in 2022, compared to 6% in 2021 (which was on a smaller base of 2020 on account of the pandemic effect). The relatively slow global growth of 2022 was marked by the Russian invasion of Ukraine, unprecedented inflation, pandemic-induced slowdown in China, higher interest rates, global liquidity squeeze and quantitative tightening by the US Federal Reserve. The challenges of 2022 translated into moderated spending, disrupted trade and increased energy costs. Global inflation was 8.7% in 2022, among the highest in decades. US consumer prices increased about 6.5% in 2022, the highest in four decades. The Federal Reserve raised its benchmark interest rate to its highest in 15 years. The result is that the world ended in 2022 concerned that the following year would be slower.

### INDIAN ECONOMIC OVERVIEW

Even as the global conflict remained geographically distant from India, ripples comprised increased oil import bills, inflation, cautious government and a sluggish equity market. India's economic growth was 7.2% in FY 2022-23. India emerged as the second fastest-growing G20 economy in FY 2022-23. India overtook UK to become the fifth largest global economy. India surpassed China to become the world's most populous nation.

According to the India Meteorological Department, the year 2022 delivered 8% higher rainfall over the long-period average. Due to unseasonal rains, India's wheat harvest was expected to fall to around 102 Mn Metric Tonnes (MMT) in FY 2022-23 from 107 MMT in the preceding year. Rice production at 132 Mn Metric Tonnes (MMT) was almost at par with the previous year. Pulses acreage grew to 31 Mn hectares from 28 Mn hectares. Due to a renewed focus, oilseeds area increased 7.31% from 102.36 Lakh hectares in FY 2021-22 to 109.84 Lakh hectares in FY 2022-23.

The country's retail inflation, measured by the consumer price index (CPI), eased to 5.66% in March 2023. Inflation data on the Wholesale Price Index, WPI (calculates the overall price of goods before retail) eased to 1.3% during the period. In 2022, CPI hit its highest of 7.79% in April; WPI reached its highest of 15.88% in May 2022. By the close of the year under review, inflation had begun trending down and in April 2023 declined below 5%, its lowest in months.

Per capita income almost doubled in nine years to H172,000 during the year under review, a rise of 15.8% over the previous year. India's GDP per capita was US\$ 2,320 (March 2023), close to the magic figure of US\$ 2500 when consumption spikes across countries. Despite headline inflation, private consumption in India witnessed continued momentum and was estimated to have grown 7.3% in FY 2022-23.

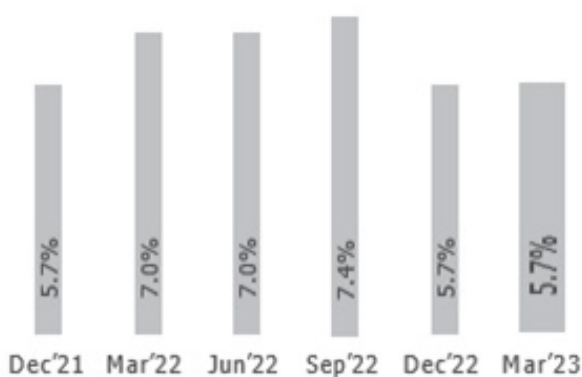
### OUTLOOK

The fast-moving consumer goods (FMCG) sector is India's fourth-largest sector and has grown healthily over the years, aided by the rise in disposable incomes, growing young population and increased brand consciousness among consumers. India continues to be an immense growth opportunity since it still has one of the lowest per capita FMCG consumption in the world with many sub-categories of FMCG having very low penetration levels. Within the FMCG sector, Household and Personal care category accounts for 50% of the sales, while the Healthcare and Food & Beverages categories contribute to 31% and 19%



of the overall sales, respectively. The rural sector, spread across 650,000 villages, accounts for 60% of India's population and contributes to 40% of the FMCG sales. Notwithstanding the demand sluggishness in recent times, rural India continues to provide a large headroom for growth for the sector. In FY23, the FMCG sector volumes grew only marginally, reflective of a slowdown as persistent inflation, led by geo-political tensions in Europe and global supply chain disruptions, followed by monetary tightening by central banks, weighed on consumption for the better part of the year. However, as commodity and retail inflation moderated towards the end of the year, volume growth entered into positive territory in the last quarter of the year after five quarters of decline, signalling prospects of a sustained recovery. During the period, urban consumption was steady throughout the year, while rural demand was tepid as it was far more impacted by rising retail inflation. Home and Personal Care (HPC) categories were under pressure and exhibited downgrading and downtrading trends, as household budgets of value conscious consumers were constrained by inflationary pressures.

#### CPI Inflation (%)



#### INDUSTRY STRUCTURE, DEVELOPMENTS AND INDUSTRIAL OUTLOOK:

The branded edible oil market is estimated to be around Rs 1,56,000 cr and is expected to grow faster than the overall category gaining a lion's share of close to 90% of the total market in terms of value in the coming five years. It is estimated that close to 75% of the total edible oil available in terms of volume is retailed as a branded product. The edible oil industry in India is fragmented wherein 13% of oil is sold as loose/unbranded and the consumers are shifting to branded oils, which bodes well for the organised players. The four key edible oils, palm, soya, mustard and sunflower constitute 85-88% of the total consumption in India in terms of volume. Palm oil is primarily used by the large-scale food processing enterprises. It is also used in blended oils for domestic consumption. Palm and soybean are also being used by the HoReCa segment. India imports most of its palm oil consumption. Soybean oil, mustard oil and sunflower oil is largely used for domestic consumption. The other oils include sesame oil, coconut oil, groundnut oil, rice bran oil amongst others.

A gradual shift is being witnessed in favour of soft oils such as soyabean oil, sunflower oil, mustard oil. Consumption in rural India constitutes almost 50% of the total consumption in this category by volume. India's per capita consumption of edible oil is relatively low at 19-19.80 kg per year, compared to the global average of 24 kg per year. However, with a growing population and increasing per capita consumption, demand for edible oils is expected to increase.

The first half of the year witnessed price volatility in the edible oil market, leading to decreased demand for edible oil and impacting our volume growth. However, in the second half, we successfully revived our business volumes. This was attributed to a decline in edible oil prices, increased out-of-home consumption during festivals and weddings, and improved direct coverage in both urban and rural areas.

#### GROWTH DRIVERS

Adaption of aspirational food by the upwardly mobile population is a change which is pushing growth in consumption of edible oil in India. Marketing of western food habits to the Indian population is bringing new avenues in food cooking processes, requiring more cooking oil. Promotion of healthier oil variants which claim to be good for heart are also spurring growth in consumption,



discarding the fears related to oily food. Fast food brands are also marketing themselves aggressively which is resulting in more consumption of edible oil. This trend will continue to grow more. At ROML we are always in lookout for opportunities where company can grow exponentially and create value for themselves as well as for its stakeholders. In the same endeavor, we planned to expand and grow in cosmetics covering Tier-I, Tier-II and Tier-III cities to cater the growing needs of the people of the region and to bolster our vision to expand PAN India basis. We have pleasure to inform you that we have launched a new product of Mustard Oil in the brand name of "KHILONA" which will cater mass market across India. The main target customers are Tier-II and Tier-III cities. This will help to achieve the Top line and Bottom Line of the Company. Looking ahead for the continued growth trajectory the Company is further planning to launch new category in Til Oil segment under the brand name "TILYUKT" in coming months. These strengths will be helping your Company in scaling the oil business rapidly towards achieving its vision. With the continued dedication of our trusted partners, colleagues and shareholders, Raj Oil Mills Limited will continue to evolve into a stronger entity, surpassing all our expectations and continue to create value for all its stakeholders.

## INDUSTRY OUTLOOK

Edible oils act as an intensive source of energy, delivering essential nutrients to the body, including vitamins A and D. Besides this, they act as a heat transfer medium at high temperatures and enhance taste sensation in spreads and salad dressings. The Food Safety and Standards Authority of India (FSSAI) supervises the manufacture, packaging, and distribution of edible oils in India. In India, the rising consumer health concerns towards the high prevalence of coronary heart diseases, diabetes, obesity, gastrointestinal disorders, etc., are primarily driving the demand for healthy edible oil. Additionally, the market is further catalyzed by the growing awareness towards several health benefits of organic and low-cholesterol edible oil. As a result, various regional manufacturers are launching healthy product variants enriched with omega-3, vitamins, and natural antioxidants. Moreover, the changing consumer dietary patterns and their hectic work schedules have led to the increasing consumption of processed food items.

The Government of India is taking measures to increase the domestic production of edible oil seeds. Initiatives like 'National Mission on Edible Oils' and 'Oil Palm Development Programme', increasing the minimum support prices of oilseed crops, creation of buffer stock for oilseeds are being implemented by the Government to boost the production. There is a continuously increasing edible oil demand due to rapid urbanisation, changing dietary patterns and the growth of the food processing sector. India's population and low per capita consumption is continuously increasing which will boost the sector significantly. Apart from this, the expanding agriculture sector along with the launch of several initiatives for enhancing the production of oilseeds in the country is also propelling the market. Furthermore, the Indian government is making continuous efforts to increase the domestic availability of edible oil and reduce import dependency. For instance, the government has proposed the National Mission on Edible Oil (NMEO) for meeting the country's consumption need for edible oil, such as sesame oil, groundnut oil, safflower oil, palm oil, etc.

The Indian economy is in robust growth phase with lots of new developments and investment sentiment being upbeat. The RBI expects India's 2023-24 GDP growth at 6.5%, with quarter Q1 at 8.0%, Q2 at 6.5%, Q3 at 6.0%, and Q4 5.7%. An average GDP of 6.5% for India in a period when many global economies are struggling with higher interest rates, rising inflation and slowing of consumption is truly commendable.

### Modern Retail:

Supermarkets like D Mart & Jio Mart are helping edible oil market to grow rapidly, however low investments in warehouses remains a concern. New formats & smaller supermarkets are emerging as hotspots for the Indian consumer to buy edible oil, because of variety of brands and discounted offers available in them, as compared to the conventional retail or kiranas stores. The aspirational behavior of the upwardly mobile population in small towns as well as in metros and their suburbs, to shop from superstores is pushing the sales of edible oil from modern retail.

### Brand Consciousness:

The edible oil industry in India is fragmented wherein 13% of oil is sold as loose/unbranded and the consumers are shifting to branded oils, which bodes well for the organised players. Growth in incomes & aspiration has helped branded edible oil products sell more. Branded means purer, better and healthy is the connotation derived by the Indian consumer when buying cooking oil. Positioning their brands around health, and bringing new healthy variants has helped all major brands.



## GROUNDNUT OIL:

Over the years, your Company created one of India's most trusted Oil brand "GUINEA", deep sourcing capabilities, extensive supply chain and robust distribution network for its edible oil business. It's been more than 75 years, your Company has now reached a point where it has stitched together its significant capabilities to deliver a wider impact across the Oil basket.

Groundnut Oil Market size is estimated to reach \$934.5 Million by 2027, growing at a CAGR of 3.8% during the forecast period 2022-2027. Groundnut oil is also delineated as Arachis or peanut oil, and it falls under the category vegetable oil expunged from edible seeds of legume crop "Peanuts." Groundnut oil is largely taken into account as a base oil for culinary applications or to improve the savor of underlying food. Arachis oil is one of the healthiest choices available in the market as it is cholesterol and trans-fat-free. Moreover, it is a good source of vitamin E and primary fatty acids such as palmitic acid, lignoceric acid, linoleic acid, oleic acid/omega-9, and stigmaterol. Therefore, owing to the heavy availability of unsaturated fats in groundnut oil, it extends several health benefits over other edible oils. The presence of vitamin E safeguards the body from free radical attacks which eventually prevents the risk of getting cancer and heart attack. Moreover, it progresses insulin sensitivity and lowers the sugar levels in patients inflicted with diabetes. The global ground oil market outlook is fairly captivating as the overall demand is augmenting. The proliferating awareness among people regarding the health benefits of groundnut oil is a major driver for the market. Nevertheless, nutty flavor and strong aroma, rising expertise of industries in food processing, plunging disposable income, and broadening online and offline retail networks are factors set to drive the growth of the global groundnut oil market for the period 2022-2027.

## E-Commerce:

Over the last few years, there has been a growing prominence of modern trade and online channels (e-commerce, direct to-consumer (D2C) and quick commerce). During the pandemic, the adoption of online channels accelerated further as consumers preferred contactless and cashless retail experiences. Efficient logistics as well as multiple modes of digital payments have also fuelled the exponential growth of e-commerce in the last few years. However, the General trade channel continues to contribute to a large majority of the sales for the sector. While the channel is imbibing higher degree of professionalism and witnessing consolidation among players, it is also evolving to meet consumers' growing demand for convenience. Traditional kirana stores, which are small independent grocery stores, are adopting digital payments and offering wider assortments, home delivery facilities and promotions. Retailers are also investing in digital technologies to enhance their operations, in terms of inventory management, accounting, billing, payments and customer management, to compete in this evolving FMCG distribution landscape.

As a result, the FMCG sector has now adopted omni-channel strategies to provide a seamless shopping experience to consumers across multiple channels, including physical stores, e-commerce platforms, mobile apps, and social media. This allows customers to engage and purchase products through their preferred channels, integrating online and offline experiences.

The E-commerce business also continued to grow in double-digits in FY23 on the back of portfolio interventions, customer partnerships and increased engagement with our customers. We launched and scaled several products and continued to strengthen our market shares in the oil categories on the channel. We also partnered with key platforms on several supply chain led interventions to drive best-in-class practices to deliver consumer delight through our brands. Prolonged lockdown induced by the pandemic changed shopping habits and grew the buying of edible oil from e-commerce, as people were scared to go out, and were mostly in-home. 26% is the MOM growth of edible oil recorded between April 2020 & April 2021. New online faster delivery platforms like Swiggy, Instamart, Blink It, Dunzo etc. are also helping growth of edible oil in e-commerce platforms. D2C (Direct2Customer) is another segment within e-commerce which is helping brands to sell directly to customers surpassing ecommerce marketplaces, from their own D2C websites. Investment and efforts towards them is being made by all major edible oil brands.

## COMPANY OVERVIEW

The Raj Oil Mills Limited is engaged in the business of manufacturing and trading of edible oils since its inception. The Company has established itself as one of most trusted and reliable companies through consistent product quality and customer service. Raj Oil is a trusted brand of edible oil since 1943 and has completed more than 75 years of serving quality products for their consumers.



The Company has strived for its commitment and promise to the entire shareholders and have valued their effort for making it a renowned brand, thereby increasing shareholder value. The management of the company has always been believing in taking all the developmental and social initiatives for its stakeholders including employees, customers, society, investors, promoters, vendors and government bodies.

The company's affairs are being managed by highly qualified/experienced professionals and the Company is promoted by well-established group of promoters having a proven track record.

### **INFORMATION TECHNOLOGY**

ROML is consistently investing in IT infrastructure internally to streamline processes, as well as externally to sell and service its channel & customers better. A Salesforce automation app MSell is used to record & track sales force's efforts everyday, thus enhancing the service quality and reducing time to deliver. On customer experience and sales channel diversification, E-commerce listings and sales is being worked on.

### **INTERNAL CONTROLS**

The Company has proper and adequate system of internal controls which ensures that all assets are safeguarded against loss from unauthorized use or disposition and all the transaction are authorized, recorded and reported correctly. Regular internal audits and checks are carried out to provide assurance that the responsibilities at various levels are discharged effectively and that adequate systems are in existence. The management continuously reviews the internal control systems and procedure for efficient conduct of business. The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations.

M/s T.M. Dalal & Co. Chartered Accountants are the Internal Auditors of the Company. The reports and findings of the internal auditors and the internal control system are periodically reviewed by the Audit Committee. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board.

The Internal Auditors monitor and evaluate the efficacy and adequacy of internal control systems in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

### **HUMAN RESOURCES**

The Company recognizes the importance and contribution of its human resources for its growth and development and is committed to the development of its people.

Raj Oil Mills Limited, equal importance is given to the development of the company's human resource. Company has always recruited the best talent available in the industry – people with years of expertise and experience behind them. The Company considers its employees to be the most valuable asset and is committed to provide a conducive work environment to enable each individual to fully realize his or her potential. The human resource programs focus on strengthening key areas of Enhancing individual and organization readiness for future challenges. Management is investing in enhancing technical and managerial skills of employees for building competencies needed for growth plans. Our business review & performance improvement process continues to put focus on performance and periodic review of each of our businesses and individuals.

The Company has cordial relations with employees and staff. There are no industrial relations problems during the year and the Company does not anticipate any material problems on this count in the current year.

### **RISK MANAGEMENT AND MITIGATION:**

The Company will endeavor to maintain and enhance its position in the edible oil and increase focus on the range of products. The Company has to ensure that the people working for it, who constitute its major competitive advantage, continue to contribute productivity to its business. The Company has to be on the lookout for tracking the competition and maintaining its competitive edge in terms of quality and value proposition.



Following also contribute to the favorable opportunities to the Company:

- Favorable business environment and rise in demand for the products.
- Ease in availability of raw materials in the domestic market.
- Increased import duties and restricted entry of edible oil from foreign nations which would lead to push for domestic procurement of edible oil seeds.

ROML is exposed to the risk of price fluctuation on raw material as well as on finished goods, business risk, commodity risk, etc. in its entire product range of the edible oil segment. The risk identified are reviewed and evaluated on continuous basis and suitable steps are taken on timely basis to mitigate the same.

**CERTIFICATE ON CORPORATE GOVERNANCE**

To,  
The Members of,  
**Raj Oil Mills Limited,**

We have examined the compliance of conditions of Corporate Governance by Raj Oil Mills Limited ('the Company'), for the financial year ended March 31, 2023, as stipulated in regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and paragraph C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively referred to as 'Listing Regulations').

**Management's Responsibility for the Statement**

The compliance of conditions of Corporate Governance is the responsibility of the management. This responsibility includes the designing, implementing and maintaining operating effectiveness of internal control to ensure compliance with the conditions of corporate governance as stipulated in the Listing Regulations.

**Auditor's Responsibility**

Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion as to whether the Company has complied with the conditions of corporate governance as stated in the paragraph above. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined the relevant records of the Company in accordance with the applicable Generally Accepted Auditing Standards in India, the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India ('ICAI'), and Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

**Opinion**

Based on the procedures performed by us and to the best of our information and according to the explanations provided to us, in our opinion, the Company has complied, in all material respects, with the conditions of corporate governance as stipulated in the Listing Regulations during the year ended March 31, 2023.

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.

**Restrictions on Use**

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

**For D. Maurya & Associates  
Practising Company Secretaries**

**Sd/-  
Dhirendra Maurya  
M. No. 22005,  
C.P.: 9594**

**UDIN: A022005E000951043**

**Date: September 06, 2023  
Place: Mumbai**



### CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,  
The Members of,  
**Raj Oil Mills Limited,**  
224-230, Bellasis Road,  
Mumbai- 400 008

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Raj Oil Mills Limited (hereinafter referred as 'The Company') having CIN: L15142MH2001PLC133714 and having registered office at 224-230, Bellasis Road, Mumbai- 400 008, produced before us by the Company for the purpose of issuing this Certificate, in accordance with the Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of my information and according to the verifications( including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify and confirm that none of the Directors as on March 31, 2023 on the Board of Directors of the Company as stated below have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

| Sr. No. | Name of Director                 | DIN/PAN  | Date of Appointment in Company * | Date of Cessation in Company |
|---------|----------------------------------|----------|----------------------------------|------------------------------|
| 1.      | Siraj Umar Furniturewala         | 00177667 | 03/04/2019                       | -                            |
| 2.      | Parvez Shafee Ahmed Shaikh       | 00254202 | 04/05/2018                       | -                            |
| 3.      | Humayun Ahmed Shafi Ahmed Shaikh | 00254836 | 26/12/2020                       | -                            |
| 4.      | Tabrez Shafiahmed Shaikh         | 00255132 | 03/04/2019                       | -                            |
| 5.      | Mohammed Zahid Abdul Samad Mukhi | 00692955 | 12/11/2021                       | 30/06/2022                   |
| 6.      | Needa Altaf Mukhi                | 07664451 | 30/06/2022                       |                              |
| 7.      | Atikurraheman Daudbhai Mukhi     | 05191543 | 03/04/2019                       | -                            |
| 8.      | Huzefa Dawood Ghadiali           | 06882025 | 03/04/2019                       | -                            |
| 9.      | Amir Atikurrehman Mukhi          | 08352099 | 26/12/2020                       | -                            |
| 10.     | Rishang Sanjay Jain              | 09065828 | 13/02/2021                       | -                            |
| 11.     | Lucky Kulkarni                   | 07612040 | 03/04/2019                       | 30/06/2022                   |
| 12.     | Kiran Raghavendra Awasthi        | 09066721 | 13/02/2021                       | -                            |
| 13.     | Unmesh Breed                     | 09211149 | 24/06/2021                       | -                            |
| 14.     | Arun Dash                        | 09657537 | 30/06/2022                       | -                            |

\*The Date of Appointment is as per the MCA Portal.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the Management of the Company. My responsibility is to express an opinion on these based on my 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.

Thanking You,

**For D. Maurya & Associates  
Practising Company Secretaries**

**Sd/-  
Dhirendra Maurya  
M. No. 22005,  
C.P.: 9594**

**Date: September 06, 2023  
Place: Mumbai**

**UDIN: A022005E000951032**





To,  
**The Board of Directors, Raj Oil Mills Limited,**  
224-230, Bellasis Road,  
Mumbai – 400008 Dear Sirs/Madam,  
Sub: CEO / CFO Certificate

(Issued in accordance with provisions of Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

We have reviewed the financial statements read with Cash flow statement of Raj Oil Mills Limited for the year ended March 31, 2023 and that to the best of our knowledge and belief, we state that;

- (a) i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- ii) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and have disclosed to the auditors and the Audit committee, deficiencies in the design or operation of such internal controls, if any, and steps taken or proposed to be taken for rectifying these deficiencies.
- (d) We have indicated to the auditors and the Audit committee-
- i) significant changes in internal control over financial reporting during the year;
- ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
- iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Sd/-  
**Atikurrehman Mukhi**  
Managing Director

Sd/-  
**Sanjay K. Samantaray**  
Chief Financial Officer

**Mumbai September 06, 2023**



## INDEPENDENT AUDITOR'S REPORT

To the Members of  
**RAJ OILS MILLS LIMITED**

Report on the Audit of Financial Statements

### Opinion

- We have audited the accompanying financial statements of RAJ OILS MILLS LIMITED, (the "Company"), which comprise of the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.
- In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

### Basis for Opinion

- We conducted our audit in accordance with the standards on auditing specified under section 143 (10) of the Companies Act, 2013. 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Emphasis of Matter

Outstanding payments as per NCLT in relation to operational creditors and public fixed deposit holders as on March 31, 2023

In relation to the outstanding payments of unsecured operational creditors and public fixed deposit holders as on March 31, 2023, the Company has made payments by way of cheques on the basis of last known addresses available in the records of the Company, however, the cheques were returned on account of non-traceability of the parties.

The Company has an outstanding amount payable of Rs. 80.17 lakhs as on March 31, 2023 pertaining to the aforementioned unsecured operational creditors & public fixed deposits. The Company has filed an application to the Hon'ble NCLT seeking directions for payments required to be made in relation to the outstanding amount standing in respect of such non traceable unsecured operational creditors & public fixed deposits in the books of accounts as on date vide their letter dated September 30, 2022.

| Sr. No. | Particulars                     | Amount payable as per Approved Resolution Plan | Amount paid till March 31, 2023 | Amount outstanding as at March 31, 2023 |
|---------|---------------------------------|--|---------------------------------|---|
| 1       | Unsecured Operational Creditors | 122.00   | 107.15                          | 14.85                                   |
| 2       | Public Fixed Deposits           | 536.00   | 470.68                          | 65.32                                   |
|         | <b>Total</b>                    | <b>658.00</b>                                  | <b>577.83</b>                   | <b>80.17</b>                            |



**Key Audit Matters**

4. Key audit matters are those matters that, in our professional judgment, were of most significant in our audit of Financial Statements of the current period. These matters were addressed in the context of our audit of Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

| Key Audit Matter   | How the matter was addressed in our Audit  |
|--|--|
| <b>a) Bombay High Court order passed in case of Raj Oil Mills Ltd v/s Mr. Shaukat Suleman Thadadra &amp; Ors. (Refer Note 2.2 to the financial statements)</b>   |  |
| <p>The Company had initiated legal proceedings against one of its former directors Mr. Shaukat Suleman Thadadra and Ors. The said petition was originally filed on 28/02/2023 seeking damages amounting to Rs. 372.13 lakhs.</p> <p>The said lawsuit and the proceedings was disposed of during the year ended March 31, 2023 where the Company obtained a favourable outcome in form of settlement towards compensation whereby the defendants were ordered to pay the aforesaid amount to the plaintiff in full and final settlement of the above suit.</p> <p>During the year under audit, the Company has received Rs. 95 lakhs as a partial amount towards the settlement outcome.</p> <p>We considered this as a key audit matter due to the uncertainty attached towards receipt of the balance amount arising out of legal proceedings and a significant judgement involved in determining and estimating receipts of the proceedings.</p>                                 | <p>The Company has accounted for such partial settlement on a receipt basis on account of uncertainty revolving regarding receipt of the same. This is evidence of the fact that litigation is inherently uncertain, and there can be no assurance regarding the ultimate collection of income arising out of legal proceedings.</p> <p>We considered the implications of the outcome of the law suit on the financial statements, particularly in relation to the recognition, measurement, and disclosure of the related amounts. Our audit procedures in respect to this key audit matter include, but are not limited to the following:</p> <ul style="list-style-type: none"> <li>• Evaluating the appropriateness of the Company's accounting treatment and disclosure of the lawsuit and its outcome in the financial statements.</li> <li>• Assessment of the supporting documentation, bank statements, and relevant evidence provided by the Company to support the recognition and measurement of the related amounts.</li> <li>• Obtaining an understanding of the legal process and the Company's legal counsel's expertise and reputation.</li> <li>• Review of the adequacy and appropriateness of the disclosures made in the financial statements regarding the lawsuit, including any contingent liabilities arising from it.</li> </ul> |
| <b>b) Revenue recognition</b>  |  |
| <p>The Company follows the revenue recognition policy in accordance with Indian Accounting Standards (Ind AS). Revenue is recognized when it is probable that economic benefits will flow to the company and can be reliably measured. The policy outlines the key criteria and methods used for recognizing revenue from the sale of goods, rendering of services, and other sources.</p> <p>Revenue recognition for sale of products in accordance with the principles of Ind AS 115, "Revenue from Contracts with Customers" ('Ind AS 115'), for the Company involves certain key judgements, such as, identification of performance obligations in a contract, determination of transaction price including variable consideration in the form of rebates, discounts under various promotional schemes offered by the Company, and assessment of satisfaction of the performance obligations represented by the transfer of control of the products sold to the customers.</p> | <p>Our audit procedures relating to revenue recognition included, but were not limited to, the following procedures:</p> <ul style="list-style-type: none"> <li>• Understanding the appropriateness of the Company's accounting policy for revenue recognition and the process followed by the company to determine the amount of discounts, incentives and rebates including determination of transaction price and satisfaction of performance obligations.</li> <li>• Evaluating the design and implementation and testing operating effectiveness of Company's general controls, key manual and application control over the company's IT systems including controls over discounts, scheme related payments and offers provided along-with rebate payments / settlements and company's review over the rebate accruals.</li> <li>• Performing substantive testing by selecting samples of discounts and rebates transactions recorded during the year as well as period end discounts and rebates accruals and matching the parameters used in the computation with the relevant source documents.</li> </ul>   |



| Key Audit Matter   | How the matter was addressed in our Audit  |
|--|--|
| <p>Owing to the significance of amount, company's products and revenue streams, volume of transactions during the year requires significant auditor attention and industry knowledge, and accordingly, revenue recognition is considered as a key audit matter in the current year audit.</p> <p>The Company provides various sale incentives in form of discounts and rebates. Discounts given include rebates, price reductions and other incentives given to customers. Accumulated experience is used to estimate and provide for the discounts and returns. The volume discounts are assessed based on anticipated annual purchases. Certain discounts and rebates for goods sold during the year are only finalised when the precise amounts are known. The Company recognises provision for sales return, based on the historical results, measured on net basis of the margin of the sale.</p>   | <ul style="list-style-type: none"> <li>• Tested the mathematical accuracy of the underlying calculations by checking completeness and accuracy of the data used by the company for accrual of discounts, rebates, incentives schemes provided.</li> <li>• Testing a selection of discounts given, schemes, recorded after March 31, 2023 and assessing whether the same is recorded in the correct period.</li> <li>• Testing a selection of payments made after March 31, 2023 and where relevant, comparing the payment to the related scheme or discounts.</li> </ul>   |
| <b>c) Issue of Rights shares and subsequent withdrawal of the same (Refer Note 2 (xxvii) to the financial statements)</b>  |  |
| <p>During the year under audit, the Company initiated a rights issue, offering its existing shareholders the opportunity to subscribe for to 1,49,88,684 shares of INR 10 each at a premium of INR 20 per share. The rights issue aimed to raise additional capital for the company's growth and expansion plans. However, due to high volatility, prevailing market conditions, and uncertainties in the capital markets, the rights issue was withdrawn from the market on March 20, 2023. Furthermore, the company incurred expenses amounting to Rs. 0.47 crores in relation to the rights issue, which are considered material in the context of the company's financial statements.</p> <p>The rights issue, its withdrawal, and the associated expenses pose various risks, including the potential impact on the company's financial position, compliance with accounting standards, and regulatory requirements. The risk of misstatement arises from the need to accurately account for the rights issue, appropriately disclose the withdrawal, assess the impact on the company's financial statements, and ensure compliance with relevant accounting and disclosure standards.</p> | <p>Our audit procedures relating to revenue recognition included, but were not limited to, the following procedures:</p> <ul style="list-style-type: none"> <li>• Reviewing relevant documentation, including board resolutions, prospectus, shareholder communications, and market updates, to understand the terms and conditions of the rights issue, the reasons behind its withdrawal, and the impact on the company's financial statements. We also examined supporting evidence for the incurred expenses.</li> <li>• Assessment the company's accounting treatment of the rights issue, including the recognition of share capital, premium, and associated expenses. We reviewed the compliance with the applicable accounting standards, ensuring the appropriateness of the recognition, measurement, and disclosure in the financial statements.</li> <li>• Evaluation of the adequacy and clarity of the disclosures in the financial statements related to the rights issue, its withdrawal, and the incurred expenses and assessing whether the disclosures provided relevant and reliable information to shareholders and investors, in compliance with the applicable accounting and disclosure requirements.</li> <li>• Evaluation of the impact of the rights issue withdrawal and the expenses incurred on the company's financial position. This included assessing the effect on the company's capital structure, liquidity, and financial performance. We also considered any implications on the company's ability to meet its obligations and continue as a going concern.</li> </ul> |

#### Information other than the financial statements and auditors' report thereon.

5. The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's report, Management Discussion and Analysis and other 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.



6. 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.
7. 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.

#### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

8. The Company's board of directors are 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 and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.
9. 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.
10. The board of directors are also responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibility for the audit of financial statements**

11. 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.
12. 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, 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.
  - Obtain sufficient appropriate audit evidence regarding the financial statements of the company to express an opinion on the financial statements.
13. 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.
  14. 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.
  15. 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**

16. As required by section 197(16) of the Act based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
17. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of Companies Act, 2013 (As amended), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure I, a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
18. Further to our comments in Annexure I, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by company, so far as appears from our examination of those books.
  - c) The financial statements dealt with by this report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e) On the basis of written representations received from the directors as on March 31, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 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 II.
- g) With respect to the other matters to be included in the auditor's report in accordance with the requirements of section 197(16) of the Act, as amended; the said section is not applicable to private limited company and hence no reporting is required for the same.
- h) With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014; in our opinion and to the best of our information and according to the explanations given to us:
- a) The Company has to the extent ascertainable, disclosed the impact of pending litigations on its financial position in its financial statements. Refer to Note 38 to the financial statement.
- b) The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses as at March 31, 2023.
- c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2023.
- d) (i) The management has represented that, to the best of its knowledge and belief, as disclosed in Note 41(v) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
- (ii) The management has represented that, to the best of its knowledge and belief, as disclosed in note 41(vi) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representation under sub-clause (d) (i) and (ii) contain any material mis-statement.
- a) The Company neither declared nor paid any dividend during the year.
- b) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

**For Kailash Chand Jain & Co.**

Chartered Accountants

Firm Registration Number: 112318W

**Saurabh Chouhan**

Partner

Membership No.:167453

Date: May 25, 2023

Place: Mumbai

UDIN: 23167453BGRWAE5470



**Annexure I to the Independent Auditor's Report of even date to the members of the Raj Oil Mills Limited on the financial statements for the year ended March 31, 2023:**

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of its property, plant and equipment and right to use assets;
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has regular programme of physical verification of its property, plant and equipment and right to use assets at specific intervals in a phased manner which in our opinion is reasonable having regards to the size of the company and the nature of its assets. As per information and explanation given to us, property plant and equipment and right to use assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification.
- (c) The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreement are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company.
- (d) The Company has not revalued its property, plant and equipment or intangible assets during the year.
- (e) According to information provided by the management no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year, except for inventory lying with third parties. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed as compared to the book records. In respect of inventory lying with third parties, these have substantially been confirmed by the third parties.
- (b) The company has not been sanctioned any working capital limits from banks or financial institutions. Therefore, this clause is not applicable to the company.
- (iii) (a) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to the companies, firms, limited liability partnership. Therefore clause (iii) (a) to (f) are not applicable to the company.
- (iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has not made any investments, granted loans or provided any guarantee or security as specified under Sections 185 and 186 of the Act. Accordingly, clause (iv) of the Order is not applicable to the Company.
- (v) In our opinion and according to the information and explanation given to us, the Hon'ble NCLT vide its order dated April 19, 2018, directed to company to repay the public fixed deposit amounting to Rs. 536 lakhs in quarterly instalments in accordance with the approved Resolution Plan. In our opinion, the company is repaying the deposits in accordance with the approved Resolution Plan. Further, the Company during the year has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (As amended).
- (vi) The Central Government has specified maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of the products of the Company. We have broadly reviewed the books of accounts and records maintained by the Company and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.





- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is generally regular in depositing the amounts deducted / accrued in the books of account with the appropriate authorities in respect of undisputed statutory dues including Goods and Services Tax, Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues though there have been slight delays in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us there are no statutory dues referred in sub clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

a) **Income Tax**

| Name of the statute      | Nature of dues | Amount in INR (in Lacs) | Period to which amount relates | Forum where dispute is pending |
|--------------------------|----------------|-------------------------|--------------------------------|--------------------------------|
| The Income Tax Act, 1961 | Income Tax     | 8.33                    | F.Y. 04-05                     | Honorable Supreme Court        |
| The Income Tax Act, 1961 | Income Tax     | 272.81                  | F.Y. 05-06                     | Honorable Supreme Court        |
| The Income Tax Act, 1961 | Income Tax     | 1,665.52                | F.Y. 06-07                     | Honorable Supreme Court        |
| The Income Tax Act, 1961 | Income Tax     | 11,843.28               | F.Y. 07-08                     | Honorable Supreme Court        |
| The Income Tax Act, 1961 | Income Tax     | 6713.34                 | F.Y. 08-09                     | Honorable Supreme Court        |
| The Income Tax Act, 1961 | Income Tax     | 11,995.48               | F.Y. 09-10                     | Honorable Supreme Court        |
| The Income Tax Act, 1961 | Income Tax     | 1,364.96                | F.Y. 10-11                     | Honorable Supreme Court        |

b) **Sales Tax**

| Name of the statute             | Nature of dues | Amount in INR (in Lacs) | Period to which amount relates | Forum where dispute is pending |
|---------------------------------|----------------|-------------------------|--------------------------------|--------------------------------|
| The Central Sales Tax Act, 1956 | VAT & CST      | 270.32                  | F.Y. 05-06                     | Honorable Supreme Court        |
| The Central Sales Tax Act, 1956 | VAT & CST      | 828.92                  | F.Y. 06-07                     | Honorable Supreme Court        |
| The Central Sales Tax Act, 1956 | VAT & CST      | 1189.74                 | F.Y. 07-08                     | Honorable Supreme Court        |
| The Central Sales Tax Act, 1956 | VAT & CST      | 714.85                  | F.Y. 08-09                     | Honorable Supreme Court        |
| The Central Sales Tax Act, 1956 | VAT & CST      | 1584.99                 | F.Y. 09-10                     | Honorable Supreme Court        |
| The Central Sales Tax Act, 1956 | VAT & CST      | 1047.66                 | F.Y. 10-11                     | Honorable Supreme Court        |
| The Central Sales Tax Act, 1956 | VAT & CST      | 3226.40                 | F.Y. 11-12                     | Honorable Supreme Court        |
| The Central Sales Tax Act, 1956 | VAT & CST      | 1231.85                 | F.Y. 12-13                     | Honorable Supreme Court        |
| The Central Sales Tax Act, 1956 | VAT & CST      | 557.96                  | F.Y. 13-14                     | Honorable Supreme Court        |
| The Central Sales Tax Act, 1956 | VAT & CST      | 402.39                  | F.Y. 14-15                     | Honorable Supreme Court        |
| The Central Sales Tax Act, 1956 | VAT & CST      | 12.00                   | F.Y. 15-16                     | Honorable Supreme Court        |
| The Central Sales Tax Act, 1956 | VAT & CST      | 399.58                  | F.Y. 16-17                     | Honorable Supreme Court        |
| The Central Sales Tax Act, 1956 | VAT & CST      | 149.52                  | F.Y. 17-18                     | Honorable Supreme Court        |

c) **Provident Fund**

| Name of the statute    | Nature of dues | Amount in INR (in Lacs) | Period to which amount relates | Forum where dispute is pending |
|------------------------|----------------|-------------------------|--------------------------------|--------------------------------|
| E.P.F And MP Act, 1952 | Provident Fund | 60.86                   | F.Y. 2009-10 to F.Y. 2017-18   | National Company Law Tribunal  |



- (viii) According to the information and explanations given to us, there were no transaction relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessment under Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books.
- (ix) (a) According to the records of the company examined by us, and information and explanations given to us the company has not defaulted in repayment of dues to any Financial Institution as at the balance sheet date.
- (b) Company has not been declared a wilful defaulter by any bank or financial institution or any other lender.
- (c) As per the information and explanations given to us, term loans have been used for the object for which they were obtained.
- (d) As per the information and explanations given to us, funds raised for a short term purpose are not utilised for long term purposes.
- (e) The company has not raised any money from any person or entity for the account of or to pay the obligations of its associates, subsidiaries or joint ventures, therefore this clause is not applicable to company.
- (f) The company has not raised any loans during the year by pledging securities held in their subsidiaries, joint ventures or associate companies. Therefore, this clause is not applicable to company.
- (x) (a) The company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (x) of the Order are not applicable to the Company.
- (b) The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and hence this clause is not applicable to the company.
- (xi) (a) According to information and explanations given to us there were no frauds on the Company by its officers or employees noticed or reported by the management for the year under review.
- (b) No auditors of the company have filed a report in Form ADT-4 with the Central Government as prescribed under the Companies (Audit and Auditors) Rules, 2014. Therefore, this clause is not applicable to company.
- (c) There is no whistle-blower complaints, therefore this clause is not applicable to the company.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company hence clause 3(xii) of the order is not applicable.
- (xiii) According to the explanations and information given to us, all the transactions of the related parties at the Company, for the year under review are in compliance with Section 177 and 188 of the Companies Act, 2013 and the details of the same have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the explanations and information given to us, company have an internal audit system which is commensurate with its size and business activities and report of the internal auditor has been taken into consideration.
- (xv) According to the information and explanation given to us the Company has not entered into any non-cash transaction with directors or persons connected with him as per provisions of Section 192 of the Companies Act, 2013.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and hence clause 3(xvi) of the order is not applicable.
- (xvii) According to the explanations and information given to us, company has not incurred any cash losses in the financial year and in the immediately preceding financial year.
- (xviii) During the year there has been no resignation of statutory auditors.



- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, and our knowledge of the Board of Directors and management plans, and based on our examination of the evidence supporting the assumptions, nothing has come to our attention which cause us to believe that any material uncertainty exists as on the date of the audit report indicating that the company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We however, state that this is not an assurance as to the further visibility of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the date of balance sheet date, will get discharge by the company as and when they fall due.
- (xx) According to the explanations, information given to us there is no unspent amount of CSR to be transfer to Fund specified in Schedule VII to the Companies Act. Therefore, this clause is not applicable to the company.
- (xxi) The reporting under clause 3(xxi) is not applicable in respect of audit of financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

**For Kailash Chand Jain & Co.**

Chartered Accountants

Firm Registration Number: 112318W

**Saurabh Chouhan**

Partner

Membership No.: 167453

Place: Mumbai

Date: May 25, 2023

UDIN: 23167453BGRWAE5470



## **Annexure - II to the Independent Auditors' Report**

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") We have audited the internal financial controls over financial reporting of RAJ OILS MILLS LIMITED ("the Company") as of 31st March, 2023 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 is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditors' Responsibility**

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

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

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

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

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

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

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that



the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, 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 31st March, 2023, 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 Kailash Chand Jain & Co.**

Chartered Accountants

Firm Registration Number: 112318W

### **Saurabh Chouhan**

Partner

Membership No.: 167453

Place: Mumbai

Date: May 25, 2023

UDIN: 23167453BGRWAE5470

**Balance Sheet as at March 31, 2023**

(Amount in INR lakhs, unless otherwise stated)

| No         | Particulars  | Notes | As at           | As at           |
|------------|--|-------|-----------------|-----------------|
|            |  |       | March 31, 2023  | March 31, 2022  |
| <b>A.</b>  | <b>ASSETS</b>  |       |                 |                 |
| (1)        | <b>Non Current Assets</b>  |       |                 |                 |
|            | Property, plant & equipment  | 3     | 1,677.35        | 1,775.07        |
|            | Capital work-in-progress   | 4     | 47.18           | 43.39           |
|            | Intangible assets  | 5     | 145.35          | 145.87          |
|            | Right to use assets  | 6     | 190.35          | -               |
|            | Financial Assets   |       |                 |                 |
|            | - Investments  | 7     | 2.25            | 2.25            |
|            | - Other financial assets   | 8     | 33.96           | 19.41           |
|            | Deferred tax assets (Net)  | 9     | 39.35           | 56.50           |
|            | <b>Total non-current assets</b>  |       | <b>2,135.79</b> | <b>2,042.49</b> |
| (2)        | <b>Current assets</b>  |       |                 |                 |
|            | Inventories  | 10    | 733.44          | 691.23          |
|            | Financial assets   |       |                 |                 |
|            | - Trade receivables  | 11    | 799.92          | 642.59          |
|            | - Cash and cash equivalents  | 12    | 18.25           | 19.39           |
|            | - Bank balances other than cash and cash equivalents                           | 13    | 12.84           | 12.14           |
|            | - Loans  | 14    | -               | -               |
|            | - Other financial assets   | 8     | 0.61            | -               |
|            | Other current assets   | 15    | 450.66          | 149.08          |
|            | <b>Total current assets</b>  |       | <b>2,015.73</b> | <b>1,514.42</b> |
|            | <b>Total assets</b>  |       | <b>4,151.52</b> | <b>3,556.91</b> |
| <b>II.</b> | <b>EQUITY AND LIABILITIES</b>  |       |                 |                 |
| (1)        | <b>Equity</b>  |       |                 |                 |
|            | Equity share capital   | 16    | 1,498.87        | 1,498.87        |
|            | Other equity   | 17    | (2,193.75)      | (2,434.41)      |
|            | <b>Total equity</b>  |       | <b>(694.89)</b> | <b>(935.55)</b> |
| (2)        | <b>Liabilities</b>   |       |                 |                 |
|            | Non-current liabilities  |       |                 |                 |
|            | Financial liabilities  |       |                 |                 |
|            | - Borrowings   | 18    | -               | -               |
|            | - Lease liabilities  | 19    | 155.49          | -               |
|            | - Other financial liabilities  | 20    | 65.01           | -               |
|            | Provisions   | 21    | 41.75           | 31.45           |
|            | <b>Total non-current liabilities</b>   |       | <b>262.25</b>   | <b>31.45</b>    |
|            | Current liabilities  |       |                 |                 |
|            | Financial Liabilities  |       |                 |                 |
|            | - Borrowings   | 18    | 2,785.35        | 2,721.42        |
|            | - Lease liabilities  | 19    | 30.71           | -               |
|            | - Trade Payables   | 22    |                 |                 |
|            | i) Total outstanding dues of Micro and Small Enterprises                       |       | 84.13           | -               |
|            | ii) Total outstanding dues of creditors other than Micro and Small Enterprises |       | 1,450.46        | 1,464.02        |
|            | - Other financial liabilities  | 20    | 65.45           | 167.51          |
|            | Other current liabilities  | 23    | 148.87          | 92.70           |
|            | Provisions   | 21    | 19.18           | 15.35           |
|            | <b>Total current liabilities</b>   |       | <b>4,584.15</b> | <b>4,461.01</b> |
|            | <b>Total liabilities</b>   |       | <b>4,846.41</b> | <b>4,492.46</b> |
|            | <b>Total equity and liabilities</b>  |       | <b>4,151.52</b> | <b>3,556.91</b> |

Corporate information &amp; significant accounting policies

1 &amp; 2

The accompanying notes form an integral part of financial statements

32 to 42

As per our report of even date.  
For Kailash Chand Jain & Co.  
Chartered Accountants  
Firm Reg. No. 112318W

For and on Behalf of the Board of Raj Oil Mills Limited

**Saurabh Chouhan**  
Partner  
Membership no.167453  
Place: Mumbai  
Date: May 25, 2023

**Atikurraheman D. Mukhi**  
Managing Director  
DIN: 05191543

**Sanjay Samantaray**  
Chief Financial Officer

**Parvez Shafee Ahmed Shaikh**  
Chairman  
DIN: 00254202

**Khushbu Bohra**  
Company Secretary

**Statement of Profit & Loss for the Year Ended March 31, 2023**

(Amount in INR lakhs, unless otherwise stated)

| Particulars  | Note No. | For the Year Ended<br>March 31, 2023 | For the Year Ended<br>March 31, 2022 |
|--|----------|--------------------------------------|--------------------------------------|
| <b>I Income</b>  |          |                                      |                                      |
| Revenue from operations  | 24       | 14,035.57                            | 11,855.51                            |
| Other income   | 25       | 98.41                                | 5.92                                 |
| <b>III. Total income</b>                                       |          | <b>14,133.98</b>                     | <b>11,861.43</b>                     |
| <b>IV. Expenses</b>  |          |                                      |                                      |
| Cost of materials consumed                                     | 26       | 12,051.97                            | 10,270.98                            |
| Changes in inventory of finished goods                         | 27       | (55.53)                              | (182.32)                             |
| Employee benefit expenses                                      | 28       | 998.86                               | 821.22                               |
| Finance costs  | 29       | 17.02                                | 4.53                                 |
| Depreciation and amortization                                  | 30       | 144.92                               | 123.39                               |
| Other expenses   | 31       | 668.76                               | 531.24                               |
| <b>Total expenses</b>  |          | <b>13,826.00</b>                     | <b>11,569.04</b>                     |
| <b>Profit / (Loss) before exceptional items and tax</b>        |          | <b>307.98</b>                        | <b>292.39</b>                        |
| Less: Exceptional Items  |          | 47.73                                | -                                    |
| <b>Profit / (Loss) before tax</b>                              |          | <b>260.25</b>                        | <b>292.39</b>                        |
| <b>Tax Expenses -</b>  |          |                                      |                                      |
| Current year   |          |                                      |                                      |
| Deferred Tax (Credit)/Charge                                   |          | (17.76)                              | (32.51)                              |
| <b>Total tax expense</b>                                       |          | <b>(17.76)</b>                       | <b>(32.51)</b>                       |
| <b>Profit/ (Loss) after tax</b>                                |          | <b>242.48</b>                        | <b>259.88</b>                        |
| <b>Other comprehensive income</b>                              |          |                                      |                                      |
| Items that will be reclassified to profit or loss              |          | -                                    | -                                    |
| Items that will not be reclassified to profit or loss          |          |                                      |                                      |
| - Remeasurement of net defined benefit liability - Gain/(Loss) |          | (2.44)                               | 2.73                                 |
| - Tax thereon  |          | 0.61                                 | (0.69)                               |
| <b>Other comprehensive income for the year, net of tax</b>     |          | <b>(1.82)</b>                        | <b>2.05</b>                          |
| <b>Total comprehensive income for the year</b>                 |          | <b>240.66</b>                        | <b>261.92</b>                        |
| <b>Earnings per share :</b>                                    |          |                                      |                                      |
| Basic earnings per share (INR)                                 | 32       | 1.62                                 | 1.73                                 |
| Diluted earnings per share (INR)                               | 32       | 1.62                                 | 1.73                                 |

Corporate information &amp; significant accounting policies 1 &amp; 2

The accompanying notes form an integral part of financial statements 32 to 42

As per our report of even date.  
For Kailash Chand Jain & Co.  
Chartered Accountants  
Firm Reg. No. 112318W

For and on Behalf of the Board of Raj Oil Mills Limited

**Saurabh Chouhan**  
Partner  
Membership no.167453  
Place: Mumbai  
Date: May 25, 2023

**Atikurraheman D. Mukhi**  
Managing Director  
DIN: 05191543

**Sanjay Samantaray**  
Chief Financial Officer

**Parvez Shafee Ahmed Shaikh**  
Chairman  
DIN: 00254202

**Khushbu Bohra**  
Company Secretary



## Statement of Cash Flow for the Year Ended March 31, 2023

(Amount in INR lakhs, unless otherwise stated)

| Particulars   | For the Year Ended<br>March 31, 2023 | For the Year Ended<br>March 31, 2022 |
|---|--------------------------------------|--------------------------------------|
| <b>(A) Cash Flow from Operating Activities</b>                          |                                      |                                      |
| Net Profit Before Tax and extra-ordinary items                          | 307.98                               | 292.39                               |
| <b>Adjustments for:</b>   |                                      |                                      |
| Depreciation  | 144.92                               | 123.39                               |
| Finance Costs   | 17.02                                | 4.53                                 |
| Interest Income   | (1.74)                               | (1.15)                               |
| <b>Operating Profit before working capital changes</b>                  | <b>468.17</b>                        | <b>419.16</b>                        |
| <b>Adjustments for:-</b>  |                                      |                                      |
| (Increase)/Decrease in Inventories                                      | (42.22)                              | (227.59)                             |
| (Increase)/Decrease in Trade Receivables                                | (157.33)                             | (122.46)                             |
| (Increase)/Decrease in Other Current Assets                             | (301.58)                             | (49.53)                              |
| (Increase)/Decrease in Other Current Financial Assets                   | (0.61)                               | -                                    |
| (Increase)/Decrease in Other Non Current Financial Assets               | (14.55)                              | -                                    |
| Increase/(Decrease) in Other Non Current Financial Liabilities          | 65.01                                | -                                    |
| Increase/(Decrease) in Trade Payables                                   | 70.57                                | 432.12                               |
| Increase/(Decrease) in Current Financial Liabilities                    | (102.07)                             | (417.89)                             |
| Increase/(Decrease) in Current Lease Liabilities                        | 30.71                                | -                                    |
| Increase/(Decrease) in Non Current Lease Liabilities                    | 155.49                               | -                                    |
| Increase/(Decrease) in Other Current Liabilities                        | 56.17                                | (150.39)                             |
| Increase/(Decrease) in Current Provisions                               | 3.83                                 | 2.37                                 |
| Increase/(Decrease) in Non Current Provisions                           | 10.30                                | 1.25                                 |
| Increase/(Decrease) in Net defined benefit plan                         | (2.44)                               | 2.73                                 |
| <b>Cash Generated from Operations</b>                                   | <b>239.46</b>                        | <b>(116.25)</b>                      |
| Taxes (paid)/Refund   | -                                    | -                                    |
| <b>Net Cash from Operating Activities</b>                               | <b>239.46</b>                        | <b>(116.25)</b>                      |
| <b>(B) Cash Flow from Investing Activities</b>                          |                                      |                                      |
| Purchase/Sale of Property plant and equipments/Capital work-in-progress | (240.81)                             | (60.20)                              |
| Interest Income   | 1.74                                 | 1.15                                 |
| <b>Net Cash used in Investing Activities</b>                            | <b>(239.07)</b>                      | <b>(59.04)</b>                       |
| <b>(C) Cash Flow from Financing Activities</b>                          |                                      |                                      |
| Proceeds/(Repayment) of Non Current Borrowing                           | -                                    | (100.00)                             |
| Increase/(Decrease) in Current Borrowing                                | 63.92                                | 278.43                               |
| Finance Cost  | (17.02)                              | (4.53)                               |
| Right issue expenses  | (47.73)                              | -                                    |
| <b>Net Cash Used from Financing Activities</b>                          | <b>(0.83)</b>                        | <b>173.89</b>                        |
| <b>Net Increase in Cash and Cash Equivalents(A+B+C)</b>                 | <b>(0.44)</b>                        | <b>(1.40)</b>                        |
| Cash and Cash equivalents at the beginning of the year                  | 31.53                                | 32.92                                |
| Cash and Cash equivalents at the end of the year                        | 31.09                                | 31.53                                |
|   | (0.44)                               | (1.40)                               |
| Corporate information & significant accounting policies                 | 1 & 2                                |                                      |
| The accompanying notes form an integral part of financial statements    | 32 to 42                             |                                      |

### Note

1. Statement of Cash Flow has been prepared under the indirect method as set out in Indian Accounting Standard: (Ind AS 7) - "Statement of Cash Flow".

As per our report of even date.

For Kailash Chand Jain & Co.

Chartered Accountants

Firm Reg. No. 112318W

For and on Behalf of the Board of Raj Oil Mills Limited

**Saurabh Chouhan**

**Partner**

Membership no.167453

Place: Mumbai

Date: May 25, 2023

**Atikurraheman D. Mukhi**

**Managing Director**

DIN: 05191543

**Sanjay Samantaray**

**Chief Financial Officer**

**Parvez Shafee Ahmed Shaikh**

**Chairman**

DIN: 00254202

**Khushbu Bohra**

**Company Secretary**





As at year ended 31st March, 2023 (Amount in INR lakhs, unless otherwise stated)

**Statement of Changes in Equity for the year ended March 31, 2023**

(Amount in INR lakhs, unless otherwise stated)

**A) Equity Share Capital**

| Particulars                                | As at March 31, 2023 |          | As at March 31, 2022 |          |
|--|----------------------|----------|----------------------|----------|
|  | Nos.                 | INR      | Nos.                 | INR      |
| At the beginning of the year               | 1,49,88,684          | 1,498.87 | 1,49,88,684          | 1,498.87 |
| Issued during the year                     | -                    | -        | -                    | -        |
| Reduction during the period                | -                    | -        | -                    | -        |
| Balance at the end of the reporting period | 1,49,88,684          | 1,498.87 | 1,49,88,684          | 1,498.87 |

**B) Other Equity**

| Particulars                         | Reserves & Surplus         |                 |                    | Items of Other Comprehensive Income             |                     | Total other equity |
|-------------------------------------|----------------------------|-----------------|--------------------|---|---------------------|--------------------|
|                                     | Securities premium account | Capital reserve | Retained earnings  | Remeasurements of the net defined benefit Plans | Revaluation Reserve |                    |
| <b>Balance as at April 01, 2021</b> | <b>12,549.03</b>           | <b>406.67</b>   | <b>(15,793.37)</b> | <b>(3.10)</b>                                   | <b>143.75</b>       | <b>(2,697.03)</b>  |
| Net profit for the year             | -                          | -               | 259.88             | -   | -                   | 259.88             |
| Other Comprehensive Income          | -                          | -               | -                  | 2.73  | -                   | 2.73               |
| <b>Balance as at March 31, 2022</b> | <b>12,549.03</b>           | <b>406.67</b>   | <b>(15,533.50)</b> | <b>(0.37)</b>                                   | <b>143.75</b>       | <b>(2,434.41)</b>  |
| Net profit for the year             | -                          | -               | 242.48             | -   | -                   | 242.48             |
| Other Comprehensive Income          | -                          | -               | -                  | (1.82)  | -                   | (1.82)             |
| <b>Balance as at March 31, 2023</b> | <b>12,549.03</b>           | <b>406.67</b>   | <b>(15,291.01)</b> | <b>(2.19)</b>                                   | <b>143.75</b>       | <b>(2,193.75)</b>  |

As per our report of even date.  
For Kailash Chand Jain & Co.  
Chartered Accountants  
Firm Reg. No. 112318W

For and on Behalf of the Board of Raj Oil Mills Limited

**Saurabh Chouhan**  
Partner  
Membership no.167453  
Place: Mumbai  
Date: May 25, 2023

**Atikurraheman D. Mukhi**  
Managing Director  
DIN: 05191543

**Sanjay Samantaray**  
Chief Financial Officer

**Parvez Shafee Ahmed Shaikh**  
Chairman  
DIN: 00254202

**Khushbu Bohra**  
Company Secretary



As at year ended 31st March, 2023 (Amount in INR lakhs, unless otherwise stated)

## NOTES TO THE FINANCIAL STATEMENTS OF RAJ OIL MILLS LIMITED FOR THE YEAR ENDED MARCH 31, 2023.

### Note 1: Background and Company Overview

Raj Oil Mills Ltd (the 'Company' or 'ROML') is a public limited company incorporated and domiciled in India with its registered office at 224-230, Bellasis Road, Mumbai- 400 008, Maharashtra, India. The Company is listed on National Stock Exchange (NSE) and Bombay Stock Exchange (BSE). The Company is engaged in the business of buying, selling, manufacturing, and processing of edible oils, edible oil seeds and other related products.

### Note 2: Summary of significant accounting policies and other explanatory information to the financial statements

This note provides a list of the significant accounting policies adopted by the Company in preparation of these financial statements. These policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

#### i) Basis of preparation

##### a) Compliance with Ind AS:

The financial statements of the Company have been prepared to comply in all material respects with the Indian Accounting Standards ('Ind AS') as prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Companies (Indian Accounting Standards) Rules as amended from time to time notified under the Companies (Accounting Standards) Rules, 2015.

The financial statements have been prepared under the historical cost convention with the exception of certain financial assets and liabilities and share based payments which have been prepared to comply with the Indian Accounting standards ('Ind AS'), including the rules notified under the relevant provisions of the Companies Act, 2013, (as amended from time to time) and Presentation and disclosure requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS Compliant Schedule III) as amended from time to time.

The Company's financial statements are reported in Indian Rupees, which is also the Company's functional currency, and all values are presented in INR in Lakhs (INR 00,000), except when otherwise indicated.

The accounting policies have been applied consistently except where a newly issued Ind AS is initially adopted or a revision to an existing Ind AS requires a change in accounting policy hitherto in use.

#### ii) Basis of Measurement:

The Financial Statements have been prepared on a historical cost convention on accrual basis except for the following:

a) **Certain financial instruments that are required to be carried at fair values by Ind AS;**

b) **Defined benefit plans: plan assets measured at fair value;**

#### iii) Accounting estimates:

The preparation of the financial statements, in conformity with the recognition and measurement principles of Ind AS, requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and the results of operation during the reported period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates which are recognised in the period in which they are determined.



As at year ended 31st March, 2023 (Amount in INR lakhs, unless otherwise stated)

#### iv) Key accounting estimates and assumptions

Preparation of the financial statements require use of accounting estimates which, by definition, will seldom equal the actual results. This Note provides an overview of the areas that involved a higher degree of judgements or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. The Company based its assumptions and estimates on parameters available when the financial statements were prepared.

Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements

Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. The areas involving critical estimates or judgements are:

##### a) Estimation of useful life of tangible assets: (Refer Note 2(g))

The Company has estimated the useful life if each class of assets based on the nature of assets, the estimated usage of the asset, the operating condition of the asset, past history of replacement, anticipated technological changes, etc. The Company reviews the estimated useful lives and residual values of the assets at each reporting period. This reassessment may result in change in depreciation and amortization expense in the future periods.

##### b) Estimation of defined benefit obligation: (Refer Note 33)

In accounting for post-retirement benefits, several statistical and other factors that attempt to anticipate future events are used to calculate plan expenses and liabilities. These factors include expected discount rate assumptions and rate of future compensation increases. To estimate these factors, actuarial consultants also use estimates such as withdrawal, turnover, and mortality rates which require significant judgment. The actuarial assumptions used by the Company may differ materially from actual results in future periods due to changing market and economic conditions, regulatory events, judicial rulings, higher or lower withdrawal rates, or longer or shorter participant life spans.

##### c) Current Income Taxes

The tax jurisdictions for the Company is India. Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods. The recognition of taxes that are subject to certain legal or economic limits or uncertainties is assessed individually by the Management based on the specific facts and circumstances.

##### d) Provisions and contingencies: (Refer Note 38)

Contingent Liability may arise from the ordinary course of business in relation to claims against the Company. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgments and the use of estimates regarding the outcome of future events.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.



As at year ended 31st March, 2023 (Amount in INR lakhs, unless otherwise stated)

**e) Impairment of financial/ non-financial assets**

An impairment loss is recognised for the amount by which an asset's or cash-generating unit's carrying amount exceeds its recoverable amount to determine the recoverable amount, management estimates expected future cash flows from each asset or cash generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. In the process of measuring expected future cash flows, management makes assumptions about future operating results. These assumptions relate to future events and circumstances. The actual results may vary and may cause significant adjustments to the Company's assets. In most cases, determining the applicable discount rate involves estimating the appropriate adjustment to market risk and the appropriate adjustment to asset-specific risk factors.

**v) Fair value measurements: (Refer Note 35)**

The Company measures financial instruments, at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either

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

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

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset; or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies.

For this analysis, the Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents. The Management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

**vi) Property Plant and Equipment (Tangible assets):**

An item of property, plant and equipment is recognised as an asset if it is probable that the future economic benefits associated with the item will flow to the Company and its cost can be measured reliably.



As at year ended 31st March, 2023 (Amount in INR lakhs, unless otherwise stated)

- **Initial Recognition**

Freehold land is carried at cost. All other items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

- **Subsequent Measurement**

Subsequent costs are included in the carrying amount of asset or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the Statement of Profit and Loss during the period in which they are incurred. Gains or losses arising on retirement or disposal of assets are recognised in the Statement of Profit and Loss.

**vii) Capital work-in-progress**

Capital work-in-progress representing expenditure incurred in respect of assets under development and not ready for their intended use, are carried at cost. Cost includes related acquisition expenses, construction cost, related borrowing cost and other direct expenditure.

**viii) Goodwill and Other Intangible Assets:**

Goodwill represents the cost of acquired business as established at the date of acquisition of the business in excess of the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities less accumulated impairment losses, if any. Goodwill is tested for impairment annually or when events or circumstances indicate that the implied fair value of goodwill is less than its carrying amount.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any amortization and accumulated impairment losses, if any.

Amortization is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, and is recognised in Statement of profit or loss. Trademarks with indefinite useful lives are subjected to testing on an annual basis and are impaired based on the value-in-use concept on the basis of relevant cash-generating units.

Other Intangible assets mainly comprise implementation cost for software and other application software acquired and brand acquired through a business combination. Gains or losses arising from the derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

**ix) Investment properties:**

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured at its cost, including related transaction costs and where applicable borrowing costs less depreciation and impairment if any.

**x) Depreciation methods, useful life and residual value:**

**Depreciation is provided on the straight-line method to allocate the cost of assets, net of their residual values, over their estimated useful lives. Depreciation is calculated on a pro-rata basis from the date of acquisition | installation till the date the assets are sold or disposed of:**



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| Asset category             | Estimated Useful life | Basis of determination of Useful Life              |
|----------------------------|-----------------------|--|
| Factory building           | 30 years              | Assessed to be in line with Schedule II to the Act |
| Non-Factory building       | 60 years              | Assessed to be in line with Schedule II to the Act |
| Plant and machinery        | 15 years              | Assessed to be in line with Schedule II to the Act |
| Vehicles                   | 8-10 years            | Assessed to be in line with Schedule II to the Act |
| Office equipment & Fitting | 5-10 years            | Assessed to be in line with Schedule II to the Act |
| Furniture and fixtures     | 10 years              | Assessed to be in line with Schedule II to the Act |
| Factory Equipment          | 8-10 years            | Assessed to be in line with Schedule II to the Act |
| Laboratory Equipment       | 10 years              | Assessed to be in line with Schedule II to the Act |
| Computer                   | 3 years               | Assessed to be in line with Schedule II to the Act |

The residual values are not more than 5% of the original cost of the asset. The residual values, useful lives and method of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Gains and losses on disposals are determined by comparing proceeds with the carrying amounts. These are accounted in Statement of profit and loss within Other income/ Other expenses.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

#### Amortisation of Intangible Assets

Intangible assets are amortised on straight-line basis, from the date are available for use, over their useful lives that is a period of three to ten years.

| Asset category    | Estimated Useful life | Basis of determination of Useful Life                  |
|-------------------|-----------------------|--|
| Trademark         | Infinite              | Assessed to be in line with the Schedule II to the Act |
| Computer software | 3 years               | Assessed to be in line with the Schedule II to the Act |

#### xi) Financials 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.

##### a. Financials Assets

##### (i) Classification:

The Company classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through Other Comprehensive Income, or through profit or loss)
- Those measured at amortized cost

The classification depends on business model of the Company for managing financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or Other Comprehensive Income.



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For investments in debt instruments, this will depend on the business model in which the 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 the equity investment at fair value through Other Comprehensive Income.

**(ii) Initial recognition and measurement:**

In the case of financial assets, not recorded at fair value through profit or loss (FVPL), financial assets are recognised initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

**(iii) Subsequent measurement:**

**For purposes of subsequent measurement, financial assets are classified in following categories:**

**Financial Assets at Amortised Cost**

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in finance income using the effective interest rate ("EIR") method. Impairment gains or losses arising on these assets are recognised in the Statement of Profit and Loss.

**Financial Assets Measured at Fair Value**

Financial assets are measured at fair value through Other Comprehensive Income ('OCI') if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss.

**iv) Equity investments**

All equity investments in scope of Ind AS 109 are measured at fair value. The Company has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by instrument basis. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to statement of profit or loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss. The equity securities which are not held for trading, and for which the Company has made an irrevocable election at initial recognition to recognize changes in fair value through OCI rather than profit or loss as these are strategic investments and the Company considered this to be more relevant.

**v) Debt instruments:**

Subsequent measurement of debt instruments depends on the business model of the Company for managing the asset and the cash flow characteristics of the asset. There are 3 measurement categories into which the Company classifies its debt instruments:



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Measured at amortized cost: Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortized cost using the EIR method less impairment, if any, the amortization of EIR and loss arising from impairment, if any is recognized in the Statement of Profit and Loss.

Measured at fair value through Other Comprehensive Income (OCI): Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through OCI. Fair value movements are recognized in the OCI. Interest income measured using the EIR method and impairment losses, if any are recognized in the Statement of Profit and Loss. On derecognition, cumulative gain | (loss) previously recognized in OCI is reclassified from the equity to other income in the Statement of Profit and Loss.

Measured at fair value through profit or loss: A financial asset not classified as either amortized cost or FVOCI, is classified as FVPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognized as other income in the Statement of Profit and Loss.

**vi) Impairment of financial assets:**

The Company assesses on a forward-looking basis the expected credit losses associated with its financial assets carried at amortized cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For Tand lease receivable only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of such receivables

**vii) Derecognition:**

A financial asset is derecognised only when the Company has transferred the rights to receive cash flows from the financial asset, the asset expire or retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients. Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised through Statement of Profit and Loss or Other Comprehensive Income as applicable.

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

**b) Equity Instruments and Financials Liabilities**

Classification as debt or equity - Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

**Equity Instruments**

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue cost. Equity instruments which are issued for a consideration other than cash are recorded at fair value of the equity instrument.





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**Financial liabilities:**

**Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at FVPL, loans and borrowings and payables as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs

**Subsequent measurement**

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

- Derecognition of Financials Liabilities

Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired. 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 de-recognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

**c) Offsetting financial instruments:**

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

**xii) Borrowings:**

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in the Statement of Profit and Loss over the period of the borrowings using the effective interest method.

Borrowings are derecognised from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in Statement of profit and loss as other gains/(losses). Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

**xiii) Borrowing costs:**

Borrowing cost consists of interest and other costs incurred in connection with the borrowing of funds and also include exchange differences to the extent regarded as an adjustment to the same. Borrowing costs directly attributable to the acquisition and/ or construction of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Standalone Statement of Profit and Loss as incurred.

**xiv) Employee benefits:**

**a) Defined Contribution Plan:**

Contributions to defined contribution schemes such as contribution to Provident Fund, Superannuation Fund, Employees' State Insurance Corporation, National Pension Scheme and Labours Welfare Fund are charged as an expense to



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the Statement of Profit and Loss based on the amount of contribution required to be made as and when services are rendered by the employees. The above benefits are classified as Defined Contribution Schemes as the Company has no further defined obligations beyond the monthly contributions.

**b) Defined Benefit Plan:**

**Gratuity –**

Gratuity liability is a defined benefit obligation and is computed on the basis of an actuarial valuation by an actuary appointed for the purpose as per 'Projected Unit Credit Method' at the end of each financial year. The Company has created a trust and has taken group gratuity policy with Life Insurance Corporation of India for future payments of retiring gratuities.

The liability or asset recognised in the Balance Sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows with reference to market yields at the end of the reporting period on Government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate at the beginning of the period to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur directly in Other Comprehensive Income. They are included in retained earnings in the Statement of changes in equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

**c) Short-term employee benefits:**

All employee benefits payable within 12 months of service such as salaries, wages, bonus, ex-gratia, medical benefits etc. are recognised in the year in which the employees render the related service and are presented as current employee benefit obligations. Termination benefits are recognised as an expense as and when incurred. Short-term employee benefits are provided at undiscounted amount during the accounting period based on service rendered by employees. Compensation payable under Voluntary Retirement Scheme is being charged to the Statement of Profit and Loss in the year of settlement.

**d) Other long-term employee benefits:**

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



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**xv) Inventories:**

Inventories are stated at cost or net realizable value, whichever is lower. Cost is determined on moving weighted average basis. Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

**Costs of purchased inventory are determined after deducting rebates and discounts. The cost is determined as follows:**

- (i) Raw Materials, Traded goods, Packing Materials and Consumables, chemicals, stores and spares are valued using the weighted average method.
- (ii) Finished goods and work-in-progress / semi-finished goods are valued at the cost of raw materials along with fixed production overheads being allocated on the basis of normal capacity of production facilities.

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

**xvi) Cash and Cash equivalents:**

Cash and Cash equivalents includes cash on hand, demand deposits with the bank and other short term, highly liquid investments with original maturities of three months or less from the date of acquisition that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents as defined above is net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

**xvii) Foreign currency transactions:**

• **Functional and presentation currency:**

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

• **Transactions and balances:**

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gain | (loss) resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the Statement of Profit and Loss except that they are deferred in equity if they relate to qualifying cash flow hedges. Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Statement of Profit and Loss, within finance costs. All other foreign exchange gain | (loss) are presented in the Statement of Profit and Loss on a net basis within other income | (expense).

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in Other Comprehensive Income or Statement of Profit and Loss are also recognised in Other Comprehensive Income or Statement of Profit and Loss, respectively).



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### xviii) Revenue Recognition:

#### Timing of recognition:

On March 28, 2018, the MCA notified the Ind AS 115. The core principle of the new standard is that an entity will recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further, the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers of the Company.

#### a) Sale of goods –

Revenue from sale of goods is recognised when control of goods are transferred to the customer which is generally on delivery for domestic sales and on dispatch/ delivery for export sales in accordance with the terms of the contract. The Company recognizes revenues on the sale of products, net of returns, discounts (sales incentives/rebates), and taxes and duties collected on behalf of government which are levied on sales (such as goods and services tax) and payments or other consideration given to the customer that has impacted the pricing of the transaction.

Revenue is recognised only to the extent that it is highly probable that a significant reversal will not occur. No element of financing is deemed present as the sales are made with normal credit days consistent with market practice. A liability is recognised where payments are received from customers before transferring control of the goods being sold.

#### b) Rendering of services –

Revenue from services (including those embedded in contract for sale of goods namely freight and insurance services mainly in case of export sales), is recognised upon completion of services.

#### c) Interest income –

Interest income from debt instruments, is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options), but does not consider the expected credit losses.

#### d) Dividend -

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established; it is probable that the dividend will flow to the Company and the amount of the dividend can be measured reliably.

#### e) Other income –

- Eligible export incentives are recognised in the year in which the conditions precedents are met and there is no significant uncertainty about the collectability.
- Lease rental income is recognised on accrual basis.
- Earnest money forfeited from customer is accounted for in the year of forfeiture.

### xix) Measurement of Revenue:

Revenue is measured at the fair value of the consideration received or receivable, after the deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the Government which are levied on sales such as goods and services tax, value added tax, etc.



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Discounts given include rebates, price reductions and other incentives given to customers. Accumulated experience is used to estimate and provide for the discounts and returns. The volume discounts are assessed based on anticipated annual purchases.

The Company recognizes provision for sales return, based on the historical results, measured on net basis of the margin of the sale. Therefore, a refund liability, included in other current liabilities, is recognized for the products expected to be returned.

**xx) Trade Receivable:**

A receivable is classified as a 'trade receivable' if it is in respect of the amount due on account of goods sold or services rendered in the normal course of business. Trade receivable are recognised initially at fair value and subsequently measured at amortised cost using the EIR method, less provision for impairment. Trade receivables ageing has been presented based on the date of transaction. Further, in respect of trade receivable from Government Corporation, payment are received on pump-sum basis instead by an invoice-by-invoice settlement. Accordingly, the collection/realization from corporation trade receivable are accounted against the earliest outstanding invoice.

**xxi) Trade Payables:**

A payable is classified as a 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided of the Company prior to the end of the of the financial year which are unpaid. These amounts are unsecured and are usually settled as per the payment terms stated in the contracts. Trade and other payables are presented as current liabilities unless payment is not within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using EIR method. Trade payables ageing has been presented based on the date of transaction.

**xxii) Taxes on Income**

The income tax expense or credit for the period is the tax payable on the taxable income of the current period based on the applicable income tax rates adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and unused tax losses.

**a) Current Income Tax**

Current tax comprises the expected tax payable or recoverable on the taxable profit or loss for the year and any adjustment to the tax payable or recoverable in respect of previous years. It is measured using tax rates enacted or substantively enacted by the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretations and establishes provisions where appropriate.

Current tax assets are offset against current tax liabilities if, and only if, a legally enforceable right exists to set off the recognised amounts and there is an intention either to settle on a net basis, or to realise the asset and settle the liability simultaneously

**b) Deferred Income Tax**

Deferred income tax is recognised in respect of temporary difference between the carrying amount of assets and liabilities for financial reporting purpose and the amount considered for tax purpose.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that sufficient



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taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilized such reductions are reversed when it becomes probable that sufficient taxable profits will be available.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority on the same taxable entity.

### xxiii) Leases:

At the inception it is assessed, whether a contract is a lease or contains a lease. A contract is a lease or contains a lease if it conveys the right to control the use of an identified asset, for a period of time, in exchange for consideration

To assess whether a contract conveys the right to control the use of an identified asset, company assesses whether the contract involves the use of an identified asset. Use may be specified explicitly or implicitly.

- i) Use should be physically distinct or represent substantially all of the capacity of a physically distinct asset.
- ii) If the supplier has a substantive substitution right, then the asset is not identified.
- iii) Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use
- iv) Company has the right to direct the use of the asset
- v) In cases where the usage of the asset is predetermined the right to direct the use of the asset is determined when the company has the right to use the asset or the company designed the asset in a way that predetermines how and for what purpose it will be used.

At the commencement or modification of a contract, that contains a lease component, company allocates the consideration in the contract, to each lease component, on the basis of its relative standalone prices. For leases of property, it is elected not to separate non lease components and account for the lease and non-lease components as a single lease component.

### As a lessee:

Company recognizes a right-of-use asset and a lease liability at the lease commencement date.

### Right-of-use asset (ROU):

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

The right-of-use asset is initially measured at cost. Cost comprises of the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, any initial direct costs incurred by the lessee, an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located less any lease incentives received.



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After the commencement date, a lessee shall measure the right-of-use asset applying cost model, which is Cost less any accumulated depreciation and any accumulated impairment losses and also adjusted for certain re-measurements of the lease liability. Right-of-use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. Carrying amount of right-of-use asset is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Right-of-use asset is depreciated using straight line method from the commencement date to the end of the lease term. If the lease transfers the ownership of the underlying asset to the company at the end of the lease term or the cost of the right-of-use asset reflects company will exercise the purchase option, ROU will be depreciated over the useful life of the underlying asset, which is determined based on the same basis as property, plant and equipment.

#### **Lease Liability:**

Lease liability is initially measured at the present value of lease payments that are not paid at the commencement date. Discounting is done using the implicit interest rate in the lease, if that rate cannot be readily determined, then using company's incremental borrowing rate. Incremental borrowing rate is determined based on entity's borrowing rate adjusted for terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprises of fixed payments (including in substance fixed payments), variable lease payments that depends on an index or a rate, initially measured using the index or rate at the commencement date, amount expected to be payable under a residual value guarantee, the exercise price under a purchase option that the company is reasonably certain to exercise, lease payments in an optional renewal period if the company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the company is reasonably certain not to terminate early.

Lease liability is measured at amortised cost using the effective interest method. Lease liability is re-measured when there is a change in the lease term, a change in its assessment of whether it will exercise a purchase, extension or termination option or a revised in-substance fixed lease payment, a change in the amounts expected to be payable under a residual value guarantee and a change in future lease payments arising from change in an index or rate.

When the lease liability is re-measured corresponding adjustment is made to the carrying amount of the right of-use asset. If the carrying amount of the right-of-use asset has been reduced to zero it will be recorded in statement of profit and loss.

Right-of-use asset is presented as a separate category under "Non-current assets" and lease liabilities are presented under "Financial liabilities" in the balance sheet.

Company has elected not to recognize right-of-use assets and lease liabilities for short term leases. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

#### **As a lessor:**

At the commencement or modification of a contract, that contains a lease component, company allocates the consideration in the contract, to each lease component, on the basis of its relative standalone prices.

At the inception of the lease, it is determined whether it is a finance lease or an operating lease. If the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset, then it is a financial lease, otherwise it is an operating lease.

If the lease arrangement contains lease and non-lease components, then the consideration in the contract is allocated using the principles of IND AS 115. The company tests for the impairment losses at the year end. Payment received under operating lease is recognised as income on straight line basis, over the lease term.



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**xxiv) Impairment of Non-Financial assets:**

At each reporting date, the Company assesses whether there is any indication based on internal / external factors, that an asset may be impaired. If any such indication exists, the recoverable amount of the asset or the cash generating unit (CGU) is estimated. If such recoverable amount of the asset or CGU to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognized in the Standalone Statement of Profit and Loss.

If, at the reporting date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognized are accordingly reversed in the Standalone Statement of Profit and Loss. An asset is deemed impairable when recoverable value is less than its carrying cost and the difference between the two represents provisioning exigency.

**xxv) Provisions and contingent liabilities:**

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. These are reviewed at each year end to reflect the best current estimate. Provisions are not recognized for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

**Contingent liability is disclosed for:**

- Possible obligations that arise from past events but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or
- Present obligations arising from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognized till the realization of the income is virtually certain. However, the same are disclosed in the financial statements where inflow of economic benefits is probable.

**xxvi) Earnings per share:**

**Basic earnings per share**

Basic earnings per share is calculated by dividing:

- the profit attributable to owners 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.





As at year ended 31st March, 2023 (Amount in INR lakhs, unless otherwise stated)

### Diluted earnings per share

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

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

### xxvii) Exceptional Items:

During the financial year 2022-2023, the Company announced the Rights issue of shares of 1,49,88,684 fully paid equity shares aggregating up to Rs. 4,496.61 lakhs at Rs. 30 per fully paid-up equity share (including a premium of Rs. 20 per equity share). A Draft Letter of Offer and a Letter of Offer was filed on 16-01-2023 and 16-02-2023 respectively. The Right issue of the company opened on February 21, 2023 having a closure date of March 21, 2023.

On account of certain prevailing market conditions, volatilities and uncertainties in the capital markets, the minimum subscription could not be fulfilled. The circumstances lead to withdrawal of the ongoing Rights Issue on an immediate basis by way of meeting held on 20-03-2023 by the Rights Issue Committee in pursuance of the applicable SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015. Owing to this and on account of it being a material item by way of its size and incidence of occurrence, the cost incurred to initiate the right issue of shares has been disclosed in the statement of profit and loss by way of an 'exceptional item' amounting to Rs. 47.73 lakhs.

### xxviii) Non-Current assets held for sale:

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement. Non-current assets are not depreciated or amortised while they are classified as held for sale.

## 2.1 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

**Ind AS 1 - Presentation of Financial Statements** – This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after 1 April 2023. The Company does not expect any significant impact of the amendment on its financial statements.

**Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors** - This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after 1 April 2023. The Company does not expect any significant impact of the amendment on its financial statements.

**Ind AS 12 - Income Taxes** - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after 1 April 2023. The Company does not expect any significant impact of the amendment on its financial statements.



As at year ended 31st March, 2023 (Amount in INR lakhs, unless otherwise stated)

## 2.2 Compensation received in case of erstwhile directors as per High Court Order dated March 03, 2023:

The Company had initiated legal proceedings against one of its former directors Mr. Shaukat Suleman Thadadra and Ors. The said petition was originally filed on 28/02/2023 seeking damages amounting to Rs. 372.13 lakhs.

During the financial year 2022-2023, the Company received a compensation of Rs. 95 lakhs out of the consideration receivable of Rs. 372.13 lakhs (Rs. 218.26 lakhs towards principal amount and Rs. 153.87 lakhs towards compensation) in terms of the High Court order dated March 03, 2023 and consent terms between the Company and the erstwhile directors. The Company has recognized the said receipt under other income under the Statement of Profit and Loss and treatment of the said compensation receipt has been considered on a cash basis for the financial year 2022-2023.

## 2.3 Corporate Insolvency Resolution Process ('CIRP Process')

The Board of Directors of the Company at their meeting held on June 06, 2014 referred the Company to the Board of Industrial and Financial Reconstruction ('BIFR') by submission of an application to the BIFR Board on June 09, 2014. The case was accepted and registered by BIFR Board u/s 15(1) of Sick Companies (Special Provisions) Act, 1985 ('SICA') on January 12, 2015. However, due to the repeal of the SICA, BIFR was dissolved resulting into the implementation of the Insolvency and Bankruptcy Code 2016 ('IBC/Code'), whereby all the pending cases were transferred to the National Company Law Tribunal ('NCLT').

In accordance with the applicable provisions of the IBC, the CIRP Process of the Company was initiated by the NCLT and the case was admitted by the Hon'ble NCLT whereby the Company received an order dated July 10, 2017 ('Insolvency Commencement Date'). Pursuant to the said order, Mr. U V G Nayak was appointed as the Interim Resolution Professional ('IRP') to manage the affairs of the Company. Thereafter, Mr. Rajendra M. Ganatra was confirmed as the Resolution Professional ('RP') by the Committee of Creditors ('CoC'). On appointment of the IRP/RP, the powers of the Board of Directors of the Company were suspended. Thereafter, the RP invited expressions of interest and submission of a resolution plan in accordance with the provisions of the Code. Of the various resolution plans submitted, the CoC approved the resolution plan submitted by Rubberwala Housing and Infrastructure Limited, jointly with Mukhi Industries Limited ('Successful Resolution Applicants / New Promoters').

The RP submitted the CoC approved resolution plan to the Hon'ble NCLT for its approval of the final order. The NCLT, Mumbai bench, vide its order dated April 19, 2018 ('NCLT order') approved the resolution plan ('Approved Resolution Plan') submitted by the Successful Resolution Applicants in accordance with the IBC. In view of the NCLT order, a new Board was constituted in the current financial year and a new management was put into place.

However, consequent to receipt of the NCLT order, the Approved Resolution Plan was subjected to stay proceedings vide the National Company Law Appellate Tribunal order ('NCLAT order') dated July 02, 2018 on account of the appeal filed by the Department against the said NCLT order. The appeals were subsequently disposed off by the NCLAT, Delhi vide their order dated March 20, 2019. Consequently, the Approved Resolution Plan has now come into effect post the removal of the stay proceedings vide the said order. In accordance with the provisions of the Code and the NCLT order, the Approved Resolution Plan is binding on the Company and its employees, members, creditors, guarantors and other stakeholders involved.

Pursuant to such Approval of the Resolution Plan, the financial statements have been prepared on a going-concern basis taking into consideration the settlement payments crystallized under the 'Debt Restructuring Scheme' prescribed under the Approved Resolution Plan. Detailed information about each of these items and its impact is stated hereunder and included in relevant notes together with information about the basis of calculation for each affected line item in the Financial Statements.



As at year ended 31st March, 2023 (Amount in INR lakhs, unless otherwise stated)

(INR in Lakhs)

| No | Nature                          | Amount Claimed   | Amount Payable as per Resolution Plan | Outstanding As on April 1, 2022 | Amount Paid during the year | Outstanding as on March 31, 2023 |
|----|---------------------------------|------------------|---------------------------------------|---------------------------------|-----------------------------|----------------------------------|
| 1  | Equity Share Capital            | -                | -                                     | -                               | -                           | -                                |
| 2  | Secured Financial Creditors     | 17,878.00        | 4792.00                               | 100.00                          | 100.00                      | -                                |
| 3  | Unsecured Financial Creditors   | 5,811.00         | 251.00                                | -                               | -                           | -                                |
| 4  | Inter-corporate Deposits        | 98.00            | 5.00                                  | -                               | -                           | -                                |
| 5  | Public Deposits                 | 536.00           | 536.00                                | 67.39                           | 2.07                        | 65.32                            |
| 6  | Unsecured Operational Creditors | 2,440.00         | 122.00                                | 13.62                           | 1.23                        | 14.85                            |
| 7  | Statutory liabilities           | 34,669.00        | 347.00                                | -                               | -                           | -                                |
| 8  | Workmen & employees dues        | 242.00           | 85.00                                 | -                               | -                           | -                                |
|    | <b>TOTAL</b>                    | <b>61,674.00</b> | <b>6,138.00</b>                       | <b>181.01</b>                   | <b>103.30</b>               | <b>80.17</b>                     |

The Company has paid and is paying settlement amount in accordance with the approved NCLT Order. In relation to the outstanding payments of unsecured operational creditors and public fixed deposit holders as on March 31, 2023, the Company has made payments by way of cheques on the basis of last known addresses available in the records of the Company, however, the cheques were returned on account of non-traceability of the parties. An application to the Hon'ble NCLT seeking directions for payments required to be made in relation to the outstanding amount standing in respect of such non traceable unsecured operational creditors & public fixed deposits in the books of accounts as on date vide their letter dated September 30, 2022.



As at year ended 31st March, 2023 (Amount in INR lakhs, unless otherwise stated)

**Note 3. Property, Plant and Equipment**

| Particulars                     | Plant & Machinery | Factory Equipment | Laboratory Equip-ments | Computer | Office equipment & Fittings | Furniture | Office Building/ Flat | Factory Building Refinery | Freehold Land | Vehicles | Total    |
|---------------------------------|-------------------|-------------------|------------------------|----------|-----------------------------|-----------|-----------------------|---------------------------|---------------|----------|----------|
| <b>Gross carrying amount</b>    |                   |                   |                        |          |                             |           |                       |                           |               |          |          |
| <b>As at March 31, 2021</b>     | 2,297.70          | 20.54             | 1.57                   | 197.67   | 4.93                        | 164.11    | 99.47                 | 1,272.59                  | 804.68        | 33.28    | 4,896.55 |
| Additions                       | 0.04              | 40.48             | -                      | 3.05     | 0.80                        | -         | -                     | -                         | -             | -        | 44.36    |
| Disposals and transfers         | -                 | -                 | -                      | -        | -                           | -         | -                     | -                         | -             | -        | -        |
| Other adjustments               | -                 | -                 | -                      | -        | -                           | -         | -                     | -                         | -             | -        | -        |
| <b>As at March 31, 2022</b>     | 2,297.74          | 61.02             | 1.57                   | 200.72   | 5.73                        | 164.11    | 99.47                 | 1,272.59                  | 804.68        | 33.28    | 4,940.91 |
| Additions                       | 20.00             | 2.22              | -                      | 3.79     | 2.66                        | -         | 0.68                  | -                         | -             | -        | 29.35    |
| Disposals and transfers         | -                 | -                 | -                      | -        | -                           | -         | -                     | -                         | -             | -        | -        |
| Other adjustments               | -                 | -                 | -                      | -        | -                           | -         | -                     | -                         | -             | -        | -        |
| <b>As at March 31, 2023</b>     | 2,317.74          | 63.24             | 1.57                   | 204.51   | 8.39                        | 164.11    | 100.16                | 1,272.59                  | 804.68        | 33.28    | 4,970.26 |
| <b>Accumulated Depreciation</b> |                   |                   |                        |          |                             |           |                       |                           |               |          |          |
| <b>As at March 31, 2021</b>     | 1,751.43          | 1.41              | 0.20                   | 194.00   | 0.99                        | 163.41    | 25.25                 | 874.57                    | -             | 31.65    | 3,042.90 |
| For the year                    | 91.54             | 5.82              | 0.19                   | 1.52     | 0.79                        | 0.07      | 4.22                  | 18.62                     | -             | 0.15     | 122.92   |
| Disposals and adjustments       | -                 | -                 | -                      | -        | -                           | -         | -                     | -                         | -             | -        | -        |
| <b>As at March 31, 2022</b>     | 1,842.97          | 7.24              | 0.39                   | 195.52   | 1.77                        | 163.48    | 29.47                 | 893.19                    | -             | 31.80    | 3,165.82 |
| For the year                    | 92.54             | 7.14              | 0.19                   | 2.72     | 1.42                        | 0.07      | 4.24                  | 18.62                     | -             | 0.15     | 127.09   |
| Disposals and adjustments       | -                 | -                 | -                      | -        | -                           | -         | -                     | -                         | -             | -        | -        |
| <b>As at March 31, 2023</b>     | 1,935.51          | 14.37             | 0.57                   | 198.23   | 3.20                        | 163.55    | 33.71                 | 911.81                    | -             | 31.95    | 3,292.92 |
| <b>Net carrying amount</b>      |                   |                   |                        |          |                             |           |                       |                           |               |          |          |
| <b>As at March 31, 2023</b>     | 382.23            | 48.87             | 0.99                   | 6.28     | 5.19                        | 0.55      | 66.45                 | 360.78                    | 804.68        | 1.33     | 1,677.35 |
| <b>As at March 31, 2022</b>     | 454.77            | 53.78             | 1.18                   | 5.21     | 3.95                        | 0.63      | 70.01                 | 379.40                    | 804.68        | 1.48     | 1,775.07 |

**Notes:**

- (a) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988, (45 of 1988) and rules made thereunder
- (b) The title deeds of all immovable properties (other than properties where the Company is the lessee and lease arrangements are duly exercised in favour of the lessee) are held in the name of the Company.



As at year ended 31st March, 2023 (Amount in INR lakhs, unless otherwise stated)

**Note 4 Capital Work in Progress**

| Particulars                        | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|------------------------------------|-------------------------|-------------------------|
| Opening Balance                    | 43.39                   | 27.85                   |
| (+) Additions during the year      | 3.79                    | 15.54                   |
| (+) Revaluation during the year    | -                       | -                       |
| (+) Capitalisation during the year | -                       | -                       |
| (-) Written off during the year    | -                       | -                       |
| <b>Closing Balance</b>             | <b>47.18</b>            | <b>43.39</b>            |

**(a) CWIP Ageing schedule as at March 31, 2023**

| CWIP / Intangible Assets under development | Amount in CWIP for a period of |           |           |                   | Total |
|--|--------------------------------|-----------|-----------|-------------------|-------|
|  | Less than 1 year               | 1-2 years | 2-3 years | More than 3 years |       |
| Projects in progress                       | 3.79                           | 15.54     | 27.85     | -                 | 47.18 |

**(b) CWIP Ageing schedule as at March 31, 2022**

| CWIP / Intangible Assets under development | Amount in CWIP for a period of |           |           |                   | Total |
|--|--------------------------------|-----------|-----------|-------------------|-------|
|  | Less than 1 year               | 1-2 years | 2-3 years | More than 3 years |       |
| Projects in progress                       | 15.54                          | 27.85     |           |                   | 43.39 |

**Notes:**

- (a) For the purpose of this disclosure, the Company has identified project as the smallest group of assets having a common intended use.
- (b) CWIP does not include any project temporarily suspended.

**Note 5 Intangible Assets**

| Particulars                 | Trade Mark    | Software    | Total         |
|-----------------------------|---------------|-------------|---------------|
| <b>As on April 01, 2021</b> | <b>143.75</b> | <b>2.81</b> | <b>146.56</b> |
| Additions / Revaluation     | -             | 0.31        | 0.31          |
| Disposals and transfers     | -             | -           | -             |
| Other adjustments           | -             | -           | -             |
| <b>As at March 31, 2022</b> | <b>143.75</b> | <b>3.11</b> | <b>146.86</b> |
| Additions / Revaluation     | -             | -           | -             |
| Disposals and transfers     | -             | -           | -             |
| Other adjustments           | -             | -           | -             |
| <b>As at March 31, 2023</b> | <b>143.75</b> | <b>3.11</b> | <b>146.86</b> |
| <b>As at March 31, 2021</b> | <b>-</b>      | <b>0.52</b> | <b>0.52</b>   |
| Amortisation for the year   | -             | 0.47        | 0.47          |
| Disposals and transfers     | -             | -           | -             |



As at year ended 31st March, 2023 (Amount in INR lakhs, unless otherwise stated)

| Particulars                 | Trade Mark    | Software    | Total         |
|-----------------------------|---------------|-------------|---------------|
| <b>As at March 31, 2022</b> | -             | <b>0.99</b> | <b>0.99</b>   |
| Amortisation for the year   | -             | 0.52        | 0.52          |
| Disposals and transfers     | -             | -           | -             |
| <b>As at March 31, 2023</b> | -             | <b>1.51</b> | <b>1.51</b>   |
| <b>Net carrying amount</b>  |               |             |               |
| <b>As at March 31, 2023</b> | <b>143.75</b> | <b>1.60</b> | <b>145.36</b> |
| <b>As at March 31, 2022</b> | <b>143.75</b> | <b>2.12</b> | <b>145.87</b> |

#### Note 6 :Right to use assets

The net carrying value of right-of-use assets as at March 31, 2023 amounts to Rs. 190.35 lakhs (March 31, 2022 : NIL)

##### (ia) Changes in the carrying value of Right-of-use assets :

| Particulars                         | Office premises | Total         |
|-------------------------------------|-----------------|---------------|
| Balance as at April 1, 2022         | -               | -             |
| Additions                           | 207.65          | 207.65        |
| Depreciation                        | 17.30           | 17.30         |
| <b>Balance as at March 31, 2023</b> | <b>190.35</b>   | <b>190.35</b> |

##### (ib) Changes in the Lease liabilities :

| Particulars                         | Office premises | Total         |
|-------------------------------------|-----------------|---------------|
| <b>Balance as at April 1, 2022</b>  | -               | -             |
| Additions                           | 207.65          | 207.65        |
| Interest on lease liability         | 8.00            | 8.00          |
| Lease payments                      | 20.00           | 20.00         |
| <b>Balance as at March 31, 2023</b> | <b>195.65</b>   | <b>195.65</b> |

##### (ii) Break-up of current and non-current lease liabilities

As at March 31, 2023, the obligations under finance leases amounts to Rs. 186.21 lakhs (March 31, 2022 : NIL) which have been classified to lease liabilities, under financial liabilities

| Particulars                   | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|-------------------------------|-------------------------|-------------------------|
| Current lease liabilities     | 30.71                   | -                       |
| Non-current lease liabilities | 155.49                  | -                       |
| <b>Total</b>                  | <b>186.21</b>           | -                       |



As at year ended 31st March, 2023 (Amount in INR lakhs, unless otherwise stated)

**(iii) Details regarding the contractual maturities of lease liabilities**

| Particulars          | Carrying value as at March 31, 2023 | Carrying value as at March 31, 2022 |
|----------------------|-------------------------------------|-------------------------------------|
| Less than one year   | 30.71                               | -                                   |
| One to five years    | 155.49                              | -                                   |
| More than five years | -                                   | -                                   |
| <b>Total</b>         | <b>186.21</b>                       | <b>-</b>                            |

**(iv) Amounts recognised in Statement of Profit and Loss account**

| Particulars   | As at March 31, 2023 | As at March 31, 2022 |
|---|----------------------|----------------------|
| Interest on lease liabilities (Refer Note 29)       | 8.00                 | -                    |
| Depreciation on right to use assets (Refer Note 30) | 17.30                | -                    |
| <b>Total</b>  | <b>25.31</b>         | <b>-</b>             |

**Note 7 : Non current Investments**

| Particulars  | As at March 31, 2023 | As at March 31, 2022 |
|--|----------------------|----------------------|
| <b>Investment (Unquoted) - At amortised cost</b>     |                      |                      |
| <b>Investments in Equity shares of :</b>             |                      |                      |
| <b>(i) The Shamrao Vithal Co-Op. Bank Ltd.</b>       | <b>1.00</b>          | <b>1.00</b>          |
| 4,000 (4,000) Shares of Rs. 25/- each                |                      |                      |
| <b>(ii) The Saraswat Co-Op. Bank Ltd.</b>            | <b>0.25</b>          | <b>0.25</b>          |
| 2,500 (2,500) Shares of Rs. 10/- each                |                      |                      |
| <b>(iii) The Kalyan Janta Sahakari Bank Ltd.</b>     | <b>1.00</b>          | <b>1.00</b>          |
| 1,000 (1,000) Shares of Rs. 100/- each               |                      |                      |
| <b>Total Aggregate amount of unquoted investment</b> | <b>2.25</b>          | <b>2.25</b>          |

**Note 8 :Other Financial Assets**

| Particulars                                       | As at March 31, 2023 | As at March 31, 2022 |
|---|----------------------|----------------------|
| <b>Non Current Financial Assets</b>               |                      |                      |
| <b>Security deposits</b>                          |                      |                      |
| - To Related party                                | -                    | -                    |
| - To Others                                       | 11.92                | 11.92                |
| Court deposits                                    | 7.48                 | 7.48                 |
| Security Deposit-Khurana gases                    | 14.55                | -                    |
|   | <b>33.96</b>         | <b>19.41</b>         |
| <b>Current Financial Assets</b>                   |                      |                      |
| Interest receivable on security deposit - Khurana | 0.61                 | -                    |
|   | <b>0.61</b>          | <b>-</b>             |
| <b>Total</b>                                      | <b>34.57</b>         | <b>19.41</b>         |



As at year ended 31st March, 2023 (Amount in INR lakhs, unless otherwise stated)

**Note 9 : Deferred Tax Asset (Net)**

| Particulars        | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|--------------------|-------------------------|-------------------------|
| Deferred tax asset | 39.35                   | 56.50                   |
| <b>Total</b>       | <b>39.35</b>            | <b>56.50</b>            |

**Note 10 : Inventories**

| Particulars      | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|------------------|-------------------------|-------------------------|
| Raw Materials    | 273.29                  | 292.14                  |
| Packing Material | 154.27                  | 148.74                  |
| Finished Goods   | 305.88                  | 250.35                  |
| <b>Total</b>     | <b>733.44</b>           | <b>691.23</b>           |

\* The inventory is valued at cost or NRV, whichever is lower

**Note 11 : Trade Receivables**

| Particulars  | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|--|-------------------------|-------------------------|
| <b>Unsecured</b>   |                         |                         |
| Considered Good  |                         |                         |
| Related parties  |                         |                         |
| Other parties  | 799.92                  | 642.59                  |
| Considered doubtful  |                         |                         |
| Related parties  |                         |                         |
| Other parties  | 1,126.09                | 1,126.09                |
| <b>Total</b>   | <b>1,926.01</b>         | <b>1,768.67</b>         |
| Less: Allowance for Doubtful Debts                               | (1,126.09)              | (1,126.09)              |
| Trade receivables which have significant increase in credit risk | -                       | -                       |
| Trade receivables - credit impaired                              | -                       | -                       |
| <b>Total</b>   | <b>799.92</b>           | <b>642.59</b>           |

Note

1) There are no outstanding receivable debts due from directors or other officers of the Company.

**11.1 (a) Ageing schedule for Trade receivables as on March 31, 2023**

| Particulars   | Outstanding for following periods from due date of payment |           |             |                      | Total    |
|---|--|-----------|-------------|----------------------|----------|
|   | Less than<br>1 year  | 1-2 years | 2 - 3 years | More than<br>3 years |          |
| (i) Undisputed Trade receivables – Considered good      | 795.01   | 1.56      | 3.36        |                      | 799.92   |
| (ii) Undisputed Trade Receivables – Considered doubtful | -  | -         | -           | 1,126.09             | 1,126.09 |
| (iii) Disputed Trade Receivables - Considered good      |  |           |             |                      | -        |
| (iv) Disputed Trade Receivables - Considered doubtful   |  |           |             |                      | -        |





As at year ended 31st March, 2023 (Amount in INR lakhs, unless otherwise stated)

**(b) Ageing schedule for Trade receivables as on March 31, 2022**

| Particulars   | Outstanding for following periods from due date of payment |           |             |                   | Total    |
|---|--|-----------|-------------|-------------------|----------|
|   | Less than 1 year   | 1-2 years | 2 - 3 years | More than 3 years |          |
| (i) Undisputed Trade receivables – Considered good      | 642.59   | -         | -           | -                 | 642.59   |
| (ii) Undisputed Trade Receivables – Considered doubtful | -  | -         | -           | 1,126.09          | 1,126.09 |
| (iii) Disputed Trade Receivables - Considered good      | -  | -         | -           | -                 | -        |
| (iv) Disputed Trade Receivables - Considered doubtful   | -  | -         | -           | -                 | -        |

**Note 12 : Cash and Cash Equivalents**

| Particulars           | As at March 31, 2023 | As at March 31, 2022 |
|-----------------------|----------------------|----------------------|
| Cash on hand          | 6.39                 | 7.36                 |
| Balance with Banks    |                      |                      |
| - In Current Accounts | 11.86                | 12.02                |
| <b>Total</b>          | <b>18.25</b>         | <b>19.39</b>         |

**Note 13 : Bank balances other than Cash and Cash equivalents**

| Particulars  | As at March 31, 2023 | As at March 31, 2022 |
|--|----------------------|----------------------|
| Term deposits with original maturity of more than 3 months but less than 12 months (includes Interest component) | 12.84                | 12.14                |
| <b>Balances with Bank</b>  |                      |                      |
| - Dormant balances   | 17.98                | 17.98                |
|  | <b>30.82</b>         | <b>30.12</b>         |
| <b>Less : Provision for Dormant bank balance</b>   | <b>(17.98)</b>       | <b>(17.98)</b>       |
| <b>Total</b>   | <b>12.84</b>         | <b>12.14</b>         |

**Note 14 : Loans**

| Particulars              | As at March 31, 2023 | As at March 31, 2022 |
|--------------------------|----------------------|----------------------|
| <b>Security Deposits</b> |                      |                      |
| To Related Party         |                      |                      |
| To others                | -                    | -                    |
| <b>Total (A)</b>         | <b>-</b>             | <b>-</b>             |
| Other Loans              |                      |                      |
| To Related Party         |                      |                      |
| To others                | 5,245.16             | 5,245.16             |
| <b>Total</b>             | <b>5,245.16</b>      | <b>5,245.16</b>      |



As at year ended 31st March, 2023 (Amount in INR lakhs, unless otherwise stated)

| Particulars  | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|--|-------------------------|-------------------------|
| <b>Less: Allowance for doubtful loans</b>            | <b>-5,245.16</b>        | <b>-5,245.16</b>        |
| <b>Total (B)</b>                                     | -                       | -                       |
| <b>Total (A+B)</b>                                   | -                       | -                       |
| <b>Break-up</b>                                      |                         |                         |
| Loans considered good - Secured                      |                         |                         |
| Loans considered good - Unsecured                    |                         |                         |
| Loans which have significant increase in credit risk |                         |                         |
| Loans - credit impaired                              | 5,245.16                | 5,245.16                |
| <b>Total</b>   | <b>5,245.16</b>         | <b>5,245.16</b>         |
| <b>Less: Allowance for doubtful Loans</b>            | <b>-5,245.16</b>        | <b>-5,245.16</b>        |
| <b>Total Loans</b>                                   | -                       | -                       |

**Note 15 : Other Current Assets**

| Particulars                                       | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|---|-------------------------|-------------------------|
| Advances to employees                             | 0.47                    | 2.60                    |
| Capital advances                                  | 76.33                   | 0.93                    |
| Advance to suppliers for goods/materials/expenses | -                       | 20.43                   |
| Security deposit-BSE                              | 44.97                   | -                       |
| Security deposit-Raheja                           | 1.00                    | -                       |
| Prepaid Expenses                                  | 47.31                   | 8.26                    |
| Balances with statutory authorities:              |                         |                         |
| - Input Tax Credit receivable                     | 264.20                  | 106.34                  |
| - Tax Collected at Source receivable              | 5.35                    | 5.36                    |
| - Tax Deducted at Source receivable               | 11.04                   | 5.16                    |
| <b>Total</b>                                      | <b>450.66</b>           | <b>149.08</b>           |

**Note 16 : EQUITY SHARE CAPITAL**

| Particulars                           | As at March 31, 2023 |                 | As at March 31, 2022 |                 |
|---------------------------------------|----------------------|-----------------|----------------------|-----------------|
|                                       | Nos                  | In INR          | Nos                  | In INR          |
| <b>Authorised:</b>                    |                      |                 |                      |                 |
| Equity Shares of INR 10 each          | 16,00,00,000         | 1,600.00        | 16,00,00,000         | 1,600.00        |
| <b>Total</b>                          | <b>16,00,00,000</b>  | <b>1,600.00</b> | <b>16,00,00,000</b>  | <b>1,600.00</b> |
| Issued, Subscribed and Fully Paid Up: |                      |                 |                      |                 |
| <b>Equity Shares of INR 10 Each</b>   | <b>1,49,88,684</b>   | <b>1,498.87</b> | <b>1,49,88,684</b>   | <b>1,498.87</b> |
| <b>Total</b>                          | <b>1,49,88,684</b>   | <b>1,498.87</b> | <b>1,49,88,684</b>   | <b>1,498.87</b> |

**Notes:**

1) Reconciliation of number of shares outstanding and the amount of share capital:



As at year ended 31st March, 2023 (Amount in INR lakhs, unless otherwise stated)

| Equity Shares                             | As at March 31, 2022 |          | As at March 31, 2021 |          |
|---|----------------------|----------|----------------------|----------|
|   | Nos.                 | In INR   | Nos.                 | In INR   |
| At the beginning of the year              | 1,49,88,684.00       | 1,498.87 | 1,49,88,684          | 1,498.87 |
| Add: Issued during the year               | -                    | -        | -                    | -        |
| Less: Reduction during the year           | 1,49,88,684.00       | 1,498.87 | 1,49,88,684          | 1,498.87 |
| <b>Outstanding at the end of the year</b> |                      |          |                      |          |

## 2) Rights, preferences and restrictions attached to equity shares

- The Company has only one class of equity shares having a par value of INR 10 each per share. Each holder of equity shares 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 all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

## 3) Details of shareholders holding more than 5% of Equity shares in the company:

| Name of Shareholder                         | As at March 31, 2023 |            | As at March 31, 2022 |            |
|---|----------------------|------------|----------------------|------------|
|   | Nos.                 | % of Share | Nos.                 | % of Share |
| Mukhi Industries Limited                    | 56,20,756            | 37.50%     | 56,20,756            | 37.50%     |
| Rubberwala Housing & Infrastructure Limited | 56,16,757            | 37.47%     | 56,20,757            | 37.50%     |

## 4) Details of Shareholding of Promoters in the Company:

| Name of Shareholder                         | As at March 31, 2023 |            | As at March 31, 2022 |            | % change during the year |
|---|----------------------|------------|----------------------|------------|--------------------------|
|   | Nos.                 | % of Share | Nos.                 | % of Share |                          |
| Mukhi Industries Limited                    | 56,20,756            | 37.50%     | 56,20,756            | 37.50%     | 0.00%                    |
| Rubberwala Housing & Infrastructure Limited | 56,20,757            | 37.50%     | 56,20,757            | 37.50%     | 0.00%                    |

## 5) Details of shareholdings by the Promoter's of the Company:

| Name of Shareholder                         | As at March 31, 2023  |               | As at March 31, 2022  |               |
|---|-----------------------|---------------|-----------------------|---------------|
|   | Nos.                  | % of Share    | Nos.                  | % of Share    |
| Mukhi Industries Limited                    | 56,20,756.00          | 37.50%        | 56,20,756.00          | 37.50%        |
| Rubberwala Housing & Infrastructure Limited | 56,16,757.00          | 37.47%        | 56,20,757.00          | 37.50%        |
| Tabrez Shafiahmed Shaikh                    | 1,320.00              | 0.01%         |                       |               |
| Parvez Shafee Ahmed Shaikh                  | 1,325.00              | 0.01%         |                       |               |
| Humayun Ahmed Shafi Ahmed Shaikh            | 1,330.00              | 0.01%         |                       |               |
| <b>Total Promoters shares outstanding</b>   | <b>1,12,41,488.00</b> | <b>75.00%</b> | <b>1,12,41,513.00</b> | <b>75.00%</b> |



As at year ended 31st March, 2023 (Amount in INR lakhs, unless otherwise stated)

**Note 17 : OTHER EQUITY**

**a) Summary of Other equity balance**

| Particulars                                      | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|--|-------------------------|-------------------------|
| <b>i) Reserves &amp; Surplus</b>                 |                         |                         |
| A) Securities Premium                            | 12,549.03               | 12,549.03               |
| B) Capital Reserve                               | 406.67                  | 406.67                  |
| C) Retained Earnings                             | (15,291.01)             | (15,533.50)             |
| D) Other Reserves                                | -                       | -                       |
| <b>ii) Items of Other Comprehensive Income</b>   |                         |                         |
| -Remeasurements of the net defined benefit Plans | (2.19)                  | (0.37)                  |
| -Revaluation Reserve                             | 143.75                  | 143.75                  |
| <b>Total of Other Equity (i+ii)</b>              | <b>(2,193.75)</b>       | <b>(2,434.41)</b>       |

| Particulars                          | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|--------------------------------------|-------------------------|-------------------------|
| <b>A) Securities Premium</b>         |                         |                         |
| Balance at the beginning of the year | 12,549.03               | 12,549.03               |
| Add: Additions during the year       | -                       | -                       |
| Less: Utilisations during the year   | -                       | -                       |
| Balance at the end of the year (A)   | 12,549.03               | 12,549.03               |
| <b>B) Capital Reserve</b>            |                         |                         |
| Balance at the beginning of the year | 406.67                  | 406.67                  |
| Add: Additions during the year       | -                       | -                       |
| Less: Utilisations during the year   | -                       | -                       |
| Balance at the end of the year (B)   | 406.67                  | 406.67                  |
| <b>C) Retained Earnings</b>          |                         |                         |
| Balance at the beginning of the year | (15,533.50)             | (15,793.37)             |
| Add: Profit for the year             | 242.48                  | 259.88                  |
| Balance at the end of the year (C)   | (15,291.01)             | (15,533.50)             |
| <b>Total (A+B+C)</b>                 | <b>(2,335.31)</b>       | <b>(2,577.80)</b>       |

**Retained earnings**

Retained earnings are created from the profit of the Company, as adjusted for distributions to owners transfers to other reserves, etc.

**Capital Reserve**

Capital Reserve is utilised in accordance with the provisions of the Act



As at year ended 31st March, 2023 (Amount in INR lakhs, unless otherwise stated)

### Securities premium

Securities premium reserve is created due to premium on issue of shares. This reserve is utilised in accordance with the provision of the Act

### Note 18 : Borrowings

| Particulars   | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|---|-------------------------|-------------------------|
| <b>Non current borrowings</b>                                       |                         |                         |
| <b>Secured</b>  |                         |                         |
| Borrowings from financial institutions                              | -                       | 100.00                  |
| Less: Current maturities of non current borrowings (Refer Note 20 ) | -                       | -100.00                 |
| Current borrowings  |                         |                         |
| <b>a) Secured</b>   |                         |                         |
| - Working capital loans repayable on demand                         |                         |                         |
| Balance in overdraft account  | 102.42                  | -                       |
| <b>b) Unsecured</b>   |                         |                         |
| Loan from directors / related parties                               | 2,682.92                | 2,721.42                |
|   | <b>2,785.35</b>         | <b>2,721.42</b>         |
| <b>Total</b>  | <b>2,785.35</b>         | <b>2,721.42</b>         |

### Note 19 : Lease liabilities

| Particulars                        | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|------------------------------------|-------------------------|-------------------------|
| <b>Non current lease liability</b> |                         |                         |
| - Lease liability on Raheja centre | 155.49                  | -                       |
|                                    | <b>155.49</b>           | -                       |
| <b>Current lease liability</b>     |                         |                         |
| - Lease liability on Raheja centre | 30.71                   | -                       |
|                                    | <b>30.71</b>            | -                       |
| <b>Total</b>                       | <b>186.21</b>           | -                       |

### Note 20 : Other Financial Liability

| Particulars                            | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|--|-------------------------|-------------------------|
| <b>Non current financial liability</b> |                         |                         |
| <b>Capital advances</b>                |                         |                         |
| - Security deposits                    |                         |                         |
| i) AP Brothers                         | 25.01                   | -                       |
| ii) Royal Trade Link Nagpur            | 40.00                   | -                       |
|  | <b>65.01</b>            | -                       |



As at year ended 31st March, 2023 (Amount in INR lakhs, unless otherwise stated)

| Particulars  | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|--|-------------------------|-------------------------|
| Current financial liability                                  |                         |                         |
| Current maturities of non current borrowings (Refer Note 18) | -                       | 100.00                  |
| - Deposits   | -                       | -                       |
| i) Public Fixed Deposits                                     | 65.32                   | 67.39                   |
| ii) Deposit from Distributors                                | 0.12                    | 0.12                    |
|  | <b>65.45</b>            | <b>167.51</b>           |
| <b>Total</b>   | <b>130.46</b>           | <b>167.51</b>           |

#### Note 21 : Provisions

| Particulars                   | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|-------------------------------|-------------------------|-------------------------|
| <b>Non current provisions</b> |                         |                         |
| Provision for Gratuity        | 41.75                   | 31.45                   |
|                               | <b>41.75</b>            | <b>31.45</b>            |
| <b>Current provisions</b>     |                         |                         |
| Provision for Gratuity        | 19.18                   | 15.35                   |
|                               | <b>19.18</b>            | <b>15.35</b>            |
| <b>Total</b>                  | <b>60.93</b>            | <b>46.80</b>            |

#### Note 22 : Trade Payables

| Particulars  | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|--|-------------------------|-------------------------|
| Total outstanding dues of micro and small enterprises                              | 84.13                   | -                       |
| Total outstanding dues of creditors other than micro, small and medium enterprises | 1,450.46                | 1,464.02                |
| <b>Total</b>   | <b>1,534.59</b>         | <b>1,464.02</b>         |

22.1 Dues to micro, small and medium enterprises to the extent information available with the Company is given below:"

| Particulars  | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|--|-------------------------|-------------------------|
| (a) The principal amount and the interest due thereon remaining unpaid to supplier as at the end of year:  |                         |                         |
| - Principal amount due to micro and small enterprises  | 84.13                   | -                       |
| - Interest due   |                         |                         |
| (b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year                   | -                       | -                       |
| (c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006 | -                       | -                       |



As at year ended 31st March, 2023 (Amount in INR lakhs, unless otherwise stated)

| Particulars  | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|--|-------------------------|-------------------------|
| The amount of interest accrued and remaining unpaid at the end of each accounting year   | -                       | -                       |
| The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006 | -                       | -                       |
| <b>Total</b>   | <b>84.13</b>            | -                       |

#### 22.2 (a) Ageing schedule for Trade payables as on March 31, 2023

| Particulars                 | Outstanding for following periods from due date of payment |           |             |                      | Total    |
|-----------------------------|--|-----------|-------------|----------------------|----------|
|                             | Less than 1<br>year  | 1-2 years | 2 - 3 years | More than 3<br>years |          |
| (i) MSME                    | 84.06  | 0.07      | -           | 0.00                 | 84.13    |
| (ii) Others                 | 1,424.54   | 13.17     | 0.18        | 12.57                | 1,450.46 |
| (iii) Disputed dues - MSME  | -  | -         | -           | -                    | -        |
| (iv) Disputed dues - Others | -  | -         | -           | -                    | -        |

#### (b) Ageing schedule for Trade payables as on March 31, 2022

| Particulars                 | Outstanding for following periods from due date of payment |           |             |                      | Total    |
|-----------------------------|--|-----------|-------------|----------------------|----------|
|                             | Less than 1<br>year  | 1-2 years | 2 - 3 years | More than 3<br>years |          |
| (i) MSME                    | -  | -         | -           | -                    | -        |
| (ii) Others                 | 1,464.02   | -         | -           | -                    | 1,464.02 |
| (iii) Disputed dues - MSME  | -  | -         | -           | -                    | -        |
| (iv) Disputed dues - Others | -  | -         | -           | -                    | -        |

#### Note 23 :Other Current Liabilities

| Particulars            | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|------------------------|-------------------------|-------------------------|
| Advance from debtors   | 11.50                   | 3.51                    |
| Statutory dues payable | 10.65                   | 9.55                    |
| Other payables         | 117.78                  | 74.21                   |
| Employees dues payable | 8.94                    | 5.43                    |
| <b>Total</b>           | <b>148.87</b>           | <b>92.70</b>            |



As at year ended 31st March, 2023 (Amount in INR lakhs, unless otherwise stated)

**Note 24 : Revenue From Operations**

| Particulars   | For the year ended<br>March 31,2023 | For the year ended<br>March 31,2022 |
|---|-------------------------------------|-------------------------------------|
| <b>a) Revenue on sale of Manufactured/Traded Goods*</b> |                                     |                                     |
| Local sales   | 14,030.06                           | 11,855.51                           |
| Export sales  | 5.51                                | -                                   |
| * Net of rebates and discounts                          |                                     |                                     |
| <b>Total</b>  | <b>14,035.57</b>                    | <b>11,855.51</b>                    |

**Note 25 : Other Income**

| Particulars                                   | For the year ended<br>March 31,2023 | For the year ended<br>March 31,2022 |
|---|-------------------------------------|-------------------------------------|
| <b>a) Interest income on financial assets</b> |                                     |                                     |
| Interest income on term deposits              | 1.13                                | 1.15                                |
| Interest income on security deposits          | 0.61                                | -                                   |
| <b>b) Other non-operating income</b>          |                                     |                                     |
| Bank interest                                 | 0.01                                | -                                   |
| Compensation received                         | 95.00                               | -                                   |
| Sundry balance written back                   | 1.67                                | 4.77                                |
| <b>Total</b>                                  | <b>98.41</b>                        | <b>5.92</b>                         |

**Note 26 : Cost of Material consumed**

| Particulars  | For the year ended<br>March 31,2023 | For the year ended<br>March 31,2022 |
|--|-------------------------------------|-------------------------------------|
| Raw Materials & Packaging materials                        |                                     |                                     |
| Opening stock of Raw materials & Packaging materials       | 440.87                              | 395.61                              |
| Add: Purchases of Raw materials & Packaging materials      | 12,038.66                           | 10,316.24                           |
| Less: Closing stock of Raw materials & Packaging materials | (427.56)                            | (440.87)                            |
| Consumption of Raw materials & Packaging materials         | 12,051.97                           | 10,270.98                           |

**Note 27 : Changes in inventories of finished goods**

| Particulars                           | For the year ended<br>March 31,2023 | For the year ended<br>March 31,2022 |
|---------------------------------------|-------------------------------------|-------------------------------------|
| Opening stock of finished goods       | 250.35                              | 68.03                               |
| Less: Closing stock of finished goods | (305.88)                            | (250.35)                            |
| <b>Changes in Inventory</b>           | <b>(55.53)</b>                      | <b>(182.32)</b>                     |





As at year ended 31st March, 2023 (Amount in INR lakhs, unless otherwise stated)

**Note 28 : Employee benefit expense**

| Particulars                             | For the year ended<br>March 31,2023 | For the year ended<br>March 31,2022 |
|---|-------------------------------------|-------------------------------------|
| Salary, wages, bonus and allowances     | 734.54                              | 593.32                              |
| Workmen and staff welfare               | 8.81                                | 7.71                                |
| Contribution to Provident fund & Others | 44.31                               | 39.81                               |
| Directors remuneration                  | 194.51                              | 165.02                              |
| Gratuity                                | 16.69                               | 15.35                               |
| <b>Total</b>                            | <b>998.86</b>                       | <b>821.22</b>                       |

**Note 29 : Finance cost**

| Particulars                        | For the year ended<br>March 31,2023 | For the year ended<br>March 31,2022 |
|------------------------------------|-------------------------------------|-------------------------------------|
| <b>a) Interest on -</b>            |                                     |                                     |
| - Security deposits                | 3.09                                | 4.49                                |
| - Lease liabilities (Refer Note 6) | 8.00                                | -                                   |
| - Cash credit facilities           | 1.95                                | -                                   |
| <b>b) Other borrowing costs -</b>  |                                     |                                     |
| - Loan recovery charges            | 1.35                                | -                                   |
| - Bank charges                     | 2.63                                | 0.04                                |
| <b>Total</b>                       | <b>17.02</b>                        | <b>4.53</b>                         |

**Note 30 : Depreciation & amortization expense**

| Particulars                                | For the year ended<br>March 31,2023 | For the year ended<br>March 31,2022 |
|--|-------------------------------------|-------------------------------------|
| Depreciation on tangible assets            | 127.09                              | 122.92                              |
| Depreciation on intangible assets          | 0.52                                | 0.47                                |
| Depreciation on right of use assets assets | 17.30                               | -                                   |
| <b>Total</b>                               | <b>144.92</b>                       | <b>123.39</b>                       |

**Note 31 : Other Expenses**

| Particulars                         | For the year ended<br>March 31,2023 | For the year ended<br>March 31,2022 |
|-------------------------------------|-------------------------------------|-------------------------------------|
| Labour, job work & factory expenses | 72.89                               | 61.79                               |
| Power, fuel & refinery expenses     | 38.53                               | 32.56                               |
| Freight & forwarding                | 229.93                              | 152.96                              |
| Travelling & conveyance             | 66.87                               | 43.66                               |
| Postage & communication             | 0.43                                | 0.63                                |



As at year ended 31st March, 2023 (Amount in INR lakhs, unless otherwise stated)

| Particulars                                    | For the year ended<br>March 31,2023 | For the year ended<br>March 31,2022 |
|--|-------------------------------------|-------------------------------------|
| Insurance expenses                             | 3.66                                | 4.13                                |
| Printing & stationery                          | 5.49                                | 5.09                                |
| Rent, Rates & Taxes                            | 19.63                               | 13.53                               |
| Legal and professional fees                    | 52.17                               | 47.88                               |
| Repairs and maintenance                        | -                                   | -                                   |
| - Machinery                                    | 6.92                                | 6.75                                |
| - Buildings                                    | 0.16                                | 0.52                                |
| - Office                                       | 1.50                                | 1.26                                |
| - Others                                       | 1.76                                | 2.90                                |
| Motor car expenses                             | 0.86                                | 2.02                                |
| Computer & web development expenses            | 17.19                               | 13.83                               |
| Telephone & mobile expenses                    | 10.93                               | 8.29                                |
| Commission expenses                            | 11.88                               | 3.54                                |
| Selling & distribution expenses                | 106.67                              | 108.49                              |
| <b>Auditors remuneration (Refer Note 31.1)</b> | <b>10.00</b>                        | <b>10.00</b>                        |
| Sundry balances written off                    | 2.17                                | -                                   |
| Miscellaneous expenses                         | 9.11                                | 11.40                               |
| <b>Total</b>                                   | <b>668.76</b>                       | <b>531.24</b>                       |

### 31.1 Auditor's Remuneration breakup

| Particulars                                     | For the year ended<br>March 31,2023 | For the year ended<br>March 31,2022 |
|---|-------------------------------------|-------------------------------------|
| <b>Payments* to the auditors comprises of -</b> |                                     |                                     |
| (i) As Statutory Auditor                        | 7.50                                | 7.50                                |
| (ii) As Tax Auditor & other Tax related matters | 2.00                                | 2.00                                |
| (iii) Other services                            | 0.50                                | 0.50                                |
| <b>Total</b>                                    | <b>10.00</b>                        | <b>10.00</b>                        |

\* Excludes payments of Rs. 5 Lakh (PY Rs. NIL) made to Auditors in connection with the right issue of shares

### Note 32 : Earnings per share (EPS)

| Particulars   | For the year ended<br>March 31,2023 | For the year ended<br>March 31,2022 |
|---|-------------------------------------|-------------------------------------|
| <b>Basic and diluted EPS</b>  |                                     |                                     |
| a) Net Profit as per the Statement of Profit and Loss available for equity shareholders | 242.48                              | 259.88                              |
| b) Weighted average number of equity shares for calculating basic earning per share     | 1,49,88,684                         | 1,49,88,684                         |
| <b>Nominal value</b>  |                                     |                                     |
| Earnings per share (EPS)  |                                     |                                     |
| Basic EPS (in INR)  | 1.62                                | 1.73                                |
| Diluted EPS (in INR)  | 1.62                                | 1.73                                |



As at year ended 31st March, 2023 (Amount in INR lakhs, unless otherwise stated)

**Note 33 : Disclosure relating to employee benefits as per Ind AS 19 'Employee Benefits'**

**A) Defined benefit obligations - Gratuity (funded)**

The gratuity plan is governed by the Payment of Gratuity Act, 1972 under which an employee who has completed five years of service is entitled to specific benefits. The level of benefits provided depends on the member's length of service and salary at retirement age.

**(i) Funded status of the plan -**

| Particulars                           | For the year ended<br>March 31,2023 | For the year ended<br>March 31,2022 |
|---------------------------------------|-------------------------------------|-------------------------------------|
| Present value of unfunded obligations | -                                   | -                                   |
| Present value of funded obligations   | 73.98                               | 55.62                               |
| Fair value of plan assets             | -13.05                              | 8.82                                |
| <b>Total</b>                          | <b>60.93</b>                        | <b>64.44</b>                        |

**(ii) Profit and loss account for the period -**

| Particulars  | For the year ended<br>March 31,2023 | For the year ended<br>March 31,2022 |
|--|-------------------------------------|-------------------------------------|
| Current service cost                                 | 13.83                               | 12.98                               |
| Net interest cost                                    | 2.86                                | 2.37                                |
| <b>Total included in 'Employee Benefits expense'</b> | <b>16.69</b>                        | <b>15.35</b>                        |

**(iii) Other comprehensive income for the current period -**

| Particulars   | For the year ended<br>March 31,2023 | For the year ended<br>March 31,2022 |
|---|-------------------------------------|-------------------------------------|
| <b>Components of actuarial gain/losses on obligations:</b>          |                                     |                                     |
| Due to change in financial assumptions                              | (3.12)                              | (3.07)                              |
| Due to change in demographic assumptions                            | -                                   | -                                   |
| Due to experience adjustments                                       | 3.87                                | 0.07                                |
| Return on plan assets excluding amounts included in interest income | 1.68                                | 0.26                                |
| <b>Total</b>  | <b>2.44</b>                         | <b>(2.73)</b>                       |

**(iv) Reconciliation of defined benefit obligation -**

| Particulars                        | For the year ended<br>March 31,2023 | For the year ended<br>March 31,2022 |
|------------------------------------|-------------------------------------|-------------------------------------|
| Opening defined benefit obligation | 55.62                               | 46.48                               |
| Obligation transferred (in/out)    | -                                   | -                                   |



As at year ended 31st March, 2023 (Amount in INR lakhs, unless otherwise stated)

| Particulars   | For the year ended<br>March 31,2023 | For the year ended<br>March 31,2022 |
|---|-------------------------------------|-------------------------------------|
| Current service cost                                | 13.83                               | 12.98                               |
| Interest cost                                       | 3.77                                | 2.90                                |
| Past service cost                                   | -                                   | -                                   |
| Components of actuarial gain/losses on obligations: | -                                   | -                                   |
| Due to change in financial assumptions              | (3.12)                              | (3.07)                              |
| Due to change in demographic assumptions            | -                                   | -                                   |
| Due to experience adjustments                       | 3.87                                | 0.07                                |
| Benefits paid                                       | -                                   | (3.74)                              |
| <b>Closing defined benefit obligation</b>           | <b>73.98</b>                        | <b>55.62</b>                        |

(v) Reconciliation of plan assets -

| Particulars   | For the year ended<br>March 31,2023 | For the year ended<br>March 31,2022 |
|---|-------------------------------------|-------------------------------------|
| Opening value of plan assets  | 8.82                                | 3.29                                |
| Transfer (in/out) of plan assets                                    | -                                   | -                                   |
| Interest income   | 0.91                                | 0.53                                |
| Past service cost   | -                                   | -                                   |
| Return on plan assets excluding amounts included in interest income | (1.68)                              | (0.26)                              |
| Contributions by employer   | 5.00                                | 9.00                                |
| Benefits paid   | -                                   | (3.74)                              |
| <b>Closing value of plan assets</b>                                 | <b>13.05</b>                        | <b>8.82</b>                         |

(vi) Reconciliation of net defined benefit liability -

| Particulars  | For the year ended<br>March 31,2023 | For the year ended<br>March 31,2022 |
|--|-------------------------------------|-------------------------------------|
| Net opening provision in books of accounts                   | 46.80                               | 43.19                               |
| Transfer in/(out) of obligation                              | -                                   | -                                   |
| Transfer (in)/out of plan assets                             | -                                   | -                                   |
| Employee benefit expense                                     | -                                   | -                                   |
| Amounts recognized in Other Comprehensive (Income) / Expense | 2.44                                | (2.73)                              |
| Contributions by employer                                    | (5.00)                              | (9.00)                              |
| Benefits paid  | -                                   | -                                   |
| <b>Closing provision in the books of accounts</b>            | <b>60.93</b>                        | <b>46.80</b>                        |



As at year ended 31st March, 2023 (Amount in INR lakhs, unless otherwise stated)

**(vii) Bifurcation of liability as per Schedule III -**

| Particulars           | For the year ended<br>March 31,2023 | For the year ended<br>March 31,2022 |
|-----------------------|-------------------------------------|-------------------------------------|
| Current liability*    | 19.18                               | 11.90                               |
| Non current liability | 41.75                               | 34.89                               |
| <b>Net liability</b>  | <b>60.93</b>                        | <b>46.80</b>                        |

\*The current liability is calculated as expected contributions for the next 12 months.

**(viii) Break up of fair value of plan assets / composition of plan assets -**

| Particulars           | For the year ended<br>March 31,2023 | For the year ended<br>March 31,2022 |
|-----------------------|-------------------------------------|-------------------------------------|
| Policies of insurance | 100%                                | 100%                                |

**(ix) Principle actuarial assumptions -**

| Particulars                                | For the year ended<br>March 31,2023                                     | For the year ended<br>March 31,2022                                    |
|--|---|--|
| <b>(i) Economic assumptions:</b>           |   |  |
| Discount Rate                              | 7.45% p.a   | 7.00% p.a  |
| Salary Growth Rate                         | 6.00% p.a   | 6.00% p.a  |
| <b>(ii) Mortality Rates:</b>               | Indian Assured<br>Lives Mortality<br>(2012-14)                          | Indian Assured<br>Lives Mortality<br>(2012-14)                         |
| <b>(iii) Withdrawal Rates:</b>             | 5.00% p.a at<br>younger ages<br>reducing to 1.00%<br>p.a% at older ages | 5.00% p.a at<br>younger ages<br>reducing to 1.00%<br>p.a at older ages |
| <b>(iv) Rate of Return on Plan Assets:</b> | 7.45% p.a   | 7.00% p.a  |

**(x) Sensitivity to key assumptions -**

| Particulars                      | For the year ended<br>March 31,2023 | For the year ended<br>March 31,2022 |
|----------------------------------|-------------------------------------|-------------------------------------|
| <b>Discount rate Sensitivity</b> |                                     |                                     |
| Increase by 0.5%                 | 70.70                               | 53.04                               |
| (% change)                       | -4.44%                              | -4.64%                              |
| Decrease by 0.5%                 | 77.46                               | 58.40                               |
| (% change)                       | 4.70%                               | 5.00%                               |



As at year ended 31st March, 2023 (Amount in INR lakhs, unless otherwise stated)

| Particulars                               | For the year ended March 31,2023 | For the year ended March 31,2022 |
|---|----------------------------------|----------------------------------|
| <b>Salary growth rate Sensitivity</b>     |                                  |                                  |
| Increase by 0.5%                          | 77.01                            | 58.24                            |
| (% change)                                | 4.09%                            | 4.71%                            |
| Decrease by 0.5%                          | 70.93                            | 53.13                            |
| (% change)                                | -4.13%                           | -4.47%                           |
| <b>Withdrawal rate (W.R.) Sensitivity</b> |                                  |                                  |
| W.R. x 110%                               | 74.13                            | 55.68                            |
| (% change)                                | 0.20%                            | 0.11%                            |
| W.R. x 90%                                | 73.77                            | 55.55                            |
| (% change)                                | -0.29%                           | -0.12%                           |

**(xi) Break-up of defined benefit obligation -**

| Particulars  | For the year ended March 31,2023 | For the year ended March 31,2022 |
|--------------|----------------------------------|----------------------------------|
| Vested       | 54.90                            | 37.63                            |
| Non-vested   | 19.08                            | 17.99                            |
| <b>Total</b> | <b>73.98</b>                     | <b>55.62</b>                     |

**(xii) Age wise distribution of defined benefit obligation -**

| Age (in years)                      | Defined benefit Obligation | For the year ended March 31, 2022 |
|-------------------------------------|----------------------------|-----------------------------------|
| Less than 25                        | 0.26                       |                                   |
| 25 to 35                            | 6.96                       | 11.90                             |
| 35 to 45                            | 14.48                      | 34.89                             |
| 45 to 55                            | 37.70                      | 46.80                             |
| 55 & Above                          | 14.58                      |                                   |
| Accrued gratuity for Left Employees | 0.00                       |                                   |
| <b>Total</b>                        | <b>73.98</b>               |                                   |

**B) Sensitivity analysis**

**1) Description of methods used for sensitivity analysis and its limitations:**

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



As at year ended 31st March, 2023 (Amount in INR lakhs, unless otherwise stated)

- c) Sensitivity due to mortality is not material hence impact of change due to these is not calculated. Sensitivities as to rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable
- d) The Weighted Average Duration (Years) as at valuation date is 9.7 years.

**Description of Risk Exposures:**

The defined benefit plan is exposed to a number of risks, the most significant of which are detailed below:

- a) **Salary increases** - Actual salary increases will increase the plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability
- b) **Investment risk** - If plan is funded then assets/liabilities mismatch and actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability
- c) **Discount rate** - Reduction in discount rate in subsequent valuations can increase the plan's liability
- d) **Mortality and disability** - Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the liabilities
- e) **Withdrawals** - Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact plan's liability

**Note 34 : Disclosure in accordance with Ind AS 24 'Related Party Disclosures'**

**A. Names of related parties and nature of relationship**

| Sr. No. | Name of Related Party   | Nature of relationship   |
|---------|---|--|
| (a)     | <b>Associate company</b>  |  |
|         | Mukhi Industries Limited<br>Rubberwala Housing & Infrastructure Limited   |  |
| (b)     | <b>Key-management personnel (KMP)</b>   |  |
| (i)     | <b>Whole time directors</b>   |  |
|         | Parvez Shafee Ahmed Shaikh<br>Atikurraheman Daudbhai Mukhi<br>Amir Atikurrehman Mukhi<br>Humayun Shafi Ahmed Shaikh<br>Tabrez Shafiahmed Shaikh<br>Needa Altaf Mukhi (appointed w.e.f. 30.06.2022)<br>Mohammed Zahid Abdul Samad Mukhi (resigned w.e.f. 30.06.2022) | Chairman & Whole Time Director<br>Managing Director<br>Whole Time Director<br>Whole Time Director<br>Whole Time Director<br>Whole Time Director<br>Whole Time Director |



As at year ended 31st March, 2023 (Amount in INR lakhs, unless otherwise stated)

| Sr. No. | Name of Related Party                                  | Nature of relationship             |
|---------|--|------------------------------------|
| (ii)    | <b>Independent Non-executive Directors</b>             |                                    |
|         | Huzefa Dawood Ghadiali                                 | Independent Non-executive Director |
|         | Lucky Kulkarni (resigned w.e.f. 30.06.2022)            | Independent Non-executive Director |
|         | Siraj Umar Furniturewala                               | Independent Non-executive Director |
|         | Kiran Raghavendra Awasthi                              | Independent Non-executive Director |
|         | Rishang Sanjay Jain                                    | Independent Non-executive Director |
|         | Unmesh Breed   | Independent Non-executive Director |
|         | Arun Das (appointed w.e.f. 30.06.2022)                 | Independent Non-executive Director |
| (iii)   | <b>Chief Financial Officer &amp; Company Secretary</b> |                                    |
|         | Sanjay Kumar Samantaray                                | Chief Financial Officer            |
|         | Jay Mehul Bhansali (resigned w.e.f. 20.05.2022)        | Company Secretary                  |
|         | Khushbu Ashokkumar Bohra (appointed w.e.f. 21.05.2022) | Company Secretary                  |

#### B. Nature of transactions

| Sr. No. | Transactions with related parties                | Key management personnel |                | Associate Company |                |
|---------|--|--------------------------|----------------|-------------------|----------------|
|         |  | March 31, 2023           | March 31, 2022 | March 31, 2023    | March 31, 2022 |
| a)      | <b>Expenditure:</b>                              |                          |                |                   |                |
| (i)     | <b>Salary expense (including provident fund)</b> |                          |                |                   |                |
|         | Sanjay Kumar Samantaray                          | 42.12                    | 40.56          | -                 | -              |
|         | Ankit Kumar Jain                                 | -                        | 1.98           | -                 | -              |
|         | Jay Mehul Bhansali                               | 1.12                     | 3.83           | -                 | -              |
|         | Khushbu Ashokkumar Bohra                         | 6.33                     | -              | -                 | -              |
|         |  | <b>49.57</b>             | <b>46.37</b>   | -                 | -              |
| (ii)    | <b>Director's remuneration</b>                   |                          |                |                   |                |
|         | Parvez Shafee Ahmed Shaikh                       | 32.40                    | 31.20          | -                 | -              |
|         | Sufyan Abdul Razak Maknojia                      | -                        | 18.88          | -                 | -              |
|         | Tabrez Shafiahmed Shaikh                         | 32.40                    | 31.20          | -                 | -              |
|         | Atikurraheman Daudbhai Mukhi                     | 32.40                    | 31.20          | -                 | -              |
|         | Amir Atikurrehman Mukhi                          | 32.40                    | 30.00          | -                 | -              |
|         | Humayun Shafi Ahmed Shaikh                       | 32.40                    | 30.00          | -                 | -              |
|         | Mohammed Zahid Abdul Samad Mukhi                 | 8.10                     | 11.42          | -                 | -              |
|         | Needa Altaf Mukhi                                | 24.41                    | -              | -                 | -              |
|         |  | <b>194.51</b>            | <b>183.90</b>  | -                 | -              |
| (iii)   | <b>Director's sitting fees paid / payable</b>    |                          |                |                   |                |
|         | Huzefa Dawood Ghadiali                           | 1.25                     | 1.50           | -                 | -              |
|         | Lucky Kulkarni                                   | 0.25                     | 1.00           | -                 | -              |
|         | Siraj Umar Furniturewala                         | 1.00                     | 1.00           | -                 | -              |





As at year ended 31st March, 2023 (Amount in INR lakhs, unless otherwise stated)

| Sr. No.     | Transactions with related parties           | Key management personnel |                | Associate Company |                 |
|-------------|---|--------------------------|----------------|-------------------|-----------------|
|             |   | March 31, 2023           | March 31, 2022 | March 31, 2023    | March 31, 2022  |
|             | Kiran Raghavendra Awasthi                   | 1.25                     | 1.50           | -                 | -               |
|             | Rishang Sanjay Jain                         | 1.00                     | 1.25           | -                 | -               |
|             | Unmesh Breed                                | 1.25                     | 1.25           | -                 | -               |
|             | Arun Das                                    | 0.75                     | -              | -                 | -               |
|             |   | <b>6.75</b>              | <b>7.50</b>    | -                 | -               |
| <b>b)</b>   | <b>Borrowings:</b>                          |                          |                |                   |                 |
| <b>(i)</b>  | <b>Borrowings obtained</b>                  |                          |                |                   |                 |
|             | Tabrez Shafiahmed Shaikh                    | 320.00                   | 160.00         | -                 | -               |
|             | Amir Atikurrehman Mukhi                     | 13.00                    | 62.00          | -                 | -               |
|             | Atikurraheman Daudbhai Mukhi                | 123.00                   | 25.00          | -                 | -               |
|             | Humayun Shafi Ahmed Shaikh                  | 235.00                   | 205.00         | -                 | -               |
|             | Mohammed Zahid Abdul Samad Mukhi            | -                        | 50.00          | -                 | -               |
|             | Parvez Shafee Ahmed Shaikh                  | 339.00                   | 155.00         | -                 | -               |
|             | Mukhi Industries Limited                    | -                        | -              | -                 | 50.00           |
|             | Rubberwala Housing & Infrastructure Limited | -                        | -              | 60.00             | 52.50           |
|             |   | <b>1,030.00</b>          | <b>657.00</b>  | <b>60.00</b>      | <b>102.50</b>   |
| <b>(ii)</b> | <b>Borrowings repaid</b>                    |                          |                |                   |                 |
|             | Amir Atikurrehman Mukhi                     | 17.00                    | 33.00          | -                 | -               |
|             | Parvez Shafee Ahmed Shaikh                  | 81.50                    | 14.00          | -                 | -               |
|             | Atikurraheman Daudbhai Mukhi                | 73.00                    | -              | -                 | -               |
|             | Mohammed Zahid Abdul Samad Mukhi            | 50.00                    | -              | -                 | -               |
|             | Mukhi Industries Limited                    | -                        | -              | -                 | 26.57           |
|             | Rubberwala Housing & Infrastructure Limited | -                        | -              | 897.00            | 417.50          |
|             |   | <b>221.50</b>            | <b>47.00</b>   | <b>897.00</b>     | <b>444.07</b>   |
| <b>c)</b>   | <b>Outstanding balances:</b>                |                          |                |                   |                 |
| <b>(i)</b>  | <b>Borrowings</b>                           |                          |                |                   |                 |
|             | Tabrez Shafiahmed Shaikh                    | 480.00                   | 160.00         | -                 | -               |
|             | Amir Atikurrehman Mukhi                     | 25.00                    | 29.00          | -                 | -               |
|             | Atikurraheman Daudbhai Mukhi                | 75.00                    | 25.00          | -                 | -               |
|             | Humayun Shafi Ahmed Shaikh                  | 440.00                   | 205.00         | -                 | -               |
|             | Mohammed Zahid Abdul Samad Mukhi            | -                        | 50.00          | -                 | -               |
|             | Parvez Shafee Ahmed Shaikh                  | 398.50                   | 141.00         | -                 | -               |
|             | Mukhi Industries Limited                    | -                        | -              | 1,200.00          | <b>1,200.00</b> |
|             | Rubberwala Housing & Infrastructure Limited | -                        | -              | 64.42             | <b>901.42</b>   |
|             |   | <b>1,418.50</b>          | <b>610.00</b>  | <b>1,264.42</b>   | <b>2,101.42</b> |

**Notes:**

- (a) Related parties are identified by the Management and relied upon by the Auditors  
(b) Borrowings of the company are guaranteed by the personal guarantee of the directors



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- (c) For the year ended March 31, 2023, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (P.Y.- Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.
- (d) All related party transactions entered during the year were in ordinary course of the business and are made on terms equivalent to those prevailing in arm's length transaction.
- (e) Compensation to key managerial person does not include provisional gratuity liability valued by an actuary, as separate figures are not available"

### Note 35 : Financial Instruments : Accounting classifications and fair value measurements

#### (i) Accounting classifications

The fair values of the financial assets and liabilities are determined at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The carrying amounts of trade receivables, cash and cash equivalents, bank balances, short term deposits, trade payables, payables for acquisition of property, plant and equipment, short term loans from banks, financial institutions and other current financial assets and liabilities are considered to be the same as their fair values, due to their short-term nature.

#### (ii) Fair value measurements

**The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:**

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

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

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

**The following table presents carrying value and fair value of financial instruments by categories and also fair value hierarchy of assets and liabilities measured at fair value :**

**March 31, 2023**

| Particulars                     | Note | Non-Cur-<br>rent | Current       | Carrying<br>Value -Total | Classification |        |                   | Fair Value |         |               |
|---------------------------------|------|------------------|---------------|--------------------------|----------------|--------|-------------------|------------|---------|---------------|
|                                 |      |                  |               |                          | FVTPL          | FVTOCI | Amortised<br>Cost | Level-1    | Level-2 | Level-3       |
| <b>Financial Assets</b>         |      |                  |               |                          |                |        |                   |            |         |               |
| Investments in unlisted shares  | 7    | 2.25             | -             | 2.25                     | -              | -      | 2.25              | -          | -       | 2.25          |
| Other financial assets-deposits | 8    | 33.96            | 0.61          | 34.57                    | -              | -      | 34.57             | -          | -       | 34.57         |
| Trade receivables               | 11   | -                | 799.92        | 799.92                   | -              | -      | 799.92            | -          | -       | 799.92        |
| Cash and cash equivalents       | 12   | -                | 18.25         | 18.25                    | -              | -      | 18.25             | -          | -       | 18.25         |
| Bank balances                   | 13   | -                | 12.84         | 12.84                    | -              | -      | 12.84             | -          | -       | 12.84         |
| <b>Total</b>                    |      | <b>36.21</b>     | <b>831.62</b> | <b>867.83</b>            | -              | -      | <b>867.83</b>     | -          | -       | <b>867.83</b> |
| <b>Financial Liabilities</b>    |      |                  |               |                          |                |        |                   |            |         |               |
| Long term borrowings            | 18   | -                | -             | -                        | -              | -      | -                 | -          | -       | -             |



As at year ended 31st March, 2023 (Amount in INR lakhs, unless otherwise stated)

| Particulars                            | Note      | Non-Cur-<br>rent | Current         | Carrying<br>Value -Total | Classification |        |                   | Fair Value |         |                 |
|--|-----------|------------------|-----------------|--------------------------|----------------|--------|-------------------|------------|---------|-----------------|
|  |           |                  |                 |                          | FVTPL          | FVTOCI | Amortised<br>Cost | Level-1    | Level-2 | Level-3         |
| Short term borrow-<br>ings             | 18        | -                | 2,785.35        | 2,785.35                 | -              | -      | 2,785.35          | -          | -       | 2,785.35        |
| Trade payables                         | 22        | -                | 1,534.59        | 1,534.59                 | -              | -      | 1,534.59          | -          | -       | 1,534.59        |
| <b>Other financial<br/>liabilities</b> | <b>20</b> | <b>65.01</b>     | <b>65.45</b>    | <b>130.46</b>            | -              | -      | <b>130.46</b>     | -          | -       | <b>130.46</b>   |
| <b>Total</b>                           |           | <b>65.01</b>     | <b>4,385.39</b> | <b>4,450.40</b>          | -              | -      | <b>4,450.40</b>   | -          | -       | <b>4,450.40</b> |

**March 31, 2022**

| Particulars                              | Note      | Non-Cur-<br>rent | Current         | Carrying<br>Value -Total | Classification |        |                   | Fair Value |         |                 |
|--|-----------|------------------|-----------------|--------------------------|----------------|--------|-------------------|------------|---------|-----------------|
|  |           |                  |                 |                          | FVTPL          | FVTOCI | Amortised<br>Cost | Level-1    | Level-2 | Level-3         |
| <b>Financial Assets</b>                  |           |                  |                 |                          |                |        |                   |            |         |                 |
| Investments in un-<br>listed shares      | 7         | 2.25             | -               | 2.25                     | -              | -      | 2.25              | -          | -       | 2.25            |
| Other financial as-<br>sets-deposits     | 8         | 19.41            | -               | 19.41                    | -              | -      | 19.41             | -          | -       | 19.41           |
| Trade receivables                        | 11        | -                | 642.59          | 642.59                   | -              | -      | 642.59            | -          | -       | 642.59          |
| Cash and cash<br>equivalents             | 12        | -                | 19.39           | 19.39                    | -              | -      | 19.39             | -          | -       | 19.39           |
| Bank balances                            | 13        | -                | 12.14           | 12.14                    | -              | -      | 12.14             | -          | -       | 12.14           |
| <b>Total</b>                             |           | <b>21.66</b>     | <b>674.11</b>   | <b>695.77</b>            | -              | -      | <b>695.77</b>     | -          | -       | <b>695.77</b>   |
| <b>Financial Liabil-<br/>ities</b>       |           |                  |                 |                          |                |        |                   |            |         |                 |
| Long term borrow-<br>ings                | 18        | -                | -               | -                        | -              | -      | -                 | -          | -       | -               |
| Short term borrow-<br>ings               | 18        | -                | 2,721.42        | 2,721.42                 | -              | -      | 2,721.42          | -          | -       | 2,721.42        |
| Trade payables                           | 22        | -                | 1,464.02        | 1,464.02                 | -              | -      | 1,464.02          | -          | -       | 1,464.02        |
| <b>Other financial li-<br/>abilities</b> | <b>20</b> | -                | <b>167.51</b>   | <b>167.51</b>            | -              | -      | <b>167.51</b>     | -          | -       | <b>167.51</b>   |
| <b>Total</b>                             |           | -                | <b>4,352.96</b> | <b>4,352.96</b>          | -              | -      | <b>4,352.96</b>   | -          | -       | <b>4,352.96</b> |

**Note 36 : Financial Risk Management**

The Company is exposed to financial risks arising from its operations and the use of financial instruments. The Company has identified financial risks and categorised them in three parts viz.

- (i) Credit Risk,
- (ii) Liquidity Risk and
- (iii) Market Risk.

**Risk management framework**

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors are responsible for developing and monitoring the Company's risk management. The Company's risk management framework, are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are



As at year ended 31st March, 2023 (Amount in INR lakhs, unless otherwise stated)

reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

#### (i) Credit Risk

Credit risk refers to the possibility of a customer and other counterparties not meeting their obligations and terms and conditions which would result into financial losses. Such risk arises mainly from trade receivables, other receivables, loans and investments. The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- i) Actual or expected significant adverse changes in business,
- ii) Actual or expected significant changes in the operating results of the counterparty,
- iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
- iv) Significant increase in credit risk on other financial instruments of the same counterparty,
- v) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized as income in the statement of profit and loss. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables, loans and advances. The maximum exposure to credit risk in case of all the financial instruments covered below is restricted to their respective carrying amount."

#### a) Trade Receivables

i) As at March 31, 2023, the ageing of trade receivables that were not impaired was as follows:

| Particulars      | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|------------------|-------------------------|-------------------------|
| Not due          | 764.50                  | 298.95                  |
| 0-3 months       | 28.59                   | 343.64                  |
| 3-6 months       | -                       | -                       |
| 6-12 months      | 1.92                    | -                       |
| Beyond 12 months | 4.91                    | -                       |
| <b>Total</b>     | <b>799.92</b>           | <b>642.59</b>           |

Note -

The Management believes that the unimpaired amounts which are past due are fully collectible  
Financial Assets are considered to be of good quality and there is no significant increase in credit risk.



As at year ended 31st March, 2023 (Amount in INR lakhs, unless otherwise stated)

ii) **The movement in Provision for Doubtful Debts is as follows:**

| Particulars                         | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|-------------------------------------|-------------------------|-------------------------|
| Opening provision                   | 1,126.09                | 1,126.09                |
| Add: Provision made during the year | -                       | -                       |
| Less: Provision written back        | -                       | -                       |
| <b>Less: Provision reversed</b>     | -                       | -                       |
| <b>Closing provision</b>            | <b>1,126.09</b>         | <b>1,126.09</b>         |

iii) **Bad debts:**

| Particulars   | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|---|-------------------------|-------------------------|
| <b>Bad-debts recognised in statement of Profit and Loss a/c</b> | -                       | -                       |
| <b>Total</b>  | -                       | -                       |

Note -

Financial Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in Statement of Profit and Loss.

b) **Investments**

The Company invests its funds in unlisted equity shares of Banks which carry (no/low/high risk) for (short/long) duration and therefore (does/does not) expose the company to Credit risk. Such investment are made after reviewing creditworthiness and therefore (does/does not) expose the company to credit risk. Such investment are monitored on a regular basis.

c) **Loans and other financial assets**

Loans and other financial assets includes other receivables, loans given and esecurity deposits to customers. These loans and deposits were made in continuation of business related activities and are made after review as per companies policy.

d) **Cash and cash equivalents**

The cash and cash equivalents are held with banks with good credit ratings. Also, the Company invests its funds in bank fixed deposits and shares, which carry (no / low) market risks for shortduration and therefore, does not expose the Company to credit risk.

(ii) **Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Management monitors rolling forecasts of the Company's liquidity position and cash and acash equivalents ont he basis of expected cash flows. The Company takes into account the liquidity of the market in which the Company operates.



As at year ended 31st March, 2023 (Amount in INR lakhs, unless otherwise stated)

**a) Financing arrangements**

The Company has an adequate fund and non-fund based limits lines with various banks. The undrawn borrowing facilities at the end of the reporting period to which the Company had access is INR NIL ( P.Y.: NIL).

**b) Maturities of financial liabilities**

The amounts disclosed in the table are the contractual undiscounted cash flows

**As at March 31,2023**

| Particulars                             | Less than 1 year | 1 - 5 years | More than 5 year | Gross carrying amount (INR) |
|---|------------------|-------------|------------------|-----------------------------|
| Long term borrowings                    | -                | -           |                  | -                           |
| Short term borrowings                   | 2,785.35         |             |                  | 2,785.35                    |
| Current Maturity of Long Term Borrowing | -                |             |                  | -                           |
| Trade and other payables                | 1,534.59         |             |                  | 1,534.59                    |
| Other financial liabilities             | 130.46           | -           |                  | 130.46                      |
| <b>Total</b>                            | <b>4,450.40</b>  | -           | -                | <b>4,450.40</b>             |

**As at March 31,2022**

| Particulars                             | Less than 1 year | 1 - 5 years | More than 5 year | Gross carrying amount (INR) |
|---|------------------|-------------|------------------|-----------------------------|
| Long term borrowings                    | -                | -           |                  | -                           |
| Short term borrowings                   | 2,721.42         |             |                  | 2,721.42                    |
| Current Maturity of Long Term Borrowing | 100.00           |             |                  | 100.00                      |
| Trade and other payables                | 1,464.02         |             |                  | 1,464.02                    |
| Other financial liabilities             | 67.51            | -           |                  | 67.51                       |
| <b>Total</b>                            | <b>4,352.96</b>  | -           | -                | <b>4,352.96</b>             |

**(iii) Market Risk**

The risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market price. Market risk further comprises of

- (a) Currency risk;
- (b) Interest rate risk; and
- (c) Commodity risk.”

**a) Currency risk**

The Company is not exposed to any currency risk as the Company does not have any import payables, short term payables, short term borrowings and export receivables in foreign currency.



As at year ended 31st March, 2023 (Amount in INR lakhs, unless otherwise stated)

**b) 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. Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

The Management is responsible for the monitoring of the Company's interest rate position. Various variables are considered by the Management in structuring the Company's borrowings to achieve a reasonable, competitive, cost of funding.

**- Exposure to interest rate risk**

The Company's interest rate risk arises from borrowings. The interest rate profile of the Company's interest bearing financial instruments as reported to the Management of the Company is as follows:

| Particulars              | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|--------------------------|-------------------------|-------------------------|
| Fixed rate borrowings    | -                       | -                       |
| Variable rate borrowings | 2,785.35                | 2,821.42                |
| <b>Total</b>             | <b>2,785.35</b>         | <b>2,821.42</b>         |

**- Fair value sensitivity analysis for fixed-rate instruments**

The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

**- Fair value sensitivity analysis for variable-rate instruments**

| Particulars                               | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|---|-------------------------|-------------------------|
| Interest sensitivity                      |                         |                         |
| Interest rate increase by 50 basis points | -13.93                  | -14.11                  |
| Interest rate decrease by 50 basis points | 13.93                   | 14.11                   |

**b) Commodity risk**

**- Raw Material Risk**

Edible Oil - Timely availability and also non-availability of good quality base oils from across the globe could negate the qualitative and quantitative production of the various products of the Company. Volatility in prices of crude oil and base oil is another major risk for this segment. The Company procures base oils from various suppliers scattered in different parts of the world. The Company tries to enter into long term supply contracts with regular suppliers and at times buys the base oils on spot basis.



As at year ended 31st March, 2023 (Amount in INR lakhs, unless otherwise stated)

### - Capital Management

#### The Company's capital management objectives are:

- a) to ensure the Company's ability to continue as a going concern
- b) to provide an adequate return to shareholders"

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.

The Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

#### a) Debt Equity Ratio

The Company monitors capital using debt equity ratio. The Company's debt to equity ratios are as follows:

| Particulars                                     | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|---|-------------------------|-------------------------|
| Long term borrowings                            | -                       | -                       |
| Short term borrowings                           | 2,785.35                | 2,721.42                |
| Add: Current maturities of long term borrowings | -                       | 100.00                  |
| Add: Public Deposit                             | 65.32                   | 67.39                   |
| Total Borrowing                                 | 2,850.67                | 2,888.81                |
| Less: Cash and cash equivalents                 | -18.25                  | -19.39                  |
| Net Debt  | 2,832.42                | 2,869.43                |
| <b>Total Equity</b>                             | <b>-694.89</b>          | <b>-935.55</b>          |
| <b>Debt to Equity Ratio</b>                     | <b>(4.08)</b>           | <b>(3.07)</b>           |

#### b) Dividends

Dividends paid during the year

| Particulars        |                | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|--------------------|----------------|-------------------------|-------------------------|
| - Interim Dividend | Rate per Share | NIL                     | NIL                     |
|                    | Amount in INR  | NIL                     | NIL                     |
| - Final Dividend   | Rate per Share | NIL                     | NIL                     |
|                    | Amount in INR  | NIL                     | NIL                     |





As at year ended 31st March, 2023 (Amount in INR lakhs, unless otherwise stated)

**Note 37 : Disclosure of Ratios**

**a) Income Tax**

| Particulars                      | Numerator                      | Denominator                       | Measure (In times/percentage) | March 31, 2023 | March 31, 2022 | % of changes in Key Financial Ratios |
|----------------------------------|--------------------------------|-----------------------------------|-------------------------------|----------------|----------------|--------------------------------------|
| Current Ratio                    | Current Assets                 | Current Liabilities               | Times                         | 0.44           | 0.34           | 29.53                                |
| Debt-Equity Ratio                | Debt                           | Equity                            | Times                         | -4.01          | -2.91          | 37.80                                |
| Debt Service Coverage ratio      | EBIDTA                         | Closing debt service              | Times                         | 4.02           | 1.04           | 286.48                               |
| Return on Equity Ratio           | Profit after tax               | Closing shareholder's equity      | Percentage                    | -29.74         | -24.36         | 22.11                                |
| Inventory turnover ratio         | Cost of goods sold             | Closing inventory                 | Times                         | 16.84          | 17.47          | -3.61                                |
| Trade Receivables turnover ratio | Revenue from operations        | Closing current trade receivables | Times                         | 19.46          | 20.39          | -4.57                                |
| Trade Payables turnover ratio    | Cost of goods sold             | Closing trade payable             | Times                         | 8.04           | 8.54           | -5.83                                |
| Net Profit ratio                 | Profit after tax               | Revenue from operations           | Percentage                    | 1.73           | 2.19           | -21.19                               |
| Net Capital turnover ratio       | Revenue from operations        | Closing working capital           | times                         | -5.46          | -4.02          | 35.82                                |
| Return on Capital employed       | Profit before interest and tax | Closing capital employed          | Percentage                    | -46.77         | -31.74         | 47.36                                |

**\*EBIDTA - Earnings before Interest, Depreciation and Tax**

**Notes:**

- 1 Debt = Non-current borrowings + Current borrowings
- 2 Net worth = Paid-up share capital + Reserves created out of profit - Accumulated losses
- 3 EBIDTA = Earnings before Interest, Depreciation and Tax
- 4 Closing debt service = Finance costs + Principal repayment of long term borrowings within one year
- 5 Cost of goods sold = Cost of materials consumed + Purchase of stock-in-trade + Changes in inventories of finished goods, stock-in-trade and work-in-progress
- 6 Working Capital = Current assets - Current liabilities
- 7 Capital employed = Total equity + Non-current borrowings
- 8 Average shareholder's fund= (Opening total equity + closing total equity)/2

| Particulars                      | % Variance in ratio between March 31, 2023 and March 31, 2022 | Reason for Variance in excess of 25% |
|----------------------------------|---|--------------------------------------|
| Current Ratio                    | 29.53   | Due to increase in current assets    |
| Debt-Equity Ratio                | 37.80   | Due to increase in total debt        |
| Debt Service Coverage ratio      | 286.48  | Due to repayment of debts            |
| Return on Equity Ratio           | 22.11   | Refer Note below                     |
| Inventory turnover ratio         | -3.61   | Refer Note below                     |
| Trade Receivables turnover ratio | -4.57   | Refer Note below                     |



As at year ended 31st March, 2023 (Amount in INR lakhs, unless otherwise stated)

| Particulars                   | % Variance in ratio between March 31, 2023 and March 31, 2022 | Reason for Variance in excess of 25%  |
|-------------------------------|---|---|
| Trade Payables turnover ratio | -5.83   | Refer Note below  |
| Net Profit ratio              | -21.19  | Refer Note below  |
| Net Capital turnover ratio    | 35.82   | Due to increase in revenue from operation   |
| Return on Capital employed    | 47.36   | Due to increase in Profit before interest and tax and reduction in shareholder fund |
| Return on Investment          | NA  | NA  |

Note: Since the change in ratio is less than 25%, no explanation is required to be disclosed.

### Note 38 : Contingent liabilities and capital commitments

#### (A) Contingent liabilities (to the extent not provided for)

| Name of the statute      | Nature of dues | Amount in INR | Period to which the amount relates | Forum where dispute is pending |
|--------------------------|----------------|---------------|------------------------------------|--------------------------------|
| The Income Tax Act, 1961 | Income Tax     | 8.33          | F.Y 04-05                          | Honorable Supreme Court        |
| The Income Tax Act, 1961 | Income Tax     | 272.81        | F.Y 05-06                          | Honorable Supreme Court        |
| The Income Tax Act, 1961 | Income Tax     | 1,665.52      | F.Y 06-07                          | Honorable Supreme Court        |
| The Income Tax Act, 1961 | Income Tax     | 11,843.28     | F.Y 07-08                          | Honorable Supreme Court        |
| The Income Tax Act, 1961 | Income Tax     | 6,713.34      | F.Y 08-09                          | Honorable Supreme Court        |
| The Income Tax Act, 1961 | Income Tax     | 11,995.48     | F.Y 09-10                          | Honorable Supreme Court        |
| The Income Tax Act, 1961 | Income Tax     | 1,364.96      | F.Y 10-11                          | Honorable Supreme Court        |

| Name of the statute             | Nature of dues | Amount in INR | Period to which the amount relates | Forum where dispute is pending |
|---------------------------------|----------------|---------------|------------------------------------|--------------------------------|
| The Central Sales Tax Act, 1956 | VAT & CST      | 270.32        | F.Y. 05-06                         | Honorable Supreme Court        |
| The Central Sales Tax Act, 1956 | VAT & CST      | 828.92        | F.Y. 06-07                         | Honorable Supreme Court        |
| The Central Sales Tax Act, 1956 | VAT & CST      | 1,189.74      | F.Y. 07-08                         | Honorable Supreme Court        |
| The Central Sales Tax Act, 1956 | VAT & CST      | 714.85        | F.Y. 08-09                         | Honorable Supreme Court        |
| The Central Sales Tax Act, 1956 | VAT & CST      | 1,584.99      | F.Y. 09-10                         | Honorable Supreme Court        |
| The Central Sales Tax Act, 1956 | VAT & CST      | 1,047.66      | F.Y. 10-11                         | Honorable Supreme Court        |
| The Central Sales Tax Act, 1956 | VAT & CST      | 3,226.40      | F.Y. 11-12                         | Honorable Supreme Court        |
| The Central Sales Tax Act, 1956 | VAT & CST      | 1,231.85      | F.Y. 12-13                         | Honorable Supreme Court        |
| The Central Sales Tax Act, 1956 | VAT & CST      | 557.96        | F.Y. 13-14                         | Honorable Supreme Court        |
| The Central Sales Tax Act, 1956 | VAT & CST      | 402.39        | F.Y. 14-15                         | Honorable Supreme Court        |
| The Central Sales Tax Act, 1956 | VAT & CST      | 12.00         | F.Y. 15-16                         | Honorable Supreme Court        |
| The Central Sales Tax Act, 1956 | VAT & CST      | 399.58        | F.Y. 16-17                         | Honorable Supreme Court        |
| The Central Sales Tax Act, 1956 | VAT & CST      | 149.52        | F.Y. 17-18                         | Honorable Supreme Court        |

| Name of the statute    | Nature of dues | Amount in INR | Period to which the amount relates | Forum where dispute is pending |
|------------------------|----------------|---------------|------------------------------------|--------------------------------|
| E.P.F And MP Act, 1952 | Provident Fund | 60.86         | "F.Y 2009-10 to F.Y 2017-18"       | National Company Law Tribunal  |



As at year ended 31st March, 2023 (Amount in INR lakhs, unless otherwise stated)

**Note 1**

It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings as it is determinable only on receipt of judgements/decisions pending with various forums/authorities.

**Note 39 : Events after the reporting year**

There are no significant subsequent events that would require adjustment or disclosure in the financial statements as on balance sheet date.

**Note 40 : Segment Reporting**

As the Company's business activity falls within a single primary business segment "Edible Oil & Cakes" the disclosure requirement of Ind AS 108 "Operating Segment" are not applicable.

**Note 41 : Other Statutory Information**

- i) The Company does not have any Benami property, where any proceeding have been initiated or pending against the Company for holding any Benami property.
- ii) The Company does not have any transactions with companies struck off.
- iii) The Company has not entered into any scheme of arrangement which has an accounting impact on the current or previous financial period.
- iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the current or previous year.
- v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries); or
  - b. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries."
- vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - b. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries."
- vii) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- viii) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.



As at year ended 31st March, 2023 (Amount in INR lakhs, unless otherwise stated)

- ix) The Company has complied with the number of layers prescribed under the Companies Act, 2013.
- x) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory year.

**Note 42 :Other notes**

The previous year figures have been regrouped/reclassified wherever necessary to confirm the current year presentation.

As per our report of even date.  
For Kailash Chand Jain & Co.  
Chartered Accountants  
Firm Reg. No. 112318W

For and on Behalf of the Board of Raj Oil Mills Limited

**Saurabh Chouhan**  
**Partner**  
Membership no.167453  
Place: Mumbai  
Date: May 25, 2023

**Atikurraheman D. Mukhi**  
**Managing Director**  
DIN: 05191543

**Sanjay Samantaray**  
**Chief Financial Officer**

**Parvez Shafee Ahmed Shaikh**  
**Chairman**  
DIN: 00254202

**Khushbu Bohra**  
**Company Secretary**





**RAJ OIL MILLS LTD.**

Purity. Since 1943



Regd. Off.: 224, Bellasis Road, Mumbai - 400 008. CIN: L15142MH2001PLC133714

Corp. Off.: 205, Raheja Centre, 214, Free Press Journal Marg, Nariman Point, Mumbai - 400 021.

Factory : Ten Village (Manor), Taluka: Palghar, Dist.-Palghar(M.S), Pin-401 403.

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